



江西一脈陽光集團股份有限公司

Jiangxi Rimag Group Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code:2522.HK

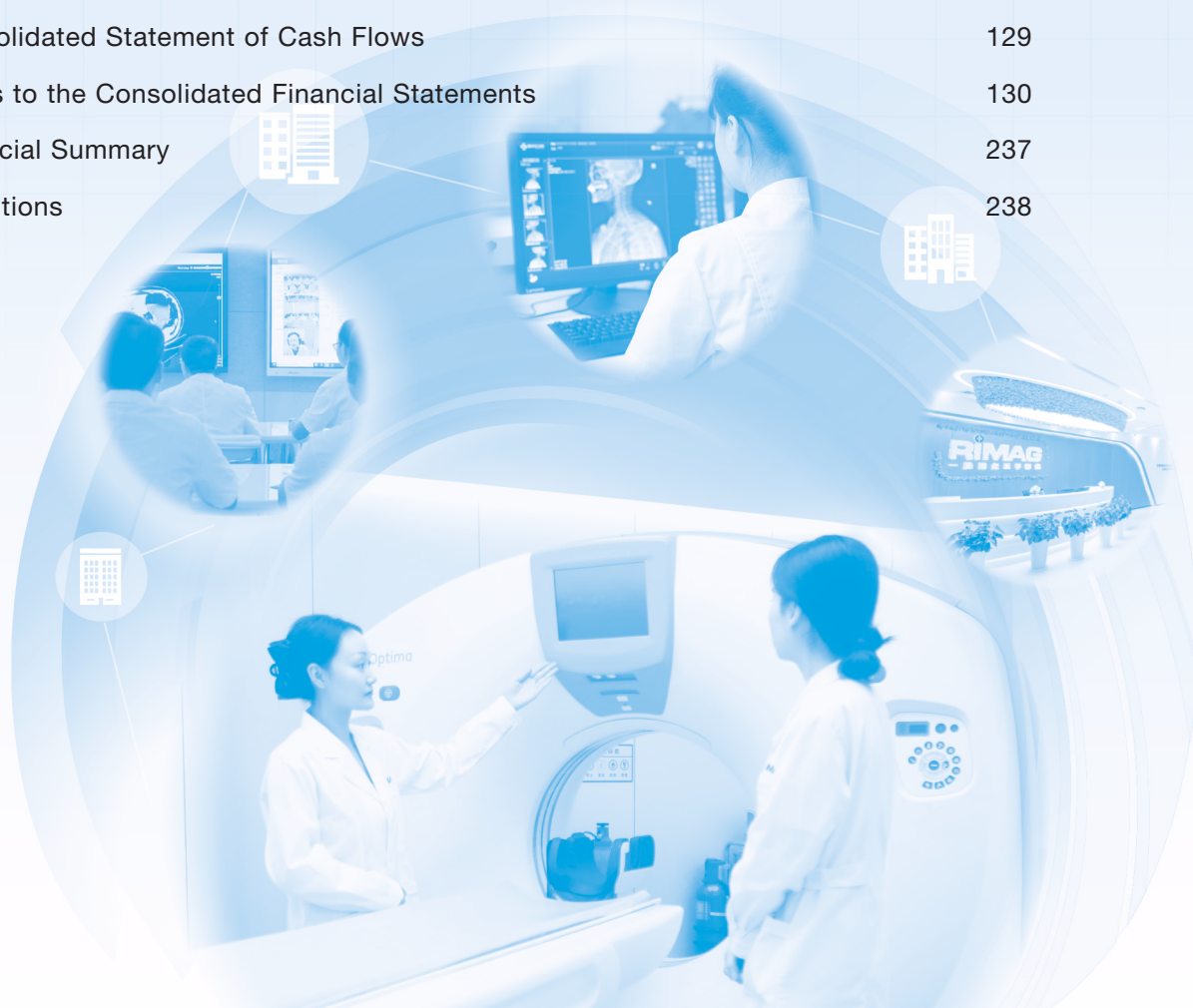
2024  
ANNUAL REPORT



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## Corporate Information

### BOARD OF DIRECTORS

#### Executive Directors

Mr. CHEN Zhaoyang (陳朝陽先生) (*Chairman*)  
Ms. HE Yingfei (何英飛女士)  
Mr. FENG Xie (馮勰先生)  
Mr. LI Feiyu (李飛宇先生)  
(*appointed on November 18, 2024*)  
Dr. XU ke (徐克博士) (*former Chairman*)  
(*retired on November 18, 2024*)

#### Non-executive Directors

Mr. LIU Senlin (劉森林先生)  
Mr. GUO Tao (郭濤先生)  
(*appointed on November 18, 2024*)  
Mr. MAO Xiaojun (毛曉軍先生)  
(*retired on November 18, 2024*)

#### Independent Non-executive Directors

Mr. WU Xiaohui (吳曉輝先生)  
Mr. LUO Yi (羅毅先生)  
Ms. CHEN Yifei (陳伊菲女士)  
(*appointed on November 18, 2024*)  
Mr. YUAN Jun (袁駿先生)  
(*retired on November 18, 2024*)

### JOINT COMPANY SECRETARIES

Ms. HE Yingfei (何英飛女士)  
Ms. ZHANG Xiao (張瀟女士)

### AUTHORIZED REPRESENTATIVES

Ms. HE Yingfei (何英飛女士)  
Ms. ZHANG Xiao (張瀟女士)

### SUPERVISORS

Mr. HUANG Junjie (黃俊傑先生) (*Chairman*)  
(*appointed on November 18, 2024*)  
Mr. XUE Yuansheng (薛源生先生)  
Dr. LIU Weiwei (劉魏偉博士)  
Mr. CHEN Guangwei (陳光偉先生)  
(*former Chairman*)  
(*retired on November 18, 2024*)

### AUDIT COMMITTEE

Mr. WU Xiaohui (吳曉輝先生) (*Chairman*)  
Mr. LIU Senlin (劉森林先生)  
Ms. CHEN Yifei (陳伊菲女士)

### REMUNERATION COMMITTEE

Mr. LUO Yi (羅毅先生) (*Chairman*)  
Ms. HE Yingfei (何英飛女士)  
Ms. CHEN Yifei (陳伊菲女士)

### NOMINATION COMMITTEE

Mr. CHEN Zhaoyang (陳朝陽先生) (*Chairman*)  
Mr. WU Xiaohui (吳曉輝先生)  
Mr. LUO Yi (羅毅先生)

### AUDITOR

PricewaterhouseCoopers  
*Certified Public Accountants*  
Registered Public Interest Entity Auditor  
22/F, Prince's Building  
Central  
Hong Kong

### REGISTERED OFFICE

Room 1002, 10th Floor, 10# Building  
Public R&D Centre  
Xinqi Zhoudong Avenue South  
Chinese Medicine Science and  
Technology Innovation City  
Ganjiang New District  
Jiangxi province, China



## Corporate Information

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN CHINA

Building 2, No. 2 Minzuyuan  
Minzuyuan Road  
Chaoyang District  
Beijing, China

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40/F, Dah Sing Financial Centre  
No. 248 Queen's Road East  
Wanchai  
Hong Kong

### PRINCIPAL BANK

China Construction Bank Corporation,  
Nanchang Branch  
No. 288 Hongdu North Avenue  
Donghu District  
Nanchang  
Jiangxi province, China

### COMPLIANCE ADVISOR

Red Sun Capital Limited  
Room 310, 3/F  
China Insurance Group Building  
141 Des Voeux Road Central  
Hong Kong

### HONG KONG LEGAL ADVISOR

Jingtian & Gongcheng LLP  
Suites 3203-3207, 32/F  
Edinburgh Tower, The Landmark  
15 Queen's Road Central  
Hong Kong

### H SHARE REGISTRAR

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

### STOCK CODE

H Share: 02522

### COMPANY WEBSITE

[www.rimag.com.cn](http://www.rimag.com.cn)



## Chairman's Statement

### LETTER TO ALL INVESTORS OF RIMAG

Dear Shareholders, investors and fellow members:

Through converting grayscale medical images into precise navigation for life and health, and with digital technology breaking through geographical restrictions and injecting new impetus into primary medical care, we fully recognize that Rimag is not only responsible for the physical connection of imaging equipment, but also shoulder the mission of the era of constructing China's refined imaging medical ecosystem. On the occasion of the release of the first annual report of Rimag, I would like to describe a spectacular history about the development of our medical imaging business through this letter sincerely, and express our confidence and enthusiasm for the future.



Since its inception, Rimag has focused on solving the problem of China's top-heavy medical resources. By building regional imaging sharing centers and specialized medical consortium, we have established 106 imaging centers across the country, providing services to over hundreds of millions of people in total. We use imaging as our core service to enable grassroots people to consult doctors and receive treatment at their doorsteps. In February 2025, the shared medical imaging diagnostic center of Suichuan County General Hospital successfully obtained a "one certificate for multiple locations" medical practice license covering six practice locations, namely, Suichuan County People's Hospital, Suichuan County Chinese Medicine Hospital, Suichuan County Maternal and Child Health Hospital and three township health centers. Underlying these achievements is not only the layout of equipment, but also the refined deployment of the "capillaries" of medical resources.

While fully expanding our market, we are also consolidating our professional operations to enhance the strength of our products. We are looking back upon the essence of the professional operation and development of medical imaging to improve each imaging center, as well as redefining the vitality of the flagship imaging centers. On this basis, the service paradigm of medical imaging in China will be defined under our promotion and can be recognized and accepted by society and the market. To this end, we are sorting out the comprehensive processes and systems to determine the details of procedures and various positions. At the same time, we are progressing on the refinement of the following 12 major aspects: development efforts with wide-coverage, a closed loop and two commanders of professional operations, the C/D/H (stands for Customer, Doctor and Hospital) flagship center marketization strategy, the management method of group procurement work, the management method of group maintenance work, the provincial and regional management model, the



## Chairman's Statement

cooperative relationship model with Shareholders, the management logic of the concentrated output of the medical professional team, the rationalization of the performance system, the rationalization of the product map, the rationalization of the brand and cultural work, and the planning and construction of large-scale business. These internal refining efforts provide a sound foundation for our outward development.

As the tides of the time advance, based on the foundation of “model innovation”, we have re-examined the way to use “technological innovation” to achieve our original medical goals. We believe that only by using standardization and digitalization can we further accelerate the process of universal access of medical imaging. Over the past ten years, we have accumulated a high-quality medical imaging database covering more than 200 diseases and over 10 million cases, with a daily average of 20,000 to 30,000 new structured data added, enabling us become one of the few companies in China that can achieve a closed loop of “data production – AI R&D – scenario training”. This capability is our core value redefined by the capital market after we were officially selected as a target of the Hong Kong Stock Connect on March 10, 2025 marking our transition from a technology service provider to a data asset operator.

The golden age of medical imaging belongs to the deep integration of data and AI. The “MIIA” (影禾覓芽) medical imaging base model jointly developed by us and Yinghe Medical (影禾醫脈) is the world's first full-modal and full-process base model, providing “base momentum” for the training of vertical AI products. More importantly, through open API interfaces, we have built a “technology + research + industry” ecosystem with business partners such as Huawei Cloud (華為雲), iFlytek Medical (訊飛醫療) and West China Hospital (華西醫院), enabling primary hospitals to call on tertiary diagnostic capabilities at a lower cost. This enhanced loop with increasingly smart capability not only reduces data demand by 60% and computing costs by 50%, but also makes our AI tools an “invisible bridge” for tiered diagnosis and treatment.

Under the favorable policy of the “Data Elements × Three-Year Action Plan”, we are accelerating the release of the commercial potential of data assets and making high-quality data a new profit engine through compliant circulation. Over the past ten years, Rimag has cleaned, organized, de-anonymized and standardized tens of millions of medical images, creating one of the medical imaging databases with the largest data volume, the fastest cumulative data growth rate, the widest population coverage and the most comprehensive disease types among single institutions in China. As a producer and manager of high-quality imaging data, we possess an updated and growing base of data, which continuously consolidates our strength for subsequent leaps in commercial value. In the meantime, we rely on 5G imaging cloud and mobile devices to achieve joint operations with Huawei and iFlytek, and expand the global market with the strategy of “Made in China + localized cooperation”. In the future, we will continue to deepen data standardization and rights confirmation and participate in the formulation of industry rules, thereby consolidating our “data moat”.



## Chairman's Statement

The ultimate value of medical innovation lies in universal access. Over the past three years, we have invested a total of RMB35.9 million in research and development, providing free medical services to 5,000 people in regions across the country, providing a cloud platform connecting to experts in Beijing, Shanghai, Guangzhou and Shenzhen for nearly 500 county-level hospitals, and initiating more than 1.23 million remote consultation services and cloud RIS services. These seemingly “non-financial” investments have resulted in patient satisfaction and a multiplier effect of creating RMB8.3 in social benefits for every RMB1 of medical insurance expenditure. We promise that all the profit in the future will be fed back into technological innovation and grassroots coverage, so that more lives can be benefited from medical equity.

After achieving rapid development in medical imaging services in China's vast grassroots markets through model innovation and technological innovation, as a Hong Kong-listed company, we also hope to leverage Hong Kong's advantage as a bridgehead connecting overseas markets to further deliver “China's medical service capabilities” overseas. In 2024, we have already undertaken some preliminary efforts in overseas markets. Our footprints have reached Africa, North Asia, East Asia, Southeast Asia, Israel and the Middle East. Our services have been implemented in Africa and Hong Kong and Macao in Greater China. Next, we will continue to cooperate with high-caliber local professionals to carry out our overseas business, rely on the highly cost-effectiveness of manufacturing in China and adopt a strategy of prioritizing service with moderate investment, in order to establish a solid position for us to become a medical imaging service organization with the widest coverage.

During the journey of ten years' development since its inception, Rimag has been grateful to our stakeholders for their continued support. While reviewing our business for the past year at this critical moment of transformation between new and traditional energy, what I want to do most is, together with all the members of the founding team, to sincerely thank all the employees, associates, business partners, Shareholders and all investors of Rimag. Without the construction of each imaging center by every diligent Rimag members in the past ten years, without the strong support of all Shareholders in the past ten years, and without the entire team arranging every detail of the Listing and overcoming every bottleneck with tremendous efforts in the past two years, it would be difficult for us to have the opportunity to transform the Company in the post-epidemic environment, to become a magnet for attracting resources in the field of public resources, to have a huge growth opportunity and to become the pioneer leading the medical imaging industry in the future. Thank you to all members and associates for your efforts, your unwavering support, your enlightening wisdom and perseverance for the Company's development. We will repay everyone's support with our active development and our remarkable achievements in the field of medical imaging.



## Chairman's Statement

At this moment, while I am looking at the map of China on the wall of my office, I feel a glimpse of hope for those areas that were once marked as “medical deserts” because of our existence. The light of hope will eventually reach far and wide, illuminating an era where there is no need to travel thousands of miles to seek medical treatment, an era where early diagnosis and treatment become the norm, and an era where everyone can enjoy dignified medical care.

The moat of Rimag's development not only originates from its scale and technology, but also from its deep insight into the essence of “data + healthcare”. We firmly believe that with the triple support of policies, technology and capital, the era of “new infrastructure” for medical imaging has arrived. Although the road of development has been long and difficult, I am fortunate to be able to embark on this expedition with you.

**Jiangxi Rimag Group Co., Ltd.**

江西一脈陽光集團股份有限公司

**Mr. CHEN Zhaoyang**

*Chairman of the Board, Executive Director  
and Chief Executive Officer*



## Financial and Business Highlights

### FINANCIAL HIGHLIGHTS

	Year ended December 31,		Year-on-year
	2024	2023	change
	RMB'000	RMB'000	
Revenue	760,591	928,914	-18.1%
Gross profit	277,332	332,597	-16.6%
(Loss)/profit for the year	(58,858)	36,574	-260.9%
(Loss)/profit for the year attributable to owners of the Company	(45,919)	44,415	-203.4%
<b>Non-IFRS Measures*:</b>			
EBITDA	165,247	252,940	-34.7%
Adjusted EBITDA	207,184	276,362	-25.0%
Adjusted net (loss)/profit	(16,921)	59,996	-128.2%

\* For more details, please see “Management Discussion and Analysis – Financial Review – Non-IFRS Measures”.

The decline in the Group's overall revenue and profit during the year was mainly due to (i) the combined impact of the fluctuations in the domestic macro-environment and the adjustment of order in the process of deepening reform in the medical industry. During the most severe period of macroeconomic slowdown and strict regulation in the medical industry, operators in the medical industry were cautious towards market-oriented economy, which led to the slowdown in the demand from medical institutions and the relevant bidding procedures, resulting in (among others) (a) the delivery of certain imaging solutions under the agreements entered into by the Group in 2024 being delayed to 2025; and (b) the delay in the commencement of operations of certain newly established imaging centers of the Group until 2025; and (ii) the increase in certain expenses incurred by the Company in 2024 in connection with the listing on the Stock Exchange in 2024. In the face of cyclical adjustments in the industry, we were determined to strategically and proactively optimize the pace of our business development. On the one hand, we have strategically adjusted the delivery cycle of certain imaging solutions to more accurately match customers' upgraded imaging needs in 2025. On the other hand, we have implemented meticulous preparations for the construction of new imaging centers to ensure high-quality operations during the industry window period in 2025. It is worth noting that with the continued release of favorable national policies on new medical infrastructure, the demand for equipment upgrades from medical institutions and the marketization of imaging services have rebounded significantly since the end of 2024, and the industry has entered a structural recovery trend. As a result, the Group's overall performance will resume a stable growth.



## Financial and Business Highlights

We have always promoted the dual circulation strategic layout with a global vision. We have consolidated our leading position in the main market of domestic medical care, as well as used Hong Kong and Macao as a bridgehead to expand overseas markets and create diversified growth drivers. By improving operational efficiency through digital innovation and relying on the intelligent budget management system to achieve full-chain cost optimization, we have continued to optimize management efficiency in key areas such as R&D innovation, supply chain collaboration and service upgrades. Currently, driven by the dual forces of new medical infrastructure and equipment iteration cycles, industry demand has returned to a steady growth track. Relying on its forward-looking product layout, internationalization strategy and refined management system, the Group has built up core competitiveness in the business cycle, further explored the value of medical imaging data and leveraged the function of artificial intelligence in the field of medical imaging diagnosis, laying a solid foundation for seizing development opportunities in the next stage.

### BUSINESS HIGHLIGHTS

As a leading medical group specialized in medical imaging in China, we are the only operator and manager of a medical imaging platform that provides diversified imaging services and value to the entire medical imaging industry chain in China. Since the beginning of 2024, we have made the following progress in our business:

- **Listing on the Stock Exchange.** On June 7, 2024, the H Shares of the Company were successfully listed on the Main Board of the Stock Exchange, making us the “first listed medical imaging services company in China (中國醫學影像服務第一股)”. In view of the uniqueness of the Group’s business model and its solid commercial barriers, the Group has raised a net proceed from the Global Offering amounting to approximately HK\$183.48 million. After successfully entering the capital market, the funds raised will continue to be used to expand its own imaging center network, seek strategic partnerships and investment opportunities along the industrial chain, and continue to consolidate its leading position in China’s third-party medical imaging services. At the same time, the Company will actively develop overseas business and focus on integrating its advantageous imaging solution services, thereby forming its core imaging service capabilities overseas to create new business growth drivers.



## Financial and Business Highlights

- **Continued expansion of medical imaging center network.** During the year ended December 31, 2024, we developed 18 new imaging center projects and promoted 17 imaging center projects into high-quality operation. As at December 31, 2024, our medical imaging center network has deeply covered 16 provinces, autonomous regions and municipalities in the PRC, with an aggregate of 106 imaging centers in operation, forming a scaled and centralized operation matrix. The Company has actively taken diversified measures, promoted the exploration of cooperation with quality social capital medical institutions, relied on industrial funds to deploy on potential markets, carried out in-depth capital cooperation with regional leading medical institutions, and simultaneously explored the expansion of the imaging centers through a combination of mergers and acquisitions, industrial fund incubation, etc. to achieve the continuous expansion and layout of the medical imaging center network. The Company has also continuously strengthened its industry barriers through the synergy effect of the ecosystem, thereby consolidating our leading position in the industry.
- **Technology and industry achievements.** During the year ended December 31, 2024, from the perspective of the Group's own strategic development and industry needs, we organized clinical experts and medical imaging experts to undertake the development of a series of standards for medical imaging examinations, and established the "Standard for the Naming and Coding of Medical Imaging Examination Items (《醫學影像檢查項目名稱及編碼標準》)" (the "**Standard**") to provide the basis for the standardization and unification of the Group's medical imaging data and to lay the foundation for the Group to achieve high quality development and value for data service. The Standard was reviewed by a team of national expert reviewers organized by the PMPH Research Institute (人衛研究院) and was formally released on January 1, 2024 and formally implemented on March 1, 2024.
- **A new era of overseas business development.** The Company established an overseas business department in 2024 and built a business expansion network covering Hong Kong, Macao, Southeast Asia, the Middle East, Africa and other regions. Through the trinity overseas model of "product + service + brand" and relying on the foundation of domestic advanced medical imaging products and its rich experience, the Company has successfully entered the first year of its business layout in overseas markets.



## Financial and Business Highlights

- **Creating a smart medical imaging ecosystem.** The Company has built a strategic technology foundation based on “exploring deep value of medical imaging big data combining with AI intelligent engine”, forming an innovative growth paradigm dually driven by “Data and AI”. We are building a new ecosystem covering data governance, intelligent analysis and clinical empowerment through the research and integration of AI solutions for the entire medical imaging chain. We are also promoting the construction of a collaborative innovation platform for industry, academia, research and application, as well as strategically cooperating with top medical institutions and industry chain partners. Based on the operation of data assets and supported by AI technology platforms, we will accelerate the digital transformation of the industry through collaborative innovation with ecosystem partners and realize a new ecosystem of medical imaging services and AI. In December 2024, Shanghai Yinghe Yimai Intelligent Technology Co., Ltd. (上海影禾醫脈智能科技有限公司) (“**Yinghe Yimai**”), a joint-stock company incubated by the Company, officially released the world’s first full-modal and full-process medical imaging Large Foundation Model, leading the medical imaging AI industry from the “1.0 era” of Single Disease Model to the “2.0 era” of Large Foundation Model.
- **Co-construction of medical industry ecosystem.** Focusing on the strategic goal of “co-building the medical industry ecosystem”, the Company has established an in-depth strategic cooperation with industry leaders by building a three-in-one innovative collaborative ecosystem of “technology + data + industry” with medical imaging as the core hub.





# Management Discussion and Analysis

## I. BUSINESS REVIEW

### Overview

As a leading medical group specialized in medical imaging in China, we are the only operator and manager of a medical imaging platform that provides diversified imaging services and value to the entire medical imaging industry chain in China. On June 7, 2024, the H Shares of the Company were successfully listed on the Main Board of the Stock Exchange, making us the “first listed medical imaging services company in China (中國醫學影像服務第一股)”. The net proceeds from the Global Offering amounted to approximately HK\$183.48 million.

We are always committed to center around medical imaging services, with the support of technology innovation and model innovation (such as the model of our regional collaborative imaging centers), to continuously consolidate our position as an industry integrator in China’s third-party medical imaging service platform. Our strategic implementation pathway has formed a complete value closed loop. Through the four-dimensional collaboration of “large-scale layout of imaging center network”, “refined operational capability output”, “release of data resource value” and “industry ecological platform empowerment”, we have built a differentiated competitive barrier covering 16 provinces across the country. We have built our service capability output through our three key business segments, namely medical imaging center services, imaging solution services and Rimag Cloud services, forming a two-way empowerment system for the vertical integration of medical resources and the upgrading of digital technology and reshaping the medical imaging industry landscape with data-driven innovation. Apart from standard medical imaging service options, we can also provide customized and menu-based imaging service packages to satisfy different pain points and needs of our customers, while we always maintain consistent underlying service strengths and ecosystem. In addition to the establishment of medical imaging centers in single locations, we are strengthening the creation of regional city-county-township imaging specialty medical alliances to form an effective pathway for large-scale expansion of the medical imaging industry.

Currently, we are strategically focusing on three major growth drivers: (1) expanding in-depth service projects with the public medical system and large-scale Internet hospitals; (2) deepening the commercial application of imaging big data in the field of clinical research and artificial intelligence; and (3) relying on the flexible imaging service module capabilities to work with industry chain partners to build a Chinese imaging service brand and achieve overseas expansion.

## Management Discussion and Analysis

Focusing on the strategic goal of “co-building the medical industry ecosystem”, the Company has established the in-depth strategic cooperation with industry leaders by building a three-in-one innovative collaborative ecosystem of “technology + data + industry” with medical imaging as the core hub:

In September 2024, we entered into a comprehensive cooperation agreement with Huawei Cloud Computing Technologies Co., Ltd. (華為雲計算技術有限公司) (“**Huawei Cloud**”), agreeing to jointly participate in government-level projects based on Huawei Cloud’s joint solutions in the form of project-based or investment (resource-based) operations; invest in the construction of regional medical imaging sharing centers in cities and counties (and subsequently gradually extend horizontally to electrocardiogram, testing, pathology and other centers); build and develop personal cloud imaging and personal electronic health records based on Huawei Cloud; jointly build a local + cloud architecture in-hospital smart medical service system based on Huawei Cloud, and build an in-hospital data middle platform (data asset management platform/scientific research platform); collaborate to expand overseas markets; Huawei Cloud to provide cloud infrastructure and computing resources to support medical image storage, cloud services, and the training, testing and deployment of AI models.

In October 2024, we entered into a strategic cooperation agreement with Lianren Health Big Data Technology Co., Ltd. (聯仁健康醫療大數據科技股份有限公司) (“**Lianren Health**”), agreeing to establish a comprehensive partnership in the fields of medical health and digital industry development, medical imaging center construction and regional specialized medical alliance informatization construction, to jointly promote the sharing of digital resource results, explore innovative service models for data elements, and promote the implementation of digital applications and industrial innovation and upgrading.

In July 2024, the Third Plenary Session of the National People’s Congress further proposed in the “Decision of the Chinese Central Government on Further Comprehensively Deepening Reform and Advancing Chinese-Style Modernization (《中共中央關於進一步全面深化改革推進中國式現代化的決定》)” to deepen the reform of the medical and healthcare system, promote the expansion and downward penetration and balanced regional layout of high-quality medical resources, accelerate the construction of a hierarchical diagnostic and treatment system, promote the construction of close-knit medical consortiums, and strengthen the medical and healthcare services for grassroots level. Such proposal further strengthened the Company’s strategic direction of developing its business by “deeply rooting in city and county-level administrative regions with relatively weak bases of hospital imaging, uneven development and high market shares”.

For the year ended December 31, 2024, we generated revenue of approximately RMB760.6 million, primarily from: (i) imaging center services; (ii) imaging solution services; and (iii) Rimag Cloud services.



## Management Discussion and Analysis

### Imaging Center Services

Our imaging center services aim to solve the pain points of medical imaging industry, achieve the empowerment and balanced distribution of quality medical imaging resources, and form a network of chain medical imaging centers. Our imaging center services include: (i) imaging examination and diagnostic services offered at our own imaging centers, among others; and (ii) operational management services offered to imaging centers of our business partners. We provide the foregoing services through four types of imaging centers, namely: (i) flagship imaging centers; (ii) regional collaborative imaging centers; (iii) specialized medical consortium imaging centers; and (iv) operational management imaging centers.

For the year ended December 31, 2024, our revenue generated from the imaging center services was approximately RMB605.7 million, representing a year-on-year decrease of 5.1% as compared to approximately RMB638.1 million for the year ended December 31, 2023, mainly due to the delay in the commencement of operations of certain newly established imaging centers of the Group until 2025.

On the whole, our revenue from the core imaging center services remained relatively stable. The Company still maintained solid business fundamentals and continued to expand the development of new projects even in the face of the continued downward trend in the overall macro-economy in 2024 and the impact of the macroeconomic slowdown and the tight regulatory environment in the healthcare industry. In the face of cyclical adjustments in the industry, we were determined to strategically and proactively optimize the pace of our business development. We have implemented meticulous preparations for the construction of new imaging centers to ensure high-quality operations during the industry window period in 2025. It is worth noting that with the continued release of favorable national policies on new medical infrastructure, the demand for equipment upgrades from medical institutions and the marketization of imaging services have rebounded significantly since the end of 2024, and the industry has entered a structural recovery trend. As a result, the Group's overall performance will resume a stable growth. Similarly, currently driven by the dual forces of new medical infrastructure and equipment iteration cycles, industry demand has returned to a steady growth track, and we are committed to continuously exploring ways to diversify the business expansion of our imaging centers and the diversification of our partners. In addition to carrying out cooperation with public hospitals for the development of imaging center business, we have actively explored cooperation with high-quality social capital medical institutions for imaging center business. Besides, in addition to building our own imaging centers, we have actively promoted the expansion of the layout and construction of the medical imaging center network through various measures such as investment, mergers and acquisitions and industrial fund incubation.



## Management Discussion and Analysis

In June 2024, we again successfully replicated the “Xinyu medical imaging sharing center model” by completing the development and operation of the shared medical imaging diagnostic center of Suichuan County General Hospital, which adopts the model of “centralized imaging diagnosis + distributed equipment placement”. With the Department of Medical Imaging of the Branch of the People’s Hospital of Suichuan County General Hospital as the core center, and connecting with the Picture Archive and Communication System (PACS) of the Chinese Medicine Department of the General Hospital, the Gynaecological and Child Health Department of General Hospital and Lower-level Health Departments, the model has realized the cross-hospital and cross-regional transmission and sharing of imaging data, so as to form a close medical community and break the service boundary of imaging doctors serving hospitals. As such, a sharing platform was formed for medical imaging doctors in Suichuan region, which realizes the output of homogeneous treatment level of medical institutions in the region, and achieves the interconnection and mutual recognition of imaging diagnosis results in the whole region.

In 2024, we successively completed the renewal for the second phase cooperation of imaging centers, including 3 specialized medical consortium imaging centers (i.e. the specialized medical consortium project of Caochang Township Health Center in Fenyi County, Xinyu City, Jiangxi Province, the specialized medical consortium project of Dongcun Township Health Center in Fenyi County, Xinyu City, Jiangxi Province, and the specialized medical consortium project of Shuanglin Town Central Health Center in Fenyi County, Xinyu City, Jiangxi Province) and 1 operational management imaging center (i.e., the operational management imaging center project of Jinxi Traditional Chinese Medicine Hospital in Fuzhou City, Jiangxi Province).

During the year ended December 31, 2024, we continued to expand and develop our imaging center services in China and reinforced our leading market position as follows:

- A. **Developed projects.** During the year ended December 31, 2024, we newly developed 18 imaging centers (based on the signing of agreements), comprising 2 regional collaborative imaging centers, 12 specialized medical consortium imaging centers and 4 operational management imaging centers; we also renewed 4 existing projects upon their expiration, including 3 specialized medical consortium imaging centers (i.e., the specialized medical consortium project of Caochang Township Health Center in Fenyi County, Xinyu, Jiangxi Province; Dongcun Township Health Center in Fenyi County, Xinyu, Jiangxi Province; and Shuanglin Town Central Health Center in Fenyi County, Xinyu, Jiangxi Province) and 1 operational management imaging center (i.e., the operational management imaging center project of Jinxi Traditional Chinese Medicine Hospital in Fuzhou City, Jiangxi Province). As at December 31, 2024, our Company had developed a total number of 118 imaging centers, comprising 9 flagship imaging centers, 27 regional collaborative imaging centers, 65 specialized medical consortium imaging centers and 17 operational management imaging centers.





## Management Discussion and Analysis

- B. **Operated projects.** During the year ended December 31, 2024, we commenced the operation of 17 imaging centers (based on the signing of operation confirmation letters), comprising 1 regional collaborative imaging center, 9 specialized medical consortium imaging centers and 7 operational management imaging centers. As at December 31, 2024, our Company operated a total number of 106 imaging centers, comprising 9 flagship imaging centers, 25 regional collaborative imaging centers, 55 specialized medical consortium imaging centers and 17 operational management imaging centers, with a total of 33 practicing licenses for medical institution.

Under the premise of having a nation-wide layout of business network, we always target to align the enhancement of our professional medical imaging service capabilities with the expansion of our business operations. As at December 31, 2024, we have made the following improvements in our professional medical imaging service capabilities:

- A. The Group continuously held internal professional training courses for medical imaging specialties. The Group conducted 112 regular training courses, covering topics such as radiology, ultrasound, nuclear medicine and nursing, as well as the application of various disciplines. Each imaging center strengthened its professional capabilities from its own perspective. In addition to regular courses with pre-determined subjects, the Group's Imaging Academy also coordinated interest courses in three dimensions: conducting 16 sub-specialty discipline training sessions by inviting top experts in the industry to give lectures to help physicians, technicians and nursing staff broaden their professional knowledge and improve their professional level, covering 1,489 person-times in a total of 89 sessions; conducting 150 imaging technology application training sessions by providing one-on-one instructional training on the use of imaging technology, to accurately improve the professional skills of frontline medical technicians; conducting 8 phases of medical imaging leadership training to cultivate leaders in medical imaging center management through management oriented training and create all-round department directors with professionalism management.

## Management Discussion and Analysis

- B. Disease-specific imaging examinations and imaging specialties technology with the brand mark of Rimag continued to develop and create high net value income for the Group, forming a unique and innovative path for the Group's professional operation and development. Through preliminary attempts, the Group launched disease-specific imaging examinations for scoliosis, cardiovascular and cerebrovascular diseases, Alzheimer's disease, rectal cancer staging, and arterial plaque screening (vascular high-resolution) in the first phase, and successfully joined the "China AD Preclinical Alliance (中國AD臨床前期聯盟)", realizing the linkage resource circulation between authoritative medical organizations and the Group's imaging centers in the clinical research on aging diseases in China; launched multiple imaging specialty technologies, such as MR examination of temporomandibular joints, MR scanning of breast + dynamic enhancement scanning, ultrasound of muscles and bones, MR scanning of cranial nerves, and CT examination of stomach and small intestines.
- C. Continued to maintain the academic communication between radiologists and clinicians. Our imaging centers continued to communicate with clinicians to deliver new technologies and examinations, and organized a total of 612 clinical academic conferences. Through the communication and knowledge transfer between imaging centers and clinicians, based on high-quality imaging, we helped clinicians set up specialty clinics (such as brain health specialty clinics, lung nodule specialty clinics, carotid plaque specialty clinics, etc.) to develop key clinical specialties and enhance the overall diagnostic and treatment technology and academic development of hospitals.
- D. Emphasized the cultivation and reserve of the Group's professional talents. We always value the cultivation of new force and the reserve of professional talents. The Group's Imaging Academy focused on promoting cooperation with medical colleges and universities in respect of apprenticeship, internship and directed training and employment, the establishment of training bases, and the research and development cooperation with college expert teams in the area of artificial intelligence, and achieved multi-dimensional cooperation with 49 institutions.



## Management Discussion and Analysis

### Imaging Solution Services

Our imaging solution services primarily include: (i) equipment selection and configuration; (ii) infrastructure renovation services; (iii) training services; (iv) repair and maintenance services; and (v) Rimag Cloud platform-related services. We generally offer our service modules, primarily including: equipment selection and configuration services, infrastructure renovation services, and training services, as equipment-centered one-stop solution packages to our customers. Customers are also able to purchase separate service modules, such as repair and maintenance services, from us. Our goal is to enhance our customers' ability to serve patients through our imaging empowering solutions, realizing that "using a good equipment is more important than buying a good equipment".

During the year ended December 31, 2024, our revenue generated from the imaging solution services was approximately RMB137.6 million, of which RMB9.5 million was generated from overseas business expanded by our overseas business department, representing a year-on-year decrease of 50.6% as compared to approximately RMB278.4 million for the year ended December 31, 2023, mainly due to the delivery of certain imaging solutions under the agreements entered into by the Group in 2024 being delayed to 2025 because of equipment issues and site renovation.

The decline in revenue from imaging solution services was mainly due to the continued strong regulatory influence on the medical industry policy environment, which resulted in the Group's delivery of certain imaging solutions under agreements entered into in 2024 being delayed to 2025, resulting in a decrease in revenue from imaging solution services. At the end of the year, on the backdrop of the release of market funds and advantageous policies and innovation-driven development, as well as driven by the demand for equipment upgrades by medical institutions and advantageous policies, the medical equipment procurement landscape gradually returned to normal. In response to the slowdown in demand in the overall medical industry, we have also actively explored various ways of industry collaboration to inject new drives for enhancing revenue from imaging solution services. In November 2024, we acquired certain equity interest in Shanghai Ronggongshe Fanghou Technology Limited (上海融公社芳侯科技有限公司) ("**Shanghai Ronggongshe**"). Capitalizing on the innovative financial technology platform of Shanghai Ronggongshe for the medical industry and its independently developed medical supply chain SaaS system, we deeply embedded it into the medical device distribution chain, covering core nodes such as platform providers and financial institutions, thereby building a bridge between medical device manufacturers and platform providers, broadening the Company's business development channels with an impact on solution services, and forming a strong synergy with the Company's imaging solution services.

## Management Discussion and Analysis

### Rimag Cloud Services

Our Rimag Cloud platform is designed with reference to the whole process and features step-by-step R&D in a modular manner. Our Rimag Cloud services help medical institutions reduce labor costs, standardize workflow procedures, and realize data-driven management, thereby improving the service capabilities of these medical institutions and the medical experience of their patients. Our Rimag Cloud platform is composed of various modules. The modules of our commercialized Rimag Cloud platform mainly include: (i) medical imaging workflow modules; and (ii) operational management modules.

As of December 31, 2024, we had 95 software copyright certificates and 2 medical device registration certificates relating to the Rimag Cloud platform, and obtained 1 invention patent and had 4 invention patent applications under review.

Our revenue generated from the Rimag Cloud services for the year ended December 31, 2024 was approximately RMB17.3 million, representing an increase of 38.8% as compared to approximately RMB12.5 million for the year ended December 31, 2023. The increase in revenue was mainly due to our layout of building a “smart medical imaging ecosystem”, which is based on providing data annotation services and gradually promoting the application and commercialization of data assets. The Company is currently actively promoting the registration of medical imaging data resources and the listing of imaging data assets on data exchanges. With data mining and medical imaging AI as core engines, we have accelerated the construction of an innovative ecosystem on open and shared medical imaging. In June 2024, we completed the signing of medical imaging cloud platform service agreements with nine hospitals directly under the Xiangtan Municipal Government, completing our first full-domain medical imaging cloud platform service unified project. We will provide medical imaging cloud platform services to the nine hospitals in terms of data collection and data management system, imaging cloud platform, regional imaging data mutual recognition system, regional mutual recognition supervision system, medical imaging quality control system, remote consultation system, AI integrated auxiliary diagnosis system, and remote teaching and training system. We will build an interconnected network in Xiangtan City to achieve interconnection of imaging data of local medical institutions, promote the establishment of local unified imaging data standards, quality evaluation and value assessment systems, and assist in the implementation of local tiered diagnosis and treatment through functions such as remote diagnosis and cloud storage. In December 2024, Yinghe Yimai, a joint-stock company incubated by the Company, officially released the world’s first full-modal and full-process medical imaging Large Foundation Model, leading the medical imaging AI industry from the “1.0 era” of Single Disease Model to the “2.0 era” of Large Foundation Model, which have the characteristics of multimodal data fusion, short production cycle and low cost. The model has been registered with the Cyberspace Administration of China for service algorithms with deep synthesis (file number: 310105008143801240013).





## Management Discussion and Analysis

### Overseas Business Department

Faced with the temporary pressure of slowing market demand and intensified industry competition in the domestic medical industry, the Company has actively promoted strategic transformation and accelerated the deployment of overseas markets. Based on its deep insights into the trend of global medical resource allocation, the Company established an overseas business department in 2024 and built a business expansion network covering Hong Kong, Macao, Southeast Asia, the Middle East, Africa and other regions. Through the trinity overseas model of “product + service + brand” and relying on the foundation of domestic advanced medical imaging products and its rich experience, the Company has successfully entered the first year of its business layout in overseas markets. In December 2024, we established a joint venture, Rimag-EC Medical Technology Co., Ltd., with EC Healthcare (醫思健康), a listed company in Hong Kong, to jointly explore the supply chain platform of medical technology. The Company will uphold a long-term mindset and continue to deepen its overseas market layout. We hope to better serve overseas customers and benefit more patients through imaging technology-enabled service output, the construction of medical device supply chain platform and imaging service exchanges. We firmly believe that with a long-term strategic vision and solid business advancement, the Company will gradually realize its beautiful vision of “focusing on global resources to make health borderless”.

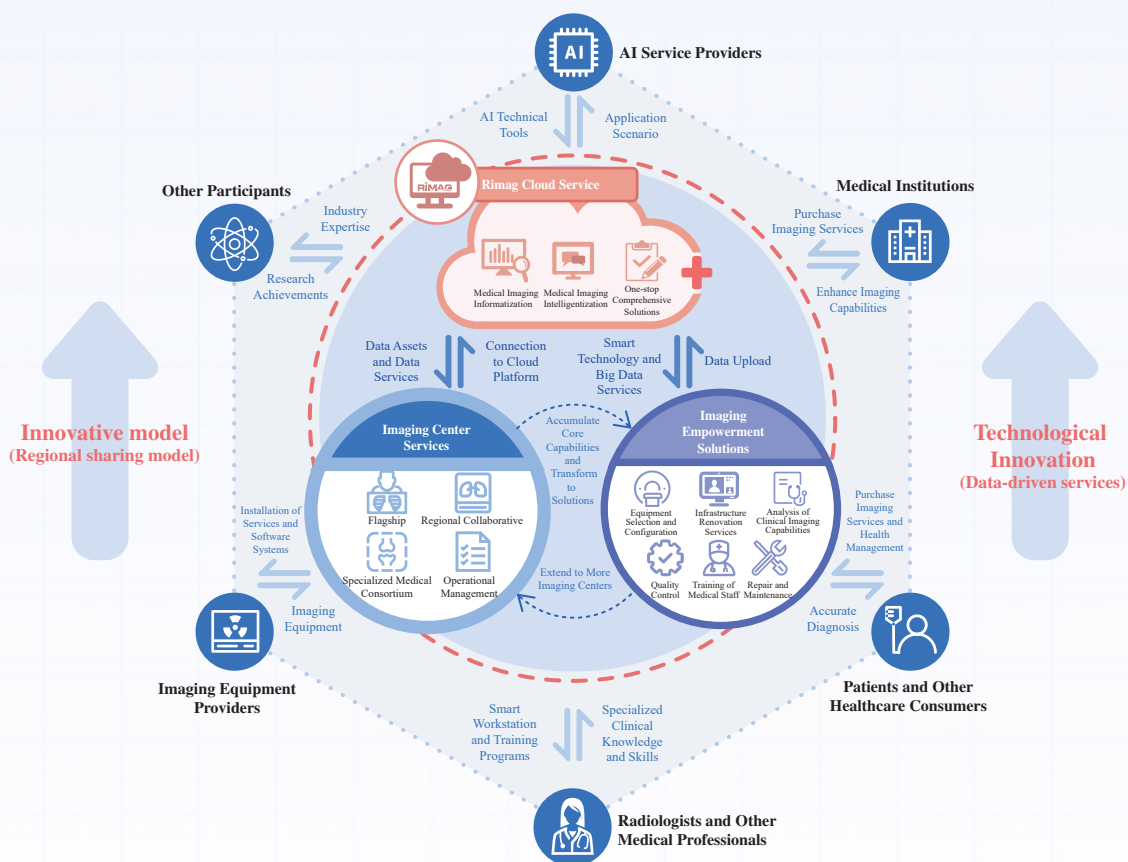
### Integrated One-Stop Ecosystem Platform Centered around Our Three Key Business Segments

We build our service capability output through three parts of our business, namely imaging center services, imaging solution services and Rimag Cloud services, the three of which are mutually supportive and transformative. Targeting different pain points and needs of our customers, we can provide different service packages to satisfy their needs. These three core businesses form a one-stop ecosystem platform, making it link the different participants, and we enable each role in this ecosystem platform to gain their own value embodiment or value interaction.

