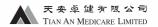


(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

2025
INTERIM REPORT



CONTENTS

Corporate Information	2
Condensed Consolidated Statement of Profit or Loss	4
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	6
Condensed Consolidated Statement of Financial Position	7
Condensed Consolidated Statement of Changes in Equity	10
Condensed Consolidated Statement of Cash Flows	11
Notes to the Condensed Consolidated Financial Statements	13
Report on Review of Interim Condensed Consolidated Financial Statements	43
Interim Dividend	45
Management Discussion and Analysis	45
Director's Interests	62
Interests of Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares	64
Corporate Governance and Other Information	67
Audit Committee Review	68
Purchase Sale or Redemntion of the Listed Securities	68

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Kong Muk Yin Mr. Guo Meibao Mr. Zhou Haiying

Non-Executive Directors

Mr. Lee Seng Hui (Chairman) Mr. Mark Wong Tai Chun Mr. Gao Zhaoyuan

Ms. Zhang Yuanyuan

Independent Non-Executive Directors

Dr. Xia Xiaoning

Dr. Wong Wing Kuen, Albert Ms. Yang Lai Sum, Lisa

Mr Cao Dan

AUDIT COMMITTEE

Dr. Wong Wing Kuen, Albert (Chairman)

Mr. Gao Zhaoyuan

Dr. Xia Xiaoning Ms. Yang Lai Sum, Lisa

Mr. Cao Dan

NOMINATION COMMITTEE

Dr. Wong Wing Kuen, Albert (Chairman)

Mr. Kong Muk Yin

Dr. Xia Xiaoning

Ms. Yang Lai Sum, Lisa

Mr Cao Dan

REMUNERATION COMMITTEE

Dr. Xia Xiaoning (Chairman)

Mr. Kong Muk Yin

Mr. Mark Wong Tai Chun

Mr. Gao Zhaoyuan

Dr. Wong Wing Kuen, Albert

Ms. Yang Lai Sum, Lisa

Mr. Cao Dan

COMPANY SECRETARY

Ms. Sit Po Ling

AUDITOR

BDO Limited 25th Floor, Wing On Centre 111 Connaught Road Central Hong Kong

SOLICITORS

Robertsons P.C. Woo & Co.

PRINCIPAL BANKERS

Agricultural Bank of China Limited

Bank of China Limited

Bank of Hangzhou Co., Ltd.

Bank of Ningbo Co., Ltd.

China Construction Bank (Asia)

Corporation Limited

China Guangfa Bank Co., Ltd.

China Merchants Bank Co., Ltd.

Huishang Bank Corporation Limited

Industrial and Commercial Bank of China Limited

Industrial and Commercial Bank of China (Asia) Limited

Shanghai Pudong Development Bank

Co., Ltd. Shanghai Rural Commercial Bank Co., Ltd

The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE

Victoria Place, 5th Floor, 31 Victoria Street Hamilton HM 10. Bermuda

CORPORATE INFORMATION (Continued)

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Rooms 1904B-5, 19/F Allied Kajima Building No. 138 Gloucester Road Wanchai Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Corporate Services (Bermuda) Limited Canon's Court, 22 Victoria Street PO Box HM 1179, Hamilton HM EX Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

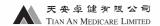
Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong

STOCK CODE

383

WEBSITES

www.tiananmedicare.com.hk www.irasia.com/listco/hk/tiananmedicare/

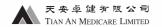


CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

The board of directors (the "Directors" and the "Board", respectively) of Tian An Medicare Limited (the "Company") announces the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2025 together with the comparative figures for the corresponding period in 2024 as follows:

	Notes	Six months 30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
Revenue Gross proceeds from sales of investments held for trading	3	783,132 	821,529
Total		783,132	821,529
Revenue Goods and services from contracts with customers Rental	3	779,792 3,340	818,179 3,350
Cost of goods and services		783,132 (624,489)	821,529 (638,528)
Gross profit Other gains and losses, and other income Selling and distribution costs Administrative expenses	5	158,643 (11,779) (3,671) (107,864)	183,001 (8,743) (3,575) (108,891)
Profit from operations Finance costs	6	35,329 (11,715)	61,792 (15,707)
Profit before taxation Income tax expense	7	23,614 (8,875)	46,085 (17,004)
Profit for the period	8	14,739	29,081