## Management Discussion and Analysis

The following diagram illustrates the integrated one-stop ecosystem platform centered around our three key business segments:

### Three core businesses of the Company form a one-stop ecosystem connecting different participants





## Management Discussion and Analysis

### Forming a Unique Ecological Closed-Loop Application in Medical Imaging AI Industry Integrating Data, Algorithm and Scenario

Based on the one-stop ecosystem platform formed by the three core businesses, Rimag has taken the lead in opening up the core pathway for the commercialization of medical imaging AI by building a full-link closed-loop ecosystem from its own imaging center network to AI large model applications. Its value lies in the deep integration of high-quality data production entry at the physical level, model training at the technical level and scenario implementation at the application level, forming a complete AI industry closed-loop of “data, large model and application”, thereby shaping the exemplary paradigm of “AI combining with medical” in industrial application.

At the physical level, the nationwide network of imaging centers is both a natural entry point for acquiring massive amounts of imaging data and a terminal scenario for the implementation of AI products. This “integration of data and scenario” structure solves the problem of data silos and fragmented application scenarios that the medical AI industry has long faced.

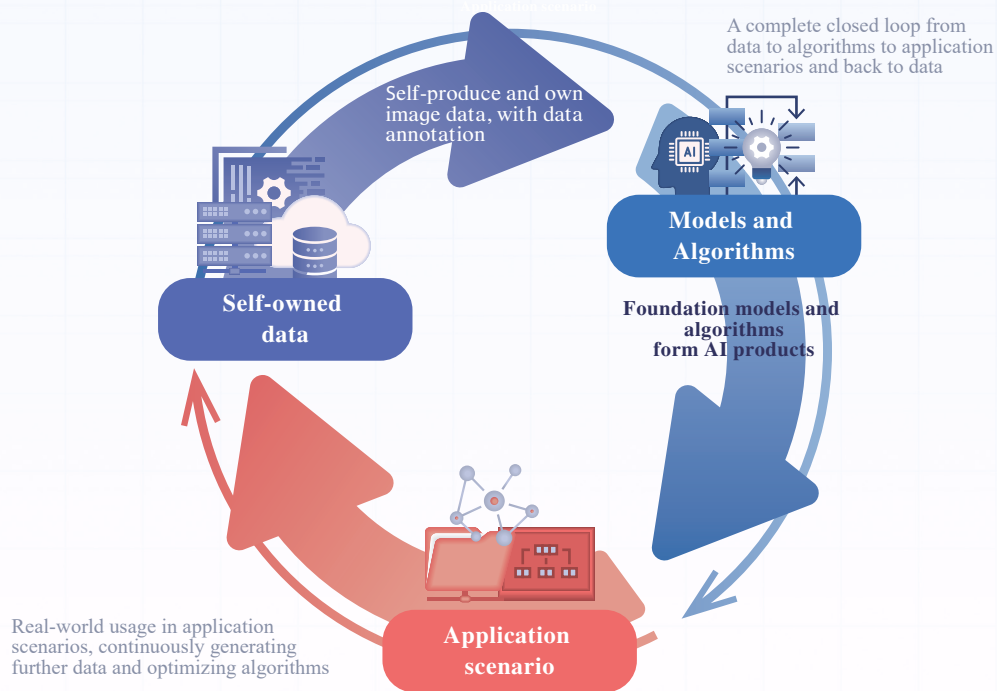
At the data level, based on the Company’s nationwide network of 106 medical imaging centers, an average of 20,000 to 30,000 cases of standardized medical imaging data are generated and accumulated every day. The high-quality structured imaging data set that has been cleaned, organized and being not subjected to privacy is formed by relying on standardized imaging data and a unified quality control system. This provides fuel for training medical imaging Large Foundation Model with clinical practicality. Compared with open source data, this specialized disease data set that has undergone strict quality control has higher labeling accuracy and clinical consistency, and can break through the generalization bottleneck of traditional AI models caused by data noise, thus truly unleashing the deep value of imaging data assets.

At the AI model level, through the world’s first full-modal and full-process medical imaging Large Foundation Model and the open medical imaging AI research platform independently developed by Yinghe Yimai, a “smart manufacturing factory”, a complete medical imaging AI system, has been established, enabling the medical imaging AI industry to transform from the “1.0 era” of Single Disease Model to the “2.0 era” of Large Foundation Model.

## Management Discussion and Analysis

At the application level, the medical institutions covered by the Company's imaging center network, imaging solution services and Rimag Cloud services are the most direct users of the Company's medical imaging AI products. The application of medical imaging AI in imaging diagnosis can greatly improve the diagnostic capabilities and efficiency of medical institutions, while reducing the cost investment in basic imaging doctors. The Large Foundation Model, which is continuously iterated based on real-scenario data, continuously optimizes diagnostic accuracy through an adaptive learning mechanism, and feeds back to the imaging center's intelligent film reading system, auxiliary diagnostic tools and other application modules, forming an enhanced closed-loop of "data feeding model, model optimization service and service generating new data".

The following chart shows the ecological closed-loop of medical imaging AI industry application centered around data, large model and application scenario:





## Management Discussion and Analysis

### II. 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 annual report.

During the year ended December 31, 2024, the overall business of the Group achieved stable development, with recorded revenue of approximately RMB760.6 million.

#### Revenue

During the year ended December 31, 2024, we generated revenue primarily from three business lines, namely: (i) imaging center services; (ii) imaging solution services; and (iii) Rimag Cloud services. The following table sets forth the components of our revenue for the periods indicated:

		Year ended December 31,	
		2024 RMB'000	2023 RMB'000
Imaging center services	Satisfaction of performance obligation		
– Flagship imaging centers	Point in time	121,021	133,454
– Regional collaborative imaging centers	Point in time	345,447	355,379
– Specialized medical consortium imaging centers	Overtime	99,567	109,638
– Operational management imaging centers	Overtime	39,684	39,603
		605,719	638,074
Imaging solution services			
– Imaging equipment solutions	Point in time	130,235	277,671
– Equipment maintenance services	Overtime	7,330	701
		137,565	278,372
Rimag Cloud services			
– Cloud platform services	Overtime	13,307	12,468
– Sales of software	Point in time	4,000	–
		17,307	12,468
		760,591	928,914

## Management Discussion and Analysis

During the year ended December 31, 2024, the Group's revenue was approximately RMB760.6 million, representing a year-on-year decrease of 18.1% as compared to approximately RMB928.9 million for the year ended December 31, 2023.

The decline in the Group's overall revenue during the year was mainly due to the combined impact of the fluctuations in the domestic macro-environment and the adjustment of order in the process of deepening reform in the medical industry. During the most severe period of macroeconomic slowdown and strict regulation in the medical industry, operators in the medical industry were cautious towards market-oriented economy, which led to the slowdown in the demand from medical institutions and the relevant bidding procedures, resulting in (among others) (a) the delivery of certain imaging solutions under the agreements entered into by the Group in 2024 being delayed to 2025; and (b) the delay in the commencement of operations of certain newly established imaging centers of the Group until 2025.

In the face of cyclical adjustments in the industry, we were determined to strategically and proactively optimize the pace of our business development. On the one hand, we have strategically adjusted the delivery cycle of certain imaging solutions to more accurately match customers' upgraded imaging needs in 2025. On the other hand, we have implemented meticulous preparations for the construction of new imaging centers to ensure high-quality operations during the industry window period in 2025. It is worth noting that with the continued release of favorable national policies on new medical infrastructure, the demand for equipment upgrades from medical institutions and the marketization of imaging services have rebounded significantly since the end of 2024, and the industry has entered a structural recovery trend. As a result, the Group's overall performance will resume a stable growth.

### Cost of Sales

During the year ended December 31, 2024, our cost of sales primarily consisted of trading medical equipment, employee benefit expenses and depreciation of property, plant and equipment. The Group's cost of sales for the year ended December 31, 2024 was approximately RMB483.3 million, representing a decrease of 19.0% as compared to approximately RMB596.3 million for the year ended December 31, 2023. The decrease was primarily attributable to the delay in the delivery of imaging solution services, which resulted in a decrease in sales revenue recognition and a corresponding decrease in cost of sales recognition.



## Management Discussion and Analysis

### Gross Profit and Gross Margin

Gross profit represents our revenue less our cost of sales. As a result of the aforementioned factors, the gross profit of the Group decreased by 16.6% from approximately RMB332.6 million for the year ended December 31, 2023 to approximately RMB277.3 million for the year ended December 31, 2024. The decrease was primarily due to the decline in gross profit resulting from the decrease in revenue from imaging center services and imaging solution services while fixed costs remained stable.

Gross margin represents our gross profit as a percentage of our revenue. The gross margin of the Group increased from 35.8% for the year ended December 31, 2023 to 36.5% for the year ended December 31, 2024. The increase was mainly attributable to the improvement in gross profit margin of our business by providing more high gross-margin differentiated products and services in our imaging solution services and Rimag Cloud services. At the same time, we have also strengthened the corresponding budget management and expense control in the aspect of cost control.

### Selling Expenses

During the year ended December 31, 2024, our selling expenses primarily consisted of employee benefit expenses and marketing fees. The Group's selling expenses for the year ended December 31, 2024 was approximately RMB66.4 million, representing an increase of 1.3% as compared to approximately RMB65.6 million for the year ended December 31, 2023. Selling expenses were relatively stable and remained basically the same as the previous year.

### Administrative Expenses

During the year ended December 31, 2024, our administrative expenses primarily consisted of employee benefit expenses, listing expenses, depreciation of right-of-use assets, traveling expenses, office expenses and entertainment fees. The Group's administrative expenses for the year ended December 31, 2024 was approximately RMB223.6 million, representing an increase of 23.1% as compared to approximately RMB181.7 million for the year ended December 31, 2023. The increase was mainly due to the increase in listing expenses in relation to the Global Offering of the Company in 2024.

## Management Discussion and Analysis

### Research and Development Expenses

During the year ended December 31, 2024, our research and development expenses primarily consisted of employee benefit expenses, depreciation and amortization, and traveling expenses. The Group's R&D expenses for the year ended December 31, 2024 was approximately RMB11.5 million, representing a decrease of 10.2% as compared to approximately RMB12.8 million for the year ended December 31, 2023. The decrease was mainly attributable to the strengthening of budget management and cost control for R&D personnel-related expenses.

### Finance Income and Costs

During the year ended December 31, 2024, our finance income represents interest income on bank deposits. Finance costs primarily consisted of (i) interest expenses on bank borrowings; (ii) finance expenses on lease liabilities; and (iii) interest expenses on other borrowings. The following table sets forth a breakdown of our finance income and costs for the periods indicated:

	Year ended December 31,	
	2024 RMB'000	2023 RMB'000
Finance income:		
– Interest income from bank deposits	4,052	3,263
Finance costs:		
– Interest expenses on bank borrowings	(6,426)	(4,845)
– Interest expenses on other borrowings	(11,180)	(11,552)
– Finance expenses on lease liabilities	(7,855)	(8,815)
	(25,461)	(25,212)
Amount capitalized	189	421
Total finance costs	(25,272)	(24,791)
Finance costs – net	(21,220)	(21,528)

Our net finance costs for the year ended December 31, 2024 were approximately RMB21.2 million, representing a decrease of 1.4% as compared to approximately RMB21.5 million for the year ended December 31, 2023. The decrease in net finance costs was primarily attributable to interest income from bank deposits resulting from proceeds from the Global Offering.





## Management Discussion and Analysis

### Income Tax Expense

During the year ended December 31, 2024, our income tax expense was RMB7.5 million. Our income tax expense in respect of our operations in the PRC was subject to the statutory tax rate of 25% or preferential tax rate on the assessable profits for the year ended December 31, 2024, based on the existing legislation, interpretations and practices in respect thereof.

### (Loss)/Profit for the year

As a result of the foregoing, we recorded a loss for the year ended December 31, 2024 of approximately RMB58.9 million, as compare with a profit for the year ended December 31, 2023 of approximately RMB36.6 million. The change in profit/loss was mainly due to (i) the combined impact of the fluctuations in the domestic macro-environment and the adjustment of order in the process of deepening reform in the medical industry. During the most severe period of macroeconomic slowdown and strict regulation in the medical industry, operators in the medical industry were cautious towards market-oriented economy, which led to the slowdown in the demand from medical institutions and the relevant bidding procedures, resulting in (among others) (a) the delivery of certain imaging solutions under the agreements entered into by the Group in 2024 being delayed to 2025; and (b) the delay in the commencement of operations of certain newly established imaging centers of the Group until 2025, resulting in a decrease in the Group's revenue in 2024 as compared to 2023; and (ii) an increase in certain expenses incurred by the Company in 2024 for its listing on the Stock Exchange in 2024.

## Management Discussion and Analysis

### Non-IFRS Measures

	For the year ended December 31,		Year-on- year change
	2024 RMB'000	2023 RMB'000	
<b>Non-IFRS Measures:</b>			
EBITDA	165,247	252,940	-34.7%
Adjusted EBITDA	207,184	276,362	-25.0%
Adjusted net (loss)/profit	(16,921)	59,996	-128.2%
Adjusted net (loss)/profit attributable to owners	(3,982)	67,837	-105.9%

To supplement our consolidated statement of profit which are presented in accordance with IFRS, we also use EBITDA (non-IFRS measure), adjusted EBITDA (non-IFRS measure) and adjusted net (loss)/profit (non-IFRS measure), which are not required by, or presented in accordance with, IFRS.

We believe that these measures provide useful information to investors and others in understanding and evaluating our consolidated income statement in the same manner as they help our management. However, our presentation of EBITDA (non-IFRS measure), adjusted EBITDA (non-IFRS measure) and adjusted net (loss)/profit (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool and, as such, they should not be considered in isolation from, or as substitute for analysis of, our consolidated statements of comprehensive income or financial condition as reported under IFRS. In addition, the non-IFRS measures may be defined differently from similar terms used by other companies.

## Management Discussion and Analysis

There are two components to the adjusted EBITDA (non-IFRS measure) metric: (1) EBITDA (non-IFRS measure), which we define as (loss)/profit before income tax plus finance costs, depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets, less finance income; and (2) adjustments to EBITDA (non-IFRS measure), which include items of share-based payments expenses and listing expenses. These reconciling items are non-cash items and do not result in cash outflow. We exclude listing expenses, as they arose from activities relating to the Global Offering.

The following table reconciles our EBITDA (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) in accordance with IFRS, our (loss)/profit before income tax, for the periods indicated:

	For the year ended December 31,	
	2024 RMB'000	2023 RMB'000
<b>(Loss)/profit before income tax</b>	(51,331)	43,381
Add: Finance costs	25,272	24,791
Add: Depreciation of property, plant and equipment	154,171	151,545
Add: Depreciation of right-of-use assets	37,308	33,156
Add: Amortization of intangible assets	3,879	3,330
Less: Finance income	(4,052)	(3,263)
<b>EBITDA (non-IFRS measure)</b>	165,247	252,940
Add: Share-based payments expenses	472	2,600
Add: Listing expenses	41,465	20,822
<b>Adjusted EBITDA (non-IFRS measure)</b>	207,184	276,362

## Management Discussion and Analysis

We define adjusted net (loss)/profit (non-IFRS measure) as (loss)/profit for the year adjusted for items of share-based payments expenses and listing expenses. We adjusted these items for the same reasons as stated in the discussion of adjustments to EBITDA (non-IFRS measure) above. The following table reconciles our adjusted net (loss)/profit (non-IFRS measure) in accordance with IFRS, our (loss)/profit for the year, for the periods indicated:

	For the year ended December 31,	
	2024 RMB'000	2023 RMB'000
<b>(Loss)/profit for the year</b>	(58,858)	36,574
Add: Share-based payments expenses	472	2,600
Add: Listing expenses	41,465	20,822
<b>Adjusted net (loss)/profit</b>	(16,921)	59,996

Our adjusted net loss for the year ended December 31, 2024 reached approximately RMB16.9 million, and adjusted net loss attributable to owners of the Company amounted to approximately RMB4.0 million, representing a year-on-year decrease of 105.9% as compared to the adjusted net profit attributable to owners of the Company of approximately RMB67.8 million for the year ended December 31, 2023.

### Capital Management

We monitor capital (including shares and borrowings) by regularly reviewing the capital structure. Our objectives when managing capital are to safeguard our ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the costs of capital.





## Management Discussion and Analysis

### Liquidity and Capital Resources

During the year ended December 31, 2024, we funded our working capital primarily from net cash generated from operating activities, bank borrowings, finance leases and equity financing. Our net cash generated from operating activities mainly consists of profit before income tax adjusted for (i) non-cash items, such as net finance costs, depreciation of property, plant and equipment and depreciation of right-of-use assets; (ii) the effects of changes in working capital, such as contract liabilities, trade payables, other payables and accruals, trade receivables and other receivables and prepayments; and (iii) the effects of interest received and income tax paid.


We had cash and cash equivalents of approximately RMB188.8 million and RMB262.4 million as at December 31, 2023 and 2024, respectively. The increase in our cash and cash equivalents primarily reflected the proceeds from the Global Offering we received during the year ended December 31, 2024.

We recorded net cash generated from operating activities of approximately RMB201.4 million and RMB12.7 million for the year ended December 31, 2023 and 2024, respectively. The decrease was primarily due to the continued strong regulatory influence on the policy environment of medical industry, which led to the delay in external payment by downstream medical institutions, resulting in a certain increase in the turnover days of the Company's accounts receivable and an increase in both the accounts receivable balance and the credit period.

### Borrowings and Gearing Ratio

As at December 31, 2024, the aggregate balance of our borrowings was approximately RMB433.2 million (approximately RMB210.0 million as at December 31, 2023), which were all made in RMB, and approximately RMB151.4 million of them were at fixed interest rates. As at December 31, 2024, all of our borrowings had been fully drawdown, and there was no unutilized loan facilities from banks or financial leasing companies.

The gearing ratio (calculated based on total borrowings divided by total equity and multiplied by 100%) of the Group as at December 31, 2024 was 29.2%, representing an increase of 13.5% as compared to 15.7% as at December 31, 2023. The increase in the ratio was mainly due to the fact that the newly developed imaging center projects utilized more bank loans, which further optimized the Company's financial leverage structure.



## Management Discussion and Analysis

### Net Current Assets

Our net current assets, as at December 31, 2024 were approximately RMB496.0 million, representing an increase of 63.0% as compared to approximately RMB304.3 million as at December 31, 2023. The increase was primarily attributable to the proceeds from the Global Offering.

### Currency Risk

We are engaged in the provision of medical imaging services through the establishment of medical imaging network, as well as operational management services, imaging solution services and Rimag Cloud services in the PRC with almost all the transactions denominated and settled in RMB, which is the functional currency of the Group companies. Therefore, our foreign exchange risk is limited. We currently do not have a foreign currency hedging policy, and manage the foreign currency risk by closely monitoring the movement of the foreign currency rates. As at December 31, 2024, we had no material foreign currency denominated assets and liabilities. Therefore, we did not have any significant foreign exchange risk.

### Significant Investments, Material Acquisitions and Disposals/Future Plans in Relation to Significant Investments or Capital Assets

As at December 31, 2024, we did not have any significant investments, material acquisitions and disposals or any future plans in relation to significant investments or capital assets. Each of the investments held by us as a percentage of the Group's total assets as at December 31, 2024 did not amount to 5% or more.

### Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Since the Listing Date and up to December 31, 2024, we did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

### Capital Expenditure

During the year ended December 31, 2024, our total capital expenditure amounted to approximately RMB311.5 million, which was incurred mainly for the purchase of equipment and intangible assets such as software.



## Management Discussion and Analysis

### Pledge of Assets

As at December 31, 2024, we had pledged machineries, cash at banks, trade receivable and equity of our subsidiaries in aggregate of approximately RMB550.6 million.

### Contingent Liabilities

As at December 31, 2024, we did not have any material contingent liabilities, guarantee, legal, arbitration or administrative proceedings that were expected to materially and adversely affect our financial condition or results of operations.

### Employees and Remuneration Policies

As at December 31, 2024, we had 831 employees and 511 medical professionals (including full-time employees and part-time medical professionals). During the year ended December 31, 2024, our employee benefit expenses amounted to approximately RMB220.6 million (year ended December 31, 2023: approximately RMB201.7 million).

We are committed to establishing competitive and fair remuneration. In order to effectively motivate our employees, we continually refine our remuneration and incentive policies through market research. We conduct performance evaluation of our employees semiannually to provide feedback on their performance. Compensation for our employees typically consists of basic salary and a performance-based bonus. We provide social insurance plans and housing provident funds in accordance with applicable PRC laws and regulations to our employees. We pay great attention to our employees' welfare, and continually improve our welfare system. We offer employees additional benefits such as annual leave, stipend, supplementary medical insurance, annuity, health examinations and medical insurance for family members, among others.

### III. FUTURE DEVELOPMENT AND STRATEGIES

Our goal is to become a leading medical group in China and worldwide that focuses on developing medical imaging capabilities. We aim to establish a medical imaging solution service platform with industrial ecological organizational capabilities, which can effectively integrate value chain resources across the industry, empower the medical imaging industry, and continuously consolidate our leading position in the industry. To achieve this goal, we plan to implement the following strategies:

**1. Further expand our medical imaging center network and enrich the offerings of our imaging solution services to strengthen our industry-leading position**

The Company actively takes diversified measures to promote cooperation and exploration with high-quality medical institutions with social capital, expand the layout and implementation of imaging centers through various means such as mergers and acquisitions, industrial fund incubation, etc., so as to realize the continuous expansion and layout of the medical imaging center network and consolidate our leading position in the industry.

***Regional collaborative imaging centers.*** We plan to continue developing regional collaborative imaging centers, and intend to strategically select areas with relatively unbalanced medical resources for resource integration and priority investment. Specifically, we will focus on areas that currently have support from government policies and partners and have significant development potential; we will explore a variety of investment and cooperation strategies, such as jointly building regional collaborative imaging centers with local state-owned capital platforms and providing regional medical imaging examination and diagnosis services, imaging operation and management services and other businesses, in order to achieve regional medical imaging equipment sharing, doctor sharing and data interconnection, thus achieving an overall improvement in the local medical imaging diagnosis level while reducing government funding to benefit the general public.





## Management Discussion and Analysis

***Specialized medical consortium imaging centers and operational management imaging centers.*** We plan to further develop specialized medical consortium imaging centers and operational management imaging centers in areas where we have already invested to build imaging centers, so as to actively implement the national development policy of tiered diagnosis and treatment and strengthening the services for grassroots, realize the extension and deepening of imaging service capabilities, and further extend and develop our medical imaging service capabilities in these areas, increase market penetration and achieve market expansion.

***Flagship imaging centers.*** We will continue to consolidate our service capabilities in high-tier cities with large populations, high consumption levels and greatly differentiated demands, focus on the refined operation and service level improvement of flagship imaging centers, as well as continue to optimize the resource allocation of flagship imaging centers through diversified and flexible methods based on our business layout. At the same time, we are actively exploring strategic cooperation with Internet hospitals (such as JD Health (京東健康)) to realize online ordering and offline inspection and delivery models of Rimag Imaging Center to broaden the reception channels of imaging centers, as well as considering the layout of the flagship imaging centers under the guidance of the demands from Internet hospitals. We will further deepen the medical consortium business layout of the flagship imaging centers, incorporate more small and medium-sized medical institutions in the region into our service system network of flagship imaging centers, so as to create more coverage for H-end medical institutions and provide more differentiated imaging diagnosis and imaging solution services. In addition, we are further exploring other distinctive flagship center models, including scientific research flagship centers.

## Management Discussion and Analysis

**Imaging solution services.** We also plan to build a multi-level, full-cycle medical imaging ecological service system, and we intend to create precise imaging empowerment solutions for potential customers. Specifically, we plan to target the differentiated needs of different customers, and enhance customer stickiness through lightweight imaging service packages (“**hook products**”) such as remote diagnosis support, information process reconstruction and standardization of imaging technology centers, as well as through continuous technology iteration and service penetration of hook products. Relying on the collaborative advantages of industrial chain resources, we provide customers with a full-chain solution including imaging equipment maintenance, infrastructure construction, imaging equipment procurement and quality control empowerment. We achieve precise reach through a flexible service subscription model, and enhance customer stickiness through continuous technology iteration and services, so as to realize the value transmission of our imaging solution services and the improvement of gross profit margin, and broaden the business development channels of our imaging solution services.

**Advancement by overseas strategy.** We plan to further expand our overseas business, consolidate our cooperative relationship with local strategic partners, and accurately formulate plans on strategic markets with structural opportunities in medical resources relying on the cost advantages of China’s manufacturing industry chain. We plan to implement differentiated regional expansion strategies. In Hong Kong and Macau, we will focus on relying on local high-quality imaging technology resources to incubate and iterate imaging technology and service capabilities in cross-border imaging technology collaboration, consumables supply chain, equipment management services, etc., and capitalizing on the cost-effectiveness of manufacturing in China to expand the construction of regional supply chain platforms. In Southeast Asian markets such as Singapore and Malaysia, we plan to actively carry out strategic cooperation with local large medical institutions and empower local medical institutions through joint ventures and other models. For the Middle East and emerging markets along the “Belt and Road”, we plan to continue to explore potential strategic cooperation opportunities and establish imaging cooperation solutions that accurately match the characteristics of regional market demand. Relying on its strong operational service capabilities, we will also cooperate with various Chinese manufacturing brands to establish joint ventures of Chinese medical service solutions in overseas markets.



## Management Discussion and Analysis

### 2. Strengthen ecological collaboration with upstream and downstream industries and deeply integrate industry chain resources for the building of an open and collaborative medical imaging industry ecosystem

We plan to deepen ecological collaboration with upstream and downstream companies in the medical imaging industry (including equipment providers and equipment maintenance companies, medical imaging AI service providers, medical supply chain service providers, industry associations, etc.) and carry out strategic ecological incubation, in order to deeply integrate industry value chain resources and build an open and collaborative medical imaging industry ecosystem. It is expected that the above efforts will further help us enhance our professional capabilities and operational efficiency and consolidate our position in the industry.

**Industrial ecosystem incubation.** We actively track acquisition or investment opportunities related to the medical imaging industry chain and build an industry ecosystem empowerment platform, so as to integrate industry chain resources and empower the imaging industry chain and become an organizer of the imaging industry ecosystem. Specifically, we plan to establish a “special industry incubation fund” and other means to deeply explore vertical expansion opportunities in business scenarios such as health management, cloud services, AI and big data applications and strengthen the “industry depth” of the core imaging center business, meanwhile focus on horizontal business areas such as electrocardiography and pathology to obtain strategic resources of “industry width” through strategic investment in key node companies, with a view to building a cross-domain collaborative ecological matrix.

**Equipment providers and equipment maintenance companies.** We plan to continue to strengthen our cooperation with equipment providers, leverage our experience and knowledge in equipment use and transform it into intellectual property, and work with manufacturers to create customized equipment. Besides, we plan to continue to carry out strategic cooperation with equipment repair companies to build a repair system that can match our network of medical imaging centers and continue to reduce our costs.

**Medical imaging AI service providers.** We plan to attract more medical imaging AI service providers to integrate their products into our AI integration platform, thereby enriching our AI offerings and enhancing our service capabilities. Furthermore, we plan to use our professional resources to collaborate with AI service providers to incorporate AI algorithms into doctors’ daily medical practice to meet their demands while also helping such algorithms to learn and evolve by themselves.



## Management Discussion and Analysis

**Medical supply chain service providers.** We plan to strengthen our cooperation with medical supply chain service providers, fully leverage their innovative financial service solutions and the resource networks of medical device manufacturers and platform providers, and establish a close link with medical device manufacturers and service providers, with a view to further expanding our reach and coverage of participants in the medical industry chain to gain more potential business opportunities.

**Health management and physical examination services.** We advocate the use of imaging to empower “disease prevention” and give full play to the application value of medical imaging in the fields of health management and early screening and prevention. For example, the role of imaging in “preventing sudden death, early screening of tumors, Alzheimer’s disease, cardiovascular and cerebrovascular health, etc.” is conducive to the improvement of health and life quality of citizens. Through Hanji Health Management (Shanghai) Co., Ltd. (漢吉健康管理(上海)有限公司), a company invested and incubated by the Company and focusing on health management and physical examination, we will achieve the value input to the health check field of public hospitals, and realize a win-win development.

**Offline delivery scenarios of Internet hospitals.** The imaging service network we have built across the country is becoming a key infrastructure for the Internet medical ecosystem. By covering standardized imaging center nodes in 16 provinces, cities and administrative regions across the country and providing medical-grade medical imaging diagnostic capabilities, we provide Internet hospitals with a closed-loop solution of “online consultation and offline precise imaging verification.” Our model of “cloud collaboration and local delivery” can effectively help leading Internet medical platforms to achieve breakthroughs in the average daily joint service volume, which not only ensures the diagnostic accuracy of Internet medical services, but also reduces the cost of single imaging services through large-scale network layout, forming a dual competitive barrier of “professional empowerment and efficiency realization”.

**Industry associations.** We intend to strengthen our multidimensional professional capabilities by partnering with industry associations in fields including talent development, medical imaging professional capacity assessment, operation and management systems, and medical imaging data standards.





## Management Discussion and Analysis

### 3 Strengthen our operational management capabilities, cultivate and attract highly skilled medical imaging and management talents, and continuously improve our professional level and brand capabilities

We target to continuously enhance our operation and management strength, and through the improvement of professional standards, operational management mechanisms and talent training systems to achieve the enhancement of “imaging services capacity” in the whole imaging process of “radiologists, radiologic technologists, managers and clinicians”.

**Enhance professional level.** We plan to continue to improve our professionalism in a variety of ways. We focus on specialized diseases and give full play to the role of medical imaging in the field of targeted diseases. We use imaging as a link to help public hospitals that purchase our medical imaging services build and create clinics for specialized diseases, such as cardiovascular and cerebrovascular diseases as well as epilepsy. We also plan to strengthen the construction of expert committees and sub-specialty study groups, and gradually build neuro-head and neck study groups, cardiothoracic study groups, abdominal study groups and musculoskeletal study groups, and simultaneously train a team of nuclear medicine physicians. We also focus on promoting the professional capacity improvement plan for medical and technical personnel, sending physicians and technicians to domestic and foreign medical institutions capable of carrying out related technology for further study, encouraging them to participate in various high-level academic conferences at home and abroad, and actively organizing a number of academic exchange activities including the “Medical Imaging Summit Forum”.

**Optimize the operational management system.** We will continue to implement the operational mentoring system, which can deeply implement the Group’s operational philosophy, promote the inheritance of operational philosophy and experience to new imaging centers to ensure that new centers can swiftly learn and apply the Group’s best operational practices, and thus generally improve the operational management capabilities within our system. We will further optimize the operational SOP, formulate and improve different SOP requirements according to different business types and natures, rationally allocate reviewers and improve the accuracy of approvals at each node; and optimize the system operation interface to improve user operation convenience and facilitate managers to understand the progress of projects.

**Establish an effective talent training mechanism.** We expect to continue to strengthen the talent training capabilities of Rimag Imaging Academy and build and maintain a talent training system. We plan to continue to focus on the following strategies:

## Management Discussion and Analysis

We plan to continue investing in and upgrading our existing Radiology Management Business Administration (RMBA) training system, cultivating more versatile professionals with both medical background and business managerial skills. We expect to create a talent development path that integrates operations and market development, selecting individuals with experience in operating imaging centers to engage in market development work. We believe that this approach will be more conducive to the development of value-based investments. Besides, we also intend to continue collaborating with universities to jointly build medical imaging bootcamps, and set up specialized talent cultivation programs, thereby providing a long-term and stable talent pool for our business development.

With the above measures, we aim to continue to consolidate our leading position in the field of medical imaging services, thus helping us to swiftly expand imaging centers, provide professional quality assurance and improve operational capabilities and performance.

#### 4. Deeply explore the value of image data and its AI applications, create an innovative ecosystem of “data + service model”, and provide comprehensive regional smart imaging solutions

The deep integration of AI and big data technologies has accelerated the emergence of a more efficient and fairer smart medical ecosystem. We plan to continue exploring the deep integration of data and medical services, deepen Rimag’s strategic layout in the AI medical field and enhance Rimag’s ability to deliver comprehensive regional smart imaging solutions. We plan to continue to build the smart healthcare ecosystem by strengthening our own capabilities or cooperating with third parties, and continuously expand our service capabilities and scope. Specifically, we intend to increase investment in the following areas:

***Deeply explore the value of data.*** We will actively explore the value of data services and data assets, focus on data asset management, promote the listing of data assets on data exchanges, and optimize the building of data application platforms in terms of process standardization of imaging examination plan, management of imaging big data and precision medical quality control. We plan to continue strengthening our data standardization capabilities. We intend to standardize existing imaging data to increase its value. We expect to build up our data core competitiveness in the process of continuously accumulating data, thus laying the foundation for subsequent workflow standardization, big data analysis and application and cooperation with medical imaging AI service providers.



## Management Discussion and Analysis

***Create a methodological formula for producing high-quality data.*** We have built an industry-leading medical imaging data production system, and we are firmly leading the industry with an average daily data production capacity of over 20,000 cases. Driven by “deep involvement of imaging experts and AI intelligent collaboration”, we have formed a unique moat of high-quality data and high-quality data production methods. The data cleaning and annotation led by the medical professional team within our system, combining with the intelligent annotation platform we developed, has realized the innovative technology of “reversely constructing the image annotation path from the diagnostic conclusion”.

***Promote the full-process operation and service upgrade of medical imaging.*** We will enhance the R&D capability around the application of the whole process of imaging services to ensure the efficient operation and empowerment of the entire process of medical imaging services. We plan to continually invest in management systems facilitating the operation of imaging centers, such as smart SOP systems, refined operational management systems, and whole process quality control systems. We plan to deepen cooperation with industry cloud service platforms, establish a personal cloud imaging health management inventory based on the cloud service platform, build an independent scientific research platform for doctors and provide smart cloud services for imaging centers.

***Create a comprehensive smart imaging solution.*** We plan to continue developing AI tools based on natural language processing and knowledge graphs, expand the application of AI technology to different aspects such as patient consultation, imaging diagnosis, quality control and business data analysis, so as to create a comprehensive smart imaging solution. Specifically, our incubated company, Yinghe Yimai, will continue to conduct self-supervised training of multi-modal/part combinations based on large-scale standard data sets to provide solid support for downstream tasks, conduct effective analysis of medical imaging of different modalities and different parts, and provide important basis for subsequent diagnosis, treatment and other tasks. We also intend to promote the diversified implementation of AI technology, such as creating a smart health management service platform and remote consultation platform that can enhance customer experience and broaden service settings, or jointly build a medical imaging knowledge inventory and knowledge graph with a third party, so as to promote the in-depth application of AI in various aspects such as smart consultation, report interpretation and quality control management, thus forming a smart service network covering the period “before, during and after diagnosis”.

We believe that the above-mentioned investments in R&D will help to strengthen our capabilities in providing smart imaging solution services. This can further enhance our overall profitability, expand our business, and increase our brand influence.

## Management Discussion and Analysis

### 5. Continue to improve the internal control system and strengthen the risk management and corporate governance system

As we attach great importance to the construction of internal control system, we continue to establish a scientific, standardized and effective governance structure, and continuously improve risk management mechanisms and risk response strategies.

**Compliance management and training.** We will continue to incorporate legal and compliance reviews into every aspect of our system management. For example, important business decisions, contract signing, contract execution and other aspects must all undergo compliance reviews. We will adhere to a normalized mechanism for accountability for violations and strictly implement it in the course of business. Specifically, the Internal Audit and Compliance Center will conduct audits, and the General Manager's Office and Human Resources Department is responsible for accountability and imposing penalties. In the event that problems are discovered, related personnel will be promptly supervised for rectification. We plan to actively cultivate the compliance culture, enhance the compliance awareness of all employees to abide by the law, be honest, and act in accordance with regulations, and make compliance management an important part of corporate learning, business exchanges and new employee induction training.

**Risk management system on accounts receivable.** We plan to build a scientific and sophisticated risk management system through macro and micro dual-dimensional management mechanisms. For example, we will implement a tiered management strategy based on differences in credit periods. As such, projects with regular credit periods will be classified to the area of regular management; for projects with long credit periods, the collection cycle will be shortened through a dual mechanism of indicator control and operation team assessment, and special management will be implemented by the management. At the operational level, we plan to deeply integrate indicators of accounts receivable into our performance appraisal system.

**Support green healthcare.** We are committed to building a green ecological system for corporate development and jointly promoting sustainable development through internal mechanism optimization and external organization collaboration. For example, we will continue to reduce the use of physical film through cloud film technology, thereby reducing energy consumption. We will also continue to pay attention to the treatment of exhaust gas, wastewater, waste and greenhouse gases generated in our daily business operations. For example, for the transportation of medical waste, we will strictly follow the regulations for treatment and employ sealed garbage transfer vehicles to ensure the safe transportation of waste.




## Management Discussion and Analysis

### Support from favorable government policies

In recent years, China has issued a series of favorable policies aiming at deepening the reform of the medical and healthcare system, optimizing medical services and promoting the healthy development of the medical industry, from the “Opinions of the State Council on Promoting the Development of the Healthcare Service Industry (《國務院關於促進健康服務業發展的若干意見》)” in 2013 to the “Basic Standards and Management Norms for Medical Imaging Diagnostic Centers (for Trial Implementation) (《醫學影像診斷中心基本標準和管理規範(試行)》)” issued by the National Health and Family Planning Commission in 2016, which formally clarified the status of third-party diagnostic imaging centers as “independent legal persons” throughout the country. In the past ten years, the policy has been centered on the reform and innovation of “strengthening the grassroots, hierarchical diagnosis and treatment, close medical consortium (sharing mechanism) and mutual recognition of results (強基層、分級診療、緊密醫聯體(共享機制)及結果互認)”. The business development model of our Group is highly integrated with the development strategy of the country and the general policy of medical and healthcare system reform, which provides a good opportunity for the high-speed and high-quality development of our Group.

Throughout the year of 2024, from the “Notice on Further Improving the Mechanism to Promote the Sinking of Urban Medical Resources to County Hospitals and Urban and Rural Grassroots Levels (《關於進一步健全機制推動城市醫療資源向縣級醫院和城鄉基層下沉的通知》)” issued by the National Healthcare Commission on June 3, 2024 to, one month later, the “Decision of the Central Committee of the Communist Party of China on Further Comprehensively Deepening Reforms and Promoting Chinese-Style Modernization (《中共中央關於進一步全面深化改革、推進中國式現代化的決定》)” passed by the Third Plenary Session of the Twentieth Central Committee of the Communist Party of China on July 8, 2024, the relevant policies have successively mentioned promoting the expansion and downward penetration and balanced distribution of high-quality medical resources, accelerating the construction of a hierarchical diagnosis and treatment system, promoting the construction of close-knit medical consortiums, strengthening primary medical and healthcare services, improving the management level of county hospitals, upgrading the service capacity of county hospitals, speeding up the cultivation of a professional talent echelon as well as promoting resource sinking. Focusing on the core of “medical imaging service”, we focus on solving the different needs of “resources, specialty, management, informatization and intelligence” required for the development of medical imaging in China. Through the synergy of the three key business segments, we have extended our business network from first – and second-tier cities to county-level divisions, actively practiced the government’s healthcare reform policy, provided high-quality diagnostic imaging services for primary healthcare institutions, and effectively enhanced the capacity of primary healthcare services.





## Management Discussion and Analysis

We have (i) flagship imaging centers; (ii) regional collaborative imaging centers, the concept of which being the most representative model of our imaging centers, which is established in accordance with the “Basic Standards for Medical Imaging Diagnostic Centers (Trial Implementation) (《醫學影像診斷中心基本標準(試行)》)” issued by the National Health and Family Planning Commission in 2016, with the qualification of independent legal person. Such regional collaborative imaging centers integrate professional imaging resources in the relevant regions through the distributed placement of imaging equipments, multi-disciplinary practice of doctors or employment, to realize the sharing of data, equipment and professionals. Through resource sharing, equipment sharing, talent sharing and data sharing, we realized effective allocation of resources and promoted the implementation of the national hierarchical diagnosis and treatment system. At the same time, by entering the clinic, serving the clinic and leading the clinic, we promoted the interaction between, and the spiral development of, the clinic and the imaging, so as to lead to the overall high-quality development of the medical institutions, relieve the worries of the government, promote the development of the hospitals and benefit the people. At the same time, through (iii) specialized medical consortium imaging centers; and (iv) operational management imaging centers, the imaging capabilities will be transmitted downward to the primary level, covering and extending to the primary areas with insufficient medical imaging capabilities and resources, and ultimately realize the “one network structure of medical imaging in China” of specialized medical consortiums and medical communities.

On the basis of the imaging center services, we continue to adhere to the output of the four core imaging capabilities (management capability, informatization and intelligence capability, design and construction capability and the imaging professional capacity made by equipment capability, technician operation capability, diagnostic capability of imaging doctors, and cognitive capability of clinicians), which comprehensively affects the center’s and even the hospital’s professional development and level of efficiency, further expands the output of the “professional capability of medical imaging services” that grows out of the self-owned and self-operated imaging centers, and rapidly expands the scope of influence of our imaging capabilities in the form of imaging solution services.



## Management Discussion and Analysis

On November 20, 2024, the National Healthcare Security Administration issued and distributed the “Guidelines on Projects of Pricing for Radiological Examination Medical Service (Trial) 《放射檢查類醫療服務價格項目立項指南(試行)》”, which included digital imaging processing, uploading and cloud storage in the pricing structure of radiological examinations. The new pricing regulations for “Cloud Imaging” are an important step towards mutual recognition of medical imaging results. It will not only effectively reduce the burden on patients and improve the diagnostic level of hospitals, but will also strongly promote the development and application of the medical imaging industry chain and new quality productivity such as cloud storage, cloud computing and AI-assisted diagnosis and treatment. With heavy assets and light assets, we have keenly laid out our digital and intellectual strengths into the whole process of medical imaging services, using data to drive entity operation and service product innovation. Responding to the policy call for “digitalization + intelligence (digital intelligence technology) deepening”, in addition to the use of the Internet characteristics of the upper advantage of medical imaging medical resources and services, we continue to take root at the grassroots level to convey the ability to nutrients, but also disassembled the chain of imaging examination link, empowers the roots of the tree through AI to each clinician, diagnostician, imaging technicians and managers. The power of data is used to drive the operation of centers at all levels and the product innovation.

Closely adhering to the national policy, we will actively grasp the elements of new productivity, and through technology innovation, utilize artificial intelligence and other cutting-edge technologies to continuously improve the ability of medical imaging examination and diagnosis. At the same time, through continuous innovation of business model, we actively participate in the deepening of the reform of state-owned enterprises, and synergize in capital, industrial chain, supply chain and scientific and technological innovation. We believe that this will lay a solid foundation for the sustainable development of our Group and will usher in greater development.

## Biographical Details of Directors, Supervisors and Senior Management

The biographical details of Directors, Supervisors and senior management of the Company as at the date of this annual report are set out as follows:

### DIRECTORS

#### Executive Directors

**Mr. CHEN Zhaoyang (陳朝陽)**, aged 49, has served as our chairman of the Board since November 2024, our executive Director since May 2023 and chief executive officer since December 2021. Mr. Chen has more than 21 years of experience in corporate management and healthcare sector. Before joining our Group in November 2021, he served at the medical system business department of International Far Eastern Leasing Co., Ltd. (遠東國際融資租賃有限公司) from April 2004 to July 2012, and Ping An International Financial Leasing Co., Ltd. (平安國際融資租賃有限公司) from November 2012 to November 2016, Ping An Commercial Factoring Co., Ltd. (平安商業保理有限公司) from November 2013 to December 2016, the executive director and general manager of China Minsheng Health Industry Finance Leasing Co., Ltd. (中民投健康產業融資租賃有限公司) from June 2018 to June 2021. Mr. Chen has also served as the executive director of Shanghai Rong Gong She Fanghou Technology Co., Ltd. (上海融公社芳侯科技有限公司) since March 2020.

Mr. Chen obtained his bachelor's degree in preventive medicine from Peking University Health Science Center (北京大學醫學部) in the PRC in July 1998.

**Ms. HE Yingfei (何英飛)**, aged 37, has served as our executive Director since June 2021, our vice president and secretary to the Board since August 2020, the director of board office and head of the risk and compliance committee of our Company since July 2017 and the joint company secretary of the Company since May 2023. Ms. He joined our Group in January 2015. Ms. He also holds several directorships and senior management positions within the Group, including the executive director and general manager of Fuzhou Rimag Medical Imaging Co., Ltd. (撫州一脈陽光醫學影像有限公司) since April 2017, the executive director and general manager of Fengcheng Rimag Medical Imaging Center Co., Ltd. (豐城市一脈陽光醫學影像中心有限公司), since March 2018, the executive director of Xixian New District Rimag Sunshine Medical Image Diagnosis Co., Ltd. (西咸新區一脈陽光醫學影像診斷有限公司) since October 2020; the executive director and general manager of Liaocheng Rimag Medical Imaging Diagnosis Co., Ltd. (聊城市一脈陽光醫學影像診斷有限公司); the executive director and manager of Beijing Rimag Yuntai Medical Devices Co., Ltd. (北京一脈雲泰醫療器械有限公司); the director of Fuzhou Rimag Medical Imaging Diagnosis Center Co., Ltd. (福州一脈陽光醫學影像診斷中心有限公司) and Shaanxi Rimag Yutai Medical Technology Co., Ltd. (陝西一脈裕泰醫療科技有限公司); the manager of Beijing Rimag Medical Information Technology Co., Ltd. (北京一脈陽光醫學信息技術有限公司); the supervisor of Jiangxi Rimag Yingcheng Medical Service Co., Ltd. (江西一脈影成醫療服務有限公司), Yantai Rimag Medical Imaging Diagnosis Center Co., Ltd. (煙台一脈陽光醫學影像診斷中心有限公司), Nanchang Rimag Medical Imaging Diagnosis Co., Ltd. (南昌一脈陽光醫學影像診斷有限公司), Zhaoqing Rimag District Medical Imaging Diagnosis Center Co., Ltd. (肇慶一脈陽光區域醫學影像診斷中心有限公司), Hainan Rimag Medical Investment

## Biographical Details of Directors, Supervisors and Senior Management

Management Co., Ltd. (海南一脈陽光醫療投資管理有限公司), Yingtan Rimag Medical Imaging Diagnosis Co., Ltd. (鷹潭市一脈陽光醫學影像診斷有限公司), Fenyi Rimag Medical Imaging Co., Ltd. (分宜一脈陽光醫學影像有限公司), Fuliang Rimag Medical Imaging Diagnosis Co., Ltd. (浮梁一脈陽光醫學影像診斷有限公司), Yushan Rimag Medical Imaging Co., Ltd. (玉山一脈陽光醫學影像有限公司), Gengma Rimag Medical Imaging Co., Ltd. (耿馬一脈陽光醫學影像有限公司), Anfu Rimag Medical Imaging Center Co., Ltd. (安福一脈陽光醫學影像中心有限公司), Jiangxi Rimag Cloud Data Co., Ltd. (江西一脈陽光雲數據有限公司), Shaoxing Keqiao Rimag Medical Imaging Hospital Co., Ltd. (紹興柯橋一脈陽光醫學影像醫院有限公司), Nanchang Rimag Comprehensive Clinic Co., Ltd. (南昌一脈陽光綜合門診部有限公司) and Lianyungang Rimag Medical Imaging Co., Ltd. (連雲港一脈陽光醫學影像有限公司).

Ms. He passed the professional undergraduate higher education self-study examination (major in journalism) and graduated from Huazhong University of Science and Technology (華中科技大學) in the PRC in December 2010. She obtained her qualification certificate of secretary to the board of listed company from Shenzhen Stock Exchange in December 2019 and the qualification as a level II enterprise human resource manager from Jiangxi Province Human Resources and Social Security Department (江西省人力資源和社會保障廳) in January 2014.

**Mr. FENG Xie (馮颺)**, aged 36, has served as our executive Director since November 2021 and our vice president and chief financial officer of the Company since April 2021. He also serves as the director of Wenzhou Rimag Yiying Medical Imaging Diagnosis Co., Ltd. (溫州一脈頤影醫學影像診斷有限公司). Before joining our Group, Mr. Feng served as a senior accounting consultant of Deloitte Touche Tohmatsu Limited (德勤華永會計師事務所) from October 2013 to September 2015, and a manager at corporate finance advisory services department of Deloitte Consulting (Shanghai) Co., Ltd. (德勤諮詢(上海)有限公司) from November 2015 to March 2021.

Mr. Feng graduated from the business administration program (mutual recognition of credits between the PRC and Canada) of the international college of Ningbo University (寧波大學) in the PRC in October 2013 and concurrently obtained the bachelor's degree in business (accounting and international business major) from The University of Manitoba in Canada in February 2013. He has been a member of the Chinese Institute of Certified Public Accountants since April 2018.

**Mr. LI Feiyu (李飛宇)**, aged 46, has served as our executive Director since November 2024 and our vice president and the president of our imaging hospital since March 2019. He also serves as the executive director and general manager of Beijing Rimag Medical Imaging Diagnosis Center Co., Ltd. (北京一脈陽光醫學影像診斷中心有限公司) since September 2020, the director of Yichang Rimag Medical Imaging Diagnosis Center Co., Ltd. (宜昌市一脈陽光醫學影像診斷中心有限公司) and the chairman of the board of directors of Rimag Cloud Medical Technology (Beijing) Co., Ltd. (一脈雲醫學科技(北京)有限公司). Before joining our Group, he successively served as an associate chief physician from August 2006 to April 2017 and a vice president of CMIG Healthcare (中民醫療投資股份有限公司).



## Biographical Details of Directors, Supervisors and Senior Management

Mr. Li obtained his bachelor's degree in clinical medicine and his doctoral degree in medical imaging from Peking University (北京大學) in the PRC in July 2001 and July 2006, respectively. He obtained his qualification certificate as a physician and his practicing certificate as a physician from Beijing Municipal Health Commission in December 2006 and August 2007, respectively. He completed his training in cardiovascular imaging and vulnerable atherosclerosis plaque detection at the Vascular Imaging Lab Department of Radiology of the University of Washington in December 2009 and obtained his certificate of medical equipment usage personnel as a MRI physician and as a nuclear medicine physicist from the Health Human Resources Development Center of the National Health Commission of the PRC (國家衛生健康委人才交流服務中心) (previously known as the Health Human Resources Development Center of the Ministry of Health of the PRC (衛生部人才交流服務中心)) in January 2015 and December 2020, respectively.

### Non-executive Directors

**Mr. LIU Senlin (劉森林)**, aged 40, has served as our non-executive Director since June 2021. Mr. Liu has over 13 years of experience in corporate finance and investment. He has served at China International Capital Corporation Limited (a company listed on the Stock Exchange, stock code: 3908) since December 2011, and currently serves as a managing director at CICC Capital Management Co., Ltd. (中金資本運營有限公司, a subsidiary of China International Capital Corporation Limited (中國國際金融股份有限公司)). He previously also served as a director of SinoMab BioScience Limited (中國抗體製藥有限公司, a company listed on the Stock Exchange, stock code: 3681) from February 2019 to June 2022.

Mr. Liu obtained his bachelor's degree in biomedical and his master's degree in management science and engineering from Tsinghua University (清華大學) in the PRC in July 2006 and July 2008, respectively.

**Mr. GUO Tao (郭濤)**, aged 49, has served as our non-executive Director since November 2024. Mr. Guo is a full-time lecturer (專職教師) at the College of Modern Economics & Management of Jiangxi University of Finance and Economics (江西財經大學現代經濟管理學院) since November 2023. From October 2013 to November 2023, he served as the provincial branch department vice general manager (省公司部門副總經理) and the Ji'an city branch vice general manager and senior director (吉安市分公司副總經理、高級主管) of the Jiangxi branch of The People's Insurance Company of China Limited\* (中國人民保險股份有限公司江西省分公司). From August 2002 to October 2013, Mr. Guo worked as a division director (處長) of the Jiangxi branch of China Export and Credit Insurance Corporation\* (中國出口信用保險公司江西省分公司). From July 1997 to August 2002, he was a sales representative (業務員) of Jiangxi branch of The People's Insurance Company of China\* (中國人民保險公司江西省分公司).

Mr. Guo obtained his bachelor's degree in international trade and his master's degree in industrial economics from Jiangxi University of Finance and Economics (江西財經大學) in the PRC in 1997 and 2002 respectively.



## Biographical Details of Directors, Supervisors and Senior Management

### Independent Non-executive Directors

**Mr. WU Xiaohui (吳曉輝)**, aged 53, has been appointed as an independent non-executive Director of our Company in May 2023. Mr. Wu has over 31 years of experience in accounting and financial management. He served as an accounting manager of Deloitte Touche Tohmatsu Limited from April 1994 to February 1999, a senior accounting manager and accounting partner of Deloitte Touche Tohmatsu Limited from February 2000 to July 2021, a senior partner of Zhong Hui Accounting Firm (中匯會計師事務所) since August 2021, and an independent non-executive director of Intco Medical Technology Co., Ltd. (英科醫療科技股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 300677) since February 2022.

Mr. Wu graduated from the program of bachelor's degree in accounting of University of Shanghai for Science and Technology (上海理工大學) in the PRC in July 1993. He has been a member of the Chinese Institute of Certified Public Accountants since March 2000.

**Mr. LUO Yi (羅毅)**, aged 40, has been appointed as an independent non-executive Director of our Company in May 2023. Mr. Luo has over 14 years of experience in regulatory and law services. He served at People's Bank of China Nanchang Center Branch (中國人民銀行南昌中心支行) from July 2010 to May 2011, at the Price Supervision, Inspection and Antimonopoly Bureau (價格監督檢查與反壟斷局) and Regulatory Division (法規司) of National Development and Reform Commission (國家發展和改革委員會) of the PRC from May 2011 to May 2021, and a senior consultant of Beijing DHH Law Firm (北京德和衡律師事務所) since September 2021.

Mr. Luo obtained his bachelor's degree, his master's degree and his doctoral degree in law in July 2007, July 2010 and June 2015 from Nanjing Normal University (南京師範大學) in the PRC, respectively. He obtained his PRC lawyer practicing license from Beijing Municipal Bureau of Justice in January 2023.

**Ms. CHEN Yifei (陳伊菲)**, aged 31, has been appointed as an independent non-executive Director of our Company in November 2024. Ms. Chen has nearly ten years of experience in the area of corporate finance and investment. Since 2024, she has served as the head of equity investment department of New Harvest Wealth Securities Company Limited (新嘉財富證券有限公司) and is mainly responsible for the global primary markets private fund investment. From October 2021 to November 2023, she served as a vice president of the healthcare team of the investment banking division of Asia-Pacific (亞太區投資銀行部醫療組副總裁) of Credit Suisse (Hong Kong) (瑞士信貸(香港)) and was mainly responsible for the listing, acquisition and refinancing business of Asia-Pacific healthcare industry companies. From 2016 to 2021, she worked at several leading investment banking institutions and was mainly responsible for the listing, acquisition and structured financing business of Asia-Pacific companies.

Ms. Chen obtained the bachelor's degree in finance from the University of International Business and Economics (對外經濟貿易大學) in 2015 and the master of finance degree from The Chinese University of Hong Kong in 2016.

## Biographical Details of Directors, Supervisors and Senior Management

### SUPERVISORS

**Mr. HUANG Junjie (黃俊傑)**, aged 46, has served as our chairman of the Board of Supervisors and our Supervisor since November 2024. Mr. Huang has successively served as the marketing center director (市場中心總監), provincial general manager of Henan (河南省區總經理) and investment development general manager (投資開發總經理) of the Company since January 2015. He also serves as the supervisor of Fuzhou Rimag Medical Imaging Co., Ltd. (撫州一脈陽光醫學影像有限公司) since April 2017; the supervisor of Shicheng Rimag Medical Imaging Co., Ltd. (石城一脈陽光醫學影像有限公司), Leping Rimag Medical Imaging Co., Ltd. (樂平一脈陽光醫學影像有限公司) and Shandong Rimag Medical Technology Co., Ltd. (山東一脈陽光醫療科技有限公司); the executive director and general manager of Anyang Rimag Medical Imaging Co., Ltd. (安陽一脈陽光醫學影像有限公司), Zhengzhou Rimag Medical Imaging Diagnosis Center Co., Ltd. (鄭州一脈陽光醫學影像診斷中心有限公司), Jiaozuo Rimag Medical Imaging Co., Ltd. (焦作一脈陽光醫學影像有限公司), Xinyang Rimag Medical Imaging Diagnosis Center Co., Ltd. (信陽一脈陽光醫學影像診斷中心有限公司) and Lianyungang Rimag Medical Imaging Co., Ltd. (連雲港一脈陽光醫學影像有限公司); the manager of Zhaoqing Rimag District Medical Imaging Diagnosis Center Co., Ltd. (肇慶一脈陽光區域醫學影像診斷中心有限公司); the executive director and manager of Shaoxing Keqiao Rimag Medical Imaging Hospital Co., Ltd. (紹興柯橋一脈陽光醫學影像醫院有限公司). From August 2004 to November 2014, he served as the district manager (區域經理) of General Electric Medical Systems (Shanghai) Development & Trade Co., Ltd.\* (通用電氣醫療系統(上海)發展貿易有限公司). From August 1999 to August 2004, Mr. Huang worked as a sales manager (銷售經理) of Beijing Dijie Woerde Commerce Limited\* (北京帝傑沃爾德商貿有限公司).

Mr. Huang obtained his bachelor's degree in law from the East China University of Technology (江西東華理工大學) in the PRC in 2012 and college diploma in healthcare and rehabilitation (保健康復) from Jiangxi Science and Technology Normal University (江西科技師範大學) in the PRC in 1999.

**Mr. XUE Yuansheng (薛源生)**, aged 39, has served as an employee representative Supervisor since June 2021. He joined our Group in November 2018 and successively served as the senior assistant of chairman, the director of the information center, and the deputy general manager of Rimag Cloud Services ever since. He has also served as the deputy general manager of Beijing Rimag Medical Imaging Diagnosis Center Co., Ltd. (北京一脈陽光醫學影像診斷中心有限公司) and Jiangxi Rimag Cloud Data Co., Ltd. (江西一脈陽光雲數據有限公司) since October 2022 and the director of Rimag Cloud Medical Technology (Beijing) Co., Ltd. (一脈雲醫學科技(北京)有限公司) since January 2024. Before joining our Group, Mr. Xue worked at Shanghai Jixue Technology Consulting Co., Ltd. (上海濟學科技諮詢有限公司) and served as a senior consultant of Beijing Hejun Consulting Co., Ltd. (北京和君諮詢有限公司) from August 2013 to June 2016. He is also a co-founder of Shanghai Paisheng Culture Communication Co., Ltd. (上海派升文化傳播有限公司).

Mr. Xue obtained his bachelor's degree in biotechnology and his master's degree in biology from Tsinghua University (清華大學) in the PRC in July 2008 and June 2011, respectively.

## Biographical Details of Directors, Supervisors and Senior Management

**Dr. LIU Weiwei (劉魏偉)**, aged 42, has served as our Supervisor since May 2023. He joined our Group in May 2020, successively serving as the deputy director of medical center of imaging hospital (影像醫院醫學中心副總監) and the standing vice president of imaging hospital (影像醫院常務副院長). Prior to joining our Group, Dr. Liu successively served as an intermediate attending physician of the general hospital of Central War Zone of the Chinese People's Liberation Army (中國人民解放軍中部戰區總醫院) from July 2008 to September 2017, an intermediate attending physician of Wuhan Ping An Health Testing Center (武漢平安健康監測中心) from September 2017 to May 2020.

Dr. Liu obtained his bachelor's degree in clinical medicine from Hubei University of Science and Technology (湖北科技學院) (formerly known as Xianning College (咸寧學院)) in the PRC in June 2008, his master's degree in radiation imaging and nuclear medicine from Huazhong University of Science and Technology (華中科技大學) in the PRC in December 2016, and his doctoral degree in radiation imaging and nuclear medicine from Shanxi Medical University (山西醫科大學) in the PRC in June 2022. He obtained his intermediate qualification as chief physician from the Ministry of Human Resources and Social Security (人力資源和社會保障部) and the National Health Commission (國家衛生健康委員會) of the PRC in May 2017.

### SENIOR MANAGEMENT

**Mr. CHEN Zhaoyang (陳朝陽)**, aged 49, is our chairman of the Board, executive Director and chief executive officer. See the sub-section headed "Directors" in this section for his biographical details.

**Ms. HE Yingfei (何英飛)**, aged 37, is our executive Director, vice president and secretary to the Board. See the sub-section headed "Directors" in this section for her biographical details.

**Mr. FENG Xie (馮颺)**, aged 36, is our executive Director, vice president and chief financial officer. See the sub-section headed "Directors" in this section for his biographical details.

**Mr. LI Feiyu (李飛宇)**, aged 46, is our executive Director, vice president and the president of our imaging hospital. See the sub-section headed "Directors" in this section for his biographical details.



## Biographical Details of Directors, Supervisors and Senior Management

### JOINT COMPANY SECRETARIES

**Ms. HE Yingfei (何英飛)** was appointed as a joint company secretary of our Company in May 2023. See the sub-section headed “Directors” in this section for her biographical details.

**Ms. ZHANG Xiao (張瀟)**, aged 36, was appointed as the other joint company secretary of our Company in May 2023. She is an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited, a professional services provider specializing in corporate services, and has over ten years of experience in the corporate secretarial field. Ms. Zhang has been admitted as an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom in March 2019. She obtained her bachelor’s degree in computer science from The Chinese University of Hong Kong in December 2010, her master’s degree in corporate governance from Hong Kong Metropolitan University in November 2018 and her master’s degree in accountancy from Hong Kong Baptist University in October 2024, each in Hong Kong.





## Corporate Governance Report

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders. The Board is pleased to present the corporate governance report of the Company for the year ended December 31, 2024.

### CORPORATE CULTURE

With the power of imaging, guarding the brightness of life. The Company is guided by the principle of “imaging connects health and technology empowers the future”, and is committed to becoming an innovative leader and value creator in the global medical imaging field, and reshaping the medical imaging service ecosystem with professionalism, enthusiasm and technology. Always driven by “imaging + technology + service”, the Company has unremittingly pursued excellence, and is committed to providing everyone in need with high-quality imaging services, so that the value of medical imaging will benefit the full lifecycle.

- **Corporate Vision:** To build the most influential imaging medical group in the PRC and the world, and construct the medical imaging service platform with the highest integration level and ecological organization capabilities in the industry.
- **Corporate Mission:** To provide patients and healthcare consumers with a better imaging examination experience, as well as enable clinicians to obtain more accurate image diagnostic results and radiologists to realize greater professional value through our platform. Image-leading clinic and data-driven service.
- **Corporate Values:** To be pragmatic, innovative, sincere, and simple, with service prioritized.
- **Core Operating Philosophy:** Clinically targeted and leading imaging services – Through continuous enhancement and mastering of new knowledge, new technologies, new functions and new trends in the development of medical imaging by radiologists, technicians and nursing staff, and the passing of the above knowledge/technology to clinicians, they can interact with clinicians in a positive manner to help clinicians improve their diagnostic and treatment technology and service capabilities for patients through the development of medical imaging, thereby realizing the value of imaging professionals. As such, the goal of using imaging to guide and better serve clinical practice can be realized.
- **Brand Promise:** Focus on Imaging to Safeguard Health.

### CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted corporate governance practices as its own code of corporate governance practices based on the principles and code provisions as set out in the Corporate Governance Code.



## Corporate Governance Report

During the period from the Listing Date to December 31, 2024, the Company has complied with all applicable code provisions as set out in Part 2 of the Corporate Governance Code, and met the requirements of the vast majority of the recommended provisions on best practices as set out in Part 2 of the Corporate Governance Code, except for the deviation from code provision C.2.1 in Part 2 of the Corporate Governance Code, which is further illustrated in the section headed “Chairman and Chief Executive Officer” below.

The Company will continue to review and monitor its corporate governance practices on a regular basis to ensure compliance with the code provisions and to maintain the Company’s high standard of corporate governance practices.

### THE BOARD

#### Composition of the Board

As of the date of this annual report, the Board consists of nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors. All Directors are elected by the general meeting of Shareholders for a term of three years which is renewable upon re-election. For the year ended December 31, 2024, the members of the Board of the Company are listed as follows:

#### Executive Directors

Mr. CHEN Zhaoyang (*Chairman of the Board and Chief Executive Officer*)

Ms. HE Yingfei

Mr. FENG Xie

Mr. LI Feiyu (*appointed on November 18, 2024*)

Dr. XU Ke (*former Chairman of the Board*) (*retired on November 18, 2024*)

#### Non-executive Directors

Mr. LIU Senlin

Mr. GUO Tao (*appointed on November 18, 2024*)

Mr. MAO Xiaojun (*retired on November 18, 2024*)

#### Independent Non-executive Directors

Mr. WU Xiaohui

Mr. LUO Yi

Ms. CHEN Yifei (*appointed on November 18, 2024*)

Mr. YUAN Jun (*retired on November 18, 2024*)



## Corporate Governance Report

Biographical details of the Directors are set out in the section headed “Biographical Details of Directors, Supervisors and Senior Management” of this annual report. Save as disclosed in the section headed “Biographical Details of Directors, Supervisors and Senior Management” of this annual report, there are no financial, business, family, or other material or relevant relationships among members of the Board.

### Responsibilities of the Board and Management

The Board is responsible for leadership and control of the Company, oversees the Company’s businesses, investment and strategic decisions, maintains the effectiveness of the Company’s risk management and internal control systems, and monitors the performance of the Company.

The major powers and functions of the Board include, but are not limited to, convening the general meetings and reporting its work in the meetings, executing the resolutions of the general meetings; deciding on the Group’s operating plan and investment policy; reviewing the Group’s annual financial budget and final accounts; formulating the Company’s profit distribution plan and loss recovery plan; formulating the Company’s basic management system; and exercising other authorities granted by laws, administrative regulations, departmental regulations, the Listing Rule and other securities regulatory rules or organizational articles of association where the Company’s shares are listed.

For the purpose of overseeing specific aspects of the Company’s affairs, the Board has established three specific Board committees, including the Audit Committee, the Remuneration Committee and the Nomination Committee. The Board has assigned a number of responsibilities to the Board committees, which are set out in their respective terms of reference.

Senior management is responsible for the management of day-to-day operations of the Company, including but not limited to implementing strategies and instructions determined by the Board, organizing and coordinating the work among various departments and teams of the Company.

### Chairman and Chief Executive Officer

Pursuant to code provision C.2.1 in Part 2 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.



## Corporate Governance Report

During the period from November 18, 2024 to December 31, 2024, Mr. CHEN Zhaoyang assumed the duties and responsibilities of both the chairman of the Board and chief executive officer of the Company. Notwithstanding the deviation from code provision C.2.1 in Part 2 of the Corporate Governance Code, the Board believes that with the support of the management, vesting the duties and responsibilities of both chairman of the Board and the chief executive officer by the same person can facilitate execution of the Group's business strategies and boost effectiveness of its operation. In addition, under the supervision by the Board which currently consists of four executive Directors, two non-executive Directors and three independent non-executive Directors, the interest of the Shareholders will be adequately and fairly represented. The Board will review this structure from time to time to ensure appropriate and timely action to meet changing circumstances.

### CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in code provision A.2.1 of the Corporate Governance Code, which include:

- a) to develop and review the Company's policies and practices on corporate governance;
- b) to review and monitor the training and continuous professional development of Directors and senior management;
- c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- e) to review the Company's compliance with the Corporate Governance Code and disclosure in the corporate governance report.

Since the Listing Date and up to December 31, 2024, the Board has performed the above-mentioned corporate governance functions, including reviewing a series of corporate governance documents and monitoring the implementation of such documents from time to time; reviewing and actively organizing the training and continuous professional development of Directors and senior management; reviewing and monitoring whether the Company has violated laws and regulatory requirements; reviewing and monitoring the Shareholders' communication policy to ensure its effectiveness.



## Corporate Governance Report

### Independence of Independent Non-executive Directors

From the Listing Date to the date of this annual report, the Board complied with Rule 3.10A of the Listing Rules relating the appointment of independent non-executive Directors representing at least one-third of the Board, as well as Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received annual confirmation from each of the independent non-executive Directors in respect of his/her independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

### Appointment and Re-election of Directors

Under the Articles of Association, Directors shall be elected or replaced at the general meeting and may be removed from their office by the general meeting prior to expiration of the term of office. A Director shall serve a term of three years and may serve a consecutive term if re-elected upon expiration of their term of office.

Accordingly, each of the executive Directors, non-executive Director and independent non-executive Directors of the Company has entered into a service contract with the Company for a term of three years following his/her respective appointment date unless it is terminated in accordance with their respective terms, and are eligible to offer themselves for re-election upon expiry of term.

Save as disclosed above, the Company has not entered, and does not propose to enter, into any service contracts with any of the Directors or Supervisors in their respective capacities as Directors or Supervisors (other than contracts expiring or determinable by the employer within one year without any payment of compensation (other than statutory compensation)).

All newly appointed Directors of the Company (including Mr. LI Feiyu, executive Director, Mr. GUO Tao, non-executive Director, and Ms. CHEN Yifei, independent non-executive Director) have obtained the legal advice required by Rule 3.09D of the Listing Rules on November 5, 2024, and they have confirmed that they understand their responsibilities as Directors.

### Training and Professional Development

Pursuant to code provision C.1.4 of the Corporate Governance Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant.

Every newly appointed Director of the Company has received necessary induction training on his/her first appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

## Corporate Governance Report

To help the Directors develop and refresh their knowledge and skills, various training and lectures would be arranged at regular intervals, and the Directors would be provided with relevant laws, rules and regulations and amendments to or latest versions of the Listing Rules to keep them informed of the latest development. During the period from the Listing Date and up to December 31, 2024, all of the Directors have participated in training courses or reading materials on corporate governance and related topics to develop and refresh their knowledge and skills and provided relevant records of training to the Company.

Directors	Type of Training (Note)
<b>Executive Directors</b>	
Mr. CHEN Zhaoyang	a, b, c
Ms. HE Yingfei	a, b, c
Mr. FENG Xie	a, b, c
Mr. LI Feiyu	a, b, c
Dr. XU Ke ( <i>retired on November 18, 2024</i> )	a, b, c
<b>Non-executive Directors</b>	
Mr. LIU Senlin	a, b, c
Mr. GUO Tao	a, b, c
Mr. MAO Xiaojun ( <i>retired on November 18, 2024</i> )	a, b, c
<b>Independent Non-executive Directors</b>	
Mr. WU Xiaohui	a, b, c
Mr. LUO Yi	a, b, c
Ms. CHEN Yifei	a, b, c
Mr. YUAN Jun ( <i>retired on November 18, 2024</i> )	a, b, c

Notes:

- a: Training provided by law firm;
- b: Internal training and/or seminars and/or conferences and/or forums; and
- c: Reading study materials regarding Directors' duties and responsibilities and/or the latest corporate governance requirements.





## Corporate Governance Report

### Model Code for Securities Transactions by the Directors and Supervisors

The Company has adopted the Model Code as its code of conduct regarding dealings in the securities of the Company by the Directors and the Supervisors who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company's securities.

Upon specific enquiry, all Directors and Supervisors confirmed that they have complied with the Model Code since the Listing Date and up to December 31, 2024. In addition, the Company is not aware of any non-compliance with the Model Code by the members of senior management of the Company since the Listing Date and up to December 31, 2024.

### Independence of the Board

The Company believes that the independence of the Board is essential to good corporate governance and the effectiveness of the Board. The Board has established relevant mechanisms to ensure that the independent views of any Director can be communicated to the Board to enhance the objectivity and effectiveness of decision-making. The Board has reviewed the following key features or mechanisms under the Company's governance structure and considers that they are effective in ensuring the provision of independent views and advice to the Board.

The nomination, election and appointment of Directors to the Board are carried out in strict compliance with relevant regulations and policies and the Company's rules and regulations, following the principles of impartiality, fairness and openness to ensure the diversity of the Board members without conflict of interest.

Currently, the independent non-executive Directors of the Board account for one-third of the total number of Board members, and the Audit Committee consists of two independent non-executive Directors and one non-executive Director, all of which are in compliance with the independence requirements under the Listing Rules.

The independent non-executive Directors have extensive industry experience and professional knowledge, and have the ability to devote sufficient time to fulfill the duties of the Board to provide strong support and supervision for the development of the Company, and are able to maintain objectivity and independence in decision making to safeguard the interests of the Company and its shareholders. The Company will assess the independence of the independent non-executive Directors on an annual basis.

The Company has established effective channels for communication of views, and the Directors can express their views openly, as well as confidentially if necessary. All Directors (including independent non-executive Directors) may obtain external independent professional advice as deemed necessary at the Company's expense. All Directors will abstain from voting on resolutions in which they have a direct or indirect interest. The Board has reviewed these mechanisms and confirmed that they are effectively implemented.

## Corporate Governance Report

During the period from the Listing Date and up to December 31, 2024, the Board has complied with the aforesaid relevant regulations, and the aforesaid mechanisms are effective to provide independent views and opinions to the Board. The Board will review the implementation and effectiveness of the aforesaid mechanisms on an annual basis.

### Board Meetings and General Meetings

The Board shall meet regularly to discuss the overall strategy as well as the operation and financial performance of the Group. At least four Board meetings shall be convened and presided over by the chairman of the Board in every year. Directors may participate in meetings either in person or through electronic means of communication. All Directors are given not less than 14 days' notice for regular Board meetings. For other Board meetings and Board committee meetings, reasonable notice will be given. Minutes of meetings are kept by the company secretary of the Company with copies circulated to all Directors for information and record.

For the period from the Listing Date to December 31, 2024, the Company held 5 Board meetings and two general meetings. The attendance record of each Director is set out below:

Name of Directors	Number of attendance during the term of office of the Director/meetings held during the term of office of the Director	
	Board Meetings	General Meetings
<b>Executive Directors</b>		
Mr. CHEN Zhaoyang	5/5	2/2
Ms. HE Yingfei	5/5	2/2
Mr. FENG Xie	5/5	2/2
Mr. LI Feiyu (Note 1)	1/1	N/A
Dr. XU Ke (Note 2)	4/4	1/2
<b>Non-executive Directors</b>		
Mr. LIU Senlin	5/5	2/2
Mr. GUO Tao (Note 1)	1/1	N/A
Mr. MAO Xiaojun (Note 2)	4/4	2/2
<b>Independent Non-executive Directors</b>		
Mr. WU Xiaohui	5/5	2/2
Mr. LUO Yi	5/5	2/2
Ms. CHEN Yifei (Note 1)	1/1	N/A
Mr. YUAN Jun (Note 2)	4/4	2/2



## Corporate Governance Report

### Notes:

- (1) Mr. LI Feiyu, Mr. GUO Tao and Ms. CHEN Yifei have been respectively elected as the executive Director, non-executive Director and independent non-executive Director of the second session of the Board on November 18, 2024.
- (2) Dr. XU Ke, Mr. MAO Xiaojun and Mr. YUAN Jun retired due to expiration of their term of office as the executive Director, non-executive Director and independent non-executive Director, respectively, at the conclusion of the extraordinary general meeting held on November 18, 2024.

### Board Committees

The Company has established three Board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. All Board committees are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are published on the websites of the Company and the Stock Exchange, and are available to the Shareholders upon request. Each Board committee could engage intermediary to provide professional opinion in accordance with the actual needs at the expense of the Company.

### Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision D.3 of the Corporate Governance Code. The primary duties of the Audit Committee include, but not limited to: primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal; to monitor the integrity of the Company's financial statements, annual reports and accounts, half-year reports and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them; to review the Company's financial controls, risk management and internal control systems; to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems; where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness; to review the Company and its subsidiaries' operation, financial and accounting policies and practices; to report to the Board on the matters in the CG Code; and to review continuing connected transactions of the Company and ensure compliance with terms approved by shareholders of the Company.

The Audit Committee currently comprises three members, including Mr. WU Xiaohui and Ms. CHEN Yifei, both being the independent non-executive Directors, and Mr. LIU Senlin, being the non-executive Director. Mr. WU Xiaohui is the chairman of the Audit Committee.

## Corporate Governance Report

The Audit Committee held 2 meetings from the Listing Date to December 31, 2024. The work performed by the Audit Committee is summarized as follows:

- (1) reviewed and discussed the preliminary report submitted by the auditor to the Audit Committee for the 2024 audit and other matters that required attention raised by the auditor;
- (2) reviewed the drafts of the unaudited interim financial statements, interim results announcement and the interim report of the Group for the six months ended June 30, 2024 and made recommendations to the Board;
- (3) reviewed the disclosures as set out in the drafts of the interim results announcement of the Group for the six months ended 30 June 2024 in relation to (1) corporate governance; (2) Model Code for Securities Transactions by Directors; and (3) purchase, sale or redemption of listed securities of the Company; and
- (4) considered and confirmed the appointment of PricewaterhouseCoopers as the Company's auditor for 2024, confirmed the auditor's remuneration and made a recommendation to the Board.

The attendance record of each committee member is set out below:

Name of Members	Number of attendance during the term of office/ committee meetings held during the term of office
Mr. WU Xiaohui	2/2
Mr. LIU Senlin	2/2
Ms. CHEN Yifei (Note 1)	0/0
Mr. YUAN Jun (Note 2)	2/2

Notes:

- (1) Ms. CHEN Yifei has been elected as the independent non-executive Director of the second session of the Board and appointed as the member of Audit Committee on November 18, 2024.
- (2) Mr. YUAN Jun retired due to expiration of his term of office as the independent non-executive Director and the member of the Audit Committee, at the conclusion of the extraordinary general meeting held on November 18, 2024.



## Corporate Governance Report

### Remuneration Committee

The Company has established the Remuneration Committee with written terms of reference in compliance with code provision E.1.2 of the Corporate Governance Code. The primary duties of the Remuneration Committee include, but not limited to: make recommendations to the Board on the Company's policy and structure for the remuneration of all the Directors and senior management of the Company and on the establishment of a formal and transparent procedure for developing remuneration policy; to review and approve the management's remuneration proposals with reference to the corporate goals and objectives resolved by the Board from time to time; to make recommendations to the Board on the remuneration packages of executive Directors and senior management of the Company, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment; to make recommendations to the Board on the remuneration of non-executive Directors; to determine the policy for the remuneration of executive directors, assessing performance of executive directors, approving the terms of executive directors' service contracts, and reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

The Remuneration Committee currently comprises three members, including Mr. LUO Yi and Ms. CHEN Yifei, both being the independent non-executive Directors, and Ms. HE Yingfei, being the executive Director. Mr. LUO Yi is the chairman of the Remuneration Committee.

The Remuneration Committee held 2 meetings from the Listing Date to December 31, 2024. The work performed by the Remuneration Committee is summarized as follows:

- (1) reviewed and approved the Company's share award scheme;
- (2) confirmed the relevant remuneration policy and structure recommendations for the second session of the Board of Directors;
- (3) confirmed the relevant remuneration policy and structure recommendations for the second session of the Board of Supervisors; and
- (4) confirmed the relevant remuneration policy and structure recommendations for senior management.



## Corporate Governance Report

The attendance record of each committee member is set out below:

<b>Name of Members</b>	<b>Number of attendance during the term of office/ committee meetings held during the term of office</b>
Mr. LUO Yi (Note 1)	2/2
Ms. HE Yingfei (Note 2)	0/0
Ms. CHEN Yifei (Note 3)	0/0
Mr. YUAN Jun (Note 4)	2/2
Mr. CHEN Zhaoyang (Note 5)	2/2

Notes:

- (1) Mr. LUO Yi has been appointed as the chairman of the Remuneration Committee on November 18, 2024.
- (2) Ms. HE Yingfei has been appointed as the member of the Remuneration Committee on November 18, 2024.
- (3) Ms. CHEN Yifei has been elected as the independent non-executive Director of the second session of the Board and appointed as the member of the Remuneration Committee on November 18, 2024.
- (4) Mr. YUAN Jun retired due to expiration of his term of office as the independent non-executive Director and the chairman of the Remuneration Committee, at the conclusion of the extraordinary general meeting held on November 18, 2024.
- (5) Mr. CHEN Zhaoyang was not the member of the Remuneration Committee on November 18, 2024.

The Company's remuneration policy is to ensure that the remuneration offered to employees, including Directors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company's affairs. The remuneration packages of Directors and Supervisors are also determined with reference to the Company's performance and profitability, the prevailing market conditions and the performance or contribution of each Director and Supervisor. The remuneration for Directors and Supervisors comprises basic salaries, bonuses, welfare medical and other expenses, and share-based payments.

## Corporate Governance Report

Details of the emoluments of the Directors and five highest paid individuals of the Group are set out in Notes 9(b) and 37(a) to the Consolidated Financial Statements of this annual report. According to code provision E.1.5 of the CG Code, the remuneration payable to members of senior management (including members of senior management who are also executive Directors) by band for the year ended December 31, 2024 is set out below:

Remuneration Level (RMB)	Number of Persons
0-1,000,000	10
1,000,001-1,500,000	1
1,500,001-2,000,000	1

### Nomination Committee

The Company has established the Nomination Committee with written terms of reference in compliance with code provision B.3.1 of the Corporate Governance Code. The primary duties of the Nomination Committee include, but not limited to: review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; to develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship; to develop and maintain a policy for the nomination of the Directors which includes the nomination procedures and the process and criteria adopted by the Nomination Committee to identify, select and recommend candidates for directorship during the year, and to review periodically and disclose the policy and progress towards achieving the objectives set out in the nomination policy in the corporate governance report of the Company; to identify individuals who are suitably qualified to become a member (including whether the individuals can bring to the Board the skills, experiences and diversity of perspectives and how the individuals can contribute to the diversity of the Board) and to select or make recommendations to the Board on the selection of individuals nominated for directorships with regard to the nomination policy of the Company; to assess the independence of independent non-executive Directors with regard to the requirements of the Listing Rules; to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular, the chairman of the Board and the chief executive of the Company; and to develop a policy concerning diversity of Board members, and disclose the policy or a summary of the policy in the corporate governance report.

## Corporate Governance Report

In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's relevant criteria as set out in the Director Nomination Policy that are necessary to complement the Company's strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

The Nomination Committee currently comprises three members, including Mr. CHEN Zhaoyang, being the executive Director, and Mr. WU Xiaohui and Mr. LUO Yi, both being the independent non-executive Directors. Mr. CHEN Zhaoyang is the chairman of the Nomination Committee.

The Nomination Committee held 1 meeting from the Listing Date to December 31, 2024. The work performed by the Nomination Committee is summarized as follows:

- (1) confirmed the nomination of candidates for Directors of the second session of the Board, thereby Mr. CHEN Zhaoyang, Ms. HE Yingfei, Mr. FENG Xie and Mr. LI Feiyu were nominated as candidates for executive Directors of the second session of the Board, Mr. LIU Senlin and Mr. GUO Tao were nominated as candidates for non-executive Directors of the second session of the Board, and Mr. WU Xiaohui, Mr. LUO Yi and Ms. CHEN Yifei were nominated as candidates for independent non-executive Directors of the second session of the Board; and
- (2) assessed the independence of independent non-executive Directors in accordance with the requirements of the Listing Rules.

## Corporate Governance Report

The attendance record of each committee member is set out below:

Name of Members	Number of attendance during the term of office/ committee meetings held during the term of office
Mr. CHEN Zhaoyang (Note 1)	0/0
Mr. WU Xiaohui	1/1
Mr. LUO Yi	1/1
Dr. XU Ke (Note 2)	1/1

Notes:

- (1) Mr. CHEN Zhaoyang has been appointed as the chairman of the Nomination Committee on November 18, 2024.
- (2) Dr. XU Ke retired due to expiration of his term of office as the executive Director and the chairman of the Nomination Committee, at the conclusion of the extraordinary general meeting held on November 18, 2024.

### Nomination Policy and Procedures

The Company has adopted policies and procedures for nomination and election of Directors (the “**Nomination Policy**”). The Nomination Policy sets out the criteria and procedures for selection and performance evaluation and provides guidance to the Board on the nomination and appointment of Directors. The Board believes that a clear selection process facilitates corporate governance, ensures the continuity of the Board, maintains the leadership of the Board, and enhances the efficiency and diversity of the Board. Both the Nomination Committee and the Board can nominate candidates for Directors. When evaluating the suitability of recommended candidates and their potential contributions to the Board, the Nomination Committee may refer to certain selection criteria such as integrity, professional qualifications and skills, knowledge, experience, commitment and related contributions. The Nomination Committee shall report the evaluation results to the Board on the appointment of suitable Director candidates and provide relevant recommendations to the Board to make decisions and formulate a general election plan which should be proposed at the general meeting for the Shareholders’ approval.

The Board and the Nomination Committee intend to review the Nomination Policy at least annually and anticipate that it may be revised from time to time as necessary to meet the evolving needs and circumstances of the Company and where statutory obligations or requirements under the Listing Rules or the laws of Hong Kong or the laws of the PRC or other regulatory changes apply.