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

For the six months ended 30 June 2025

	Six months ended			
		30.6.2025	30.6.2024	
	Note	HK\$'000	HK\$'000	
		(unaudited)	(unaudited)	
Attributable to:				
Owners of the Company		11,979	21,659	
Non-controlling interests		2,760	7,422	
		14,739	29,081	
Earnings per share	10			
Basic		HK1.11 cents	HK1.99 cents	
Diluted		N/A	N/A	



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Six month: 30.6.2025 HK\$'000	30.6.2024 HK\$'000
	(unaudited)	(unaudited)
Profit for the period	14,739	29,081
Other comprehensive income: Item that may be reclassified subsequently to profit or loss: Exchange differences on translating foreign operations	11,515	
Total comprehensive income for the period	26,254	29,081
Attributable to: Owners of the Company Non-controlling interests	22,662 3,592	21,659 7,422
	26,254	29,081

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Non-current assets			
Investment properties	11	503,116	525,392
Property, plant and equipment	11	1,591,237	1,541,635
Right-of-use assets	, ,	84,853	86,605
Loan receivable	13	-	-
Interests in associates	13	_	_
Financial assets at fair value through			
profit or loss ("FVTPL")		2,151	2,151
Prepayments for acquisition of property, plant and		_,	_,
equipment		14,699	23,887
		2,196,056	2,179,670
Current assets			
Inventories		34,969	45,029
Properties under development for sale		162,033	165,414
Properties held for sale		74,803	77,847
Investments held for trading		5,028	4,951
Trade receivables	12	120,890	143,791
Deposits, prepayments and other receivables	12	22,309	28,792
Amounts due from related parties		367	437
Pledged bank deposit		8,791	-
Restricted bank deposits		1,018	7,518
Bank balances and cash		813,071	885,428
		1,243,279	1,359,207



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

	Notes	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Current liabilities			
Trade payables Deposits, receipts in advance and	14	108,171	133,439
accrued charges	14	321,374	450,111
Contract liabilities		50,470	70,098
Amount due to an associate		6,044	5,978
Amounts due to related parties		572	376
Borrowings	15	418,329	390,817
Lease liabilities Current tax liabilities		1,185	1,543
Current tax habilities		115,322	113,334
		1,021,467	1,165,696
Net current assets		221,812	193,511
Total assets less current liabilities		2,417,868	2,373,181
Non-current liabilities			
Other payable	14	37,239	_
Contract liabilities		5,117	5,867
Borrowings	15	448,480	442,566
Lease liabilities		204	1,282
Deferred tax liabilities	16	28,950	28,637
		519,990	478,352
Net assets		1,897,878	1,894,829

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

	Note	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Capital and reserves Equity attributable to owners of the Company Share capital Treasury shares Reserves	17 17	10,829 (20) 1,807,622	10,860 (869) 1,808,983
Non-controlling interests		1,818,431 79,447	1,818,974 75,855
Total equity		1,897,878	1,894,829