### Board Diversity Policy

The Company has adopted a board diversity policy (“**Board Diversity Policy**”) which sets out the approach to achieve and maintain diversity in the Board. Pursuant to the Board Diversity Policy, selection of Board candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical capabilities, professional qualifications and skills, knowledge, length of service and other related factors. The Company will also consider its own business model and special needs. The ultimate selection of Director candidates will be based on merits of the candidates and contribution that the candidates will bring to the Board.

The Directors currently consists of two female Directors and seven male Directors with a balanced mix of gender, knowledge and skills, including but not limited to knowledge and experience in the areas of business management, biotechnology, clinical medicine, healthcare, scientific research, law, financial management and accounting. Taking into consideration the Company’s existing business model and specific needs as well as the different background of the Directors, the Directors consider that the composition of the Board satisfies the Board Diversity Policy. The Company will strive to keep gender balance of the Board through measures implemented by the Nomination Committee in accordance with the Board Diversity Policy. In particular, the Company will keep identifying and selecting female individuals with a diverse range of skills, experience and knowledge in different fields who are suitably qualified to become the Board members and maintain at least two female Directors and at least 20% female representations in the Board.

The Nomination Committee is responsible for the implementation of the Board Diversity Policy. The Nomination Committee will review the Board Diversity Policy from time to time to ensure its continued effectiveness and will disclose the implementation of the Board Diversity Policy in the corporate governance report on an annual basis.

With regards to gender diversity on the Board, the Board considers that the Company has achieved gender diversity at the Board level and targets to maintain at least the current level of female representation. The Company will ensure that gender diversity is taken into account when recruiting staff members of mid to senior level and ensure that sufficient resources are available for providing appropriate trainings and career development to develop a pipeline of potential successors to the Board and maintain gender diversity.

The Nomination Committee will set and review measurable objectives to implement the policy and ascertain the progress made towards achieving those objectives.



## Corporate Governance Report

The current Board composition is analysed as follows based on the measurable objectives:

### Gender

Male:	7 Directors
Female:	2 Directors

### Age group

31-40:	5 Directors
41-50:	3 Directors
51-60:	1 Director

### Position

Executive Directors:	4 Directors
Non-executive Directors:	2 Directors
Independent non-executive Directors:	3 Directors

### Educational background

Healthcare:	3 Directors
Business administration:	1 Director
Accounting and finance:	2 Directors
Others:	3 Directors

### Nationality

Chinese:	9 Directors
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### Business experience

Accounting and finance:	5 Directors
Experience relevant to the Company's business:	3 Directors
Law:	1 Director

The Nomination Committee and the Board consider that the current Board composition has reached the objectives set out in the Board Diversity Policy.

The Nomination Committee will review at least on a yearly basis the Board Diversity Policy and measurable objectives to ensure the sustained function and effectiveness of the Board.

### Gender Diversity

The Company values gender diversity at all levels of the Group. Among the 831 employees and 511 medical professionals (including full-time employees and part-time medical professionals) of the Group as of December 31, 2024, 48% are males and 52% are females. The Board believes that the Company has achieved gender diversity among its employees and considers such gender diversity is satisfactory at the current stage. In order to continue to achieve gender diversity among the employees, the Company is committed to creating favourable conditions in the working environment to continuously attract employees of different genders to the Group, thereby maintaining its position as a gender-balanced company. In this process, the Company may face challenges in matching the availability of gender-specific personnel in the human resources market with the education, experience and skills required for positions of the Group. Despite these challenges, the Company is committed to maintaining a gender-balanced workforce.

### Directors' Responsibility in respect of the Financial Statements

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Company for the year ended December 31, 2024.

The management has provided the Board with the relevant explanations and information necessary for the Board to make an informed assessment of the financial statements of the Company, which shall be submitted to the Board for approval. The Company will also provide updates to all members of the Board on the Company's performance, position and prospects.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report of this annual report.

## Corporate Governance Report

### AUDITOR'S REMUNERATION

An analysis of the remuneration paid/payable to the external auditor of the Company, PricewaterhouseCoopers, in respect of audit services and non-audit services for the year ended December 31, 2024 is set out below:

Service Category	Charges paid/payable (RMB million)
Audit services	2.9
IPO-related services	2.5
Non-audit services PN730 and other consulting services	0.1
Total	5.5

### JOINT COMPANY SECRETARIES

Ms. HE Yingfei and Ms. ZHANG Xiao were appointed as the joint company secretaries of the Company with effect from May 2023 and are responsible for overseeing the company secretarial work of the Group. The primary contact person of Ms. ZHANG Xiao at the Company is Ms. HE Yingfei. Both Ms. HE Yingfei's and Ms. ZHANG Xiao's biographical details are set out in the section headed "Biographical Details of Directors, Supervisors and Senior Management" in this annual report.

In accordance with the requirements under Rule 3.29 of the Listing Rules, both Ms. HE Yingfei and Ms. ZHANG Xiao confirmed that they have taken not less than 15 hours of relevant professional training during the year ended December 31, 2024.

### SHAREHOLDERS' RIGHTS

#### Convening an Extraordinary General Meeting

In accordance with article 50 of the Articles of Association, Shareholders that hold, individually or collectively, 10% or more of the Shares in the Company shall have the right to request in writing the Board to convene an extraordinary general meeting. The Board shall, in accordance with relevant laws, administrative regulations, the Listing Rules, other securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association, give a written response on whether or not it agrees to convene such an extraordinary general meeting within 10 days after receiving the proposal from the abovementioned Shareholders to call such meeting.

If the Board agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days after the resolution of the Board is passed. Any change made to the original request in the notice shall be approved by the relevant Shareholders.

If the Board does not agree to convene the extraordinary general meeting, or fails to make a response within 10 days upon receipt of the request, the Shareholder(s) individually or collectively holding 10% or more of the shares of the Company shall have the right to propose to the Board of Supervisors to convene the extraordinary general meeting. Such request shall be made to the Board of Supervisors in writing.

If the Board of Supervisors agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon receipt of the request. Any change made to the original request in the notice shall be approved by the relevant shareholders.

If the Board of Supervisors fails to issue the notice calling such a meeting within the period specified hereinabove, it shall be deemed to have failed to convene and preside over such meeting. The Shareholders that hold, individually or collectively, 10% of the Shares in the Company for 90 consecutive days or a longer period may convene and preside over such meeting.

#### Submitting Proposal at a General Meeting

Shareholders that hold, individually or collectively, 1% or more of the Shares in the Company may make provisional proposals in writing to the convener 10 days prior to the date of such meeting. The convener shall issue a supplementary notice of the general meeting and announce the contents of such provisional proposals within two days after receipt thereof, and submit the same to the general meeting for consideration, provided that the provisional proposals may not violate laws, administrative regulations or the provisions of the Articles of Association, or fall within the scope of authority of the general meeting.



## Corporate Governance Report

### Making Enquiries to the Board

Shareholders may send written enquiries to the Company for any enquiries put forward by the Board. The Company will normally not deal with verbal or anonymous enquiries.

### Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Building 2, No. 2 Minzuyuan, Minzuyuan Road, Chaoyang District, Beijing  
(For the attention of the joint company secretaries)

Email: [information@rimag.com.cn](mailto:information@rimag.com.cn)

For the avoidance of doubt, Shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

## SHAREHOLDERS' COMMUNICATION POLICY AND INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor's understanding of the Group's business performance and strategies. The Company endeavors to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and extraordinary general meetings. At the annual general meeting, the Directors (or their delegates as appropriate) are available to meet Shareholders and answer their enquiries.

To safeguard the interests and rights of the Shareholders, a separate resolution should be proposed for each substantial issue at general meetings, including the election of individual Director. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.





## Corporate Governance Report

The Company has established a range of channels for maintaining its ongoing dialogue with the Shareholders, the details of which are set out below:

### a) Shareholders' Enquiries

- Shareholders may at any time make a request for the Company's information to the extent such information is publicly available.
- Shareholders may have access to the contact persons, email addresses and enquiry lines designated by the Company in order to enable them to make any query in respect of the Company.

### b) Corporate Communications

- "Corporate communications" refers to any documents issued or to be issued by the Company for information or action of Shareholders, which includes but are not limited to copies of the report of Directors and annual accounts and the auditor's report, interim reports, meeting notices, circulars and proxy forms. Corporate communications will be provided to Shareholders in plain language and in both English and Chinese versions to facilitate Shareholders' understanding. Shareholders are entitled to choose the language (either English or Chinese).
- Shareholders are encouraged to provide, among others, their email addresses to the Company to facilitate timely and effective communication.

### c) Company Website

- The Company has set a special column headed "Investor Relations" on its website ([www.rimag.com.cn](http://www.rimag.com.cn)). Information on the Company's website will be updated regularly.
- Information posted on the Stock Exchange by the Company will also be immediately published on the website of the Company. Such information includes, among others, financial statements, results announcements, circulars, notices of general meetings and relevant statements.
- All presentation materials provided together with the annual general meeting and results announcement of the Company for each year will be available on the website of the Company.
- All press releases and Shareholders' communications will be available on the website of the Company.



## Corporate Governance Report

### d) Shareholders' Meetings

- Shareholders are encouraged to attend general meetings, failure which, proxies may be appointed to attend and vote at the meetings on their behalf.
- Appropriate arrangements will be made to the annual general meetings to encourage Shareholders' participation in such meetings.
- Procedures of the general meetings of the Company will be monitored and reviewed on a regular basis, and amended if necessary to ensure Shareholders' needs are satisfied to the maximum extent.
- Board members, in particular chairman of each committee under the Board/ chairman of the Board or its proxy, appropriate senior management and external auditor will attend annual general meetings to answer Shareholders' questions.
- Shareholders are encouraged to participate in Shareholder activities organised by the Company to convey information concerning the Company, including latest strategic planning, products and services.

The Company keeps on promoting good investor relations and enhancing communication with the Shareholders and potential investors in order for them to better understand the Group's business performance and strategies. The Board has reviewed the above policy during the Reporting Period and believes that Shareholders have sufficient means and channels to express their opinions to the Company and that the Shareholders' communication policy of the Company has been effectively implemented during the Reporting Period.

### AMENDMENTS TO THE CONSTITUTIONAL DOCUMENTS

Upon completion of the Global Offering, the registered capital of the Company was changed from RMB338,495,832 to RMB356,311,832. To reflect such change in the registered capital of the Company, corresponding amendment was made to the Articles of Association. The Company has completed the registration and filing procedures with the Ganjiang New Area Market Supervision Bureau in respect of the Amendment.

In accordance with the shareholders' resolutions passed at the general meeting of the Company held on April 10, 2023, the general meeting of the Company has authorized the Board and persons authorized by the Board to make necessary amendments or adjustments (including but not limited to adjustments and amendments to the wording, chapters, sections, clauses and conditions of validity of the Articles of Association) to the Articles of Association as approved by the general meeting in accordance with the provisions of laws and regulations

and in the light of the Company's actual situation in relation to the issuance and Listing of the H Shares of the Company, amend the corresponding provisions of the Articles of Association in accordance with the changes in share capital, shareholding structure and other matters after completion of the Global Offering, and apply to the market supervision and administration authorities and other governmental authorities for approval, vetting, registration, alteration and filing in respect of matters such as changes in registered capital and the Articles of Association. For details, please refer to the announcement of the Company dated July 17, 2024.

The Company has also made amendments to its Articles of Association after the Reporting Period. Based on the demands for improving the efficiency of daily business operation and decision-making, and the amendments to the provisions of the new Company Law which comes into force on July 1, 2024, the shareholders approved the amendments to the Articles of Association and its appendices, including the Rules of Procedure for Shareholders' General Meetings, the Rules of Procedure for Meetings of the Board and the Rules of Procedure for Meetings of the Board of Supervisors, by way of a special resolution at the extraordinary general meeting held on February 18, 2025. For details, please refer to the announcement of the Company dated February 18, 2025.

Save as disclosed above, there was no change in the constitutional documents of the Company during the Reporting Period.

The latest Articles of Association is available on both the websites of the Company and of the Stock Exchange.

### **DIVIDEND POLICY**

The Company is a joint stock company incorporated in the People's Republic of China with limited liability. The payment and amount of any future dividend depend on the availability of dividends received from our subsidiaries.

The Company did not pay or declare any dividend for the year ended December 31, 2024. The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future.

Pursuant to the relevant provisions of the Company Law of the PRC, prior to the allocation of post-tax profits to shareholders, a company is mandated to make up any accrued losses and adhere to the prescribed extraction of statutory reserves based on regulatory requirements. Consequently, if the post-tax profits of a company prove insufficient to adequately offset extant losses, the company remains proscribed from distributing post-tax profits amongst its shareholders.



## Corporate Governance Report

Any proposed distribution of dividends shall be formulated by the Board and will be subject to approval in the Shareholders' meeting. The Company does not currently have any pre-determined dividend payout ratio. A decision to declare or to pay any dividends in the future, and the amount of any such dividends, will depend on a number of factors, including the results of operations, cash flows, financial condition, payments by the subsidiaries of cash dividends to the Company, business prospects, statutory, regulatory and contractual restrictions on the Company's declaration and payment of dividends and other factors that the Board may consider important. No dividend will be declared or payable except out of the Company's profits and reserves lawfully available for distribution. There can be no assurance that dividends of any amount will be declared or distributed in any year.

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board is fully aware that it is accountable for the risk management and internal control system to safeguard Shareholders' investment and the Company's assets. The Board reviews the effectiveness of the system on an annual basis. According to the Board, such systems are designed to manage rather than eliminate the failure to achieve business objectives and can only provide reasonable but not absolute assurance that there will be no material misrepresentation or loss.

The Group has established a comprehensive risk management and internal control governance system with clear hierarchy and responsibilities, which consists of three levels, namely strategic decision-making level, operational management level and execution level.

The strategic decision-making level includes the Board and the Audit Committee. The Board is the highest decision-making body for risk management and internal control. It is responsible for the effectiveness of the Group's risk management and internal control work, and adopts the reports on the management and internal control systems and their implementation in respect of important risks involved in the strategy, operations and ESG of the Group. The Audit Committee is responsible for overseeing risk management and internal control mechanisms and guiding the Group's management to implement an effective risk management system.

The operational management level includes the Risk Compliance Committee and the Internal Audit and Compliance Center. The Risk Compliance Committee is responsible for researching, discussing and organizing the implementation of risk management and internal control work, and supervising all departments of the Group to establish and improve the risk management and internal control system and operating mechanism. As the executive body of the Audit Committee under the Board, the Internal Audit and Compliance Center is accountable to the Board and is responsible for the internal audit and internal control of the Group.

The executive level consists of various business departments. Each business department carries out daily risk management work in accordance with job requirements and reports operational management issues that may affect risks to the internal audit and risk control department in a timely manner.



## Corporate Governance Report

The Company has established an internal audit department to review the Company's financial position, operating conditions, risk management, compliance monitoring and internal controls. The management is responsible for performing risk assessments and implementing and maintaining internal controls. It is essential to the risk management and internal control system that clearly and properly written policies and procedures are established and communicated to employees.

The Board reviews the effectiveness of the Company's risk management and internal control systems at least once a year through the Audit Committee, including the adequacy of the Company's resources, the qualifications and experience of its staff, its training programmes and budget for the accounting and financial reporting functions, and considers the risk management and internal control systems to be effective and adequate. During the year ended December 31, 2024, the Board reviewed the effectiveness of the Company's risk management and internal control systems through the Audit Committee, including the adequacy of the Company's resources, the qualifications and experience of its staff, its training programmes and budget for the accounting and financial reporting functions, covering financial control, operational control, compliance control and risk management functions, and considered the risk management and internal control systems to be effective and adequate.

The risk management and internal control systems have been integrated into the business processes and become an integral part of the Company's overall operations. The system includes a comprehensive organizational structure in which each position is assigned clear responsibilities and delegated appropriate authority. The Company has established a reporting system in accordance with the organizational structure, which includes a channel for the heads of each major business unit to report to the Board.

The Company has established risk management and internal control system and an accounting system to identify and assess the Company's risks, develop strategies to mitigate the risks, and provide reasonable assurance that assets are not used or sold without authorization, that transactions are carried out with the management's authorization, and that the accounts can be reliably used to prepare the financial information in the business for publication, maintain accountability for assets and liabilities, and ensure that the business is conducted in accordance with the relevant statutes, regulations and internal guidelines.

The Company has an organizational structure with clear lines of authority and responsibility. Each department is responsible for its day-to-day operations and is required to report regularly to the executive Directors. Each department has established policies and procedures, which include establishing and maintaining effective policies to ensure that the Company's risks are properly identified and that appropriate action is taken to manage those risks; establishing a structure with clear lines of authority and responsibility and proper segregation of duties; monitoring the strategic plan and performance, designing an effective accounting and information system; controlling sensitive information affecting the price of the shares; and ensuring that fast and timely communications are maintained with the Company's stakeholders.





## Corporate Governance Report

The Company has devoted itself to establishing and maintaining risk management and internal control systems consisting of policies and procedures that it considers to be appropriate for the business operations. The Company is dedicated to continuously improving these systems, developing a risk management culture and raising the risk management awareness of all employees.

The Company has adopted and implemented comprehensive risk management policies in various aspects of the business operations, specifically:

- Establishing the investment decision-making committee and the risk compliance committee to control external investment and compliance management risks;
- Establishing the project evaluation committee to ensure the quality and investment return of the imaging center investment projects and reduce the business and compliance risks of each project;
- Providing continuous anti-corruption and anti-bribery compliance training for employees to improve their awareness of laws and regulations and urge them to comply with laws and regulations in their daily work; and
- Arranging Directors and senior management to participate in training seminars on Listing Rules and responsibilities as directors of Hong Kong listed companies.

Based on the internal control review conducted during the year ended December 31, 2024, the Board, after reviewing, is of the opinion that the Company's risk management and internal control systems were effective and adequate during the Reporting Period.

### Whistleblowing Policy

The Company has a whistleblowing policy in place for employees of the Company and others who deal with the Company to raise their concerns, covertly and anonymously, with the Audit Committee about any possible improprieties regarding the Company.

### Anti-Bribery and Anti-Corruption Policy

To maintain the Company's reputation and integrity, it has formulated anti-corruption policies and established an anti-bribery and gift system, requiring all employees to carry out business or activities in line with the relevant laws and regulations. The Company includes the agreement on integrity and prevention of work-related crimes as an annex to an employee's labor contract, which should be signed as part of the onboarding process. Employees who violate the above internal policies or systems may be dismissed.

Additionally, the Company has formulated a series of reimbursement and payment policies, which define the approval authority, standardized approval procedures and the fee cap of reimbursement for entertainment, travel and other expenses.

The Company has also established a comprehensive contract approval management system to help the management in reviewing and supervising important and material business-related contracts. The Company requires its material business partners and employees to comply with relevant anti-corruption and anti-bribery laws and regulations to ensure that its employees, suppliers and customers conduct business legally and ethically. The Company includes anti-bribery and anti-corruption clauses in its agreements, which prohibit our employees, suppliers and customers from offering unauthorized payments, such as bribes, kickbacks, or benefits in the form of cash, gift card, travel and securities, among other things, to each other in violation of the applicable anti-bribery and anti-corruption laws and regulations.

During the Reporting Period, none of the employees or material business partners of the Company had become the subject of any complaint, investigation or regulatory enquiry or otherwise been involved in any bribery or kickback arrangements.

### Release of Inside Information

To enhance the Company's system for handling and releasing inside information and ensure the authenticity, accuracy, completeness and timeliness of its public disclosure, the Company has adopted and implemented inside information policies and procedures. The Company has from time to time taken a number of reasonable steps to ensure that it is in possession of potential inside information and to maintain the confidentiality of such information, with a view to preventing breaches of the disclosure requirements relating to the Company, including:

- Access to the information is limited to a small number of employees on a “need-to-know” basis. Employees in possession of inside information are fully aware of their duty of confidentiality.
- Confidentiality agreements will be entered into when the Company engages in significant negotiations.
- Different operating units have reporting channels to report potential inside information to the designated departments.
- The executive Director is the designated person who speaks on behalf of the Company when communicating with external parties such as the media, analysts or investors and responding to external inquiries.



## Report of the Board of Directors

The Board is pleased to present the report of the Board of Directors together with the audited Consolidated Financial Statements of the Group for the year ended December 31, 2024.

### LIST OF DIRECTORS

The list of Directors during the year ended December 31, 2024 and as of the date of this annual report is as follows:

#### Executive Directors

Mr. CHEN Zhaoyang (*Chairman of the Board and Chief Executive Officer*)  
Ms. HE Yingfei  
Mr. FENG Xie  
Mr. LI Feiyu  
Dr. XU Ke (*retired on November 18, 2024*)

#### Non-executive Directors

Mr. LIU Senlin  
Mr. GUO Tao  
Mr. MAO Xiaojun (*retired on November 18, 2024*)

#### Independent Non-executive Directors

Mr. WU Xiaohui  
Mr. LUO Yi  
Ms. CHEN Yifei  
Mr. YUAN Jun (*retired on November 18, 2024*)

### GENERAL INFORMATION

The Company was established under the laws of the PRC as a joint stock company with limited liability on October 30, 2014, subsequently converted into a limited liability company on July 15, 2016 and further converted into a joint stock company with limited liability in the PRC on June 30, 2021. The H Shares of the Company have been listed on the Main Board of the Stock Exchange since June 7, 2024.



## Report of the Board of Directors

### PRINCIPAL ACTIVITIES

As a leading medical group specialized in medical imaging in China, the Group is the only operator and manager of a medical imaging platform that provides diversified imaging services and value to the entire medical imaging industry chain in China. During the year ended December 31, 2024, the Group generated revenue primarily from: (i) imaging center services; (ii) imaging solution services; and (iii) Rimag Cloud services.

Please refer to the sections headed “Chairman’s Statement”, “Management Discussion and Analysis”, “Corporate Governance Report” and “Notes to the Consolidated Financial Statements” of this annual report and sub-section headed “Principal Risks and Uncertainties” in this report for a true and fair review of the Group’s business and analysis using financial key performance indicators, a description of the key risks and uncertainties faced by the Group and discussion of potential future development of the Group’s business.

### SUBSIDIARIES OF THE COMPANY

Details of the subsidiaries of the Company are set out in Note 40 to the Consolidated Financial Statements in this annual report.

### BUSINESS REVIEW AND RESULTS

A review of the business and future prospects of the Group during the year ended December 31, 2024 are provided in the sections headed “Business Review” and “Future Development and Strategies” under “Management Discussion and Analysis” of this annual report. An analysis of the Group’s financial performance during the year ended December 31, 2024 is provided in the section headed “Financial Review” under “Management Discussion and Analysis” of this annual report.

The results of the Group for the year ended December 31, 2024 are set out in the Consolidated Financial Statements and their notes in this annual report.

### FINANCIAL SUMMARY

A summary of the consolidated operating results and the assets and liabilities of the Group for the last four financial years, as extracted from the published audited Consolidated Financial Statements, is set out in the section headed “Financial Summary” in this annual report. This summary does not form part of the audited Consolidated Financial Statements.



## Report of the Board of Directors

### PRINCIPAL RISKS AND UNCERTAINTIES

The following is a summary of certain principal risks and uncertainties facing the Group, some of which are beyond its control:

- We may be unable to expand effectively, which may materially and adversely affect our business, financial condition, results of operations and prospects;
- Opening of new imaging centers could result in fluctuations in our short-term financial performance. Newly established imaging centers may not achieve normal operation as anticipated, which could adversely affect our business, financial condition, results of operations and prospects;
- As a provider of imaging center services, we have close business relationships with hospitals. If any such hospital decides to terminate or not to renew our business agreements, or we are unable to enter into business agreements with more hospitals, our business, financial condition and results of operations may be negatively impacted;
- We operate in a highly competitive market, and if we do not compete effectively, our business, results of operations, financial condition and prospects could be harmed;
- With the development of market conditions and technology, we may not develop and successfully market new and advanced commercially viable services, and we may not price our new services at a favorable level, any of which would materially and adversely affect our business, financial condition and results of operations; and
- Our business is subject to complex and ever-changing laws and regulations. Any adverse changes in the regulatory regimes relating to the healthcare industry in the locations where we operate could limit our ability to provide our products and services, which would materially and adversely affect our business, financial condition and results of operations.

The above is not an exhaustive list of the risks that the Group's business face. Please refer to the section entitled "Risk Factors" of the Prospectus for other risks and uncertainties faced by the Group.

The Company considers that risk management is essential to the efficient and effective operation of the Group. The Company's management assists the Board in assessing significant internal and external risks arising from the Group's business, including operational risks, financial risks, regulatory risks, etc., and actively establishes appropriate risk management and internal control mechanisms and incorporates them into daily operational management.



### ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group consistently prioritizes the monitoring of environmental, social, and corporate governance (“**ESG**”) practices and strive to incorporate them into its day-to-day operations. The Group recognizes its obligations towards environmental preservation and social responsibility, firmly believing that the integration of ESG principles is vital for its long-term business growth.

The Group has established an ESG Policy, which encompasses the following elements: (i) effective risk governance pertaining to ESG matters, including environmental, social, and climate-related risks; (ii) identification of key stakeholders and the establishment of communication channels to engage with them; (iii) a well-defined ESG governance structure; (iv) procedures for formulating its ESG strategy; (v) ESG risk management and monitoring protocols; and (vi) identification of key performance indicators (KPIs), along with relevant measurements and mitigation measures. The Board will have the overall responsibility for reviewing, approving, and adopting the ESG Policy, as well as the targets and strategies of the Group. Furthermore, it will provide oversight for the implementation of the ESG Policy, make necessary revisions to the overall ESG strategies as deemed appropriate, and effectively manage other significant ESG-related matters.

For further details of the Company’s environmental performance and relationship with its employees and suppliers, please refer to the Environmental, Social and Governance Report of the Company. The Environmental, Social and Governance Report of the Company for 2024 will be published at the same time as the publication of this annual report on the websites of the Company and the Stock Exchange.

### COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

During the year ended December 31, 2024, to the best knowledge of the Board, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the Group.

### RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term goals. The Group maintains a good relationship with employees, customers and suppliers. During the year ended December 31, 2024, there were no material and significant dispute between the Group and its employees, customers and/or suppliers.



## Report of the Board of Directors

### Employees

As of December 31, 2024, the Group had 831 employees and 511 medical professionals (including full-time employees and part-time medical professionals) across all cities where it operates imaging centers. The Group is committed to establishing competitive and fair remuneration. In order to effectively motivate the employees, the Group continually refines its remuneration and incentive policies through market research. The Group conducts performance evaluation of the employees semiannually to provide feedback on their performance. Compensation for the employees typically consists of basic salary and a performance-based bonus. The Group provides social insurance plans and housing provident funds in accordance with applicable PRC laws and regulations to the employees. The Group pays great attention to the employees' welfare, and continually improves its welfare system. The Group offers employees additional benefits such as annual leave, stipend, supplementary medical insurance, annuity, health examinations and medical insurance for family members, among other things.

### Customers

The Group continually strives to improve the customers' level of satisfaction by offering quality customer services. The Group arranges follow-up interviews with patients and other healthcare consumers of its imaging centers to assess the quality of the imaging services provided, and to seek their suggestions and advice. Patients and other healthcare consumers can submit complaints verbally or in writing at the imaging centers or via the designated email address or hotlines.

### Suppliers

In selection of the suppliers, the Group takes into consideration the customer demands for specific equipment and relevant specification, functionality or modality, among other things, to ascertain the scope of suppliers with the capabilities to meet such demands. In addition, leveraging the Group's rich experience in the medical imaging industry and deep understanding of various types of medical imaging equipment, it has established sound supply chain management capabilities to select the most suitable supplier with strong service capabilities, solid track record and favorable cooperation terms to ensure the quality and stability of products and services it provides.



## Report of the Board of Directors

### MAJOR CUSTOMERS AND SUPPLIERS

The revenue attributable to the Group's five largest customers for the year ended December 31, 2024 accounted for approximately 29.6% of the Group's total revenue. The revenue attributable to the Group's largest customer for the year ended December 31, 2024 accounted for approximately 9.1% of the Group's total revenue.

The aggregate purchases attributable to the Group's five largest suppliers for the year ended December 31, 2024 accounted for approximately 49.2% of the Group's total purchases. The aggregate purchases attributable to the Group's largest supplier for the year ended December 31, 2024 accounted for approximately 27.0% of the Group's total purchases.

During the year ended December 31, 2024, none of the Directors and, to the knowledge of the Directors, their respective close associates or any Shareholders holding more than 5% of the Company's issued share capital had any interests in any of its five largest customers or suppliers.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or PRC laws which would oblige the Company to offer new Shares on a pro-rata basis to its existing Shareholders.

### TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief or exemption available to the Shareholders by reason of their holding of the Company's Shares.

### PROPERTY, PLANT AND EQUIPMENT

Details of the properties, plant and equipment of the Group and their movements during the year ended December 31, 2024 are set out in Note 15 to the Consolidated Financial Statements.

### DONATION

For the year ended December 31, 2024, the Group made charitable donations of approximately RMB40,000. For further details, please refer to the Company's 2024 Environmental, Social and Governance Report.

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

Since the Listing Date and up to December 31, 2024, none of the members of the Group has purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares). For the year ended December 31, 2024, the Company did not hold any treasury shares as defined under the Listing Rules.



## Report of the Board of Directors

### SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended December 31, 2024 are set out in Note 24 to the Consolidated Financial Statements.

### COMPLETION OF H SHARE FULL CIRCULATION

On December 18, 2024, the Company received a filing notice dated December 10, 2024 issued by the CSRC in respect of the implementation of the full circulation of H Shares for an aggregate of 51,562,074 Unlisted Shares. On December 20, 2024, the Stock Exchange granted approval for the listing of and the permission to deal in 51,562,074 H Shares (the “**Converted H Shares**”), representing the total number of Unlisted Shares to be converted to H Shares. On December 30, 2024, the conversion of 51,562,074 Unlisted Shares was completed and the listing of the Converted H Shares on the Stock Exchange commenced on December 31, 2024. For more related details, please refer to the Company’s announcements dated July 15, 2024, August 2, 2024, December 18, 2024, December 20, 2024 and December 30, 2024.

### DIVIDEND

The Board does not recommend the distribution of any final dividend for the year ended December 31, 2024. The Board is not aware of any Shareholders having waived or agreed to waive any dividend.

### DEBENTURE AND CONVERTIBLE BOND ISSUED

The Group did not issue any debenture or any convertible bond for the year ended December 31, 2024.

### EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into by the Group, or existed during the year ended December 31, 2024.

### PERMITTED INDEMNITY PROVISION

The Company has maintained directors’ liability insurance to protect the Directors of the Company against any potential losses arising from his/her actual or alleged misconduct. During the year ended December 31, 2024 and up to the Latest Practicable Date, permitted indemnity provision (as defined in section 9 of the Companies (Directors’ Report) Regulation (Chapter 622D of the Laws of Hong Kong)) was and is being in force for the benefit of the Directors of the Company.

### RESERVES

Details of movements in the reserves of the Group during the year ended December 31, 2024 are set out in the Consolidated Statement of Changes in Equity and Note 25 to the Consolidated Financial Statements of this annual report.



## Report of the Board of Directors

### DISTRIBUTABLE RESERVES

As of December 31, 2024, the Company had no reserves available for distribution.

### BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as of December 31, 2024 are set out in the section headed “Management Discussion and Analysis” in this annual report and Note 30 to the Consolidated Financial Statements.

### DIRECTORS’ AND SUPERVISORS’ SERVICE CONTRACTS

The Company has entered into a service contract with each of the Directors and Supervisors in respect of, among other things, compliance with the relevant laws and regulations, the Articles of Association and applicable provisions on arbitration. Pursuant to Articles 97 and 141 of the Articles of Association, the Directors and Supervisors shall serve a term of three years and may serve a consecutive term if re-elected upon expiration of their term of office.

Save as disclosed above, the Company has not entered, and does not propose to enter, into any service contracts with any of the Directors or Supervisors in their respective capacities as Directors or Supervisors (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

The biographical details of the Directors, Supervisors and the senior management of the Group are disclosed in the section headed “Biographical Details of Directors, Supervisors and Senior Management” of this annual report.

### DIRECTORS’ AND SUPERVISORS’ INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, no transactions, arrangements and contracts of significance in relation to the Group’s business to which the Company or any of its subsidiaries was a party and in which a Director or a Supervisor or his or her connected entity had a material interest, whether directly or indirectly, subsisted for the year ended December 31, 2024 and as at December 31, 2024.

### INTERESTS OF DIRECTORS IN COMPETING BUSINESS

During the year ended December 31, 2024, none of the Directors had any interest in a business which competes or is likely to compete, either directly or indirectly, with the Company’s business which would require disclosure under Rule 8.10 of the Listing Rules.





## Report of the Board of Directors

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended December 31, 2024.

### DIRECTORS' AND SUPERVISORS' RIGHT TO PURCHASE SHARES OR DEBENTURES

As of December 31, 2024, none of the Directors, Supervisors or their respective spouses or minor children under the age of 18 years were granted with rights, or had exercised any such rights, to acquire benefits by means of purchasing Shares or debentures of the Company. No member of the Group was a party to any arrangements to enable the Directors, Supervisors or their respective spouses or minor children under the age of 18 years to acquire such rights from any other body corporates.

During the year ended December 31, 2024, the Company did not grant any rights to acquire benefits by means of the acquisition of Shares or debentures of the Company to any Directors or Supervisors or their respective spouses or minor children under 18, and none of them has exercised such rights.

### CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

During the year ended December 31, 2024, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

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

As at December 31, 2024, the interests or short positions of the Directors, Supervisors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Directors, Supervisors and chief executive(s) of the Company are taken or deemed to have under such provisions of the SFO); or (b) to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

## Report of the Board of Directors

### (a) Interest in Shares

Name	Position in the Company	Nature of interest	Number and type of Shares held <sup>(1)</sup>	Approximate percentage of the relevant type of Shares <sup>(1)</sup> (%)	Approximate percentage of the total issued Shares <sup>(1)</sup> (%)
CHEN Zhaoyang (陳朝陽) <sup>(2)</sup>	Chairman of the Board, Executive Director and Chief Executive Officer	Interest in controlled corporation	19,463,291 H Shares (L)	7.80	5.46
		Interest in controlled corporation	39,625,297 Unlisted Shares (L)	37.06	11.12

Notes:

- (1) The table above is calculated based on the total number of 356,311,832 Shares (comprising 106,933,758 Unlisted Shares and 249,378,074 H Shares) in issue as at December 31, 2024.
- (2) As of December 31, 2024, Nanchang Rimag, the Company's employee incentive platform, directly held 59,088,588 Shares (comprising 19,463,291 H Shares and 39,625,297 Unlisted Shares), whose general partner is CHEN Zhaoyang. Therefore, Mr. Chen is deemed to be interested in the 59,088,588 Shares held by Nanchang Rimag for the purpose of Part XV of the SFO.
- (L) Long position.

Save as disclosed above, as at December 31, 2024, to the best of the Company's knowledge, information and belief, none of the Directors, Supervisors and chief executives of the Company 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 (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO; or (b) to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) as otherwise to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## Report of the Board of Directors

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

As at December 31, 2024, to the best knowledge of the Directors or chief executives of the Company, the interests or short positions of the following persons (other than the Directors, Supervisors and chief executives of the Company) in the Shares, underlying Shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO (including interests or short positions which any such persons other than the Directors, Supervisors and chief executives of the Company are taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Name of Shareholder	Nature of interest	Number and type of Shares held <sup>(1)</sup>	Approximate percentage of the relevant type of Shares <sup>(1)</sup> (%)	Approximate percentage of total issued Shares <sup>(1)</sup> (%)
Nanchang Rimag <sup>(2)</sup>	Beneficial interest	19,463,291 H Shares (L)	7.80	5.46
		39,625,297 Unlisted Shares (L)	37.06	11.12
Beijing Goldman Sachs Consulting Co., Ltd. (北京高盛顧問有限公司) <sup>(3)</sup>	Beneficial interest	30,882,270 H Shares (L)	12.38	8.67
Goldman Sachs Holding (Mauritius) Limited <sup>(3)</sup>	Interest in controlled corporation	30,882,270 H Shares (L)	12.38	8.67
Tiger Strategic Investments Ltd. <sup>(3)</sup>	Interest in controlled corporation	30,882,270 H Shares (L)	12.38	8.67
GS Asian Venture (Delaware) L.L.C. <sup>(3)</sup>	Interest in controlled corporation	30,882,270 H Shares (L)	12.38	8.67
Goldman Sachs & Co. LLC <sup>(3)</sup>	Interest in controlled corporation	30,882,270 H Shares (L)	12.38	8.67
Special Situations Investing Group III, Inc. <sup>(3)</sup>	Interest in controlled corporation	30,882,270 H Shares (L)	12.38	8.67
GSSG Holdings LLC <sup>(3)</sup>	Interest in controlled corporation	30,882,270 H Shares (L)	12.38	8.67
The Goldman Sachs Group, Inc. <sup>(3)</sup>	Interest in controlled corporation	30,882,270 H Shares (L)	12.38	8.67
PICC Beijing Health Care Fund, L.P. (北京人保健康養老產業投資基金(有限合夥)) <sup>(4)</sup>	Beneficial interest	19,289,403 H Shares (L)	7.74	5.41
PICC Capital Equity Investment Co., Ltd. (人保資本股權投資有限公司) <sup>(4)</sup>	Interest in controlled corporation	19,289,403 H Shares (L)	7.74	5.41

## Report of the Board of Directors

Name of Shareholder	Nature of interest	Number and type of Shares held <sup>(1)</sup>	Approximate percentage of the relevant type of Shares <sup>(1)</sup> (%)	Approximate percentage of total issued Shares <sup>(1)</sup> (%)
PICC Capital Insurance Asset Management Co., Ltd. (人保資本保險資產管理有限公司) <sup>(4)</sup>	Interest in controlled corporation	19,289,403 H Shares (L)	7.74	5.41
PICC Life Insurance Company Limited (中國人民人壽保險股份有限公司) <sup>(4)</sup>	Interest in controlled corporation	19,289,403 H Shares (L)	7.74	5.41
PICC Property and Casualty Company Limited (中國人民財產保險股份有限公司) <sup>(4)</sup>	Interest in controlled corporation	19,289,403 H Shares (L)	7.74	5.41
The People's Insurance Company (Group) of China Limited (中國人民保險集團股份有限公司) <sup>(4)</sup>	Interest in controlled corporation	19,289,403 H Shares (L)	7.74	5.41
Ningbo Meishan Free Trade Port Zone Baishan Investment Management Partnership (Limited Partnership) (寧波梅山保稅港區佰山投資管理合夥企業 (有限合夥)) <sup>(5)</sup>	Beneficial interest	22,058,814 H Shares (L)	8.85	6.19
Ningbo Meishan Free Trade Port Zone Baiyi Investment Management Partnership (Limited Partnership) (寧波梅山保稅港區佰毅投資管理合夥企業 (有限合夥)) <sup>(5)</sup>	Interest in controlled corporation	22,058,814 H Shares (L)	8.85	6.19
Ningbo Meishan Free Trade Port Zone Baining Investment Partnership (Limited Partnership) (寧波梅山保稅港區佰寧投資合夥企業 (有限合夥)) <sup>(5)</sup>	Interest in controlled corporation	22,058,814 H Shares (L)	8.85	6.19
Baidu, Inc. (百度集團股份有限公司) <sup>(5)</sup>	Interest in controlled corporation	22,058,814 H Shares (L)	8.85	6.19
China Life Insurance Company Limited (中國人壽保險股份有限公司) <sup>(5)</sup>	Interest in controlled corporation	22,058,814 H Shares (L)	8.85	6.19
Ganjiang New Area Development and Investment Group Co., Ltd. (贛江新區創新產業投資有限公司) <sup>(6)</sup>	Beneficial interest	14,558,319 Unlisted Shares (L)	13.61	4.09
Ganjiang New Area Urban Construction Industry Co., Ltd. (贛江新區城市建設實業有限公司) <sup>(6)</sup>	Interest in controlled corporation	14,558,319 Unlisted Shares (L)	13.61	4.09
Ganjiang Holdings Group Co., Ltd. (贛江控股集團有限公司) <sup>(6)</sup>	Interest in controlled corporation	14,558,319 Unlisted Shares (L)	13.61	4.09

## Report of the Board of Directors

Name of Shareholder	Nature of interest	Number and type of Shares held <sup>(1)</sup>	Approximate percentage of the relevant type of Shares <sup>(1)</sup> (%)	Approximate percentage of total issued Shares <sup>(1)</sup> (%)
Jiangxi Province Investment Group Co., Ltd. (江西省投資集團有限公司) <sup>(6)</sup>	Interest in controlled corporation	14,558,319 Unlisted Shares (L)	13.61	4.09
State-owned Asset Supervision and Administration Commission of Jiangxi Province (江西省國有資產監督管理委員會) <sup>(6)</sup>	Interest in controlled corporation	16,055,834 Unlisted Shares (L)	15.01	4.51
GU Junjun	Beneficial interest	9,758,849 Unlisted Shares (L)	9.13	2.74
WANG Shihe	Beneficial interest	9,755,070 Unlisted Shares (L)	9.12	2.74
Jiangxi Fenyong Technology Service Co., Ltd. (江西奮勇科技服務有限公司) <sup>(7)</sup>	Beneficial interest	9,317,271 Unlisted Shares (L)	8.71	2.61
Zhejiang Jinke Tom Culture Industry Co., Ltd. (浙江金科湯姆貓文化產業股份有限公司) <sup>(7)</sup>	Interest in controlled corporation	9,317,271 Unlisted Shares (L)	8.71	2.61
Suqian JD Yingzheng Enterprise Management Consulting Co., Ltd. (宿遷京東盈正企業管理諮詢有限公司) <sup>(8)</sup>	Beneficial interest	16,175,910 H Shares (L)	6.49	4.54
JD Health International Inc. <sup>(8)</sup>	Interest in controlled corporation	16,175,910 H Shares (L)	6.49	4.54
JD Jiankang Limited <sup>(8)</sup>	Interest in controlled corporation	16,175,910 H Shares (L)	6.49	4.54
JD.com, Inc. <sup>(8)</sup>	Interest in controlled corporation	16,175,910 H Shares (L)	6.49	4.54
Max Smart Limited <sup>(8)</sup>	Interest in controlled corporation	16,175,910 H Shares (L)	6.49	4.54
Liu Qiangdong Richard (劉強東) <sup>(8)</sup>	Beneficiary of a trust	16,175,910 H Shares (L)	6.49	4.54
UBS Trustees (B.V.I) Limited <sup>(8)</sup>	Trustee	16,175,910 H Shares (L)	6.49	4.54



## Report of the Board of Directors

### Notes:

- (1) The table above is calculated based on the total number of 356,311,832 Shares (comprising 106,933,758 Unlisted Shares and 249,378,074 H Shares) in issue as at December 31, 2024.
- (2) As of December 31, 2024, Nanchang Rimag, the Company's employee incentive platform, directly held 59,088,588 Shares (comprising 19,463,291 H Shares and 39,625,297 Unlisted Shares), whose general partner is CHEN Zhaoyang. Therefore, Mr. Chen is deemed to be interested in the 59,088,588 Shares held by Nanchang Rimag for the purpose of Part XV of the SFO.
- (3) As of December 31, 2024, Beijing Goldman Sachs Consulting Co., Ltd. (北京高盛顧問有限公司) directly held 30,882,270 H Shares, which is 100% controlled by Goldman Sachs Holdings (Mauritius) Limited. Goldman Sachs Holdings (Mauritius) Limited is 100% controlled by Tiger Strategic Investments Ltd., which is in turn 92% controlled by GS Asian Venture (Delaware) L.L.C. GS Asian Venture (Delaware) L.L.C. is 100% controlled by Goldman Sachs & Co. LLC and also 100% controlled by Special Situations Investing Group III, Inc (which is in turn 100% controlled by GSSG Holdings LLC). Both Goldman Sachs & Co. LLC and GSSG Holdings LLC are 100% controlled by The Goldman Sachs Group, Inc.
- (4) As of December 31, 2024, PICC Beijing Health Care Fund, L.P. (北京人保健康養老產業投資基金(有限合夥)) directly held 19,289,403 H Shares, which is controlled as to 66.47%, 33.23% and 100% by PICC Life Insurance Company Limited (中國人民人壽保險股份有限公司), PICC Property and Casualty Company Limited (中國人民財產保險股份有限公司) and PICC Capital Equity Investment Co., Ltd. (人保資本股權投資有限公司) (as its general partner), respectively. PICC Capital Equity Investment Co., Ltd. (人保資本股權投資有限公司) is 100% controlled by PICC Capital Insurance Asset Management Co., Ltd. (人保資本保險資產管理有限公司). Each of PICC Life Insurance Company Limited (中國人民人壽保險股份有限公司), PICC Property and Casualty Company Limited (中國人民財產保險股份有限公司) and PICC Capital Insurance Asset Management Co., Ltd. (人保資本保險資產管理有限公司) is controlled by The People's Insurance Company (Group) of China Limited (中國人民保險集團股份有限公司) as to 71.08%, 68.98% and 100%, respectively.
- (5) As of December 31, 2024, Ningbo Meishan Free Trade Port Zone Baishan Investment Management Partnership (Limited Partnership) (寧波梅山保稅港區佰山投資管理合夥企業(有限合夥)) directly held 22,058,814 H Shares, which is 79.77% controlled by Ningbo Meishan Free Trade Port Zone Baining Investment Partnership (Limited Partnership) (寧波梅山保稅港區佰寧投資合夥企業(有限合夥)) and also 100% controlled by Ningbo Meishan Free Trade Port Zone Baiyi Investment Management Partnership (Limited Partnership) (寧波梅山保稅港區佰毅投資管理合夥企業(有限合夥)). Ningbo Meishan Free Trade Port Zone Baining Investment Partnership (Limited Partnership) (寧波梅山保稅港區佰寧投資合夥企業(有限合夥)) is in turn 99.98% controlled by China Life Insurance Company Limited (中國人壽保險股份有限公司). Ningbo Meishan Free Trade Port Zone Baiyi Investment Management Partnership (Limited Partnership) (寧波梅山保稅港區佰毅投資管理合夥企業(有限合夥)) is in turn 60% controlled by Baidu, Inc. (百度集團股份有限公司).