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

Attributable to the owners of the Company

	1.7										
	Share capital HK\$'000	Treasury shares HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Capital redemption reserve HK\$'000	Other reserve HK\$'000	Translation reserve HK\$'000	(Accumulated losses)/ retained earnings HK\$'000	Sub-total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
As at 1 January 2024 (audited)	10,860		2,927,046		2,496	(796,531)	5,840	(341,460)	1,808,251	63,394	1,871,645
Profit for the period								21,659	21,659	7,422	29,081
Total comprehensive income for the period Share premium reduction Dividend recognised as	-	-	(2,600,000)	- 342,801	-	-	-	21,659 2,257,199	21,659	7,422	29,081
distribution (Note 9)				(10,860)					(10,860)		(10,860)
Changes in equity for the period			(2,600,000)	331,941				2,278,858	10,799	7,422	18,221
As at 30 June 2024 (unaudited)	10,860		327,046	331,941	2,496	(796,531)	5,840	1,937,398	1,819,050	70,816	1,889,866
As at 1 January 2025 (audited)	10,860	(869)	327,046	331,989	2,496	(796,531)	(529)	1,944,512	1,818,974	75,855	1,894,829
Profit for the period Other comprehensive income for the period	-		-		-	-	10,683	11,979	11,979	2,760	14,739
Total comprehensive income for the period Dividend recognised as		-	-	-	-	-	10,683	11,979	22,662	3,592	26,254
distribution (Note 9) Shares repurchased (Note 17) Cancellation of shares repurchased (Note 17)	(31)	(1,542) 2,391		(21,663)	(2,360)			-	(21,663) (1,542)		(21,663) (1,542) —
Changes in equity for the period	(31)	849	-	(21,663)	(2,360)	-	10,683	11,979	(543)	3,592	3,049
As at 30 June 2025 (unaudited)	10,829	(20)	327,046	310,326	136	(796,531)	10,154	1,956,491	1,818,431	79,447	1,897,878

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended		
	30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)	
Operating activities			
Cash (used in)/generated from operating activities	(8,803)	1,416	
Income taxes paid, net	(8,240)	(13,088)	
Net cash used in operating activities	(17,043)	(11,672)	
Investing activities			
Withdrawal of pledged bank deposits/restricted bank deposits	7,065	32,990	
Placement of pledged bank deposits/restricted bank deposits	(9,251)	(18,187)	
Additions of property, plant and equipment	(54,520)	(93,598)	
Prepayments paid for acquisition of property, plant and	(050)		
equipment Other investing activities	(950) 12,914	- 7,746	
Other investing activities	12,514	7,740	
Net cash used in investing activities	(44,742)	(71,049)	



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

For the six months ended 30 June 2025

	Six months ended		
	30.6.2025	30.6.2024	
	HK\$'000	HK\$'000	
	(unaudited)	(unaudited)	
Financing activities			
Dividend paid	(21,663)	_	
Repurchase of shares	(1,542)	_	
New borrowings raised	199,708	125,791	
Repayments of borrowings	(171,406)	(81,677)	
Principal element of lease payments	(730)	(2,785)	
Interest paid	(16,289)	(16,616)	
Interest on lease liabilities	(59)	(1,537)	
Net cash (used in)/generated from financing activities	(11,981)	23,176	
Net decrease in cash and cash equivalents	(73,766)	(59,545)	
Effect of foreign exchange rate changes	1,409	_	
	,		
Cash and cash equivalents at beginning of the period	885,428	890,266	
Cash and cash equivalents at end of the period	813,071	830,721	
Analysis of cash and cash equivalents			
Bank balances and cash	813,071	830,721	
שמווג שממונכט מווע כמטוו	013,071	030,721	

For the six months ended 30 June 2025

1. BASIS OF PREPARATION

These condensed consolidated financial statements of the Group have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

These condensed consolidated financial statements should be read in conjunction with the 2024 annual financial statements. Except as described below, the accounting policies (including the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2024.

2. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the Group's condensed consolidated financial statements in the period:

Amendments to HKAS 21, Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards that are effective from 1 January 2025 did not have any significant impact on the Group's financial positions and performance for the current and prior periods and/ or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE

	Six months ended		
	30.6.2025	30.6.2024	
	HK\$'000	HK\$'000	
	(unaudited)	(unaudited)	
Daniel de la contraction de la			
Revenue from contracts with customers	756 730	000 200	
Hospital fees and charges	756,739	800,390	
Building management fees	2,019	261	
Eldercare related services and sales of nutritions	21,034	17,528	
	779,792	818,179	
Revenue from other sources			
Rental income	3,340	3,350	
	783,132	821,529	