## Report of the Board of Directors

- (6) As of December 31, 2024, Ganjiang New Area Development and Investment Group Co., Ltd. (贛江新區創新產業投資有限公司) directly held 14,558,319 Unlisted Shares. It is 100% controlled by Ganjiang New Area Urban Construction Industry Co., Ltd. (贛江新區城市建設實業有限公司), which is in turn 100% controlled by Ganjiang Holdings Group Co., Ltd. (贛江控股集團有限公司), a company 90% controlled by Jiangxi Province Investment Group Co., Ltd. (江西省投資集團有限公司). Jiangxi Province Investment Group Co., Ltd. (江西省投資集團有限公司) is 90% controlled by the State-owned Asset Supervision and Administration Commission of Jiangxi Province (江西省國有資產監督管理委員會). In addition, the State-owned Asset Supervision and Administration Commission of Jiangxi Province (江西省國有資產監督管理委員會) is also interested in 1,497,515 Unlisted Shares through its 90% controlled Jiangxi Provincial State-owned Enterprise Asset Management (Holding) Co., Ltd. (江西省國有資本運營控股集團有限公司).
- (7) As of December 31, 2024, Jiangxi Fenyong Technology Service Co., Ltd. (江西奮勇科技服務有限公司) directly held 9,317,271 Unlisted Shares, a company controlled by Zhejiang Jinke Tom Culture Industry Co., Ltd. (浙江金科湯姆貓文化產業股份有限公司).
- (8) As of December 31, 2024, Suqian JD Yingzheng Enterprise Management Consulting Co., Ltd. (宿遷京東盈正企業管理諮詢有限公司) directly held 16,175,910 H Shares. It is 100% controlled by JD Health International Inc., which is in turn 67.19% controlled by JD Jiankang Limited. JD Jiankang Limited is 100% controlled by JD.com, Inc., which is in turn 71.7% controlled by Max Smart Limited and Fortune Rising Holdings Limited. Max Smart Limited is 100% controlled by Liu Qiangdong Richard (劉強東), in the capacity as a beneficiary of a trust. Max Smart Limited is also 100% controlled by UBS Trustees (B.V.I.) Limited, in the capacity as a trustee, through its 100% controlled UBS Nominees Limited.
- (L) Long position.

Save as disclosed above, as at December 31, 2024, no person (other than the Directors, Supervisors and chief executives of the Company) had or was deemed to have any interests or short positions in the Shares, underlying Shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified the Company or the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or which were required to be entered in the register required to be kept by the Company pursuant to Section 336 of the SFO).

## PRE-IPO EMPLOYEE INCENTIVE SCHEME

The Company has adopted the 2021 Share Incentive Scheme (the “**Scheme**”) by a resolution of the Shareholders in November 2021. As of December 31, 2024, 20,000,001 Shares subject to the Scheme were held by Nanchang Rimag, the employee incentive platform, representing approximately 5.61% of the aggregate amount of the Shares in issue. The Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as all the award granted pursuant to the Scheme have been vested and no new option or awards will be granted by the Company under the Scheme after the Listing.



## Report of the Board of Directors

The following is a summary of the principal terms of the Scheme:

### 1. Summary of terms

**(a) Purposes of the Scheme**

The purposes of the Scheme are to recognize the contributions of and retain the key employees and motivate them to further promote the development of the Group.

**(b) Awards**

An award under the Scheme (the “**Award(s)**”) gives a participant in the Scheme a conditional right when granted the Award to obtain interests in Nanchang Rimag, as determined by the administrative office of the Board (董事會辦公室) (the “**Board Office**”) and approved by the Shareholders.

**(c) Number of Underlying Shares Subject to the Scheme**

The number of Shares held by Nanchang Rimag under the Scheme is 20,000,001 Shares.

**(d) Participants**

Participants of the Scheme (the “**Participants**”) are selected by the Board Office from the senior- and middle-level management, core employees and other employees who are deemed to have influence on the business performance and future development of the Company and should be subject to the Scheme of the Group.

**(e) Term of the Scheme**

The provisions of the Scheme shall in all aspects remain in full force and effect from the date of granting the Awards until the date of full exercise of all the Awards under the Scheme.

All the Awards granted to the Participants under the Scheme shall continue to be held by Nanchang Rimag and become vested in the Participants according to the conditions under the Scheme.

## Report of the Board of Directors

**(f) Grant and Acceptance of Award**

On and subject to the limitations and conditions of the Scheme, the list of Participants, the number of Awards to be granted, the grant price and the lock-up period shall be determined by the Board Office and subject to the approval of the Shareholders and the number of Awards to be granted may differ among selected Participants.

After the Board Office has decided to make a grant of Awards to any Participant, the Participant and the Company shall enter into a share incentive agreement, which set out the number of Awards so granted and the conditions (if any) upon which such Awards were granted and the lock-up period.

**(g) Rights Attached to the Awards**

A Participant shall have right to receive dividend in the Awards after the date on which such Awards are granted and prior to the date on which such Awards are vested.

**(h) Awards to be Personal to the Participants**

Prior to the date of vesting of the Awards to the Participant, any Award made under the Scheme shall be personal to the Participant to whom it is made and shall not be assignable and no Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any other person over or in relation to the Awards referable to him pursuant to such Award.

**(i) Repurchase of Award**

Any unvested Awards shall be unconditionally repurchased by the Company or an entity the Board Office designated (the “**Designated Person**”) where (i) such Participant’s employment or service with the Group is changed or terminated due to his/her incompetency, violation of moral codes or laws, breach of confidentiality obligation, dereliction of duty or malfeasance or material violation of protocols of the Company; or (ii) such Participant’s employment or service with the Group is terminated due to his voluntary resignation, dismissal, laid-off, termination of employment relationship.

If the Participant’s employment or service with the Group is terminated by reason of death or disability, in terms of any unvested Awards, (i) in the event of work injuries, the Awards will be vested immediately to the Participant pursuant to the Scheme; (ii) in the event of non-work injuries, the Awards will be vested partially based on the Participant’s contribution to the Group as determined by the Board Office, and the rest of the Awards will be repurchased by the Designated Person; (iii) in the event of death, the Awards will be vested immediately to the legal heir of the Participants pursuant to the Scheme.



## Report of the Board of Directors

**(j) Takeovers and Mergers and Demerger**

Any event of change in control or merger, or demerger will not affect the implementation of the Scheme.

**(k) Amendment of the Scheme**

The Scheme may be amended in any respect as determined by the Board Office, subject to the condition that such amendment shall not accelerate the expiration date of the lock-up period or lower the grant price of the Awards.

**(l) Administration of the Scheme**

The Scheme shall be subject to the administration of the Board Office in accordance with the rules of the Scheme, including the power to amend, implement and construe and interpret the rules of the Scheme and the terms of the Awards granted under it.

**(m) Termination of the Scheme**

The Scheme will terminate on the date of full release of all the restricted Shares under the Scheme.

## 2. Incentive Shares Granted

All Shares underlying the Awards (i.e. 20,000,001 Shares) were transferred to Nanchang Rimag in August 2022. As at December 31, 2024, all Awards pursuant to the Scheme had been granted and vested to 20 Participants.





## Report of the Board of Directors

### SHARE AWARD SCHEME

The Company has adopted a share award scheme (the “**Share Award Scheme**”) for H Shares of the Company by a resolution of the Shareholders on October 21, 2024 (the “**Adoption Date**”). The Share Award Scheme does not involve the grant of new Shares or options over new Shares of the Company. However, the Share Award Scheme constitutes a share scheme funded by existing Shares under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules.

A summary of the principal rules of the Share Award Scheme is set out below:

#### (A) Purposes

The purposes of the Share Award Scheme are:

- (i) to provide opportunities to own equity interests in the Company so as to attract, incentivize and retain skilled and experienced persons to contribute for the future development and expansion of the Group;
- (ii) to improve the Company’s incentive mechanism so as to attract, incentivize and retain Directors, Supervisors, senior management, core employees and service providers who make strong contributions to the Company’s ongoing operation, development and long-term growth; and
- (iii) to closely align the interests of incentive recipients with the interests of Shareholders, investors and the Company, so as to enhance the Company’s cohesion and promote the maximization of the Company’s value.

#### (B) Duration

The Share Award Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date, after which period no further award (the “**Award(s)**”) may be granted, but the rules of the Share Award Scheme (the “**Scheme Rules**”) shall remain in full force and effect in all other respects to the extent necessary to give effect to the vesting of any Award made prior thereto.

## Report of the Board of Directors

### (C) Administration

The Share Award Scheme shall be subject to the administration of the following administrative bodies:

- (i) *Shareholders' Meeting.* The general meeting of the Shareholders, as the highest organ of authority of the Company, is responsible for the consideration and approval of the adoption of the Share Award Scheme. The general meeting of the Shareholders may authorise the Board and/or the person(s) or a committee of the Board authorised by the Board (the “**Authorised Person**”) to deal with all relevant matters pertaining to the Share Award Scheme to the extent of its authority.
- (ii) *The Board.* The Board and/or its Authorised Person is the executive body of the Share Award Scheme, within their respective power of authority. The Board and/or its Authorised Person may handle all matters pertaining to the Share Award Scheme within the authorization granted by the general meeting of the Shareholders. The Board and/or its Authorised Person may also delegate one or more administrators to assist with the administration of the Share Award Scheme. The decisions of the Board and/or its Authorised Person on all relevant matters relating to the Share Award Scheme within their respective power of authority are final and binding on all persons under the Share Award Scheme.

### (D) Eligible Participants

The eligible participants of the Share Award Scheme (the “**Eligible Participant(s)**”) include:

- (i) employee participants, who shall be full-time employee of the Group, Director (including independent non-executive Director), Supervisor or senior officer of the Company;
- (ii) related entity participants, who shall be senior officers of the fellow subsidiaries or associated companies of the Group (other than members of the Group); and
- (iii) service providers and business partners participants, who shall be the Group's service providers or suppliers in the ordinary and usual course of business and on a continuing or recurring basis which are in the interests of the long-term growth of the Group, or business partners such as former shareholders of the Group's acquisition or merger targets.



## Report of the Board of Directors

No one shall be regarded as an Eligible Participant and granted any Award if there exists any of the following circumstances on the date of grant of an Award (the “**Grant Date**”):

- (i) being publicly reprimanded by securities regulators or declared as an unsuitable candidate for comparable award scheme or share incentive scheme of any listed company in the past 12 months;
- (ii) being penalised by securities regulators or prohibited from trading in securities in the past 12 months due to material violation of laws and regulations;
- (iii) being prohibited from acting as director, supervisor or senior management as stipulated in the Company Law or the Listing Rules;
- (iv) being prohibited from participating in the Share Award Scheme as stipulated by laws and regulations; and
- (v) having other material breach of the relevant regulations of the Group or behaviors the Board deems seriously detrimental to the interests of the Group.

If on or before the vesting date of the relevant Award (the “**Vesting Date**”), any eligible participant selected for the grant of Awards (the “**Grantee(s)**”) ceases to be an Eligible Participant due to the occurrence of any of the following circumstances, then:

- (i) where the Grantee ceases to be an Eligible Participant as a result of his/her departure from the Company by reason of resignation, expiration or termination of his/her employment, any H Shares granted to the Grantees (the “**Award Share(s)**”) but not yet vested shall be immediately surrendered to the trustee appointed for the purpose of the Share Award Scheme (the “**Trustee**”) as returned Shares (the “**Returned Share(s)**”), unless the Board and/or its Authorised Person determine otherwise in their sole and absolute discretion;
- (ii) where the Grantee retires by virtue of reaching the statutory retirement age and ceases to be an Eligible Participant, any Award Shares granted but not yet vested shall be immediately surrendered to the Trustee as Returned Shares, unless the Board and/or its Authorised Person determine otherwise in their sole and absolute discretion;
- (iii) where the Grantee ceases to be an Eligible Participant as a result of being incapacitated or deceased due to accident, any Award Shares granted but not yet vested shall be immediately surrendered to the Trustee as Returned Shares, unless the Board and/or its Authorised Person determine otherwise in their sole and absolute discretion;

## Report of the Board of Directors

- (iv) where the Grantee ceases to be an Eligible Participant as a result of being incapacitated or deceased in the course of employment, any Award Shares granted but not yet vested shall continue to vest to the Grantee or the legal personal representative of his/her estate on the Vesting Date as set forth in the letter of the grant of an Award (the “**Grant Letter**”), or in accordance with such other vesting procedures as the Board and/or its Authorised Person may determine, and the personal performance target shall no longer be a vesting condition of the relevant Award (the “**Vesting Condition(s)**”), unless the Board and/or its Authorised Person determine otherwise in their sole and absolute discretion. If the Grantee does not have a legal personal representative for his/her estate, any Award Share shall be immediately surrendered to the Trustee as Returned Shares;
- (v) where the Grantee changes position and departs for any of the following reasons, including:
  - a. breach of laws or professional ethics or leakage of the Group’s confidential information;
  - b. damage to the interests or reputation of the Group due to misconduct or malfeasance;
  - c. material breach of any agreement between the Group and the Grantee (including, without limitation, any applicable intellectual property rights vesting agreement, employment contract, non-competition agreement, confidentiality agreement or other similar agreement);
  - d. any other circumstances determined by the Company resulting in termination of the employment contract due to breach of the Group’s relevant policies,

any Award Shares granted but not yet vested shall be immediately surrendered to the Trustee as Returned Shares, and in the event of material breach or detriment, the Group reserves the right to claim suffered losses against such Grantee, unless the Board and/or its Authorised Person determine otherwise in their sole and absolute discretion.



## Report of the Board of Directors

### (E) Scheme Mandate Limit and Grant of Awards

The maximum number of Award Shares that can be awarded under the Share Award Scheme must not exceed 10% of the number of all Shares in issue as at the Adoption Date (which shall be 35,631,183 Shares, the “**Scheme Mandate Limit**”). Awards lapsed in accordance with the terms of the Share Award Scheme shall not be counted for the purposes of calculating the Scheme Mandate Limit.

The maximum number of awards granted to individual Grantee(s) under the Share Award Scheme shall not exceed the Scheme Mandate Limit.

The Company shall issue the Grant Letter to each Grantee, in such form as the Board and/or its Authorised Person may from time to time determine, specifying the applicable terms of grant, including but not limited to the Grant Date, procedure of accepting the grant of Awards, the number of Award Shares, the Vesting Conditions, the Vesting Date and the grant price (if applicable) and other details, terms and conditions they think necessary and suitable to the Share Award Scheme.

### (F) Limitations

No grant of Awards may be made in the following circumstances:

- (i) where necessary approval from applicable regulatory authorities or the general meeting of Shareholders has not been obtained;
- (ii) where, unless the Board determines otherwise, any member of the Group is required to issue a prospectus or other offering document in accordance with applicable securities laws, rules or regulations for the Award or the Share Award Scheme;
- (iii) where such Award would cause any member of the Group or its Directors to be in breach of any applicable securities laws, rules or regulations in any jurisdiction;
- (iv) where the grant of such Award would result in a breach of the Scheme Mandate Limit;
- (v) after the expiration of the duration or early termination of the Share Award Scheme in accordance with the Scheme Rules;



## Report of the Board of Directors

- (vi) where any Director is in possession of unpublished inside information (as defined in the SFO) of the Company, or in the reasonable opinion of the Directors, there exists any inside information which is required to be disclosed pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO, or the Directors are prohibited from dealing in accordance with the Listing Rules or any applicable laws, rules or regulations;
- (vii) sixty (60) days immediately preceding the publication date of the annual results of the Group or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (viii) thirty (30) days immediately preceding the publication date of the quarter results (if any) and interim results of the Group or, if shorter, the period from the end of the relevant quarterly or interim period up to the publication date of the results.

### (G) Source of Awards and Fund

To satisfy the grant of Awards, the Board and/or its Authorised Person shall, so far as reasonably practicable, wire transfer the required fund to the Trustee (or instruct the Trustee to use the cash income of the trust set up for the purpose of the Share Award Scheme (the “**Trust**”), and instruct the Trustee to purchase H Shares through on-market or off-market transactions.

The Board and/or its Authorised Person shall also instruct the Trustee on whether to use any Returned Shares to satisfy the grant of Awards. The Board and/or its Authorised Person may set out any conditions or terms in the instructions given to the Trustee for the purchase of H Shares, including but not limited to the specific purchase price or price range, the maximum amount of purchase fund and/or the maximum number of H Shares to be purchased.

The source of fund for purchasing the Award Shares shall be the Group’s internal funds or the cash income of the Trust.



## Report of the Board of Directors

### (H) Vesting of Awards

The vesting of Awards shall be subject to the Company's performance targets (as determined by the Board and/or its Authorised Person from time to time with reference to the Company's business performance and financial conditions and the then market conditions) and other vesting conditions set forth in the relevant Grant Letter.

The Vesting Period shall be determined by the Board and/or its Authorised Person and set forth in the Grant Letter. Each Vesting Period shall be not less than twelve (12) months, unless the Board and/or its Authorised Person determine otherwise in their sole discretion.

For the purposes of vesting of Awards, the Board and/or its Authorised Person may instruct and procure the Trustee to (i) release the Award Shares from the Trust to the Grantee or (ii) sell the Award Shares vested to the Grantee through on-market or off-market transactions and pay to the Grantee the actual sale price (after deduction of all applicable expenses) in cash.

### (I) Lapse of Awards

If any Grantee fails to fulfil the Vesting Conditions, the relevant Award Shares shall be immediately forfeited and become the Returned Shares held by the Trustee. The decisions of the Board and/or its Authorised Person on whether the Vesting Conditions are fulfilled shall be irrevocable and final.

### (J) Voting Rights and Dividends

Neither the Grantees nor the Trustee may exercise any voting rights attached to any H Shares (including any Award Shares granted but not yet vested) held by the Trustee under the Trust.

Any dividend on the Award Shares not yet vested and the Returned Shares shall be retained by the Trustee as the cash income of the Trust. Grantees shall be entitled to any dividend on vested Award Shares incurred after their vesting.

## Report of the Board of Directors

### (K) Alteration and Termination

Subject to the Scheme Mandate Limit, any alteration or supplement to the Share Award Scheme in any respect shall be made by the resolution of the Board.

The Share Award Scheme shall terminate on the earlier of (i) the expiration of ten (10) years from the Adoption Date (except in respect of any Award Shares granted but not yet vested prior to the expiration of the Share Award Scheme, to give effect to the vesting of such Award Shares, or otherwise provided by the Scheme Rules), and (ii) such date of early termination as determined by the Board.

As the Share Award Scheme is payable only with existing Shares, no Shares will be available for issuance under the Share Award Scheme. As at the date of this annual report, the remaining term of the Share Award Scheme is approximately nine years and six months.

Since the adoption of the Share Award Scheme and up to the date of this annual report, no awards have been granted, cancelled or lapsed under the Scheme. As at December 31, 2024, the number of awards available for grant under the Share Award Scheme is 35,631,183 Shares.

### PENSION SCHEME/RETIREMENT BENEFIT PLAN

In accordance with the rules and regulations in the PRC, the employees of the Group based in the PRC participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to certain ceiling. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired employees based in the PRC payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post retirement benefits of its employees. The assets of these plans are held separately from those of the Group in an independent fund managed by the PRC government. The Group's contributions to these plans are expensed as incurred.

Particulars of these retirement plans are set out in Note 41.19(i) to the Consolidated Financial Statements. During the year ended December 31, 2024, no forfeited contributions had been used by the Group to reduce the existing level of contributions.



## Report of the Board of Directors

### EMOLUMENT POLICY

The emoluments of the Directors and senior management of the Group are determined by the Board with reference to the respective responsibilities and duties, experience, individual performance, and time devoted to the Group and may be adjusted upon the recommendation of the Remuneration Committee. The Remuneration Committee was set up for reviewing the Company's emolument policy and structure of all remuneration of the Directors and senior management of our Company.

### REMUNERATION OF DIRECTORS, SUPERVISORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

The Directors, Supervisors and senior management members receive remuneration in the forms of (i) salaries, wages bonuses; (ii) defined contribution plans; (iii) housing fund, medical insurance and other social insurance; and (iv) share-based payment.

Details of the emoluments of the Directors and five highest paid individuals of the Group are set out in Notes 9(b) and 37(a) to the Consolidated Financial Statements of this annual report.

During the year ended December 31, 2024, there was no remuneration paid or payable by the Company to the Directors, Supervisors or the five highest paid individuals as an inducement to join or upon joining the Company. During the year ended December 31, 2024, there was no compensation paid or payable by the Company to the Directors, former Directors, Supervisors, former Supervisors or the five highest paid individuals for the loss of any office in connection with the management of the affairs of any subsidiary of the Company.

During the year ended December 31, 2024, none of the Directors or Supervisors has waived or agreed to waive any remuneration or benefits in kind. Save as disclosed above, there was no other payments paid or payable by the Company or any of its subsidiaries to the Directors, Supervisors or the five highest paid individuals during the year ended December 31, 2024.

### CONNECTED TRANSACTIONS

From the Listing Date to the year ended December 31, 2024, the Company has strictly complied with the requirements specified under Chapter 14A of the Listing Rules in respect of its connected transaction.

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As disclosed in the announcements of the Company dated November 1, 2024 and November 21, 2024, on November 1, 2024 (after trading hours), Jiangxi Ganjiang New Area Rimag Health Management Limited (江西贛江新區一脈陽光健康管理有限公司) (“**Rimag Health Management**”) (a wholly-owned subsidiary of the Company), Gongqingcheng Fanghou No.1 Investment Partnership (Limited Partnership) (共青城芳侯一號投資合夥企業(有限合夥)) (the “**Seller**”), Shanghai Ronggongshe Fanghou Technology Limited (上海融公社芳侯科技有限公司) (the “**Target Company**”), Gongqingcheng Fanghou Investment Partnership (Limited Partnership) (共青城芳侯投資合夥企業(有限合夥)) (“**Fanghou Investment**”) and Gongqingcheng Fanghou No.2 Investment Partnership (Limited Partnership) (共青城芳侯二號投資合夥企業(有限合夥)) (“**Fanghou No.2**”) entered into the equity transfer agreement (the “**Equity Transfer Agreement**”) in relation to the sale and purchase of 18.0% equity interest in the Target Company (the “**Acquisition**”), with a total consideration of RMB17,280,000.

Before the Acquisition, Rimag Health Management did not own any equity interest in the Target Company and the Target Company was owned as to 32.2% by the Seller, 8.8% by Fanghou Investment and 19.0% by Fanghou No.2.

Pursuant to the Equity Transfer Agreement, Rimag Health Management has conditionally agreed to purchase, and the Seller has conditionally agreed to sell, RMB3,308,824 registered capital of the Target Company. Fanghou Investment and Fanghou No.2, together with the Seller and the Target Company, have also agreed to jointly and severally provide certain representations, warranties and undertakings in favour of Rimag Health Management in connection with the Acquisition pursuant to the Equity Transfer Agreement.

Upon completion of the Acquisition, Rimag Health Management owns 18.0% equity interest in the Target Company and the financial results of the Target Company are not consolidated into the financial statements of the Group.

Since its inception, the Group has been aiming to become an operator and manager of a medical imaging platform that provides diversified imaging services and value to the entire medical imaging industry chain in China. In particular, the Group’s imaging solution services business is positioned to provide its core imaging products and abilities to all participants in the medical imaging industry chain. After completion of the Acquisition, leveraging on the Target Company’s innovative financial service solutions and broad resource network of medical device manufacturers and intermediaries, the Group expects to further expand its reach and coverage of industry chain participants and gain more potential business opportunities. The Acquisition is also expected to further enrich the financial tools and business models of the Group and to promote the innovative empowerment solutions in the Group’s imaging solution services business. In addition, the Target Company may also serve as a bridge between the Group and the medical device manufacturers and intermediaries, so as to broaden the development channel of the Group’s imaging solution services business and seek more business partners for the Group.





## Report of the Board of Directors

Mr. CHEN Zhaoyang is the chief executive officer and executive Director of the Company and serves as the sole general partner of Nanchang Rimag, the substantial Shareholder of the Company, and therefore is deemed to control such interest held by Nanchang Rimag in the Company. Mr. CHEN Zhaoyang controls an aggregate of 60.0% equity interest in the Target Company through the Seller, Fanghou Investment and Fanghou No.2, each of which is a limited partnership ultimately controlled by Mr. CHEN Zhaoyang and his spouse. As such, each of the Seller, Fanghou Investment, Fanghou No.2 and the Target Company is an associate of Mr. CHEN Zhaoyang and therefore a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company.

Save as disclosed in this annual report, from the Listing Date and up to December 31, 2024, the Company had no other connected transactions or continuing connected transactions which were required to be disclosed pursuant to Rules 14A.49 and 14A.71 of the Listing Rules relating to the disclosure of connected transactions and continuing connected transactions.

Details of material related party transactions entered into by the Group during the year ended December 31, 2024 are disclosed in Note 35(b) to the Consolidated Financial Statements.

Save as disclosed above in this annual report, during the year ended December 31, 2024, none of the other related party transactions or continuing related party transactions set out in Note 35 to the Consolidated Financial Statements constitute disclosable connected transactions or disclosable continuing connected transactions under the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules from time to time in respect of the connected transactions and continuing connected transactions.

## MATERIAL CONTRACTS

Save as disclosed in this annual report, at no time during the period from the Listing Date and up to December 31, 2024 had the Company or any of its subsidiaries entered into any material contracts with the Single Largest Shareholders or any of its subsidiaries, nor had any material contracts been entered into for the services provided by the Single Largest Shareholders or any of its subsidiaries to the Company or any of its subsidiaries.

## Report of the Board of Directors

### USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

The Company completed the Global Offering of an aggregate of 17,816,000 H Shares at HK\$14.98 per H Share on June 7, 2024. The net proceeds from the Global Offering amounted to approximately HK\$183.48 million. The net proceeds from the Global Offering have been and will continue to be used in a manner consistent with that disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus, as follows:

Intended utilization	Approximately % of total net proceeds	Actual amount of net proceeds	Net proceeds (HK\$' million)		Expected timeline for unutilized amount
			Utilized amount as of December 31, 2024	Unutilized amount as of December 31, 2024	
For expanding our medical imaging center network	50.0%	91.73	67.57	24.16	To be utilized by December 31, 2025
For pursuing strategic cooperation and mergers and acquisitions in the medical imaging field and seeking strategic partnerships and investment opportunities along the medical imaging services industry chain	20.0%	36.70	5.42	31.28	To be utilized by December 31, 2025
For extending our business to overseas countries and regions which (i) are relatively lacking in medical resources, such as Southeast Asia, and (ii) have high per capital disposable income and great growth potential for medical imaging services, such as the Middle East	20.0%	36.70	27.11	9.59	To be utilized by December 31, 2025
Working capital and general corporate uses	10.0%	18.35	0.01	18.34	To be utilized by December 31, 2025
Total	100%	183.48	100.11	83.37	To be utilized by December 31, 2025

It is expected that all remaining unutilized net proceeds will be fully utilized by December 31, 2025. The expected timing of the utilization of the remaining proceeds is based on the Group's view that such timing will vary depending on current and future developments in market conditions.



## Report of the Board of Directors

### MATERIAL LITIGATION

The Group was not involved in any material legal proceeding during the year ended December 31, 2024.

### PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules since the Listing Date and up to the date of this annual report.

### REVIEW BY AUDIT COMMITTEE

The Audit Committee consists of three members, including two independent non-executive Directors, namely Mr. WU Xiaohui (吳曉輝) and Ms. CHEN Yifei (陳伊菲), and one non-executive Director, namely Mr. LIU Senlin (劉森林). The chairman of the Audit Committee is Mr. WU Xiaohui (吳曉輝) who holds the appropriate qualification as required under Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee has reviewed the annual financial results of the Group for the year ended December 31, 2024 with the management of the Company. The Audit Committee considered that the annual results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management of the Company.

### CORPORATE GOVERNANCE

The Company recognises the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted corporate governance practices as its own code of corporate governance practices based on the principles and code provisions as set out in the Corporate Governance Code. Save as disclosed in the section headed “Corporate Governance Report”, the Company has complied with all applicable code provisions as set out in Part 2 of the Corporate Governance Code and met the requirements of the vast majority of the recommended provisions on best practices as set out in Part 2 of the Corporate Governance Code since the Listing Date and up to December 31, 2024.



## Report of the Board of Directors

### AUDITOR

For the year ended December 31, 2024, PricewaterhouseCoopers assumed the office of the Company's reporting accountant and independent auditor. The financial statements contained in this annual report have been audited by PricewaterhouseCoopers. There has been no change in the Company's auditor since the Listing Date and there has been no change in any of the past three years.

### EVENTS AFTER THE REPORTING PERIOD

There is no material subsequent event required to be disclosed after the Reporting Period and up to the date of this annual report.

### CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the Shareholders who are entitled to attend and vote at the AGM to be held on Wednesday, April 23, 2025, the register of members of the Company will be closed from Wednesday, April 16, 2025 to Wednesday, April 23, 2025, both dates inclusive, during which period no transfer of Shares of the Company will be effected. In order to qualify to attend and vote at the AGM, all transfer instruments accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Tuesday, April 15, 2025.

By order of the Board  
**Jiangxi Rimag Group Co., Ltd.**  
江西一脈陽光集團股份有限公司

**Mr. CHEN Zhaoyang**  
*Chairman of the Board, Executive Director  
and Chief Executive Officer*

Hong Kong, March 28, 2025



## Report of the Board of Supervisors

In 2024, the Board of Supervisors comprehensively fulfilled its supervision duties over members of the Board and senior management of the Company as authorized at the general meetings in accordance with the PRC Company Law and other laws and regulations as well as the Articles of Association.

### MEETINGS OF THE BOARD OF SUPERVISORS

In 2024, 2 meetings of the Board of Supervisors were held. The notice, convening and voting procedures for the meetings were in compliance with the requirements of the Company Law and other laws and regulations as well as the Articles of Association and the Rules of Procedures for Meetings of the Board of Supervisors. The work of the Board of Supervisors mainly included:

1. Attending the general meetings of the Company to understand the operation of the Shareholders' meetings;
2. Attending the Board meetings of the Company to understand the operation of the Board; and
3. Reviewing the Company's financial reports and work plan for the next year.

### INDEPENDENT OPINIONS OF THE BOARD OF SUPERVISORS ON RELEVANT MATTERS OF THE COMPANY

#### Legality of the Company's operation

In the opinion of the Board of Supervisors, the Company operated in compliance with relevant laws and regulations, including the Company Law, and the Articles of Association. The procedures for making decisions on operation were in accordance with relevant laws and regulations, and up to standard, thus making satisfactory results. The Directors and senior management of the Company were able to perform their duties in accordance with relevant laws and regulations and the Articles of Association and exercise their powers in a proper and diligent manner without any act in violation of laws, regulations or the Articles of Association or contrary to the interest of the Company or the Shareholders.

#### Implementation of resolutions

The Board of Supervisors had no objection to the contents of resolutions submitted to the general meetings. The Board of Supervisors considered that the resolutions of the general meetings and the Board meetings were implemented effectively.





## Report of the Board of Supervisors

### Company's financial position

The Company strictly observed the accounting principles. During the year ended December 31, 2024, the Company's financial structure was reasonable and complete, and the annual financial report was able to give a true and accurate reflection of the Company's financial position and operating results. The information stated in the reports did not contain any material false record, misleading statement or material omission. The Company's 2024 annual financial report was audited by PricewaterhouseCoopers and a standard unqualified opinion were issued.

### Review of the Board of Supervisors on internal control evaluation report

The Board of Supervisors has conducted a review on the Company, and considered that the Company has established an appropriate internal control system in all material aspects and the internal control management system has operated effectively, thus ensuring its consistent implementation and normal production and operation.

### Integrity and self-discipline

The Directors and senior management of the Company consciously and strictly regulated themselves to abide by the laws and regulations with honesty and self-discipline, and no illegal acts due to personal interests were found.

### Connected transactions of the Company

The Board of Supervisors believes that the connected transactions that occurred during the year ended December 31, 2024 is objectively and fairly priced, with fair and reasonable transaction terms and arrangements, complying with the connected transaction rules, and there were no circumstances harming the interests of the Company or other Shareholders, reflecting the principles of fairness, impartiality, and integrity.



## Report of the Board of Supervisors

### WORK PLAN OF THE BOARD OF SUPERVISORS FOR 2025

In 2025, the Board of Supervisors will continue to fulfill and comply with its supervision duties conferred by the PRC Company law and other relevant laws and regulations and the Articles of Association over members of the Board and senior management of the Company and strengthen its supervision function to improve the corporate governance structure of the Company. The Board of Supervisors will hold regular meetings of the Board of Supervisors in accordance with relevant regulations, and will convene ad hoc meetings in a timely manner in the event of special circumstances, in order to fulfill the duties of the Board of Supervisors. The Board of Supervisors will pay more attention to the legality of the decision-making procedures and material decisions made by the Company, and is determined to implement the pre-set strategies and policies of the Company, including attending the general meetings of the Company and the Board meetings, keeping informed of the operation of the Shareholders' general meeting and the Company's business decisions, and ensuring the compliant operation of the Company. Furthermore, by increasing supervision and strengthening the supervision and inspection of the Company's financial position, the Board of Supervisors aims to prevent operational and financial risks, so as to further reinforced internal control system and safeguard the interests of the Company and its Shareholders.

By order of the Board of Supervisors

**Jiangxi Rimag Group Co., Ltd.**

江西一脈陽光集團股份有限公司

**Mr. HUANG Junjie**

*Chairman of the Board of Supervisors*

Hong Kong, March 28, 2025



## Independent Auditor's Report

**To the Shareholders of Jiangxi Rimag Group Co., Ltd.**

*(incorporated in the People's Republic of China with limited liability)*

### OPINION

#### What we have audited

The consolidated financial statements of Jiangxi Rimag Group Co., Ltd. (the “Company”) and its subsidiaries (the “Group”), which are set out on pages 123 to 236, comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

#### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

## Independent Auditor's Report

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in our audit is related to assessment of expected credit losses of trade receivables.

Key Audit Matter	How our audit addressed the Key Audit Matter
<b>Assessment of expected credit losses of trade receivables</b>	Our procedures to address this key audit matter included:
<i>Refer to Note 3.1(b)(ii)(1), Note 4(b) and Note 20 to the consolidated financial statements.</i>	We obtained an understanding of the management's internal control and assessment process of expected credit losses of trade receivables and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud.
As at 31 December 2024, the Group held trade receivables amounting to RMB475,901,000, against which the expected credit losses of RMB43,873,000 was set aside in the consolidated financial statements.	We evaluated and tested the controls over the assessment of expected credit losses of trade receivables.
The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.	We assessed the competence, capabilities and objectivity of the external valuer by considering its qualifications, relevant experience and relationship with the Group.
	We evaluated the reasonableness of grouping of trade receivables against their nature and risk characteristics.
	We tested, on a sample basis, the accuracy of the key data inputs including the aging schedules of trade receivables and historical loss rate used by management in the assessment by considering the historical cash collection and movements of the aging of trade receivables from customers.

### KEY AUDIT MATTERS *(continued)*

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Assessment of expected credit losses of trade receivables (continued)</b></p> <p>To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics. The expected loss rates are based on the aging profiles of trade receivables over a period of 36 months before 31 December 2024. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. Individually impaired trade receivables are related to the deterioration of the customer's financial position or the customer's extremely low willingness to repay.</p> <p>We focused on this area due to the magnitude of trade receivables balances and inherent subjectivity which involved significant management's judgments and estimates.</p>	<p>With the assistance of our internal valuation expert, we performed the following procedures, including:</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of management's methodology of assessment of expected credit losses of trade receivables.</li> <li>Evaluating management's assessment and sensitivity analysis of the forward-looking information used to determine the expected credit losses by considering economic factors, including China's GDP growth rate and China's growth rate of broad money supply with reference to market data and reasonably possible changes based on a probability-weighted estimation applied by the management.</li> </ul> <p>For expected credit loss assessed on individual basis, we evaluated the collectability of the trade receivables balances by tracing to supporting evidence, including subsequent settlements and the relevant public credit information of these customers.</p> <p>We tested the mathematical accuracy of the calculations of expected credit loss.</p> <p>We assessed the adequacy of the disclosures related to the assessment of expected credit losses of trade receivables in the consolidated financial statements.</p> <p>Based on the above, we considered management's judgments and key assumptions applied in the assessment of the expected credit losses of trade receivables were supported by the evidence obtained and procedures performed.</p>





## Independent Auditor's Report

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



## Independent Auditor's Report

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wong Kam Chin.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 28 March 2025

## Consolidated Statement of Profit or Loss

For the year ended 31 December 2024

	Note	Year ended 31 December	
		2024 RMB'000	2023 RMB'000
Revenue	5	760,591	928,914
Cost of sales	8	(483,259)	(596,317)
<b>Gross profit</b>		<b>277,332</b>	<b>332,597</b>
Selling expenses	8	(66,423)	(65,562)
Administrative expenses	8	(223,635)	(181,675)
Research and development expenses	8	(11,539)	(12,844)
Net impairment losses on financial assets	3.1(b)	(22,131)	(16,874)
Other income	6	13,606	10,753
Other gains – net	7	5,684	5,849
<b>Operating (loss)/profit</b>		<b>(27,106)</b>	<b>72,244</b>
Finance income	10	4,052	3,263
Finance costs	10	(25,272)	(24,791)
<b>Finance costs – net</b>		<b>(21,220)</b>	<b>(21,528)</b>
Share of loss of investments accounted for using the equity method	11	(3,005)	(5,801)
Impairment losses on investment in the joint venture accounted for using the equity method		–	(1,534)
<b>(Loss)/profit before income tax</b>		<b>(51,331)</b>	<b>43,381</b>
Income tax expense	12	(7,527)	(6,807)
<b>(Loss)/profit for the year</b>		<b>(58,858)</b>	<b>36,574</b>
<b>(Loss)/profit for the year attributable to:</b>			
Owners of the Company		(45,919)	44,415
Non-controlling interests		(12,939)	(7,841)
		<b>(58,858)</b>	<b>36,574</b>
<b>(Loss)/profit per share attributable to owners of the Company for the year</b>			
Basic (expressed in RMB per share)	13	(0.132)	0.131
Diluted (expressed in RMB per share)	13	(0.132)	0.131

The notes on pages 130 to 236 are an integral part of the consolidated financial statements.

## Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
<b>(Loss)/profit for the year</b>	(58,858)	36,574
<i>Items that may be reclassified to profit or loss</i>		
Changes in the fair value of debt instruments at fair value through other comprehensive income	22	(22)
<i>Items that will not be reclassified to profit or loss</i>		
Changes in the fair value of equity investments at fair value through other comprehensive income	–	3,204
<b>Other comprehensive income for the year, net of tax</b>	22	3,182
<b>Total comprehensive (loss)/income for the year</b>	(58,836)	39,756
<b>Total comprehensive (loss)/income for the year attributable to:</b>		
Owners of the Company	(45,897)	47,597
Non-controlling interests	(12,939)	(7,841)
	(58,836)	39,756

The notes on pages 130 to 236 are an integral part of the consolidated financial statements.