For the six months ended 30 June 2025

3. REVENUE (Continued)

(a) Disaggregation of revenue from contracts with customers For the six months ended 30 June 2025 (unaudited)

Segments	Healthcare HK\$'000	Eldercare HK\$'000	Total HK\$'000
Types of goods or services Hospital fees and charges			
 Inpatient healthcare services Outpatient healthcare 	279,775	-	279,775
services	198,086	_	198,086
 Other healthcare services 	2,613	_	2,613
 Physical examination services 	52,660	-	52,660
 Sales of pharmaceutical 	223,605	-	223,605
Building management fees	-	2,019	2,019
Eldercare related services	-	17,466	17,466
Sales of nutritions		3,568	3,568
Total	756,739	23,053	779,792
Timing of revenue recognition			
At a point in time	389,721	9,991	399,712
Over time	367,018	13,062	380,080
Total	756,739	23,053	779,792

For the six months ended 30 June 2025

3. REVENUE (Continued)

(a) Disaggregation of revenue from contracts with customers (Continued)

For the six months ended 30 June 2024 (unaudited)

Segments	Healthcare HK\$'000	Eldercare HK\$'000	Total HK\$'000
Types of goods or services			
Hospital fees and charges – Inpatient healthcare services – Outpatient healthcare	282,902	_	282,902
services	240,431	_	240,431
 Other healthcare services 	3,965	_	3,965
 Physical examination services 	58,130	_	58,130
 Sales of pharmaceutical 	214,962	-	214,962
Building management fees	-	261	261
Eldercare related services	-	14,611	14,611
Sales of nutritions		2,917	2,917
Total	800,390	17,789	818,179
Timing of revenue recognition (restated)			
At a point in time	435,679	7,067	442,746
Over time	364,711	10,722	375,433
Total	800,390	17,789	818,179

All the revenue from contracts with customers are derived from the People's Republic of China, except Hong Kong (the "PRC").



For the six months ended 30 June 2025

3. REVENUE (Continued)

(a) Disaggregation of revenue from contracts with customers (Continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

For the six months ended 30 June 2025 (unaudited)

	Healthcare HK\$'000	Eldercare HK\$'000	Property investment HK\$'000
Revenue disclosed in segment information Less: Rental income	756,739 	24,254 (1,201)	2,139 (2,139)
Revenue from contracts with customers	756,739	23,053	
For the six months ended 30	0 June 2024 (un	naudited)	
	Healthcare HK\$'000	Eldercare HK\$′000	Property investment HK\$'000
Revenue disclosed in segment information Less: Rental income	800,390	18,942 (1,153)	2,197 (2,197)
Revenue from contracts with customers	800,390	17,789	



For the six months ended 30 June 2025

4. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports according to the types of goods or services delivered and provided, and are regularly reviewed by the chief operating decision-maker (the "CODM") to allocate resources to the segments and to assess their performance.

The CODM which is responsible for allocating resources and assessing performance of the operating segments has been defined as the executive directors of the Company.

During the six months ended 30 June 2025, the CODM has identified the following six operating and reportable segments under HKFRS 8 Operating Segments. No operating segments have been aggregated to form the following reportable segments.

Healthcare – operations of hospitals in the PRC.

Eldercare – property development of independent living units and project and building management of health campus in the PRC with focus on eldercare and retirement community, which consist of an elderly nursing home, service apartments, independent living units and a commercial area comprising a shopping mall, retail shops and club hall facilities.

Property development – developing and selling of properties and land in the PRC.

Property investment – leasing of residential and office properties.

Financial services – provision of loan financial services.

Securities trading and investments – trading of securities in Hong Kong and overseas markets



For the six months ended 30 June 2025

4. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

For the six months ended 30 June 2025

	Healthcare HK\$'000 (unaudited)	Eldercare HK\$'000 (unaudited)	Property development HK\$'000 (unaudited)	Property investment HK\$'000 (unaudited)	Financial services HK\$'000 (unaudited)	Securities trading and investments HK\$'000 (unaudited)	Consolidated HK\$'000 (unaudited)
Gross proceeds from sales of investments held for trading							
Revenue	756,739	24,254		2,139			783,132
Segment profit/(loss)	57,559	(32,066)	(499)	(12,212)	(2)	53	12,833
Unallocated: Other gains and losses, and other income Net foreign exchange gain Central corporate	1						12,549 8,907
expenses Finance costs							(10,624)
Profit before taxation							23,614

For the six months ended 30 June 2025

4. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the six months ended 30 June 2024

	Healthcare HK\$'000 (unaudited)	Eldercare HK\$'000 (unaudited)	Property development HK\$'000 (unaudited)	Property investment HK\$'000 (unaudited)	Financial services HK\$'000 (unaudited)	Securities trading and investments HK\$'000 (unaudited)	Consolidated HK\$'000 (unaudited)
Gross proceeds from sales of investments held for trading							
Revenue	800,390	18,942	_	2,197		_	821,529
Segment profit/(loss)	82,250	(25,735)	(4,210)	(6,096)	(18)	(363)	45,828
Unallocated: Other gains and losses, and other income Net foreign exchange loss Central corporate expenses Finance costs							16,185 (2,933) (12,995)
Profit before taxation							46,085

All of the segment revenue reported above is generated from external customers.

Segment profit/(loss) represents the profit earned/(losses incurred) by each segment without allocation of certain other gains and losses, and other income, certain net foreign exchange gain/(loss), central corporate expenses and certain finance costs.



For the six months ended 30 June 2025

4. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:

	Healthcare HK\$'000 (unaudited)	Eldercare HK\$'000 (unaudited)	Property development HK\$'000 (unaudited)	Property investment HK\$'000 (unaudited)	Financial services HK\$'000 (unaudited)	Securities trading and investments HKS'000 (unaudited)	Consolidated HK\$'000 (unaudited)
Segment assets Corporate assets	1,867,989	633,400	50,868	186,909	129	6,461	2,745,756 693,579
Consolidated assets							3,439,335
Segment liabilities Corporate liabilities	931,050	558,828	42,437	1,853	1,115	-	1,535,283 6,174
Consolidated liabilities							1,541,457
As at 31 Dece	ember 202	24					
	Healthcare HK\$'000 (audited)	Eldercare HK\$'000 (audited)	Property development HK\$'000 (audited)	Property investment HK\$'000 (audited)	Financial services HK\$'000 (audited)	Securities trading and investments HK\$'000 (audited)	Consolidated HK\$'000 (audited)
Segment assets Corporate assets	1,906,411	667,677	52,184	200,499	621	5,223	2,832,615
Consolidated assets							3,538,877
Segment liabilities Corporate liabilities	1,032,871	553,099	46,612	1,569	1,515	-	1,635,666
Consolidated liabilities							1,644,048

For the six months ended 30 June 2025

5. OTHER GAINS AND LOSSES, AND OTHER INCOME

	Six months ended	
	30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
	(unauunteu)	(uriaudited)
Gain/(loss) on fair value of investments		
held for trading	77	(326)
Loss on disposal and write-off of property,		
plant and equipment	(454)	_
Loss on fair value of investment properties	(25,744)	(11,797)
Net foreign exchange gain/(loss)	8,907	(2,933)
Training and other services	3,252	2,545
Written-off of trade receivables	(3,134)	(3,624)
Impairment loss under expected	(4.545)	(2.405)
credit loss ("ECL") model	(1,345)	(2,486)
Impairment on property,		(4.260)
plant and equipment	_	(1,368)
Provision for properties under development for sale	(4 924)	(9.126)
Provision for properties held for sale	(4,834) (3,858)	(8,126) (1,249)
Government subsidies (Note)	(3,838) 574	(1,249)
Interest income from bank deposits	12,914	16,739
Other sundry income	1,866	3,814
Other Surfacy meditie	1,000	
	(11,779)	(8,743)

Note: The government subsidies mainly represent the subsidies on costs incurred for operation of hospitals in the PRC with no special and unfulfilled conditions attached.