## Consolidated Statement of Financial Position

As at 31 December 2024

	Note	As at 31 December	
		2024 RMB'000	2023 RMB'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	15	809,758	741,122
Right-of-use assets	14(a)	129,392	159,904
Intangible assets	16	46,195	46,214
Deferred income tax assets	31	32,509	24,208
Investments accounted for using the equity method	11	44,398	30,760
Prepayments, deposits and other receivables	21	208,411	132,887
Financial asset at fair value through other comprehensive income	18	3,000	4,772
Financial assets at fair value through profit or loss	22	60,431	53,869
Long-term trade receivables	20	32,277	58,339
Restricted cash	23	442	6,104
<b>Total non-current assets</b>		<b>1,366,813</b>	<b>1,258,179</b>
<b>Current assets</b>			
Financial assets at fair value through other comprehensive income	18	400	3,491
Inventories	19	6,745	5,333
Long-term trade receivables – current portion	20	42,183	23,232
Prepayments, deposits and other receivables	21	144,863	86,087
Trade receivables	20	432,028	308,796
Notes receivables		1,600	–
Restricted cash	23	2,066	2
Cash and cash equivalents	23	262,387	188,835
Asset classified as held for sale	11(b)	4,703	4,703
<b>Total current assets</b>		<b>896,975</b>	<b>620,479</b>
<b>Total assets</b>		<b>2,263,788</b>	<b>1,878,658</b>

## Consolidated Statement of Financial Position

As at 31 December 2024

		As at 31 December	
	Note	2024 RMB'000	2023 RMB'000
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	24	356,312	338,496
Treasury shares	24	(14,037)	–
Reserves	25	1,603,931	1,401,974
Accumulated losses		(490,558)	(447,843)
<b>Equity attributable to owners of the Company</b>		<b>1,455,648</b>	<b>1,292,627</b>
<b>Non-controlling interests</b>		<b>28,383</b>	<b>42,487</b>
<b>Total equity</b>		<b>1,484,031</b>	<b>1,335,114</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	30	272,222	84,966
Lease liabilities	14(a)	101,856	136,280
Deferred income tax liabilities	31	4,372	4,414
Other non-current liabilities	32	320	1,700
<b>Total non-current liabilities</b>		<b>378,770</b>	<b>227,360</b>
<b>Current liabilities</b>			
Trade payables	28	26,485	23,482
Other payables and accruals	29	78,755	75,869
Contract liabilities	5(c)	39,728	8,959
Current tax liabilities		50,992	42,662
Borrowings	30	160,992	125,042
Lease liabilities	14(a)	43,540	39,731
Other non current liabilities-current portion	32	495	439
<b>Total current liabilities</b>		<b>400,987</b>	<b>316,184</b>
<b>Total liabilities</b>		<b>779,757</b>	<b>543,544</b>
<b>Total equity and liabilities</b>		<b>2,263,788</b>	<b>1,878,658</b>

The notes on pages 130 to 236 are an integral part of the consolidated financial statements.

The consolidated financial statements on pages 123 to 236 were approved by the Board of Directors on 28 March 2025 and were signed on its behalf.

**He YingFei**  
Director

**Feng Xie**  
Director

# Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

				Equity attributable to owners of the Company							
				Share capital RMB'000	Treasury shares RMB'000	Reserves RMB'000	Accumulated losses RMB'000	Subtotal RMB'000	Non-	Total equity RMB'000	
									controlling interests RMB'000		
Note											
As at 1 January 2024				338,496	-	1,401,974	(447,843)	1,292,627	42,487	1,335,114	
Loss for the year				-	-	-	(45,919)	(45,919)	(12,939)	(58,858)	
Other comprehensive income				-	-	22	-	22	-	22	
Total comprehensive income/(loss)				-	-	22	(45,919)	(45,897)	(12,939)	(58,836)	
Transfer of gain on equity investments at FVOCI to accumulated losses (net of tax)				-	-	(3,204)	3,204	-	-	-	
Capital injection				-	-	-	-	-	960	960	
Shares issued pursuant to initial public offering on the Main Board of The Stock Exchange of Hong Kong Limited (the “Listing”)				24	17,816	-	225,147	-	242,963	-	242,963
Listing expenses capitalised upon the Listing					-	-	(15,574)	-	(15,574)	-	(15,574)
Repurchase of shares				24	-	(14,037)	-	(14,037)	-	(14,037)	
Dividend distribution					-	-	-	-	(2,131)	(2,131)	
Transactions with non-controlling interests				25	-	-	(4,900)	-	(4,900)	-	(4,900)
Share-based payments expenses				26	-	-	466	-	466	6	472
Total transactions with owners					17,816	(14,037)	205,139	-	208,918	(1,165)	207,753
As at 31 December 2024					356,312	(14,037)	1,603,931	(490,558)	1,455,648	28,383	1,484,031

## Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

Equity attributable to owners of the Company						
Note	Share capital	Reserves	Accumulated losses	Subtotal	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>As at 1 January 2023</b>	338,496	1,426,432	(492,258)	1,272,670	43,569	1,316,239
Profit for the year	-	-	44,415	44,415	(7,841)	36,574
Other comprehensive income	-	3,182	-	3,182	-	3,182
Total comprehensive income/(loss)	-	3,182	44,415	47,597	(7,841)	39,756
Capital injection	-	-	-	-	3,595	3,595
Liquidation of subsidiaries	-	-	-	-	(41)	(41)
Disposal of subsidiaries	-	-	-	-	1,497	1,497
Acquisition of a subsidiary	-	-	-	-	11,138	11,138
Transactions with non-controlling interests	25	(30,197)	-	(30,197)	(9,473)	(39,670)
Share-based payments expenses	26	2,557	-	2,557	43	2,600
Total transactions with owners	-	(27,640)	-	(27,640)	6,759	(20,881)
<b>As at 31 December 2023</b>	338,496	1,401,974	(447,843)	1,292,627	42,487	1,335,114

The notes on pages 130 to 236 are an integral part of the consolidated financial statements.

## Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Note	Year ended 31 December	
		2024 RMB'000	2023 RMB'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	33(a)	16,642	209,768
Interest received		3,640	2,897
Income tax paid		(7,540)	(11,230)
<b>Net cash generated from operating activities</b>		<b>12,742</b>	<b>201,435</b>
<b>Cash flows from investing activities</b>			
Acquisition of subsidiaries, net of cash acquired		–	(2,304)
Prepayment on equity investments		–	(600)
Payments for financial assets at fair value through other comprehensive income		(3,000)	–
Investments in associates and joint ventures	11(a)	(17,280)	(17,280)
Proceeds from disposal of subsidiaries		3,080	634
Proceeds from disposal of investments in joint ventures		3,700	–
Proceeds from disposal of property, plant and equipment	33(b)	1,945	2,445
Loans to related parties		(4,000)	(3,450)
Purchases of intangible assets		(11,032)	(4,197)
Purchases of property, plant and equipment		(300,464)	(92,320)
<b>Net cash used in investing activities</b>		<b>(327,051)</b>	<b>(117,072)</b>
<b>Cash flows from financing activities</b>			
Capital injection from the Company's shareholders		242,963	–
Capital injection from non-controlling interests in subsidiaries		960	3,595
Dividends paid to non-controlling interests of subsidiaries		(2,131)	–
Transaction with non-controlling interests		–	(38,080)
Proceeds from bank borrowings		200,585	37,888
Repayment of bank borrowings		(71,197)	(82,777)
Proceeds from loans from financial leasing companies		183,775	29,572
Repayment of loans from financial leasing companies		(90,282)	(127,481)
Loans from third parties		325	2,922
Repayments of loans from third parties		–	(2,400)
Repayments to non-controlling shareholders due to liquidation of subsidiaries		–	(41)
Repurchase of shares of the Company		(14,037)	–
Principal elements of lease payments		(36,284)	(25,516)
Listing expense		(9,076)	(5,853)
Decrease/(Increase) in restricted cash		3,598	(2,339)
Interest paid		(25,461)	(25,212)
<b>Net cash generated from/(used in) financing activities</b>		<b>383,738</b>	<b>(235,722)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>69,429</b>	<b>(151,359)</b>
Cash and cash equivalents at the beginning of year		188,835	340,194
Effects of exchange rate changes on cash and cash equivalents		4,123	–
<b>Cash and cash equivalents at the end of year</b>	<b>23</b>	<b>262,387</b>	<b>188,835</b>

The notes on pages 130 to 236 are an integral part of the consolidated financial statements.



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 1 GENERAL INFORMATION

Jiangxi Rimag Group Co., Ltd. formerly known as Shenzhen RIMAG Sunshine Medical Technology Co., Ltd. (the “Company”) was incorporated as a limited liability company on 30 October 2014 in Shenzhen, Guangdong Province, People’s Republic of China (the “PRC”). The registered office of the Company is Room 1002, 10th Floor, No.10 Building Public R&D Centre Xinqi Zhoudong Avenue South Chinese Medicine Science and Technology Innovation City Ganjiang New District Jiangxi Province, PRC. In June 2021, the Company was converted into a joint stock company with limited liabilities. The Company provides medical imaging services through the establishment of medical imaging network, as well as operational management services, imaging solution services and Rimag Cloud services.

The Company and its subsidiaries (collectively, the “Group”) are principally engaged in the providing medical imaging services, imaging solution services and Rimag Cloud services in the PRC.

The Company’s H shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 7 June 2024.

These consolidated financial statements are presented in thousands of Renminbi (“RMB”), unless otherwise stated, and have been approved for issue by the Board of Directors on 28 March 2025.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board (“IFRS Accounting Standards”) and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost basis, except for certain financial assets and liabilities that are measured at fair value through other comprehensive income (“FVOCI”) and financial assets at fair value through profit and loss (“FVTPL”).

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICY AND DISCLOSURES *(continued)*

#### 2.2 Changes in accounting policies

##### (a) ***New and amended standards adopted by the Group***

A number of new or amended standards and interpretations became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

New standards and amendments		Effective for annual periods beginning on or after
IAS 1 (Amendments)	Classification of liabilities as current or non-current	1 January 2024
IAS 1 (Amendments)	Non-current liabilities with covenants	1 January 2024
IFRS 16 (Amendments)	Lease liability in sale and leaseback	1 January 2024
IAS 7 and IFRS 7 (Amendments)	Supplier finance arrangements	1 January 2024

##### (b) ***New standards and amendments not yet adopted***

The following new standards, new interpretations and amendments to standards and interpretations have been issued but are not effective for the financial year beginning on 1 January 2024 and have not been early adopted by the Group:

New standards and amendments		Effective for annual periods beginning on or after
IAS 21 (Amendments)	Lack of exchangeability	1 January 2025
IFRS 9 and IFRS 7 (Amendments)	Amendments to the classification and measurement of financial instruments	1 January 2026
Annual improvements project	Annual improvements to IFRS Accounting Standards – volumes 11	1 January 2026
IFRS 9 and IFRS 7 (Amendments)	Contracts referencing nature-dependent electricity	1 January 2026
IFRS 18	Presentation and disclosure in financial statements	1 January 2027
IFRS 19	Subsidiaries without public accountability: disclosures	1 January 2027
IFRS 10 and IAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards, amendments and interpretations, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the directors, these standards and amendments are not expected to have a significant impact on the Group's financial performance and position, except IFRS 18, which may mainly impact the presentation of the consolidated statements of the comprehensive loss and the Group is still in the process of assessing the impact.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

**(a) Market risk**

*(i) Foreign exchange risk*

The Group entities' functional currency is RMB since majority of the revenues of these entities are derived from operations in Mainland China. Foreign exchange risk arises from cash and cash equivalents (Note 23), part of which are denominated in Hong Kong dollar ("HKD").

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

As at 31 December 2024, if HKD had weakened/strengthened by 5% against the RMB with all other variables held constant, the net loss for the year would have been RMB3,959,000 (as at 31 December 2023: Nil) higher/lower.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT (*continued*)

#### 3.1 Financial risk factors (*continued*)

##### (a) Market risk (*continued*)

###### (i) Foreign exchange risk (*continued*)

###### Exposure

The Group's major exposure to foreign currency risk at the end of the reporting period was as follows:

	HKD denominated RMB'000
<b>As at 31 December 2024</b>	
Cash	105,551

Amounts recognised in the statement of profit or loss

During the year, the following foreign-exchange related amounts were recognised in the statement of profit or loss:

	2024 RMB'000	2023 RMB'000
Other gains – net		
– Foreign exchange gains on operating activities	3,354	–

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT (*continued*)

#### 3.1 Financial risk factors (*continued*)

##### (a) **Market risk (*continued*)**

###### (ii) *Cash flow and fair value interests rate risk*

The Group's interest rate risk arises from bank deposits and borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash at bank with variable interest rates. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The interest rates and terms of repayments of borrowings are disclosed in Note 30.

Bank deposits carried at prevailing market interest rate expose the Group to cash flow interest rate risk. The Group closely monitors trend of interest rate and its impact on the Group's interest rate risk exposure to ensure it is within an acceptable level. The Group has not used any interest rate swap arrangements.

As at 31 December 2024, if interest rate on borrowings had been higher/lower by 50 basis points of current interest rate, with other variables held constant, the loss for the years ended 31 December 2024 would have been approximately RMB617,000 higher/lower.

As at 31 December 2023, if interest rate on borrowings had been higher/lower by 50 basis points of current interest rate, with other variables held constant, the profit for the years ended 31 December 2023 would have been approximately RMB509,000 lower/higher.

##### (b) **Credit risk**

Credit risk arises from cash and cash equivalents and restricted cash, trade receivables, notes receivables, long-term trade receivables, other receivables and debt investments carried at FVOCI. The carrying amount of each class of the above financial assets and liabilities represents the Group's maximum exposure to credit risk in relation to the corresponding class of financial assets.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT *(continued)*

#### 3.1 Financial risk factors *(continued)*

##### **(b) Credit risk *(continued)***

###### *(i) Credit risk of Cash and Cash Equivalents and Restricted Cash*

To manage this risk, cash deposits at banks are mainly placed with state-owned and reputable financial institutions in the PRC. These instruments are considered to have low credit risk because they have a low risk of default and the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term. The table below shows the balances with counterparties as at 31 December 2024 and 2023:

	2024 RMB'000	2023 RMB'000
<b>Counterparties</b>		
– Big 4 PRC domestic banks (Note)	61,678	69,291
– Other domestic commercial banks	120,388	107,504
– Foreign owned banks	82,829	18,146
	264,895	194,941

Note:

Big 4 PRC domestic banks comprise Industrial and Commercial Bank of China Limited, Agricultural Bank of China Limited, Bank of China Limited and China Construction Bank Corporation.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT (*continued*)

#### 3.1 Financial risk factors (*continued*)

##### (b) Credit risk (*continued*)

###### (ii) Impairment of financial assets

The Group has five types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Notes receivables
- Long-term trade receivables
- Other receivables
- Debt investments carried at FVOCI

###### (1) Expected credit losses measurement – Trade receivables

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics. The expected loss rates are based on the aging profiles of trade receivables over a period of 36 months before 31 December 2024 and 31 December 2023, respectively. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group assessed that the expected credit loss rate for trade receivables from the related parties were low since its related parties have a strong capacity to meet its contractual cash flow obligation in the near term. The Group assessed that the expected credit losses rate for trade receivables from related parties are immaterial and considered them to have a low credit risk, and thus the loss allowance is immaterial.

Individually impaired trade receivables and notes receivables are related to the deterioration of the customer's financial position or the customer's extremely low willingness to repay, thus some of trade receivables and notes receivables can not be collected. The Group expects that the amounts of the receivables will partially or entirely have difficulty to be recovered and has recognised impairment losses.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT *(continued)*

#### 3.1 Financial risk factors *(continued)*

##### **(b) Credit risk *(continued)***

##### **(ii) Impairment of financial assets *(continued)***

##### **(1) Expected credit losses measurement – Trade receivables *(continued)***

As at 31 December 2024 and 2023, the loss allowance provision for the trade receivables was determined as follow:

	Less than 1 year RMB'000	1 year to 2 years RMB'000	2 years to 3 years RMB'000	Over 3 years RMB'000	Total RMB'000
On collective basis:					
<b>As at 31 December 2024</b>					
Gross carrying amount – trade receivables (Note 20)	371,597	55,812	13,657	926	441,992
Expected loss rate	1.45%	9.83%	29.76%	100.00%	3.59%
Loss allowance provision (Note 20)	5,382	5,487	4,064	926	15,859
On individual basis:					
<b>As at 31 December 2024</b>					
Gross carrying amount – trade receivables (Note 20)					33,909
Expected loss rate					82.62%
Loss allowance provision (Note 20)					28,014
On collective basis:					
<b>As at 31 December 2023</b>					
Gross carrying amount – trade receivables (Note 20)	274,180	25,570	6,341	–	306,091
Expected loss rate	0.98%	7.72%	30.28%	–	2.15%
Loss allowance provision (Note 20)	2,688	1,975	1,920	–	6,583
On individual basis:					
<b>As at 31 December 2023</b>					
Gross carrying amount – trade receivables (Note 20)					30,295
Expected loss rate					69.34%
Loss allowance provision (Note 20)					21,007

As at 31 December 2024 and 2023, the loss allowance provision for the notes receivables was immaterial.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT *(continued)*

#### 3.1 Financial risk factors *(continued)*

##### **(b) Credit risk *(continued)***

###### **(ii) Impairment of financial assets *(continued)***

###### **(2) Expected credit losses measurement – long-term trade receivables**

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all long-term trade receivables. To measure the expected credit losses, long-term trade receivables have been individually assessed on credit risk characteristics. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

As at 31 December 2024 and 2023, the loss allowance provision for the long-term trade receivables was determined as follow:

	Total RMB'000
On individual basis:	
<b>As at 31 December 2024</b>	
Gross carrying amount –long-term trade receivables (Note 20)	91,003
Expected loss rate	18.18%
Loss allowance provision (Note 20)	16,543
On individual basis:	
<b>As at 31 December 2023</b>	
Gross carrying amount –long-term trade receivables (Note 20)	92,476
Expected loss rate	11.79%
Loss allowance provision (Note 20)	10,905

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT *(continued)*

#### 3.1 Financial risk factors *(continued)*

##### **(b) Credit risk *(continued)***

##### **(ii) Impairment of financial assets *(continued)***

##### **(3) Expected credit losses measurement – other receivables**

For other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records, past experience, existing market conditions as well as forward looking estimates at the end of each reporting period. The directors believe that there is no material credit risk inherent in the Group's outstanding balance of other receivables.

Impairment on other receivables is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

The Group has assessed that there was no significant increase of credit risk for other receivables. Thus, the Group used the 12 months expected credit losses model to assess credit loss of other receivables. As at 31 December 2024 and 2023, the loss allowance for other receivables excluding deductible value-added tax input and prepayments were determined as follows:

	Stage 1 12-month ECL RMB'000	Stage 2 Lifetime ECL RMB'000	Stage 3 Lifetime ECL RMB'000	Total RMB'000
<b>As at 31 December 2024</b>				
Gross carrying amount – other receivables (Note 21)	73,595	–	500	74,095
Expected loss rate	0.70%	–	93.00%	1.32%
Loss allowance provision (Note 21)	513	–	465	978
<b>As at 31 December 2023</b>				
Gross carrying amount – other receivables (Note 21)	54,599	–	500	55,099
Expected loss rate	0.65%	–	93.20%	1.49%
Loss allowance provision (Note 21)	354	–	466	820



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT *(continued)*

#### 3.1 Financial risk factors *(continued)*

##### **(b) Credit risk *(continued)***

##### **(ii) Impairment of financial assets *(continued)***

- (4) Summary of loss allowances for trade receivables and other financial assets

The loss allowances for trade receivables (including long-term trade receivables) and other receivables as at 31 December 2024 and 2023 reconcile to the opening loss allowances as follows:

	Trade receivables RMB'000	Other receivables RMB'000	Total RMB'000
<b>As at 1 January 2024</b>	38,495	820	39,315
Increase in loss allowance recognised in profit or loss	39,897	1,884	41,781
Reversal of impairment loss	(17,924)	(1,726)	(19,650)
Write off	(52)	–	(52)
<b>As at 31 December 2024</b>	60,416	978	61,394
<b>As at 1 January 2023</b>	21,782	659	22,441
Increase in loss allowance recognised in profit or loss	24,605	441	25,046
Reversal of impairment loss	(7,892)	(280)	(8,172)
<b>As at 31 December 2023</b>	38,495	820	39,315

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (c) Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group expects to fund its future cash flow needs through internally generated cash flows from operations and borrowings from financial institutions. Management believes that there is no significant liquidity risk in view of the expected cash flows from operations and continuous support from banks in the coming twelve months.

The tables below analyse the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of each reporting period to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows.

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
<b>As at 31 December 2024</b>					
Borrowings and interests	175,109	138,880	162,565	–	476,554
Trade payables	26,485	–	–	–	26,485
Other payables and accruals (excluding non-financial)	34,364	–	–	–	34,364
Lease liabilities	47,273	44,859	63,635	3,693	159,460
Other non-current liabilities	540	540	45	–	1,125
	283,771	184,279	226,245	3,693	697,988
<b>As at 31 December 2023</b>					
Borrowings and interests	126,822	64,188	24,133	–	215,143
Trade payables	23,482	–	–	–	23,482
Other payables and accruals (excluding non-financial)	46,298	–	–	–	46,298
Lease liabilities	42,972	43,323	92,712	13,594	192,601
Other non-current liabilities	478	478	1,433	–	2,389
	240,052	107,989	118,278	13,594	479,913

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT *(continued)*

#### 3.2 Capital management

The Group monitors capital (including shares and borrowings) by regularly reviewing the capital structure. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the costs of capital.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt.

The Group monitors its capital structure on the basis of liability-to-asset ratio, which is calculated as total liabilities divided by total assets. The liability-to-asset ratio of the Group as at 31 December 2024 and 2023 was as follows:

The gearing ratios at 31 December were as follows:

	As at 31 December	
	2024	2023
The liability-to-asset ratio	34.44%	28.93%

Neither the Group nor any of its subsidiaries is subject to externally imposed capital requirements.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT (*continued*)

#### 3.3 Fair value estimation

(a) ***Fair value hierarchy***

Financial instruments carried at fair value or where fair value was disclosed can be categorised by levels of the inputs to valuation techniques used to measure fair value. The inputs are categorised into three levels within a fair value hierarchy as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The Group did not change any valuation techniques in determining the level 2 and level 3 fair values.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT *(continued)*

#### 3.3 Fair value estimation *(continued)*

##### *(a) Fair value hierarchy (continued)*

The following table presents the Group's assets that were measured at fair value at 31 December 2024 and 2023:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 31 December 2024				
Assets:				
Financial assets carried at FVTPL	–	–	60,431	60,431
Financial assets carried at FVOCI				
– Bank acceptance notes (Note 18)	–	–	400	400
– Unlisted equity investments (Note 18)	–	–	3,000	3,000
	–	–	3,400	3,400
	–	–	63,831	63,831
As at 31 December 2023				
Assets:				
Financial assets carried at FVTPL	–	–	53,869	53,869
Financial assets carried at FVOCI				
– Bank acceptance notes (Note 18)	–	–	3,491	3,491
– Unlisted equity investments (Note 18)	–	–	4,772	4,772
	–	–	8,263	8,263
	–	–	62,132	62,132



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT *(continued)*

#### 3.3 Fair value estimation *(continued)*

**(b) Valuation techniques used to determine level 3 fair values specific valuation techniques used to value financial instruments include:**

- Quoted market prices or dealer quotes for similar instruments; and
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There were no changes in valuation techniques during the year ended 31 December 2024 and 2023.

The fair value of trade receivables, notes receivables, other receivables, long-term trade receivables, restricted cash and cash and cash equivalents approximated their carrying amounts.

The fair value of trade payables, other payables and accruals (excluding payroll and welfare payables and other tax payables) and current borrowings approximated their carrying amounts. The fair value of non-current borrowings was disclosed in note 30.

- (c)** The Group's policy is to recognize transfers into and out of fair value hierarchy levels as at the end of each reporting period. During the year ended 31 December 2024 and the 2023, there are no transfers among levels of the fair value hierarchy used in measuring the fair value of financial instruments, and also no changes in the classification of financial assets as a result of a change in the purpose or use of those assets.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT *(continued)*

#### 3.3 Fair value estimation *(continued)*

**(d) Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 instruments for the year ended 31 December 2024 and 2023:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Financial assets at FVTPL</b>		
Opening Balance	53,869	50,341
Modification of equity investments	4,772	–
Fair value changes – gain to profit or loss	2,470	4,548
Settlement	(680)	(1,020)
Closing balance	60,431	53,869

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Financial assets at FVOCI</b>		
Opening Balance	8,263	–
Additions	20,049	14,362
Modification of financial instruments	(4,772)	–
Settlement on mature and factoring	(20,140)	(10,371)
Fair value change – gain to other comprehensive income	–	4,272
Closing balance	3,400	8,263

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

**(e) Valuation inputs of financial assets at FVTPL and FVOCI**

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

Description	Fair Value at 31 December		Unobservable inputs	Range of inputs	
	2024 RMB'000	2023 RMB'000		2024	2023
Unlisted debt instruments at FVTPL	54,388	53,869	Discount rate	9.7%-15%	9.2%~15%
Unlisted equity investments at FVTPL	6,043	N/A	Price-to-Sales multiple	37.3	N/A
Debt instruments at FVOCI	400	3,491	Discount rate	3.6%	3.6%
Unlisted equity investments at FVOCI – A	3,000	N/A	Capital injection price per Paid-in Capital	1	N/A
Unlisted equity investments at FVOCI – B	N/A	4,772	Capital injection price per share	N/A	32

As at 31 December 2024, if expected rate of return higher/lower by 0.5%, fair value of financial assets at FVTPL would have been approximately RMB762,000 and RMB741,000 lower/higher respectively.

As at 31 December 2023, if expected rate of return higher/lower by 0.5%, fair value of financial assets at FVTPL would have been approximately RMB1,254,000 and RMB1,295,000 lower/higher respectively.

As at 31 December 2024, if expected rate of return higher/lower by 0.5%, fair value of debt instruments at FVOCI would have been approximately RMB4,000 lower/higher respectively.

As at 31 December 2023, if expected capital injection price per share higher/lower by 0.5%, fair value of unlisted equity instruments at FVOCI would have been approximately RMB24,000 lower/higher respectively.

**(f) Valuation process**

External valuation experts will be involved when necessary. The Group engaged an independent valuer to assist them on valuation of unlisted debt instruments at FVTPL, debt instruments at FVOCI and unlisted equity investments at FVOCI.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### (a) Estimated useful lives and residual values of property, plant and equipment

The Group's management determines the estimated useful lives and residual values and consequently the related depreciation charges for its property, plant and equipment, and reviews the useful lives and residual values periodically to ensure that the method and rates of depreciation are consistent with the expected pattern of realisation of economic benefits from property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. If there are significant changes from previously estimated useful lives and residual values, the amount of depreciation expenses may change.

#### (b) Expected credit losses of trade receivables and other financial assets

The loss allowances for trade receivables and other financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the note 3.1(b).

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(continued)*

#### (c) Income taxes and deferred tax asset

There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

The Group recognises deferred tax assets based on estimates that is probable to generate sufficient taxable profits in the foreseeable future against which the deductible losses will be utilised. The recognition of deferred tax assets mainly involved management's judgments and estimations about the timing and the amount of taxable profits of the companies who had tax losses. During the year ended December 2024 and 2023, deferred tax assets have not been recognised in respect of these accumulated tax losses and other deductible temporary differences based on the fact that the future taxable profits would be uncertain.

#### (d) Fair value measurement of financial assets at FVTPL

The fair value measurement of financial assets that are not traded in an active market is determined by using valuation techniques. The Group uses its judgment to select methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Changes in these assumptions and estimates could materially affect the respective fair value of these investments. Details of the assumptions and estimates in determination of the fair value are disclosed in Note 3.3.





## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 5 REVENUE AND SEGMENT INFORMATION

#### (a) Description of segment and principal activities

During the year, the Group is engaged in imaging business mainly in the Mainland China. The Group's chief operating decision maker ("CODM") has been identified as the chairman and executive directors of the Board who are responsible for allocating resources and assessing performance of the operating segment.

Management reviews the operating results of the business as one segment to make decisions about resources to be allocated. Therefore, the executive directors of the Company regards that there is only one segment which is used to make strategic decisions. Revenue and profit/(loss) before income tax are the measures reported to the chairman and executive directors for the purpose of resources allocation and performance assessment.

Throughout the years, the Group has constructed and shaped the competency in the infrastructure supporting the operations of the imaging center and enrichment imaging services business, such as cloud platform services which represents less than 5% of the Group's total revenue.

The Group's business and operations are mainly conducted in Mainland China and currently, the Group's principal market, majority of revenue, operating loss and non-current assets are derived from/located in the Mainland China. Accordingly, no geographical segment information is presented.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 5 REVENUE AND SEGMENT INFORMATION *(continued)*

#### (b) Revenue during the year

An analysis of the Group's revenue by category for the years ended 31 December 2024 and 2023 is as follows:

The revenue segment information reported to CODM for the year is as follows:

		Year ended 31 December	
		2024 RMB'000	2023 RMB'000
Imaging center services	Satisfaction of performance obligation		
– Flagship imaging centers	Point in time	121,021	133,454
– Regional collaborative imaging centers	Point in time	345,447	355,379
– Specialized medical consortium imaging centers	Overtime	99,567	109,638
– Operational management imaging centers	Overtime	39,684	39,603
		605,719	638,074
Imaging solution services			
– Imaging equipment solutions	Point in time	130,235	277,671
– Equipment maintenance services	Overtime	7,330	701
		137,565	278,372
Rimag Cloud services			
– Cloud platform services	Overtime	13,307	12,468
– Sales of software	Point in time	4,000	–
		17,307	12,468
		760,591	928,914

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 5 REVENUE AND SEGMENT INFORMATION *(continued)*

#### (b) Revenue during the year *(continued)*

Please refer to note 5(d) for more details about the revenue recognised by the Group.

The Group has a large number of customers, no single customer accounted for more than 10% of the Group's revenue during the years ended 31 December 2024 and 2023.

#### (c) Contract liabilities

The Group has recognised the following contract liabilities which are the advances from customers:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Contract liabilities related to imaging center services	2,594	3,492
Contract liabilities related to imaging solution services	36,696	5,139
Contract liabilities related to Rimag Cloud services	438	328
	39,728	8,959

The following table shows how much of the revenue recognised in the year ended 31 December 2024 and 2023 relates to carried-forward contract liabilities:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year		
Imaging center services	3,492	3,121
Imaging solution services	–	63,793
Cloud platform services	4	329
	3,496	67,243

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 5 REVENUE AND SEGMENT INFORMATION *(continued)*

#### (d) Accounting policies of revenue recognition

The Group is engaged in imaging business including 3 categories of business:

- Imaging center services
- Imaging solution services
- Rimag Cloud services

Revenue is measured at the consideration received or receivable for the services or products in the ordinary course of the Group's activities. Revenue is shown after eliminating sales between the Group companies. The Group recognises revenue when it transfers control of the services or products to a customer. All revenue contracts are for periods of one year or less or are billed based on time incurred. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

##### a) *Imaging center services*

The Group provides imaging examination and diagnostic services in form of flagship imaging centers, and regional collaborative imaging centers to

- (i) hospitals and other medical institutions as well as health management companies to serve their customers, or
- (ii) individual patients and other healthcare consumers.

Revenue from imaging examination and diagnostic services is recognised when diagnostic reports are delivered and accepted by customers.

The Group also provides medical imaging operational management services in form of specialised medical consortium imaging centers and operational management imaging centers to hospitals and other medical institutions as well as health management companies. Such services aim at optimising customers' operations and management model, including: professional skill improvement, operational management consulting, and informatization construction.

Revenue from medical imaging operational management services is recognised in the period in which the services are rendered in accordance with fixed service fee per month and floating service fee based on certain percentages of monthly operating results because the customer receives and uses the benefits simultaneously.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 5 REVENUE AND SEGMENT INFORMATION *(continued)*

#### (d) Accounting policies of revenue recognition *(continued)*

##### **b) *Imaging solution services***

Imaging solution services provided by the Group mainly include imaging equipment solutions and equipment maintenance services.

##### *(i) Imaging equipment solutions*

The Group provides imaging equipment solutions to hospitals and other medical institutions as well as health management companies, mainly including equipment selection, acquisition and configuration, repair and maintenance services.

Revenue from the portion of equipment selection, acquisition and configuration is recognised when equipment is delivered and accepted by customers while the portion of short-term repair and maintenance is recognised when the service is performed.

The Group has certain contracts with customers of imaging equipment solutions with financing components where the period between the transfer of the promising equipment to the customer and payment by the customer exceeds one year.

As a consequence, the transaction price for these contracts is discounted, using the prevailing interest rates in the relevant market. This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception.

Revenue from intermediaries is included in the revenue stream of imaging equipment solutions, and the accounting treatment is consistent under the same revenue stream. The Group enters into sales contracts with the intermediaries, which specifies the name of the medical institution to which the Group directly delivers the products. Revenue is recognised when the Group transfers control of products directly to the end medical institutions customer as specified in the agreement. The intermediaries do not obtain control of the products in the delivery process of sales arrangement.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 5 REVENUE AND SEGMENT INFORMATION *(continued)*

#### (d) Accounting policies of revenue recognition *(continued)*

##### **b) Imaging solution services *(continued)***

###### **(ii) Equipment maintenance services**

The Group also provides long-term maintenance services to certain customers. Contract duration is generally more than one year and the contract contains a single performance obligation as delivery of integrated maintenance services over a period of time. The contract is normally at fixed price and paid according to payment terms specified in the contract. Upfront payments received by the Group are initially recognised as a contract liability. Services revenue is recognised as the performance obligation satisfied over time based on the stage of completion of the contract. The Group uses straight-line method to measure progress towards complete satisfaction of the performance obligation under IFRS 15. Costs including raw materials, labour and other maintenance costs attributable to the services are included in “cost of sales”.

##### **c) Rimag Cloud services**

The Group developed a cloud platform that enables the imaging centers with digitised operations and accumulated valuable data assets and data service capabilities. Leverage such cloud platform, the Group offers the cloud platform-based services and diagnostic report management system softwares to customers such as hospitals and other medical institutions as well as health management companies.

Revenue from cloud platform services business is recognised when customers get the access to the cloud platform as the services are rendered.

Revenue from softwares is recognised when the softwares are delivered and accepted by customers.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 6 OTHER INCOME

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Government grants and subsidies (a)	8,391	4,108
Tax refund	1,415	3,384
Interest income of installment sales	2,698	2,778
Rental income of leasing equipment	1,100	478
Others	2	5
	13,606	10,753

- (a) Government grants and subsidies mainly included government grants from the local government in Jiangxi Province in recognition of the contribution of the Group to local economy's development. There were no unfulfilled conditions or other contingencies attaching to these grants.

### 7 OTHER GAINS – NET

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Net gains on termination of right-of-use assets	1,127	–
Net (losses)/gains on disposals of property, plant and equipment	(288)	202
Net gains on disposal of subsidiaries	–	1,618
Net fair value gains on financial assets at fair value through profit or loss (Note 3.3)	2,470	4,548
Exchange gains from operating activities – net	3,354	–
Deemed disposal of an associate	–	118
Others	(979)	(637)
	5,684	5,849

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 8 EXPENSES BY NATURE

The detailed analysis of cost of sales, selling expenses, administrative expenses and research and development expenses is as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Raw materials and trading medical equipment	136,166	268,675
Employee benefit expenses (Note 9)	220,589	201,651
Depreciation of property, plant and equipment (Note 15)	154,171	151,545
Depreciation of right-of-use assets (Note 14)	37,308	33,156
Amortization of intangible assets (Note 16)	3,879	3,330
Repair and maintenance	55,961	55,052
Listing expenses	41,465	20,822
Rental expenses and property fees	11,429	10,712
Travelling expenses	13,352	14,825
Office expenses	11,742	11,019
Entertainment fees	14,906	13,936
Utilities	6,830	5,568
Professional service fees	5,561	2,300
System service fees	20,588	11,496
Marketing fees	38,046	41,427
Business tax and other taxes	1,675	2,442
Auditor remuneration		
– Audit services	2,880	–
– Non-audit services	100	–
Others	8,208	8,442
<b>Total</b>	<b>784,856</b>	<b>856,398</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 9 EMPLOYEE BENEFIT EXPENSES

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Salaries, wages and bonus	198,540	179,629
Contributions to pension plan (a)	11,214	9,202
Housing fund, medical insurance and other social insurance	10,363	10,220
Share-based payments expenses (Note 26)	472	2,600
	220,589	201,651

#### (a) Contributions to pension plan

The employees of the Group in the PRC are members of a state-managed pension obligations operated by the PRC Government. The Group is required to contribute a specified percentage of payroll costs as determined by respective local government authority to the pension obligations to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions under the scheme.

No forfeited contributions were utilised during the years end 31 December 2024 and 2023 to offset the Group's contribution to the abovementioned retirement benefit schemes.

#### (b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2024 include 2 (2023: 1) directors. Their emoluments are reflected in the analysis presented in note 37. Details of the remunerations of the remaining 3 (2023: 4) highest paid non-director individuals during the year ended 31 December 2024 and 2023 are as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Salaries, wages and bonuses	4,788	4,556
Pension cost – defined contribution plans	67	251
Housing fund, medical insurance and other social benefits	75	274
Share-based payments expenses	–	142
	4,930	5,223

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 9 EMPLOYEE BENEFIT EXPENSES *(continued)*

#### (b) Five highest paid individuals *(continued)*

The emoluments of the five highest paid individuals except for director(s), whose emoluments have been disclosed in note 37, fell within the following bands:

	Year ended 31 December	
	2024	2023
Emolument band (HK\$1,000,001 to HK\$1,500,000)	2	4
Emolument band (HK\$2,500,001 to HK\$3,000,000)	1	–
	3	4

During the year ended 31 December 2024 and 2023, no director or any of the five highest paid individuals waived or has agreed to waive any emoluments, and no director or any of the five highest paid individuals received emoluments from the Group as inducement to join or upon joining the Group, or as compensation for loss of office.

### 10 FINANCE INCOME AND COSTS

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Finance income:		
– Interest income from bank deposits	4,052	3,263
Finance costs:		
– Interest expenses on bank borrowings	(6,426)	(4,845)
– Interest expenses on other borrowings	(11,180)	(11,552)
– Finance expenses on lease liabilities (Note 14)	(7,855)	(8,815)
	(25,461)	(25,212)
Amount capitalised (Note 15)	189	421
Total finance costs	(25,272)	(24,791)
Finance costs – net	(21,220)	(21,528)



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

All the associates of the Group as at 31 December 2024 are not significant to the Group. The amounts recognised in the consolidated statement of profit or loss of the Group's associates and joint ventures, attributable to the shares of the Group and in aggregate, are as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Share of results of associates (a)	(3,005)	(5,646)
Share of results of joint ventures (b)	–	(155)
	(3,005)	(5,801)

The amounts recognised in the balance sheet are as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Interests in associates (a)	44,398	30,760

#### (a) Interests in associates

The movements in interests in associates are as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
At beginning of the year	30,760	19,860
Additions	17,280	18,780
Transfer to financial asset at FVOCI	–	(500)
Transfer to a subsidiary through further acquisition (Note 16(a))	–	(433)
Adjustments – Unrealised profits arising from transactions with associates	(637)	(1,301)
Share of results	(3,005)	(5,646)
At end of the year	44,398	30,760

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

#### (a) Interests in associates (continued)

Set out below are the associates of the Group as at 31 December 2024 and 2023. The associates as listed below are equity/ordinary shares investment, which held directly by the Group. Mainland China is their principal place of business. The proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business/ region of incorporation	% of ownership interest as at 31 December		Nature of relationship	Measure method	Principal activities
		2024	2023			
Beijing Yimai Wanfang Clinic Co., Ltd. 北京一脈萬方門診有限責任公司	Beijing, PRC	35.00	35.00	Associate	Equity	Medical Services
Hanji Health Management (Shanghai) Co., Ltd. 漢吉健康管理(上海)有限公司	Shanghai, PRC	16.00	16.00	Associate	Equity	Medical Services
Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd. 上海正影醫學影像診斷中心有限公司	Shanghai, PRC	15.00	15.00	Associate	Equity	Medical Services
Shanghai Yimai Xinyun Medical Technology Co., Ltd. 上海一脈心雲醫療科技有限公司	Shanghai, PRC	15.00	15.00	Associate	Equity	Medical Services
Beijing Yimai Health Management Co., Ltd. 北京一脈健康管理有限公司	Beijing, PRC	20.00	20.00	Associate	Equity	Medical Services
Ningde Jiaotou Yimai Sunshine Medical Imaging Diagnosis Center Co., Ltd. 寧德市交投一脈陽光醫學影像診斷中心有限公司(formerly known as “寧德市交投一脈陽光醫療集團有限公司”)	Fujian, PRC	49.00	49.00	Associate	Equity	Medical Services
Beijing Qingying Huakang Technology Co., Ltd. (“Qingying Huakang”) 北京清影華康科技有限公司	Beijing, PRC	4.67	4.67	Associate	Equity	Medical Services
Shanghai Ronggongshe Fanghou Technology Co., Ltd. 上海融公社芳侯科技有限公司	Shanghai, PRC	18.00	N/A	Associate	Equity	Technology development, technology consulting, technology service, technology transfer

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

#### (b) Interests in joint ventures

The movements in interests in joint ventures are as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
At beginning of the year	–	6,392
Provision for impairment losses	–	(1,534)
Transfer to the asset classified as held for sale (Note)	–	(4,703)
Share of results	–	(155)
At end of the year	–	–

Note:

According to the Articles of Association of Shanghai Shihe Intelligent Electronic Technology Co., Ltd., all resolutions must be unanimously passed by all shareholders, and none of the participating parties has unilateral control over the economic activity of the jointly controlled entity, which is thus accounted for the investment as an investment in joint ventures. The Company entered into a share transfer agreement that the Company sell the 20% equity interests to a third party. As at 31 December 2024 and 2023, it was accounted for as asset classified held for sale. All the outstanding share transfer payments have been fully settled subsequently.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

#### (c) Summarised financial information for material associates

The tables below provide summarised financial information for the Group's material associates. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not the Group's share of those amounts. The amounts have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policies.

	Shanghai Ronggongshe Fanghou Technology Limited Year end 31 December	Ningde Jiaotou Yimai Sunshine Medical Imaging Diagnosis Center Co., Ltd. Year ended 31 December	Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd. Year ended 31 December		
	2024 RMB'000	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Current assets					
Cash and cash equivalents	1,516	8,667	22,469	3,066	1,713
Other current assets	67,739	2,680	12,328	11,236	11,464
Total current assets	69,255	11,347	34,797	14,302	13,177
Non-current assets	10,403	85,705	65,078	48,943	57,029
Current liabilities					
Financial liabilities (excluding trade payables)	16,822	19,727	6,046	3,000	–
Other current liabilities	18,720	33,804	44,746	31,073	31,275
Total current liabilities	35,542	53,531	50,792	34,073	31,275
Non-current liabilities					
Financial liabilities (excluding trade payables)	3,734	11,288	12,533	15,838	17,797
Total non-current liabilities	3,734	11,288	12,533	15,838	17,797
Net assets	40,382	32,233	36,550	13,334	21,134

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

#### (c) Summarised financial information for material associates (continued)

##### Reconciliation to carrying amounts

	Shanghai Ronggongshe Fanghou Technology Limited Year ended 31 December	Ningde Jiaotou Yimai Sunshine Medical Imaging Diagnosis Center Co., Ltd. Year ended 31 December	Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd. Year ended 31 December		
	2024 RMB'000	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Closing net assets	40,382	32,233	36,550	13,334	21,134
Group's share in %	18%	49%	49%	15%	15%
Group's share	7,269	15,794	17,910	2,000	3,170
Goodwill	10,306	–	–	960	960
Unrealised profits	–	(1,787)	(1,291)	–	–
Carrying amount	17,575	14,007	16,619	2,960	4,130
Revenue	15,784	57,551	18,839	15,650	1,689
Loss for the year	(2,032)	(4,030)	(3,579)	(7,798)	(9,469)
Other comprehensive income	–	–	–	–	–
Total comprehensive loss	(2,032)	(4,030)	(3,579)	(7,798)	(9,469)



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

#### (d) Individually immaterial associates and joint ventures

In addition to the interests in associates disclosed above, the Group also has interests in a number of individually immaterial associates and joint ventures that are accounted for using the equity method.

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Aggregate carrying amount of individually immaterial associates and joint ventures	9,857	10,010
Aggregate amounts of the Group's share of:		
Loss for the year	(155)	(2,627)
Other comprehensive income	–	–
<b>Total comprehensive loss</b>	<b>(155)</b>	<b>(2,627)</b>

### 12 INCOME TAX EXPENSE

The amounts of income tax expense charged to profit or loss in the consolidated statement of profit or loss represent:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Current income tax	15,877	23,941
Deferred income tax (Note 31)	(8,350)	(17,134)
– Deferred income tax assets	(6,990)	(24,529)
– Deferred income tax liabilities	(1,360)	7,395
	<b>7,527</b>	<b>6,807</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 12 INCOME TAX EXPENSE *(continued)*

#### Global minimum top-up tax

The Company's subsidiaries established and operated in Mainland China are subject to the PRC corporate income tax at the statutory rate of 25%.

During the the year ended 31 December 2024, according to the relevant laws and regulations promulgated by the State Administration of Taxation of the PRC, enterprises engaging in research and development activities were entitled to claim 200% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year (the "Super Deduction").

A reconciliation of the expected income tax calculated at the applicable corporate income tax rate and loss before income tax, with the actual corporate income tax during the year is as follow:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
(Loss)/profit before income tax	(51,331)	43,381
Tax calculated at applicable statutory tax rate	(12,833)	10,845
– Effect of preferential tax rates (a)	(2,756)	(3,523)
– Super deduction on research and development expenditure	(1,871)	(2,259)
– Expenses not deductible for tax purpose	13,730	8,875
– Utilisation of previously unrecognised tax losses	(539)	(27,041)
– Temporary differences for which no deferred income tax assets was recognised	7,298	4,999
– Share-based payment expense not recognised as deferred tax assets	93	626
– Recognition of deferred tax assets on previously unrecognised tax losses and other temporary differences	(10,806)	(11,313)
– Tax losses not recognised as deferred tax assets	14,401	23,825
– Share of result of investment in equity method	810	1,773
<b>Income tax expense</b>	<b>7,527</b>	<b>6,807</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 12 INCOME TAX EXPENSE *(continued)*

#### Global minimum top-up tax *(continued)*

- (a) The enterprise income tax rate applicable to the Group's entities located in Mainland China is 25% according to the Enterprise Income Tax Law of the PRC (the "EIT Law") effective on 1 January 2008 unless these subject to preferential tax rate set out below.

Each of Beijing Rimag Sunshine Medical Information Technology Co Ltd. ("Beijing Information") and Hubei Zhiying Rimag Medical Technology Co., Ltd. ("Hubei Zhiying") was qualified as a "High and New Technology Enterprise" certificate. Shicheng Rimag Sunshine Medical Imaging Co., Ltd. ("Shicheng Rimag"), Xixian Xinqu Rimag Medical Imaging Diagnosis Ltd. ("Xixian Rimag") and Shehong Jiashi Rimag Medical Imaging Diagnosis Ltd. ("Shehong Rimag") could enjoy the preferential policy of income tax for the development of the western region. According to the approval from the local taxation authority, each of Beijing Information, Hubei Zhiying, Shicheng Rimag, Xixian Rimag and Shehong Rimag was entitled to a preferential income tax rate of 15% for 2023 and 2024.

The enterprise income tax rate applicable to the small and micro enterprises is 5% according to the "EIT Law".

- (b) Deferred tax assets not recognised:

The Group has not recognised any deferred tax assets in respect of the following items:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Tax Losses (c)	309,523	405,054
Deductible temporary differences	101,506	66,747
	411,029	471,801

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 12 INCOME TAX EXPENSE (continued)

#### Global minimum top-up tax (continued)

##### (c) Tax losses

The Group principally conducted its business in the Mainland China, where the accumulated tax losses will normally expire within 5 years.

Tax losses that are not recognised for deferred income tax assets will expire as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
2024	–	77,631
2025	37,007	38,419
2026	39,668	43,072
2027	68,358	69,621
2028	89,239	94,877
Later on 2028	75,251	81,434
	309,523	405,054

The unused tax losses incurred by the Company and subsidiaries are not likely to generate sufficient taxable income in the foreseeable future. No deferred income tax assets have been recognised in respect of such tax losses due to the unpredictability of future taxable income.

### 13 (LOSS)/EARNINGS PER SHARE

#### (a) Basic

Basic (loss)/earnings per share is calculated by dividing the (loss)/earnings of the Group attributable to the equity holders of the Company by weighted average number of ordinary shares outstanding during the year.

	Year ended 31 December	
	2024	2023
(Loss)/profit attributable to the equity holders of the Company (RMB'000)	(45,919)	44,415
Weighted average number of ordinary shares outstanding (thousand shares)	348,659	338,496
Basic (loss)/earnings per share (expressed in RMB per share)	(0.132)	0.131

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 13 (LOSS)/EARNINGS PER SHARE *(continued)*

#### (b) Diluted

During the year ended 31 December 2024 and 2023, the Group had no potential ordinary shares. Accordingly, diluted (loss)/earnings per share for the years ended 31 December 2024 and 2023 are the same as basic loss per share for the respective years.

### 14 LEASES

#### (a) Amounts recognised in the consolidated statement of financial position

	2024 RMB'000	2023 RMB'000
<b>Right-of-use assets</b>		
– Buildings	94,236	125,053
– Machines	35,156	34,851
	129,392	159,904
<b>Lease liabilities</b>		
– Current	43,540	39,731
– Non-current	101,856	136,280
	145,396	176,011

Movements in right-of-use assets in 2024 and 2023 are analysed as follows:

	2024 RMB'000	2023 RMB'000
<b>Opening net book amount</b>	159,904	122,544
Additions	15,824	60,970
Acquisition of a subsidiary	–	10,919
Lease termination	(6,821)	(1,373)
Lease modification	(2,207)	–
Depreciation charge (Note 8)	(37,308)	(33,156)
<b>Closing net book amount</b>	129,392	159,904



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 14 LEASES *(continued)*

#### (b) Amounts recognised in the statement of profit or loss

Depreciation of right-of-use assets has been charged to profit or loss in the consolidated statement of profit or loss as follows:

	2024			2023		
	Lease of buildings	Lease of machines	Total	Lease of buildings	Lease of machines	Total
<b>Year ended 31 December 2024</b>						
Depreciation expenses of right-of-use assets in						
– Cost of sales	20,570	10,639	31,209	18,434	7,011	25,445
– Administrative expenses	6,099	–	6,099	7,711	–	7,711
	26,669	10,639	37,308	26,145	7,011	33,156
Interest expenses (Note 10)			7,855			8,815
Expenses relating to short-term leases (included in administrative expenses and research and development expenses)			5,201			4,400
<b>Total charges to statement of profit or loss</b>			<b>50,364</b>			<b>46,371</b>

The total cash outflows for leases during the years ended 31 December 2024 and 2023 were approximately RMB49,340,000 and RMB38,731,000 respectively.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 15 PROPERTY, PLANT AND EQUIPMENT

	Machineries RMB'000	Office furniture and fixtures RMB'000	Electronic equipment RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
<b>As at 1 January 2024</b>						
Cost	944,482	10,647	28,722	246,740	96,921	1,327,512
Accumulated depreciation	(406,918)	(6,989)	(22,672)	(149,811)	-	(586,390)
<b>Net book amount</b>	<b>537,564</b>	<b>3,658</b>	<b>6,050</b>	<b>96,929</b>	<b>96,921</b>	<b>741,122</b>
<b>Year ended 31 December 2024</b>						
Opening net book amount	537,564	3,658	6,050	96,929	96,921	741,122
Additions	25,729	252	3,937	10,109	184,824	224,851
Capitalisation of interest expense (Note 10)	-	-	-	189	-	189
Transfers	34,150	285	884	10,713	(46,032)	-
Disposals	(1,756)	(12)	(31)	(434)	-	(2,233)
Depreciation charge (Note 8)	(110,021)	(1,304)	(2,904)	(39,942)	-	(154,171)
<b>Closing net book amount</b>	<b>485,666</b>	<b>2,879</b>	<b>7,936</b>	<b>77,564</b>	<b>235,713</b>	<b>809,758</b>
<b>As at 31 December 2024</b>						
Cost	986,768	10,982	32,938	265,819	235,713	1,532,220
Accumulated depreciation	(501,102)	(8,103)	(25,002)	(188,255)	-	(722,462)
<b>Net book amount</b>	<b>485,666</b>	<b>2,879</b>	<b>7,936</b>	<b>77,564</b>	<b>235,713</b>	<b>809,758</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 15 PROPERTY, PLANT AND EQUIPMENT (*continued*)

	Machineries RMB'000	Office furniture and fixtures RMB'000	Electronic equipment RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
<b>As at 1 January 2023</b>						
Cost	820,951	9,651	25,751	208,297	153,441	1,218,091
Accumulated depreciation	(311,075)	(5,599)	(18,965)	(115,606)	-	(451,245)
<b>Net book amount</b>	<b>509,876</b>	<b>4,052</b>	<b>6,786</b>	<b>92,691</b>	<b>153,441</b>	<b>766,846</b>
<b>Year ended 31 December 2023</b>						
Opening net book amount	509,876	4,052	6,786	92,691	153,441	766,846
Additions	25,489	655	1,720	14,935	49,502	92,301
Capitalisation of interest expense (Note 10)	-	-	-	421	-	421
Acquisition of a subsidiary	20,212	118	257	-	20,613	41,200
Transfers	95,434	540	1,449	29,189	(126,612)	-
Disposals of subsidiaries	(4,890)	(41)	(27)	(629)	-	(5,587)
Disposals	(2,256)	(44)	(26)	(165)	(23)	(2,514)
Depreciation charge (Note 8)	(106,301)	(1,622)	(4,109)	(39,513)	-	(151,545)
<b>Closing net book amount</b>	<b>537,564</b>	<b>3,658</b>	<b>6,050</b>	<b>96,929</b>	<b>96,921</b>	<b>741,122</b>
<b>As at 31 December 2023</b>						
Cost	944,482	10,647	28,722	246,740	96,921	1,327,512
Accumulated depreciation	(406,918)	(6,989)	(22,672)	(149,811)	-	(586,390)
<b>Net book amount</b>	<b>537,564</b>	<b>3,658</b>	<b>6,050</b>	<b>96,929</b>	<b>96,921</b>	<b>741,122</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 15 PROPERTY, PLANT AND EQUIPMENT *(continued)*

As at 31 December 2024 and 2023, the Group's machineries with net book value of approximately RMB23,833,000 and RMB45,748,000, respectively, had been pledged for the Group's bank borrowings of approximately RMB14,162,000 and RMB26,852,000 respectively.

As at 31 December 2024 and 2023, the Group's machineries with net book value of approximately RMB158,439,000 and RMB150,780,000, respectively, had been pledged for the Group's loans from financial leasing companies of approximately RMB101,047,000 and RMB85,891,000 respectively.

Depreciation of property, plant and equipment charged to profit or loss is analysed as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Cost of sales	150,271	148,776
Administrative expenses	3,861	2,709
Research and development expenses	39	60
Total	154,171	151,545

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 16 INTANGIBLE ASSETS

	Goodwill RMB'000	Software RMB'000	Licence RMB'000	Client relationship RMB'000	Total RMB'000
<b>At 1 January 2024</b>					
Cost	19,231	21,017	10,717	5,000	55,965
Accumulated amortisation	–	(7,417)	(1,321)	(1,013)	(9,751)
<b>Net book amount</b>	<b>19,231</b>	<b>13,600</b>	<b>9,396</b>	<b>3,987</b>	<b>46,214</b>
<b>Year ended 31 December 2024</b>					
Opening net book amount	19,231	13,600	9,396	3,987	46,214
Additions	–	3,130	730	–	3,860
Amortisation (Note 8)	–	(2,424)	(1,038)	(417)	(3,879)
<b>Closing net book amount</b>	<b>19,231</b>	<b>14,306</b>	<b>9,088</b>	<b>3,570</b>	<b>46,195</b>
<b>At 31 December 2024</b>					
Cost	19,231	24,147	11,447	5,000	59,825
Accumulated amortisation	–	(9,841)	(2,359)	(1,430)	(13,630)
<b>Net book amount</b>	<b>19,231</b>	<b>14,306</b>	<b>9,088</b>	<b>3,570</b>	<b>46,195</b>
<b>At 1 January 2023</b>					
Cost	11,939	16,658	4,800	5,000	38,397
Accumulated amortisation	–	(5,225)	(640)	(556)	(6,421)
<b>Net book amount</b>	<b>11,939</b>	<b>11,433</b>	<b>4,160</b>	<b>4,444</b>	<b>31,976</b>
<b>Year ended 31 December 2023</b>					
Opening net book amount	11,939	11,433	4,160	4,444	31,976
Additions	7,292	4,169	–	–	11,461
Acquisition of a subsidiary (a)	–	190	5,917	–	6,107
Amortisation (Note 8)	–	(2,192)	(681)	(457)	(3,330)
<b>Closing net book amount</b>	<b>19,231</b>	<b>13,600</b>	<b>9,396</b>	<b>3,987</b>	<b>46,214</b>
<b>At 31 December 2023</b>					
Cost	19,231	21,017	10,717	5,000	55,965
Accumulated amortisation	–	(7,417)	(1,321)	(1,013)	(9,751)
<b>Net book amount</b>	<b>19,231</b>	<b>13,600</b>	<b>9,396</b>	<b>3,987</b>	<b>46,214</b>



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 16 INTANGIBLE ASSETS *(continued)*

- (a) The addition of license of 2023 is mainly resulted from an acquisition of a subsidiary. The Company entered into an agreement of further acquisition of Ganzhou Tiangao, which was accounted for an associate before the transaction. According to the agreement, the Company acquired the remaining equity interest and it became the subsidiary of the Company after the transaction.
- (b) Amortization of intangible assets has been charged to the consolidated statement of profit or loss as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Cost of sales	1,658	1,507
Research and development expenses	228	241
Administrative expenses	1,993	1,582
<b>Total</b>	<b>3,879</b>	<b>3,330</b>

### (c) Impairment tests for goodwill

Impairment review on the goodwill with indefinite useful life has been conducted by the management as at 31 December 2024 and 2023, respectively, in accordance with IAS 36 "Impairment of assets". The carrying amount of goodwill allocated to each of the CGUs is as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Hubei Zhiying (i)	11,939	11,939
Wenzhou Yiying (ii)	7,292	7,292
	<b>19,231</b>	<b>19,231</b>

For the purpose of impairment review, the recoverable amount of the CGU is determined based on the higher amount of the FVLCD and value-in-use calculations.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 16 INTANGIBLE ASSETS *(continued)*

#### (c) Impairment tests for goodwill *(continued)*

##### (i) *Impairment test for goodwill of Hubei Zhiying*

As at 31 December 2024 and 2023, the recoverable amount of aforementioned CGU was determined based on value-in-use calculations. The value-in-use calculations use cash flow projections based on business plan for the purpose of impairment reviews covering a five-year period. The accuracy and reliability of the information is reasonably assured by the appropriate budgeting, forecast and control process established by the Group. Management engaged an independent external valuer to assess the recoverable amounts of the goodwill and leveraged their extensive experiences in the healthcare industry and provided forecast based on past performance and their expectation of future business plans and market developments. The values assigned to the key assumptions and discount rates are consistent with external information sources. As at 31 December 2024 and 2023, the estimated recoverable amount of RMB44,302,000 and RMB53,014,000 based on value-in-use calculations exceeded its carrying value by RMB17,474,000 and RMB23,801,000 respectively, and management therefore concluded such goodwill was not impaired. The directors of the Company have considered and assessed that any reasonably possible changes in key parameters would not cause the carrying amount of the CGU of Hubei Zhiying exceed its recoverable amount.

Based on the results of the abovementioned assessments as conducted by management and the independent external valuer, the directors of the Company concluded that no impairment loss on the aforementioned goodwill are required to be recognised as at 31 December 2024 and 2023.

The following table sets out the key assumptions adopted by management in the impairment assessment:

	Year ended 31 December	
	2024	2023
Revenue annual growth rate – average of the forecast period	3.3%	2.6%
Average gross profit margins	50.5%	49.0%
Long-term annual growth rate	2.0%	2.0%
Pre-tax discount rate	18.6%	18.0%

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 16 INTANGIBLE ASSETS *(continued)*

#### (c) Impairment tests for goodwill *(continued)*

##### (ii) *Impairment test for goodwill of Wenzhou Yiying*

As at 31 December 2024 and 2023, the recoverable amount of aforementioned CGU was determined based on value-in-use calculations. The value-in-use calculations use cash flow projections based on business plan for the purpose of impairment reviews covering a five-year period. The accuracy and reliability of the information is reasonably assured by the appropriate budgeting, forecast and control process established by the Group. Management engaged an independent external valuer to assess the recoverable amounts of the goodwill and leveraged their extensive experiences in the imaging industry and provided forecast based on past performance and their expectation of future business plans and market developments. The values assigned to the key assumptions and discount rates are consistent with external information sources. As at 31 December 2024 and 2023, the estimated recoverable amount of RMB70,230,000 and RMB73,652,000 respectively based on value-in-use calculations exceeded its carrying value by RMB9,447,000 and RMB5,709,000, and management therefore concluded such goodwill was not impaired. The directors of the Company have considered and assessed that any reasonably possible changes in key parameters would not cause the carrying amount of the CGU of Wenzhou Yiying exceed its recoverable amount.

Based on the results of the abovementioned assessments as conducted by management and the independent external valuer, the directors of the Company concluded that no impairment loss on the aforementioned goodwill are required to be recognised as at 31 December 2024 and 2023.

The following table sets out the key assumptions adopted by management in the impairment assessment:

	Year ended 31 December	
	2024	2023
Revenue annual growth rate – average of the forecast period	33.1%	40.5%
Average gross profit margins	21.9%	20.6%
Long-term annual growth rate	2.0%	2.0%
Pre-tax discount rate	16.8%	16.7%

For impairment test of intangible assets other than goodwill, please refer to Note 16.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 17 FINANCIAL INSTRUMENTS BY CATEGORY

As at 31 December 2024, the financial instruments of the Group are analysed as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Financial assets</b>		
Cash and cash equivalents and restricted cash (Note 23)	264,895	194,941
Financial assets at fair value through profit or loss (Note 22)	60,431	53,869
Financial assets at FVOCI (Note 18)	3,400	8,263
Trade receivables and long-term trade receivables (Note 20)	506,488	390,367
Notes receivables	1,600	–
Other receivables (Note 21)	73,117	54,279
	909,931	701,719
<b>Financial liabilities</b>		
Borrowings (Note 30)	433,214	210,008
Trade payables (Note 28)	26,485	23,482
Other payables and accruals (excluding non-financial liabilities)	34,364	46,298
Lease liabilities (Note 14)	145,396	176,011
Other non-current liabilities	815	2,139
	640,274	457,938

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 18 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Current</b>		
Debt investments		
– Bank acceptance notes (a)	400	3,491
<b>Non current</b>		
– Unlisted equity investments	3,000	4,772

(a) As at 31 December 2024, balances were bank acceptance notes aged less than six months.

For information about the methods and assumptions used in determining the fair value of debt investment, please refer to Note 3.3(b).

Movement of FVOCI is analysed as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>At beginning of the year</b>	8,263	–
Additions	20,049	14,362
Modification of financial instruments	(4,772)	–
Changes in fair value – gain to other comprehensive income	–	4,272
Settlement on mature and factoring	(20,140)	(10,371)
<b>At end of the year</b>	3,400	8,263

### 19 INVENTORIES

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Medical consumables	6,745	5,333

The costs of individual items of inventory are determined using weighted average costs.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 20 TRADE RECEIVABLES AND LONG-TERM TRADE RECEIVABLES

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Current</b>		
Trade receivables		
– due from third parties	469,339	333,720
– due from related parties (Note 35(d))	6,562	2,666
	475,901	336,386
Less: provision for impairment (Note 3.1(b))	(43,873)	(27,590)
	432,028	308,796
Long-term trade receivables-current portion		
– due from third parties	50,788	25,533
– due from related parties (Note 35(d))	6,578	3,161
	57,366	28,694
Less: provision for impairment (Note 3.1(b))	(15,183)	(5,462)
	42,183	23,232
<b>Non current</b>		
Long-term trade receivables		
– due from third parties	17,487	43,086
– due from related parties (Note 35(d))	16,150	20,696
	33,637	63,782
Less: provision for impairment (Note 3.1(b))	(1,360)	(5,443)
	32,277	58,339
<b>Total</b>	<b>506,488</b>	<b>390,367</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 20 TRADE RECEIVABLES AND LONG-TERM TRADE RECEIVABLES (continued)

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9. As at 31 December 2024 and 2023, provisions of RMB60,416,000 and RMB38,495,000 were made against the gross amounts of trade receivables and long-term trade receivables (Note 3.1(b)), respectively.

As at 31 December 2024 and 2023, the aging analysis of the trade receivables based on the invoice date is as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Up to 1 year	383,265	294,015
1 to 2 years	69,148	29,545
2 to 3 years	17,267	12,470
Over 3 years	6,221	356
	475,901	336,386

Due to the short-term nature of the trade receivables, their carrying amounts approximated their fair values as at the balance sheet dates and were denominated in RMB.

As at 31 December 2024 and 2023, the aging analysis of the long-term trade receivables based on the invoice date is as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Up to 1 year	9,211	40,382
1 to 2 years	39,511	17,377
2 to 3 years	12,351	30,740
Over 3 years	29,930	3,977
	91,003	92,476

The long-term trade receivables have been discounted and there is no material change on discount rate, so their carrying amounts approximated their fair values as at the balance sheet dates and were denominated in RMB.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 21 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Included in non-current assets</b>		
<i>Other receivables</i>		
Deposits – non-current portion	15,938	14,839
Loans to a related party	–	3,450
Receivables from disposal of subsidiaries	7,962	9,302
Less: provision for impairment (Note 3.1(b))	(577)	(740)
	23,323	26,851
<i>Prepayments</i>		
Prepayments for equity investments	600	600
Prepayments for purchase of property, plant and equipment	158,721	87,970
Deductible value-added tax input	16,438	15,309
Prepayments for intangible assets	9,329	2,157
	185,088	106,036
<b>Total</b>	<b>208,411</b>	<b>132,887</b>
<b>Included in current assets</b>		
<i>Other receivables</i>		
Other receivables from related parties (Note 35(d))	45	236
Deposits-current portion	25,903	23,465
Deposits to be used for repurchasing of shares (Note 24(b))	13,675	–
Advances to employees	646	618
Loans to related parties (Note 35(d))	7,450	–
Receivables from disposal of subsidiaries	1,712	2,360
Others	764	829
	50,195	27,508
Less: provision for impairment (Note 3.1(b))	(401)	(80)
	49,794	27,428
<i>Prepayments</i>		
Prepayment to a related party (Note 35(d))	3,229	3,240
Prepayment to suppliers	47,013	5,217
Deductible value-added tax input	28,756	23,601
Prepayment for listing expenses	–	13,011
Prepaid expenses	16,071	13,590
	95,069	58,659
<b>Total</b>	<b>144,863</b>	<b>86,087</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 22 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Non-current</b>		
– Unlisted debt instruments (Note 17)	60,431	53,869

Movement of FVTPL is analysed as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>At beginning of the year</b>	53,869	50,341
Modification of financial instruments	4,772	–
Changes in fair value (Note 7)	2,470	4,548
Settlement	(680)	(1,020)
<b>At end of the year</b>	60,431	53,869

### 23 CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Cash and bank balances:		
– Cash on hand	–	5
– Cash at bank	264,895	194,936
Less: restricted cash – current portion	(2,066)	(2)
restricted cash – non-current portion	(442)	(6,104)
	262,387	188,835

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 23 CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (*continued*)

As at 31 December 2024, cash at banks with amounts of RMB2,443,000 were pledged to bank as security deposits for borrowing amounting to approximately RMB10,117,000 (Note 30).

As at 31 December 2023, cash at banks with amounts of RMB6,104,000 were pledged to bank as security deposits for long-term borrowing amounting to approximately RMB13,444,000 (Note 30).

As at 31 December 2024, cash and cash equivalents and restricted cash of the Group were denominated in RMB and HKD (2023: RMB).

### 24 SHARE CAPITAL AND TREASURY SHARES

	Number of ordinary shares thousands	Number of Issued shares thousands	Ordinary Shares RMB'000	Treasury shares RMB'000	Total RMB'000
<b>As at 1 January 2023 and 31 December 2023</b>	338,496	–	338,496	–	338,496
Issue of shares pursuant to the Listing (a)	–	17,816	17,816	–	17,816
Repurchase of shares (b)	–	–	–	(14,037)	(14,037)
<b>As at 31 December 2024</b>	338,496	17,816	356,312	(14,037)	342,275

(a) On 7 June 2024, the Company issued 17,816,000 ordinary shares at HK\$14.98 per share, and raised gross proceeds of approximately HK\$266,884,000. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 7 June 2024. The gross proceeds are capitalized as share capital and share premium accordingly.

(b) Details of treasury shares

	Number of Issued shares thousands
<b>As at 1 January 2024</b>	–
Repurchase of shares	(336)
<b>As at 31 December 2024</b>	(336)



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 24 SHARE CAPITAL AND TREASURY SHARES *(continued)*

#### (b) Details of treasury shares *(continued)*

The Company repurchased 336,000 ordinary shares of its own planned as reward shares through the Stock Exchange by engaging a trustee as at 31 December 2024. The total value of shares repurchased was approximately RMB14,037,000 and has been deducted from shareholders' equity.

As at 31 December 2024, RMB13,675,000 was deposited in certain trustee to be used for repurchasing treasury shares in 2025.

### 25 RESERVES

The following table shows a breakdown of the balance sheet line items "reserves" and its movements during the years ended 31 December 2024 and 2023. A description of the nature and purpose of each reserve is provided below the table.

	Share premium RMB'000	Capital reserves RMB'000	Financial assets at FVOCI RMB'000	Share- based payment reserves RMB'000	Total RMB'000
<b>As at 1 January 2024</b>	1,136,018	(30,197)	3,182	292,971	1,401,974
Share-based payment	–	–	–	466	466
Issue of shares pursuant to the Listing	225,147	–	–	–	225,147
Listing expenses capitalised upon listing	(15,574)	–	–	–	(15,574)
Transactions with non-controlling interests (i)	–	(4,900)	–	–	(4,900)
Financial assets at FVOCI	–	–	(3,182)	–	(3,182)
<b>As at 31 December 2024</b>	1,345,591	(35,097)	–	293,437	1,603,931

- (i) Note: As at 31 December 2023, the Company held indirectly 60% equity interest in Fengcheng Rimag Medical Imaging Center Ltd. ("Fengcheng Rimag"), which is one of the subsidiaries of the Company. In November 2024, the Company entered into a share transfer agreement for further acquisition of 20% equity interest in Fengcheng Rimag. The Company should make the payment in three months at a fixed consideration of RMB4,900,000. Hence the full consideration for purchasing non-controlling shareholdings is debited to equity with the unpaid consideration of RMB4,900,000 recorded in other payables and accruals (Note 29) as at 31 December 2024.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 25 RESERVES (continued)

	Share premium RMB'000	Capital reserves RMB'000	Financial assets at FVOCI RMB'000	Share- based payment reserves RMB'000	Total RMB'000
<b>As at 1 January 2023</b>	1,136,018	–	–	290,414	1,426,432
Share-based payment	–	–	–	2,557	2,557
Transactions with non-controlling interests (i)	–	(30,197)	–	–	(30,197)
Financial assets at FVOCI	–	–	3,182	–	3,182
<b>As at 31 December 2023</b>	1,136,018	(30,197)	3,182	292,971	1,401,974

- (i) Note: The Company entered into a share transfer agreement in December 2023 for acquisition of remaining 49% equity interest in a subsidiary Hainan Rimag Sunshine Medical Investment Management Co. Ltd. ("Hainan Rimag") at a consideration of RMB15,900,000. The Company already paid RMB14,310,000 in 2023 while the completion of the transaction was subject to certain financial performance conditions in 2024 which is not under the Company's control. In 2024, even though the financial performance conditions have not been fulfilled, the Company is still subject to unavoidable payment of the second installment amounting to RMB1,590,000 according to the agreement. Hence the full consideration for purchasing non-controlling shareholdings is debited to equity with the remaining unpaid consideration of RMB1,590,000 recorded in other payables and accruals (Note 29) as at 31 December 2024.

### 26 SHARE-BASED PAYMENTS

Expenses arising from equity-settled share-based payments transactions were as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Share Incentive Plan (a)	472	2,600

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 26 SHARE-BASED PAYMENTS *(continued)*

Share-based payments expenses recognised for the years ended 31 December 2024 and 2023 were as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Administrative expenses	472	2,586
Selling and distribution expenses	–	11
Cost of sales	–	1
Research and development expenses	–	2
	472	2,600

#### (a) Share Incentive Plan

##### **2019 Share Incentive Plan**

In March 2019, shares of the Company were granted by Mr. Wang Shihe through Nanchang Rimag Sunshine Enterprise Management Center (Limited Partnership) (“Nanchang Rimag”) to 11 Grantees under the 2019 Share Incentive Plan. Under this plan, 390,000 shares (being 1,170,000 Shares as subsequently adjusted immediately following the Company’s capital increase in August 2021) of RMB1.50 to RMB1.80 each will be vested after five-year service period. The Grantees paid approximately RMB630,000 in total at an exercise price of RMB1.50 to RMB1.80 each share to Nanchang Rimag on the grant date. If an employee ceases to be employed by the Company within this period, the awarded shares will be forfeited.

The fair value of the shares granted to employees on the grant date, March 2019 as determined by a professional valuation firm was RMB19.28 per share. The significant inputs into the Black-Scholes valuation model were listed as below:

	As at March 2019
Expected volatility	50.00%
Risk-free interest rate	2.97%

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 26 SHARE-BASED PAYMENTS *(continued)*

#### (a) Share Incentive Plan *(continued)*

Movements in the number of equity interests shares of the Company granted and the respective weighted average grant date fair value were as follows:

	Number of shares granted under the Share Incentive Scheme	Average exercise price per share option RMB
Outstanding as at 1 January 2023	12,135,060	7.09
Vested during the year	(10,223,883)	8.16
Outstanding as at 31 December 2023	1,911,177	1.37
Outstanding as at 1 January 2024	1,911,177	1.37
Vested during the year	(1,911,177)	1.35
Outstanding as at 31 December 2024	–	–

### 27 DIVIDEND

No dividends have been paid or declared by the Company during each of the years ended 31 December 2024 and 2023.

### 28 TRADE PAYABLES

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Trade payables -Third parties	26,485	23,482

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 28 TRADE PAYABLES (continued)

The aging analysis of trade payable as at 31 December 2024 and 2023 based on invoice date was as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Up to 1 year	22,749	20,018
1-2 years	3,421	2,692
Over 2 years	315	772
	26,485	23,482

### 29 OTHER PAYABLES AND ACCRUALS

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Other payables due to related parties (Note 35(d))	1,500	702
Employee benefits payables	28,417	23,004
Accrued expenses	10,048	3,885
Payables for purchases of property, plant and equipment	17,097	21,960
Tax payables	5,926	2,682
Marketing expenses payable	1,460	3,004
Payables for deposits	1,521	2,508
Redemption liability	6,490	1,590
Listing expenses	–	11,937
Other payables	6,296	4,597
	78,755	75,869

The fair value of other payables and accruals approximated to their carrying amounts as at 31 December 2024 and 2023 due to their short maturities.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 30 BORROWINGS

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Non-current:</b>		
Long-term bank borrowings, secured (d)	68,976	55,904
Long-term bank borrowings, unsecured	114,046	–
Loans from financial leasing companies, secured (d)	223,795	130,302
Less: Current portion of long-term bank borrowings, secured (d)	(47,380)	(28,324)
Current portion of loans from financial leasing companies, secured (d)	(87,215)	(72,916)
	272,222	84,966
<b>Current:</b>		
Short-term bank borrowings, secured (d)	10,550	8,280
Short-term bank borrowings, unsecured	15,000	15,000
Current portion of long-term bank borrowings, secured (d)	47,380	28,324
Current portion of loans from financial leasing companies, secured (d)	87,215	72,916
Loans from a third party, unsecured	847	522
	160,992	125,042
<b>Total borrowings</b>	<b>433,214</b>	<b>210,008</b>

- (a) The Group's borrowings as at the balance sheet dates during the year ended 31 December 2024 and 2023 were repayable as follows:

	As at 31 December 2024		As at 31 December 2023	
	Bank Borrowings RMB'000	Others RMB'000	Bank Borrowings RMB'000	Others RMB'000
Up to 1 year	72,930	88,062	51,604	73,438
Between 1 and 2 years	62,254	64,725	22,328	39,107
Between 2 and 5 years	73,388	71,855	5,252	18,279
<b>Total</b>	<b>208,572</b>	<b>224,642</b>	<b>79,184</b>	<b>130,824</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 30 BORROWINGS (*continued*)

- (b) The carrying amounts of the Group's borrowings are denominated in the following currencies:

	As at 31 December 2024		As at 31 December 2023	
	Bank Borrowings RMB'000	Others RMB'000	Bank Borrowings RMB'000	Others RMB'000
RMB	208,572	224,642	79,184	130,824

- (c) The weighted average effective interest rates at each balance sheet date were as follows:

	Year ended 31 December	
	2024	2023
Bank borrowings	5.38%	4.94%
Loans from financial leasing companies	6.80%	8.82%
Loans from a third party, unsecured	11.45%	2.07%

#### (d) Other disclosures

##### (i) Fair values

The carrying amounts for the majority of the borrowings approximated their fair values as they were carried at floating interest rates.

##### (ii) Risk exposures

Details of the Group's exposure to risks arising from current and non-current borrowings are set out in Note 3.1.

- (iii) As at 31 December 2024, the Group's bank borrowings and other borrowings amounting to RMB303,321,000 were secured by the mortgage of property, plant and equipment, receivables, shares of subsidiaries and bank deposits.

As at 31 December 2023, the Group's bank borrowings and other borrowings amounting to RMB194,486,000 were secured by the mortgage of property, plant and equipment, receivables, shares of subsidiaries, bank deposits and guaranteed by personals.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 31 DEFERRED INCOME TAX

The analysis of deferred income tax assets and deferred income liabilities are as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Deferred income tax assets		
– Deferred income tax assets to be recovered within 12 months	2,585	3,262
– Deferred income tax assets to be recovered more than 12 months	53,200	45,540
Total deferred income tax assets	55,785	48,802
Set-off of deferred income tax assets pursuant to offset provisions	(23,276)	(24,594)
<b>Net deferred income tax assets</b>	<b>32,509</b>	<b>24,208</b>
Deferred income tax liabilities		
– Deferred tax liability to be settled more than 12 months	10,859	11,453
– Deferred tax liability to be settled within 12 months	16,789	17,555
Total deferred income tax assets	27,648	29,008
Set-off of deferred income tax liabilities pursuant to offset provisions	(23,276)	(24,594)
<b>Net deferred income tax liabilities</b>	<b>4,372</b>	<b>4,414</b>

The gross movement in the deferred income tax accounts is as follows:

	2024 RMB'000	2023 RMB'000
At 1 January	48,802	24,266
(Credited)/Charged to other comprehensive income	(7)	7
Charged to profit or loss (Note 12)	6,990	24,529
At 31 December	55,785	48,802

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 31 DEFERRED INCOME TAX *(continued)*

#### (a) Deferred income tax assets

The movements in deferred income assets were as follows:

	Tax losses RMB'000	Property, plant and equipment RMB'000	Lease liabilities RMB'000	Loss allowance of provision RMB'000	Accrued expense RMB'000	Financial assets at FVOCI RMB'000	Total RMB'000
Deferred tax assets arising from							
<b>At 1 January 2024</b>	8,586	11,572	24,793	3,600	244	7	48,802
Credited/(Charged) to profit or loss (Note 12)	6,834	2,178	(1,002)	(1,519)	499	–	6,990
Credited to other comprehensive loss	–	–	–	–	–	(7)	(7)
<b>At 31 December 2024</b>	15,420	13,750	23,791	2,081	743	–	55,785
<b>At 1 January 2023</b>	98	5,644	17,012	707	805	–	24,266
Credited/(Charged) to profit or loss (Note 12)	8,488	5,928	7,781	2,893	(561)	–	24,529
Charged to other comprehensive loss	–	–	–	–	–	7	7
<b>At 31 December 2023</b>	8,586	11,572	24,793	3,600	244	7	48,802

#### (b) Deferred income tax liabilities

The movements in deferred income liabilities were as follows:

	Right-of- use assets RMB'000	Intangible assets – fair value added RMB'000	Financial assets at FVOCI RMB'000	Financial assets at FVTPL RMB'000	Total RMB'000
Deferred tax liability arising from					
<b>At 1 January 2024</b>	24,594	3,346	1,068	–	29,008
(Credited)/Charged to profit or loss (Note 12)	(1,319)	(359)	–	318	(1,360)
Internal transfer	–	–	(1,068)	1,068	–
<b>At 31 December 2024</b>	23,275	2,987	–	1,386	27,648
<b>At 1 January 2023</b>	17,069	2,151	–	–	19,220
Charged/(Credited) to profit or loss (Note 12)	7,525	(130)	–	–	7,395
Charged to other comprehensive loss	–	–	1,068	–	1,068
Acquisition of a subsidiary	–	1,325	–	–	1,325
<b>At 31 December 2023</b>	24,594	3,346	1,068	–	29,008

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 32 OTHER NON-CURRENT LIABILITIES

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Payable for purchase of property, plant and equipment	815	2,139

### 33 CASH FLOW INFORMATION

#### (a) Cash generated from operations

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
<b>(Loss)/profit before income tax</b>	(51,331)	43,381
Adjustments for		
– Finance costs-net (Note 10)	21,220	21,528
– Depreciation of property, plant and equipment (Note 8)	154,171	151,545
– Depreciation of right-of-use assets (Note 8)	37,308	33,156
– Amortisation of intangible assets (Note 8)	3,879	3,330
– Net impairment losses on financial assets (Note 3.1(b))	22,131	16,874
– Gains on disposals of property, plant and equipment and termination/modification of right-of-use assets (Note 7)	(839)	(202)
– Gains on disposal or liquidation of subsidiaries	–	(1,618)
– Share-based payment	472	2,600
– Share of results of investment accounted for using equity method	3,005	5,801
– Gain on remeasurement of long-term investment	–	(118)
– Net fair value gains on financial assets at fair value through profit or loss	(2,470)	(4,548)
– Net impairment losses on associates and joint ventures accounted for using the equity method	–	1,534
– Net exchange differences	(4,123)	–
Changes in working capital:		
– Contract liabilities	30,769	(60,201)
– Trade payable, other payables and accruals	9,848	(11,853)
– Trade receivables, notes receivables, long-term trade receivables, and other receivables and prepayments	(205,986)	7,222
– Inventories	(1,412)	1,337
<b>Net cash generated from operating activities</b>	<b>16,642</b>	<b>209,768</b>



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 33 CASH FLOW INFORMATION (*continued*)

#### (b) Proceeds from disposal of properties, plant and equipment:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Net book value (Note 15)	2,233	2,514
(Losses)/gains from disposals of property, plant and equipment (Note 7)	(288)	202
Movement in other receivables	–	(271)
Proceeds from the disposal	1,945	2,445

#### (c) Reconciliation of liabilities arising from financing activities

	Liabilities from financing activities				
	Bank borrowings RMB'000	Loans from financial leasing companies RMB'000	Loans from third parties RMB'000	Lease liabilities RMB'000	Total RMB'000
<b>Total debt as at 1 January 2023</b>	124,073	228,211	–	130,837	483,121
Cash flows	(49,734)	(109,461)	522	(34,331)	(193,004)
Interest expenses	4,845	11,552	–	8,815	25,212
Lease addition	–	–	–	60,970	60,970
Acquisition of a subsidiary	–	–	–	11,369	11,369
Lease termination	–	–	–	(1,649)	(1,649)
<b>Total debt as at 31 December 2023</b>	79,184	130,302	522	176,011	386,019
Cash flows	122,962	82,338	300	(44,139)	161,461
Interest expenses	6,426	11,155	25	7,855	25,461
Lease addition	–	–	–	15,824	15,824
Lease modification	–	–	–	(2,207)	(2,207)
Lease termination	–	–	–	(7,948)	(7,948)
<b>Total debt as at 31 December 2024</b>	208,572	223,795	847	145,396	578,610

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 34 COMMITMENTS

#### (a) Capital commitments

Significant capital expenditure commitments are set out below:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Contracted but not recognised as liabilities		
– Commitments for acquisition of property, plant and equipment	88,972	10,987
– Commitments for acquisition of intangible assets	6,530	–
	95,502	10,987

### 35 RELATED PARTY TRANSACTIONS

Parties are considered to be related in one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the year ended 31 December 2024 and balances arising from related party transactions as at 31 December 2024.

The major related parties that had transactions and balances with the Group were as follows:

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 35 RELATED PARTY TRANSACTIONS *(continued)*

#### (a) Related parties of the Group

Name of related parties	Relationship
Hanji Health Management (Shanghai) Co., Ltd. (漢吉健康管理(上海)有限公司)	Associate
Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd. (上海正影醫學影像診斷中心有限公司)	Associate
Ningde Jiaotou Yimai Sunshine Medical Imaging Diagnosis Center Co., Ltd.(寧德市交投一脈陽光醫學影像 診斷中心有限公司)	Associate
Beijing Yimai Wanfang Clinic Co., Ltd. (北京一脈萬方診所有限公司)	Associate
Shanghai Yimai Xinyun Medical Technology Co., Ltd. (上海一脈心雲醫療科技有限公司)	Associate
Shanghai Shihe Intelligent Electronic Technology Co., Ltd. (上海實和智能電子科技有限公司) Note (11(b))	Joint venture
Wuhan Rong Commune Medical Equipment Co., Ltd. (武漢融公社醫療器械有限公司)	A company controlled by a Director
Gongqingcheng Fanghou No.1 Investment Partnership (Limited Partnership) (共青城芳侯一號投資合夥企業 (有限合夥))	A company controlled by a Director

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 35 RELATED PARTY TRANSACTIONS (continued)

#### (b) Transactions with related parties

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Sales of services and goods		
Ningde Jiaotou Yimai Sunshine Medical Imaging Diagnosis Center Co., Ltd.	10,100	22,155
Beijing Yimai Wanfang Clinic Co., Ltd.	763	1,048
Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd.	705	141
	11,568	23,344
Purchase of services and products		
Hanji Health Management (Shanghai) Co., Ltd.	3,871	2,357
Shanghai Shihe Intelligent Electronic Technology Co., Ltd.	170	162
Shanghai Yimai Xinyun Medical Technology Co., Ltd.	158	–
Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd.	6	–
Beijing Yimai Wanfang Clinic Co., Ltd.	3	–
	4,208	2,519
Purchase of Equity		
Gongqingcheng Fanghou No.1 Investment Partnership (Limited Partnership)	17,280	–
Loans to related parties		
Beijing Yimai Wanfang Clinic Co., Ltd.	4,000	–
Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd.	–	3,450
	4,000	3,450
Rental expense		
Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd.	201	179

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 35 RELATED PARTY TRANSACTIONS *(continued)*

#### (c) Key management compensation

Key management includes Directors (executive and non-executive), chief executive officer, the Company secretary, and the executive president of imaging hospital. The compensation paid or payable to key management for employee services is as follows:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
– Salaries, wages and bonuses	4,481	4,137
– Pension costs-defined contribution plans	177	166
– Housing fund, medical insurance and other social insurance	202	238
– Share-based payments expenses	–	14
	4,860	4,555

For the year ended 31 December 2024 and 2023, the salaries, bonus and other welfares disclosed above include RMB511,000 and RMB282,000 payables which were unpaid as at year end and are included in Other payables and accruals (Note 29).



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 35 RELATED PARTY TRANSACTIONS *(continued)*

#### (d) Balances with related parties

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Trade receivables and long-term trade receivables</b>		
Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd.	23,241	23,907
Ningde Jiaotou Yimai Sunshine Medical Imaging Diagnosis Center Co., Ltd.	5,565	2,207
Beijing Yimai Wanfang Clinic Co., Ltd.	484	409
Less: allowance for expected credit losses (Note 3.1(b))	(1,066)	(848)
	28,224	25,675
<b>Other receivable and prepayments</b>		
– <i>Other receivable</i>		
Beijing Yimai Wanfang Clinic Co., Ltd.	4,000	–
Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd.	3,450	3,450
Ningde Jiaotou Yimai Sunshine Medical Imaging Diagnosis Center Co., Ltd.	45	236
– <i>Prepayments</i>		
Hanji Health Management (Shanghai) Co., Ltd.	3,200	3,200
Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd.	29	40
Less: allowance for expected credit losses (Note 3.1(b))	(86)	(12)
	10,638	6,914
<b>Other payable and accruals</b>		
Hanji Health Management (Shanghai) Co., Ltd.	1,500	–
Wuhan Rong Commune Medical Equipment Co., Ltd.	–	689
Shanghai Zhengying Medical Imaging Diagnosis Center Co., Ltd.	–	13
	1,500	702

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 36 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

#### (a) Statement of financial position of the Company

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,471	4,835
Right-of-use assets	699	1,190
Investments in subsidiaries	433,904	383,285
Intangible assets	1,412	1,449
Deferred income tax assets	5,016	7,124
Investments accounted for using the equity method	11,261	12,536
Prepayments, deposits and other receivables	139,912	111,593
Financial assets at fair value through other comprehensive income	3,000	4,772
Financial assets at fair value through profit or loss	60,431	53,869
Long-term trade receivables	2,010	4,215
Restricted cash	442	6,104
<b>Total non-current assets</b>	<b>659,558</b>	<b>590,972</b>
<b>Current assets</b>		
Trade receivables	154,220	83,346
Long-term trade receivables-current portion	3,635	1,307
Prepayments, deposits and other receivables	1,017,828	878,097
Restricted cash	2,044	–
Cash and cash equivalents	137,200	67,520
Asset classified as held for sale	4,703	4,703
<b>Total current assets</b>	<b>1,319,630</b>	<b>1,034,973</b>
<b>Total assets</b>	<b>1,979,188</b>	<b>1,625,945</b>
<b>Equity</b>		
Share capital	356,312	338,496
Treasury shares (Note 36(b))	(14,037)	–
Reserves (Note 36(b))	1,509,484	1,302,940
Accumulated losses	(74,172)	(115,134)
<b>Total equity</b>	<b>1,777,587</b>	<b>1,526,302</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 36 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY *(continued)*

#### (a) Statement of financial position of the Company *(continued)*

	As at 31 December	
	2024 RMB'000	2023 RMB'000
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Borrowings	80,573	9,608
Lease liabilities	288	672
Deferred income tax liabilities	1,386	1,068
<b>Total non-current liabilities</b>	<b>82,247</b>	<b>11,348</b>
<b>Current liabilities</b>		
Trade payables	18,323	9,271
Other payables and accruals	33,778	43,163
Contract liabilities	20,028	5,139
Borrowings	46,911	30,124
Lease liabilities	314	598
<b>Total current liabilities</b>	<b>119,354</b>	<b>88,295</b>
<b>Total liabilities</b>	<b>201,601</b>	<b>99,643</b>
<b>Total equity and liabilities</b>	<b>1,979,188</b>	<b>1,625,945</b>

The balance sheet of the Company was approved by the Board of Directors on 28 March 2025 and were signed on its behalf by following directors.

**He YingFei**  
Director

**Feng Xie**  
Director

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 36 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY *(continued)*

#### (b) Reserve and treasury shares movements of the Company

	Treasury Shares RMB'000	Share premium RMB'000	Reserves Financial assets at FVOCI RMB'000	Share-based payment reserves RMB'000	Total RMB'000
<b>As at 1 January 2024</b>	–	1,136,018	3,204	163,718	1,302,940
Capital injection	–	225,147	–	–	225,147
Capitalised upon listing	–	(15,574)	–	–	(15,574)
Share-based payment	–	–	–	175	175
Transfer of financial assets from FVOCI to FVTPL	–	–	(3,204)	–	(3,204)
Repurchase of shares	(14,037)	–	–	–	–
<b>As at 31 December 2024</b>	(14,037)	1,345,591	–	163,893	1,509,484
<b>As at 1 January 2023</b>	–	1,136,018	–	162,215	1,298,233
Share-based payment	–	–	–	1,503	1,503
Addition of financial instruments at FVOCI	–	–	3,204	–	3,204
<b>As at 31 December 2023</b>	–	1,136,018	3,204	163,718	1,302,940

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 37 BENEFITS AND INTERESTS OF DIRECTORS

#### (a) Directors' and chief executive's emoluments

The remuneration of each director of the Company for the year ended 31 December 2024 is set out as follows:

Name of Directors	Basic salaries RMB'000	Bonuses RMB'000	Welfare, medical and other expenses RMB'000	Employer's contribution to a retirement benefit scheme RMB'000	Share-based payment RMB'000	Total RMB'000
<b>Year ended 31 December 2024</b>						
<b>Chairman</b>						
Mr. CHEN Zhaoyang (Note 1)	1,003	490	40	29	-	1,562
Dr. XU Ke (Note 2)	606	-	-	-	-	606
<b>Directors</b>						
Mr. FENG Xie	615	440	68	71	-	1,194
Ms. HE Yingfei	503	144	80	66	-	793
Mr. LI Feiyu (Note 1)	116	297	11	11	-	435
Mr. GUO Tao (Note 1)	16	-	-	-	-	16
Mr. LIU Senlin	-	-	-	-	-	-
Mr. MAO Xiaojun (Note 2)	-	-	-	-	-	-
Ms. CHEN Yifei (Note 1)	19	-	-	-	-	19
Mr. LUO Yi	70	-	-	-	-	70
Mr. WU Xiaohui	70	-	-	-	-	70
Mr. YUAN Jun (Note 2)	92	-	3	-	-	95
	3,110	1,371	202	177	-	4,860

Note 1: Mr. CHEN Zhaoyang was appointed as the chairman on 18 Nov 2024. Mr. LI Feiyu, Mr. GUO Tao and Ms. CHEN Yifei were appointed as the directors on 18 Nov 2024.

Note 2: Dr. XU Ke retired as the chairman on 18 Nov 2024. Mr. MAO Xiaojun retired as the non-executive director on 18 Nov 2024. Mr. YUAN Jun retired as the independent non-executive director on 18 Nov 2024.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 37 BENEFITS AND INTERESTS OF DIRECTORS *(continued)*

#### (a) Directors' and chief executive's emoluments *(continued)*

The remuneration of each director of the Company for the year ended 31 December 2023 is set out as follows:

Name of Directors	Basic salaries RMB'000	Bonuses RMB'000	Welfare, medical and other expenses RMB'000	Employer's contribution to a retirement benefit scheme RMB'000	Share- based payment RMB'000	Total RMB'000
<b>Year ended 31 December 2023</b>						
<b>Chairman</b>						
Dr. XU Ke	727	252	-	-	-	979
<b>Directors</b>						
Mr. CHEN Zhaoyang (Note 1)	644	168	71	38	-	921
Ms. HE Yingfei	641	144	37	26	14	862
Mr. FENG Xie	602	193	63	38	-	896
Mr. DING Yiming (Note 2)	-	-	-	-	-	-
Ms. WANG Yinuo (Note 2)	-	-	-	-	-	-
Mr. XU Zhongchao (Note 2)	-	-	-	-	-	-
Mr. YIN Hang (Note 2)	-	-	-	-	-	-
Mr. CAO Dong (Note 2)	-	-	-	-	-	-
Mr. LIU Senlin	-	-	-	-	-	-
Mr. MAO Xiaojun (Note 1)	-	-	-	-	-	-
	2,614	757	171	102	14	3,658

Note 1: Mr. CHEN Zhaoyang was appointed as the executive director of the Company on 11 May 2023. Mr. MAO Xiaojun was appointed as the non-executive director of the Company on 11 May 2023.

Note 2: Mr. DING Yiming, Ms. WANG Yinuo, Mr. XU Zhongchao, Mr. YIN Hang and Mr. CAO Dong resigned as the executive directors on 10 May 2023.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 37 BENEFITS AND INTERESTS OF DIRECTORS *(continued)*

#### (b) Directors' retirement benefits

There were no retirement benefits paid to or receivable by any Director in respect of their other services in connection with the management of the affairs of the Company or its subsidiaries during the year ended 31 December 2024 and 2023.

#### (c) Directors' termination benefits

There were no termination benefits paid to or receivable by any Director during the year ended 31 December 2024 and 2023.

#### (d) Consideration provided to third parties for making available Directors' services

No payment was made to the Directors for making available the services of them as a Director of the Company during the year ended 31 December 2024 and 2023.

#### (e) Information about loans, quasi-loans and other dealings in favour of Directors

Other than those disclosed in note 35(c), there were no loans, quasi-loans and other dealings entered into between the Group and the Directors and in favour of the Directors during the year ended 31 December 2024 and 2023.

#### (f) Directors' material interests in transactions, arrangements or contracts

Other than those as disclosed in note 35(b) and note 37, there are no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2024 and 2023.

### 38 CONTINGENCIES

As at 31 December 2024 and 2023, save as disclosed in the consolidated financial statements in respect of bank borrowing guarantee (Note 30), the Group had no other significant contingencies.

### 39 SUBSEQUENT EVENTS

There are no material subsequent events undertaken by or impacted on the Group subsequent to 31 December 2024 and up to the date of this report.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 40 SUBSIDIARIES

The following sets out the details of the principal subsidiaries of the Company as at 31 December 2024.

Entity name	Date of incorporation	Country/ Place of incorporation, legal status	Registered/ Issued and paid-up capital RMB	Proportion of equity interest held by the Group (%) As at 31 December		Principal activities/ Place of operation
				2024	2023	
Directly held:						
Jiangxi Rimag Medical Investment Management Co., Ltd. 江西一脈陽光醫療投資管理有限公司	19 September 2014	PRC, Limited Liability Company	100,000,000	100%	100%	Medical equipment and consumables sales/PRC
Beijing Rimag Medical Information Technology Co., Ltd. 北京一脈陽光醫學信息技術有限公司	24 August 2015	PRC, Limited Liability Company	10,000,000	100%	100%	Research and development center/PRC
Jiangxi Rimag Sunshine Medical Science and Technology Service Co., Ltd. 江西一脈陽光醫學科技服務有限公司	23 October 2018	PRC, Limited Liability Company	2,000,000	N/A	100%	Medical equipment sales/PRC
Lianyungang Rimag Sunshine Medical Imaging Co., Ltd. 連雲港一脈陽光醫學影像有限公司	27 September 2018	PRC, Limited Liability Company	1,000,000	100%	100%	Medical imaging services and device sales/PRC
Yantai Rimag Sunshine Medical Imaging Diagnosis Center Co. Ltd. 煙台一脈陽光醫學影像診斷中心有限公司	14 December 2020	PRC, Limited Liability Company	20,000,000	100%	100%	Medical imaging services and device sales/PRC
Beijing Rimag Medical Imaging Diagnosis Center Co. Ltd. 北京一脈陽光醫學影像診斷中心有限公司	13 February 2015	PRC, Limited Liability Company	50,000,000	100%	100%	Medical imaging services and medical device sales/PRC
Shaoxing Keqiao Rimag Sunshine Medical Imaging Hospital Co. Ltd. 紹興柯橋一脈陽光醫學影像醫院有限公司	1 June 2017	PRC, Limited Liability Company	3,000,000	100%	100%	Medical imaging services/PRC
Xinyang Rimag Sunshine Medical Imaging Diagnosis Center Co. Ltd. 信陽一脈陽光醫學影像診斷中心有限公司	28 June 2018	PRC, Limited Liability Company	2,000,000	100%	100%	Medical imaging services/PRC
Chengdu Wenjiang Rimag Sunshine Internet Hospital Co. Ltd. 成都溫江一脈陽光互聯網醫院有限公司	24 August 2021	PRC, Limited Liability Company	50,000,000	100%	100%	Medical imaging services/PRC
Rimag Sunshine Internet Hospital (Shandong) Co., Ltd. 一脈陽光互聯網醫院(山東)有限公司	27 August 2021	PRC, Limited Liability Company	3,000,000	100%	100%	Medical imaging services/PRC

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 40 SUBSIDIARIES (continued)

Entity name	Date of incorporation	Country/ Place of incorporation, legal status	Registered/ Issued and paid-up capital RMB	Proportion of equity interest held by the Group (%) As at 31 December		Principal activities/ Place of operation
				2024	2023	
Directly held: (continued)						
Shandong Sunshine Doctor Group Management Co. Ltd. 山東陽光醫生集團管理有限公司	24 August 2020	PRC, Limited Liability Company	3,000,000	98%	98%	Medical imaging services/PRC
Suihua Rimag Sunshine Medical Imaging Center Co. Ltd. 綏化一脈陽光醫學影像中心有限公司	7 July 2021	PRC, Limited Liability Company	5,000,000	95%	95%	Medical imaging services/PRC
Qiqihar Nianzishan Rimag Medical Imaging Diagnosis Center Co., Ltd. (“Qiqihar Nianzishan Rimag”)齊齊哈爾市碾子山區一脈陽光醫學影像診斷中心有限公司	11 September 2018	PRC, Limited Liability Company	10,000,000	100%	100%	Medical imaging services/PRC
Changchun Rimag Sunshine Medical Imaging Diagnosis Center Co. Ltd.長春一脈陽光醫學影像診斷中心有限公司	3 July 2017	PRC, Limited Liability Company	10,000,000	85%	85%	Medical imaging services/PRC
Anyang Rimag Sunshine Medical Imaging Co., Ltd. 安陽一脈陽光醫學影像有限公司	8 August 2022	PRC, Limited Liability Company	10,000,000	85%	85%	Medical imaging services/PRC
Hubei Zhiying Rimag Sunshine Medical Technology Co., Ltd. (“Hubei Zhiying”) 湖北智影一脈陽光醫療科技有限公司	1 December 2016	PRC, Limited Liability Company	13,333,000	90%	90%	Medical imaging services/PRC
Wanan Rimag Medical Imaging Center Ltd. 萬安一脈陽光醫學影像中心有限公司	17 May 2019	PRC, Limited Liability Company	5,000,000	76%	76%	Medical imaging services/PRC
Liaoning Rimag Sunshine Medical Imaging Diagnosis Center Co. Ltd. 遼寧一脈陽光醫學影像診斷中心有限公司	18 May 2017	PRC, Limited Liability Company	10,000,000	70%	70%	Medical imaging services/PRC
Shandong Rimag Sunshine Medical Technology Co. Ltd. 山東一脈陽光醫療科技有限公司	25 February 2016	PRC, Limited Liability Company	10,000,000	70%	70%	Medical equipment sales/PRC
Enshi Rimag Sunshine Medical Imaging Co., Ltd. 恩施市一脈陽光醫學影像有限公司	16 May 2017	PRC, Limited Liability Company	15,000,000	70%	70%	Medical imaging services/PRC
Shenyang Rimag Sunshine Shennan Medical Imaging Diagnosis Co., Ltd. 瀋陽一脈陽光沈南醫學影像診斷有限公司	20 September 2017	PRC, Limited Liability Company	8,000,000	65%	65%	Medical imaging services/PRC

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 40 SUBSIDIARIES (continued)

Entity name	Date of incorporation	Country/ Place of incorporation, legal status	Registered/ Issued and paid-up capital RMB	Proportion of equity interest held by the Group (%) As at 31 December		Principal activities/ Place of operation
				2024	2023	
Directly held: (continued)						
Gengma Rimag Sunshine Medical Imaging Co., Ltd. 耿馬一脈陽光醫學影像有限公司	23 November 2018	PRC, Limited Liability Company	5,000,000	65%	65%	Medical imaging services/PRC
Xixian Xinqu Rimag Medical Imaging Diagnosis Ltd. 西咸新區一脈陽光醫學影像診斷有限公司	30 January 2019	PRC, Limited Liability Company	20,000,000	65%	65%	Medical imaging services/PRC
Jinan Rimag Sunshine Xinglin Medical Imaging Diagnosis Co., Ltd. 濟南一脈陽光杏林醫學影像診斷有限公司	14 January 2022	PRC, Limited Liability Company	10,000,000	65%	65%	Medical imaging services/PRC
Xiangtan Rimag Sunshine Medical Imaging Diagnosis Co., Ltd. 湘潭一脈陽光醫學影像診斷有限公司	12 October 2018	PRC, Limited Liability Company	8,000,000	64%	64%	Medical imaging services/PRC
Chengdu Rimag Jiashi Medical Imaging Center Ltd. 成都一脈佳士醫學影像診斷中心有限公司	17 December 2019	PRC, Limited Liability Company	5,000,000	61%	61%	Medical imaging services/PRC
Zhengzhou Rimag Sunshine Medical Imaging Diagnosis Center Co. Ltd. 鄭州一脈陽光醫學影像診斷中心有限公司	15 January 2020	PRC, Limited Liability Company	10,000,000	60%	60%	Medical imaging services/PRC
Yichang Rimag Sunshine Medical Imaging Diagnosis Center Co. Ltd. 宜昌市一脈陽光醫學影像診斷中心有限公司	29 August 2017	PRC, Limited Liability Company	8,000,000	60%	60%	Medical imaging services/PRC
Jiangxi Rimag Sunshine Bohai Medical Imaging Co., Ltd. 江西一脈陽光博海醫學影像有限公司	16 March 2022	PRC, Limited Liability Company	10,000,000	60%	60%	Medical imaging services/PRC
Qiqihar Rimag Medical Imaging Diagnosis Center Co., Ltd. (“Qiqihar Rimag Medical”)齊齊哈爾一脈陽光醫學影像診斷中心有限公司	24 October 2018	PRC, Limited Liability Company	30,000,000	73%	73%	Medical imaging services/PRC
Hunan Rimag Sunshine Medical Imaging Diagnosis Center Co. Ltd. 湖南一脈陽光醫學影像診斷中心有限公司	23 September 2020	PRC, Limited Liability Company	20,000,000	55%	55%	Medical imaging services/PRC
Liaocheng Rimag Sunshine Medical Imaging Diagnosis Co. Ltd. 聊城市一脈陽光醫學影像診斷有限公司	8 January 2018	PRC, Limited Liability Company	10,000,000	55%	55%	Medical imaging services/PRC



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 40 SUBSIDIARIES (continued)

Entity name	Date of incorporation	Country/ Place of incorporation, legal status	Registered/ Issued and paid-up capital RMB	Proportion of equity interest held by the Group (%)		Principal activities/ Place of operation
				As at 31 December 2024	2023	
Directly held: (continued)						
Hainan Rimag Sunshine Medical Investment Management Co. Ltd. 海南一脈陽光醫療投資管理有限公司	15 August 2016	PRC, Limited Liability Company	10,000,000	51%	51%	Investment holding/ PRC
Fuzhou Rimag Sunshine Medical Imaging Diagnosis Center Co. Ltd. 福州一脈陽光醫學影像診斷中心有限公司	29 December 2016	PRC, Limited Liability Company	10,000,000	51%	51%	Medical imaging services/PRC
Shehong Jiashi Rimag Medical Imaging Diagnosis Ltd. 射洪佳士一脈醫學影像診斷有限公司	28 April 2020	PRC, Limited Liability Company	6,000,000	51%	51%	Medical imaging services/PRC
Shaanxi Rimag Yutai Medical Technology Co., Ltd. 陝西一脈裕泰醫療科技有限公司	16 May 2023	PRC, Limited Liability Company	5,000,000	51%	51%	Medical imaging services and medical device sales/PRC
Wenzhou Rimag Yiyi Medical Imaging Diagnosis Co., Ltd. (“Wenzhou Yiyi”) 溫州一脈頤影醫學影像診斷有限公司(formerly known as “溫州頤影醫學影像診斷有限公司”)	11 November 2020	PRC, Limited Liability Company	50,000,000	60%	60%	Medical imaging services/PRC
Enshi Prefecture Jianshi County Rimag Sunshine Medical Technology Co., Ltd. 恩施州建始縣一脈陽光醫療科技有限公司	18 August 2023	PRC, Limited Liability Company	3,000,000	100%	100%	Medical imaging services and medical device sales/PRC
Jiaozuo Rimag Sunshine Medical Imaging Co., Ltd. 焦作一脈陽光醫學影像有限公司	15 December 2023	PRC, Limited Liability Company	3,000,000	100%	100%	Medical imaging services and medical device sales/PRC
Chibi Rimag Sunshine Medical Technology Co., Ltd. 赤壁市一脈陽光醫療科技有限公司	4 January 2024	PRC, Limited Liability Company	5,000,000	100%	N/A	Medical imaging services and medical device sales/PRC
Rimag Cloud Medical Technology (Beijing) Co., Ltd. 一脈雲醫學科技(北京)有限公司	22 January 2024	PRC, Limited Liability Company	5,000,000	100%	N/A	Technical support services/PRC
Beijing Rimag Yuntai Medical Devices Co., Ltd. 北京一脈雲泰醫療器械有限公司	2 April 2024	PRC, Limited Liability Company	2,000,000	100%	N/A	Medical device sales/ PRC

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 40 SUBSIDIARIES (continued)

Entity name	Date of incorporation	Country/ Place of incorporation, legal status	Registered/ Issued and paid-up capital RMB	Proportion of equity interest held by the Group (%) As at 31 December		Principal activities/ Place of operation
				2024	2023	
Directly held: (continued)						
Rimag Medical Imaging (Hong Kong) Co., Limited 一脈陽光醫學影像(香港)有限公司	8 April 2024	PRC, Limited Liability Company	2,000,000	100%	N/A	Medical services/ Hong Kong
Weifang Rimag Medical Imaging Diagnosis Co., Ltd. 濰坊一脈陽光醫學影像診斷有限公司	7 May 2024	PRC, Limited Liability Company	5,000,000	70%	N/A	Medical imaging services and medical device sales/PRC
Guizhou Rimag Sunshine Medical Management Co., Ltd. 貴州一脈陽光醫療管理有限公司	5 Jun 2024	PRC, Limited Liability Company	10,000,000	78%	N/A	Medical imaging services/PRC
Weng'an County Chuangjing Rimag Sunshine Medical Imaging Co., Ltd. 蕪安縣創景一脈陽光醫學影像有限公司	26 Jul 2024	PRC, Limited Liability Company	10,000,000	100%	N/A	Medical imaging services and medical device sales/PRC
Jiangxi Ganjiang New Area Rimag Sunshine Health Management Co., Ltd. 江西贛江新區一脈陽光健康管理有限公司	12 Aug 2024	PRC, Limited Liability Company	90,000,000	66%	N/A	Medical imaging services and medical device sales/PRC
Indirectly held:						
Shicheng Rimag Sunshine Medical Imaging Co., Ltd. 石城一脈陽光醫學影像有限公司	1 December 2015	PRC, Limited Liability Company	30,000,000	100%	100%	Medical imaging services/PRC
Xinyu Rimag Medical Imaging Ltd. 新余一脈陽光醫學影像有限公司	21 November 2016	PRC, Limited Liability Company	30,000,000	100%	100%	Medical imaging services/PRC
Zhaoqing Rimag Sunshine Regional Medical Imaging Diagnosis Center Co., Ltd. 肇慶一脈陽光區域醫學影像診斷中心有限公司	13 December 2016	PRC, Limited Liability Company	15,000,000	51%	51%	Medical imaging services/PRC
Fuzhou Rimag Sunshine Medical Imaging Co., Ltd. 撫州一脈陽光醫學影像有限公司	26 April 2017	PRC, Limited Liability Company	20,000,000	100%	100%	Medical imaging services/PRC
Nanchang Rimag Sunshine Medical Imaging Diagnosis Co., Ltd. 南昌一脈陽光醫學影像診斷有限公司	10 October 2017	PRC, Limited Liability Company	20,000,000	100%	100%	Medical imaging services/PRC

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 40 SUBSIDIARIES (continued)

Entity name	Date of incorporation	Country/ Place of incorporation, legal status	Registered/ Issued and paid-up capital RMB	Proportion of equity interest held by the Group (%) As at 31 December		Principal activities/ Place of operation
				2024	2023	
Indirectly held: (continued)						
Fenyi Rimag Medical Imaging Ltd. 分宜一脈陽光醫學影像有限公司	25 Jun 2015	PRC, Limited Liability Company	6,000,000	100%	100%	Medical imaging services/PRC
Leping Rimag Medical Imaging Ltd. 樂平一脈陽光醫學影像有限公司	19 August 2015	PRC, Limited Liability Company	30,000,000	100%	100%	Medical imaging services/PRC
Jiangxi Rimag Yingcheng Medical Service Ltd. 江西一脈影成醫療服務有限公司	19 December 2019	PRC, Limited Liability Company	10,000,000	100%	100%	Medical equipment sales/PRC
Nanchang Rimag Clinical Services Ltd. 南昌一脈陽光綜合門診部有限公司	3 August 2020	PRC, Limited Liability Company	2,000,000	100%	100%	Clinic service/PRC
Jiangxi Rimag Sunshine Cloud Data Co., Ltd. 江西一脈陽光雲數據有限公司	21 April 2014	PRC, Limited Liability Company	5,000,000	100%	100%	Research and development center/ PRC
Yushan Rimag Sunshine Medical Imaging Co., Ltd. 玉山一脈陽光醫學影像有限公司	28 June 2021	PRC, Limited Liability Company	5,100,000	100%	100%	Medical imaging services/PRC
Yingtian Rimag Medical Imaging Diagnosis Ltd. 鷹潭市一脈陽光醫學影像診斷有限公司	1 January 2019	PRC, Limited Liability Company	10,000,000	95%	95%	Medical imaging services/PRC
Fuliang Rimag Medical Imaging Diagnosis Ltd. 浮梁一脈陽光醫學影像診斷有限公司	27 April 2020	PRC, Limited Liability Company	6,000,000	70%	70%	Medical imaging services/PRC
Anfu Rimag Medical Imaging Center Ltd. 安福一脈陽光醫學影像中心有限公司	16 July 2019	PRC, Limited Liability Company	5,000,000	66%	66%	Medical imaging services/PRC
Fengcheng Rimag Medical Imaging Center Ltd. 豐城市一脈陽光醫學影像中心有限公司	23 March 2018	PRC, Limited Liability Company	10,000,000	60%	60%	Medical imaging services/PRC
Jiangxi Rimag Shenghe Medical Technology Ltd. 江西一脈盛和醫療科技有限公司	15 March 2019	PRC, Limited Liability Company	2,000,000	55%	55%	Maintenance and installation of medical equipment/ PRC
Shenyang Rimag Comprehensive Clinic Co., Ltd. 瀋陽一脈陽光綜合門診部有限公司(formerly known as “遼寧一脈陽光醫院有限公司”)	14 April 2023	PRC, Limited Liability Company	10,000,000	70%	70%	Medical imaging services/PRC

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 40 SUBSIDIARIES (continued)

Entity name	Date of incorporation	Country/ Place of incorporation, legal status	Registered/ Issued and paid-up capital RMB	Proportion of equity interest held by the Group (%) As at 31 December		Principal activities/ Place of operation
				2024	2023	
Indirectly held: (continued)						
Suichuan Rimag Sunshine Medical Imaging Co., Ltd. 遂川一脈陽光醫學影像有限公司	18 July 2023	PRC, Limited Liability Company	3,000,000	100%	100%	Medical imaging services/PRC
Ganzhou Tiangao Rimag Sunshine Medical Imaging Co., Ltd. (“Ganzhou Tiangao”)贛州天羔一脈陽光醫學影像有限公司	23 June 2021	PRC, Limited Liability Company	5,000,000	100%	100%	Medical imaging services and medical device sales/PRC
Shenzhen Guodan Rimag Sunshine Medical Imaging Diagnosis Center Co., Ltd. 深圳國丹一脈陽光醫學影像診斷中心有限公司	9 Dec 2024	PRC, Limited Liability Company	10,000,000	90%	N/A	Medical imaging services and medical device sales/PRC
Shanghai Rimag Huiying Medical Management Co., Ltd. 上海一脈匯影醫療管理有限公司	11 Oct 2024	PRC, Limited Liability Company	10,000,000	100%	N/A	Medical imaging services and medical device sales/PRC

\* The English names of the PRC companies referred to above in this note represent management's best efforts in translating the Chinese names of those companies as no English names have been registered or are available.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES

#### 41.1 Subsidiaries

##### 41.1.1 Consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

(a) *Disposal of subsidiaries*

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in the statement of profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss.

(b) *Changes in ownership interests in subsidiaries without change of control*

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.1 Subsidiaries *(continued)*

##### 41.1.2 *Separate financial statements*

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable. Investments in joint ventures and associates are initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.

Impairment testing of the investments in subsidiaries is required upon receiving dividend from these investments if the dividend exceeds the total comprehensive income of the investment in the period the dividend is declared or if the carry amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

#### 41.2 Investments under equity accounting method

##### *(a) Associates*

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (Note 41.2(c)), after initially being recognised at cost.

##### *(b) Joint ventures*

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Interests in joint ventures are accounted for using the equity method (Note 41.2(c)), after initially being recognised at cost in the consolidated statement of financial position.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.2 Investments under equity accounting method *(continued)*

##### **(c) Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 41.7.

#### 41.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision-maker ("CODM"), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chairman and executive directors of the Company that makes strategic decisions.

#### 41.4 Foreign currency translation

##### **(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Since the majority of the assets and operations of the Group are located in the PRC, the consolidated financial statements are presented in RMB, which is the Company's functional and the Group's presentation currency.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.4 Foreign currency translation *(continued)*

##### *(ii) Transactions and balances*

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss on a net basis within other gains – net.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

#### 41.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the periods in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their costs, net of their residual values, over their estimated useful lives as follows:

Machineries	8 – 10 years
Office furniture and fixtures	5 years
Electronic equipment	3 years
Leasehold improvements	Shorter of remaining lease term or estimated useful life

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 41.7).



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.5 Property, plant and equipment *(continued)*

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of profit or loss.

Construction-in-progress (the “CIP”) represents machineries, office furniture and fixtures, electronic equipment and leasehold improvements under construction and is stated at cost less accumulated impairment losses, if any. Cost includes the costs of construction and acquisition and capitalised borrowing costs. No provision for depreciation is made on CIP until such time as the relevant assets are completed and ready for intended use. When the assets concerned are available for use, the cost are transferred to relevant categories of property, plant and equipment and depreciated in accordance with the policy as stated above.

#### 41.6 Intangible assets

##### *(i) Goodwill*

Goodwill on acquisitions of a subsidiary is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

Impairment testing of goodwill is described in note 41.7.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.6 Intangible assets *(continued)*

##### *(ii) Software*

Acquired software licences are capitalised on the basis of the costs incurred to acquire and bring the specific software into usage. Costs associated with maintaining software programmes are recognised as an expense as incurred. These costs are amortised using the straight-line method over their estimated useful lives varying from 5 to 10 years based on managements expectation on the technological lives of the software. Costs associated with maintaining computer software programmes are recognised as expense as incurred.

The length of useful life of an intangible asset is determined in accordance to the shortest of period among the three, the period during which such assets is expected to bring economic benefits to the Group, the beneficial life specified in the contract and the legal life for software, patents and licences laws and regulations of the PRC.

The amortisation period and amortisation method of intangible assets are reviewed at each reporting period. The effects of any revision are recognised as profit or loss when the changes arise.

##### *(iii) Research and development*

Research expenditures are charged to profit or loss as an expense in the period the expenditures are incurred. Development costs are recognised as assets if only when the following can be demonstrated (if applicable):

- the technical feasibility of completing the intangible assets so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible assets;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.





## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.6 Intangible assets *(continued)*

##### *(iv) Licences and client relationships*

Licences and client relationships acquired in business combinations and are recognised at fair value at the acquisition date. They have a definite useful lives of 10 years and 12 years based on the licence term and period of cooperation respectively and are subsequently carried at cost less accumulated amortisation and impairment losses.

#### 41.7 Impairment of non-financial assets

Intangible assets that has an indefinite useful life is not subject to amortization and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other assets that are subject to amortization are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Non-financial assets, except for goodwill, that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting date.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.8 Assets classified as held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of derecognition.

Assets are not depreciated or amortised while they are classified as held for sale.

Assets classified as held for sale are presented separately from the other assets in the balance sheet.

#### 41.9 Investments and other financial assets

##### *(i) Classification*

The Group classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in other comprehensive income. 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 present subsequent changes in fair value in other comprehensive income ("FVOCI").

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.9 Investments and other financial assets *(continued)*

**(ii) Recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all of the risks and rewards of ownership.

**(iii) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Debt instruments**

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains – net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.9 Investments and other financial assets *(continued)*

##### *(iii) Measurement (continued)*

###### *Debt instruments (continued)*

- FVOCI: assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- FVTPL: assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the consolidated statement of profit or loss within other gains – net in the period in which it arises.

###### *Equity instruments*

- The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.
- Changes in the fair value of financial assets measured at FVTPL are recognised in "other gains – net" in the statement of profit or loss as applicable.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.9 Investments and other financial assets *(continued)*

##### *(iv) Impairment of financial assets*

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, notes receivables and long-term trade receivables arising from the sales of goods and rendering of services in the ordinary course of operating activities, the Group applies the simplified approach permitted by IFRS 9 regardless of whether a significant financing component exists, which requires lifetime expected credit losses to be recognised from initial recognition of the receivables

Impairment of other receivables are measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

#### 41.10 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

#### 41.11 Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets if the measure of the remaining rights exceeds the measure of the remaining performance obligations. Conversely, the contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.12 Trade receivables, notes receivables and other receivables

Trade receivables, notes receivables and other receivables are amounts due from clients for service performed in imaging center business, imaging solution services, and cloud platform services rendered in the ordinary course of business. Majority of other receivables are staff advance and rental deposit. If collection of trade receivables and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables, notes receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Group holds the trade and other receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

#### 41.13 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits held at call with financial institutions.

#### 41.14 Paid-in capital, share capital and treasury share reserve

Ordinary shares are classified as equity (Note 24).

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where the Group issued shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums over share capital shall be classified as share premium.

Where any company purchases the company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Group.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.15 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### 41.16 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless, at the end of the reporting year, the Group has a right to defer settlement of the liability for at least 12 months after the reporting year.

Covenants that the group is required to comply with, on or before the end of the reporting year, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the group is required to comply with after the reporting year do not affect the classification at the reporting date.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.17 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

#### 41.18 Current and deferred income tax

The income tax expense or credit for the period is the tax payable or recoverable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

##### ***Current income tax***

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and it considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.18 Current and deferred income tax *(continued)*

##### ***Deferred income tax***

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.19 Employee benefits

**(i) Pension obligations**

In accordance with the rules and regulations in the PRC, the employees of the Group based in the PRC participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to certain ceiling. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired employees based in the PRC payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post retirement benefits of its employees. The assets of these plans are held separately from those of the Group in an independent fund managed by the PRC government. The Group's contributions to these plans are expensed as incurred.

**(ii) Housing funds, medical insurances and other social insurances**

The employees of the Group based in the PRC are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each period. Contributions to these funds are expensed as incurred.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.19 Employee benefits *(continued)*

**(iii) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits and accumulated sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

**(iv) Employee leave entitlement**

Employee entitlement to annual leave are recognised when they have accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to each reporting date. Employees entitlement to sick leave and maternity leave are not recognised until the time of leave.

**(v) Bonus plan**

The expected cost of bonuses is recognised as a liability when the Group has a present legal or constructive obligation for payment of bonus as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans are expected to be settled within 1 year and are measured at the amounts expected to be paid when they are settled.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.20 Share-based payment

*(i) Share incentive plan*

The Group operates equity-settled share-based payment plans, under which the Group receives service from its employees and the strategic investors in exchange for the equity instruments of the Group. As disclosed in note 26, during the year, certain shares were granted to certain directors, senior management, employees and the strategic investors. The fair value of the service received in exchange for the grant of shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted:

- including any market performance conditions (such as the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (such as profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (such as the requirement for employees to save or hold shares for a specific period of time).

Non-market performance and service conditions are included in assumptions about the number of equity instruments that are expected to vest. The total expense is recognised over the vesting period, in which all of the specified vesting conditions are to be satisfied.

At the end of each period, the Group revises its estimates of the number of shares that are expected to vest based on the non-market vesting and service conditions. The entity recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.20 Share-based payment *(continued)*

**(ii) *Share-based payments transaction among group entities***

The grant by the Company of its equity instruments to the employees of its subsidiaries is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investments in subsidiaries, with a corresponding credit to equity.

**(iii) *Share-based payments to strategic investors***

The Company issued common shares to series D1 strategic investors in July 2021. Upon issuance of common shares, the difference between the consideration received and the fair value of common shares is recorded into administrative expenses in the consolidated statement of profit or loss and in share-based payment reserve in the consolidated statement of financial position.

#### 41.21 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.22 Revenue recognition

The accounting policies for the Group's revenue from contracts with customers are explained in Note 5(d).

#### 41.23 Earnings per share

- (i) Basic earnings per share is calculated by dividing:
  - The profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
  - by the weighted average number of ordinary shares outstanding during the financial year.
- (ii) Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
  - the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
  - the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.24 Interest income

Interest income on financial assets at amortised cost and on financial assets at FVOCI calculated using the effective interest method is recognised in profit or loss as part of other income. Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

#### 41.25 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred revenue and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

#### 41.26 Leases

The Group leases various buildings and machines. Rental contracts are typically made for a fixed period of 2 to 14 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.26 Leases *(continued)*

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

### 41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

#### 41.26 Leases *(continued)*

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 month or less.

The Group, as seller-lessee, acquires certain equipment through sale and leaseback arrangement with financial leasing company. The transfer of such equipment by the Group does not satisfy the requirement of IFRS 15 to be accounted for a sale of the asset due to the fact that it does not meet requirement that the transfer of control of the equipment.

As such, the Group continues to recognise the transferred asset in “Property, plant and equipment” and recognise a financial liability equal to the transfer proceeds in “Borrowing”.

#### 41.27 Dividend distribution

Dividend distribution to the Company’s shareholders is recognised as a liability in the Group’s financial statements in the period in which the dividends are approved by the Company’s shareholders or directors, where appropriate.

#### 41.28 Other accounting policies

##### **41.28.1** *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the relevant company or the counterparty.

## Financial Summary

### Year ended December 31,

	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
Revenue	760,591	928,914	784,444	592,013
Gross profit	277,332	332,597	236,950	175,188
(Loss)/profit for the year	(58,858)	36,574	(15,058)	(381,960)
(Loss)/profit for the year attributable to owners of the Company	(45,919)	44,415	364	(360,731)

### Year ended December 31,

	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
Non-current assets	1,366,813	1,258,179	1,256,179	1,207,980
Current assets	896,975	620,479	733,239	847,752
<b>Total assets</b>	<b>2,263,788</b>	<b>1,878,658</b>	<b>1,989,418</b>	<b>2,055,732</b>
Non-current liabilities	378,770	227,360	276,083	384,856
Current liabilities	400,987	316,184	397,096	367,621
<b>Total liabilities</b>	<b>779,757</b>	<b>543,544</b>	<b>673,179</b>	<b>752,477</b>
<b>Total equity</b>	<b>1,484,031</b>	<b>1,335,114</b>	<b>1,316,239</b>	<b>1,303,255</b>

## Definitions

“Articles of Association”	the Articles of Association of Jiangxi Rimag Group Co., Ltd. (as amended, supplemented or otherwise modified from time to time)
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board of Directors” or “Board”	the board of Directors
“Board of Supervisors”	the board of Supervisors
“China” or “PRC”	the People’s Republic of China, which for the purpose of this annual report and for geographical reference only, excludes Hong Kong, Macau and Taiwan
“Company” or “our Company” or “Rimag”	Jiangxi Rimag Group Co., Ltd. (江西一脈陽光集團股份有限公司), a company initially established under the laws of the PRC on October 30, 2014 as a joint stock company with limited liability, subsequently converted into a limited liability company on July 15, 2016 and further converted into a joint stock company with limited liability in the PRC on June 30, 2021 and the H Shares of which are listed on the Stock Exchange (stock code: 2522) and which includes its subsidiaries (from time to time) where the context so requires
“Company Law” or “PRC Company Law”	Company Law of the People’s Republic of China (中華人民共和國公司法)
“connected transaction(s)”	has the meaning ascribed thereto under the Listing Rules
“Corporate Governance Code”	the “Corporate Governance Code” as set out in Appendix C1 to the Listing Rules
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Global Offering”	the global offering of an aggregate of 17,816,000 H Shares by the Company, details of which are set out in the Prospectus
“Group”, “we”, “us” or “our”	the Company and its subsidiaries (or the Company and any one or more of its subsidiaries, as the context may require)
“H Share(s)”	overseas listed foreign ordinary share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are listed and traded on the Stock Exchange

## Definitions

“HK\$”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	March 31, 2025, being the latest practicable date for the purpose of ascertaining certain information in this annual report prior to its publication
“Listing Date”	June 7, 2024
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock market (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with Growth Enterprise Market of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“Nanchang Rimag”	Nanchang Rimag Sunshine Enterprise Management Center (Limited Partnership) (南昌一脈陽光企業管理中心(有限合夥)), a limited liability partnership established under the laws of the PRC on March 28, 2016 as an employee shareholding platform of the Company
“Nomination Committee”	the nomination committee of the Board
“Prospectus”	the prospectus issued by the Company dated May 30, 2024
“Remuneration Committee”	the remuneration committee of the Board
“Reporting Period”	the year ended December 31, 2024
“RMB”	Renminbi, the lawful currency of the PRC
“SFO” or “Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time





## Definitions

“Share(s)”	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, including unlisted shares and H Shares
“Shareholder(s)”	holder(s) of the Shares
“Single Largest Shareholders”	Mr. CHEN Zhaoyang and Nanchang Rimag
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Supervisor(s)”	supervisor(s) of the Company
“Unlisted Share(s)”	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are not listed on any stock exchange
“%”	per cent