For the six months ended 30 June 2025

6. FINANCE COSTS

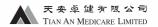
The finance costs represent interest as follows:

	Six months ended		
	30.6.2025	30.6.2024	
	HK\$'000	HK\$'000	
	(unaudited)	(unaudited)	
Interest on:			
Bank and other borrowings	16,289	16,616	
Lease liabilities	59	1,537	
Ecase habilities			
	16,348	18,153	
Less: Interest capitalised	(4,633)	(2,446)	
	11,715	15,707	

7. INCOME TAX EXPENSE

Income tax has been recognised in profit or loss as follows:

30.6.2025 30.6.2024 HK\$'000 (unaudited) (unaudited) Current tax Corporate income tax ("CIT") in the PRC 8875 17 004		Six months ended	
(unaudited) (unaudited) Current tax		30.6.2025	30.6.2024
Current tax		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
	Current tax Corporate income tax ("CIT") in the PRC	8,875	17,004



For the six months ended 30 June 2025

7. INCOME TAX EXPENSES (Continued)

The Company's subsidiaries in the PRC are subject to CIT rate at 25%. The tax charge in respect of the current period represents CIT in the PRC which is calculated at the prevailing tax rate on the taxable income of the subsidiaries in the PRC.

According to the PRC CIT law, withholding income tax at a rate of 10% would be imposed on dividends relating to profits earned from year 2008 onwards to foreign investors for the companies established in the PRC. Such dividend tax rate may be further reduced by applicable tax treaties or arrangement. According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, the withholding tax rate on dividends paid by a PRC resident enterprise to a Hong Kong resident enterprise is further reduced to 5% if the Hong Kong resident enterprise holds at least 25% equity interests in the PRC resident enterprise.

Under the Provisional Regulations on land appreciation tax ("LAT") implemented upon the issuance of the Provisional Regulations of the PRC on 27 January 1995, all gains arising from transfer of real estate property in the PRC effective from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including borrowings costs and all property development expenditures.

Under the Two-tiered Profits Tax Rates Regime, the first HK\$2,000,000 of profits of the qualifying group entity established in Hong Kong will be taxed at 8.25%, and profits above that amount will be subject to the tax rate of 16.5%. The profits of the group entities not qualifying for the Two-tiered Profits Tax Rates Regime will continue to be taxed at a rate of 16.5%.

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements since the group entities have either sufficient tax losses brought forward to set off against current period's assessable profits or no assessable profits arising in Hong Kong.



For the six months ended 30 June 2025

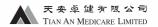
8. PROFIT FOR THE PERIOD

9.

Profit for the period is stated after charging the following:

	Six month	ns ended
	30.6.2025	30.6.2024
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	43,173	45,512
Depreciation of right-of-use assets	2,002	4,292
Cost of inventories sold and properties held for	_,,	.,
sale recognised as an expense (included in cost		
of goods and services)	310,753	318,606
DIVIDENDS		
	Six month	ns ended
	30.6.2025	
	HK\$'000	
	(unaudited)	(unaudited)
Dividend on a society of a distribution device who		
Dividend recognised as distribution during the period:		
Final dividend of HK2 cents (2024: HK1 cent)		
per ordinary share in respect of 2024		
(2024: in respect of 2023)	21,663	10,860

The Board of the Company does not recommend any interim dividend in respect of the six months ended 30 June 2025 and 2024.



For the six months ended 30 June 2025

10. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the period attributable to owners of the Company and the weighted average number of ordinary shares in issue during the period:

	Six mont 30.6.2025 HK\$'000 (unaudited)	hs ended 30.6.2024 HK\$'000 (unaudited)
Profit Profit for the purpose of calculating basic earnings per share for the period attributable to owners of the Company	11,979	21,659
	Six mont	hs ended
	30.6.2025 (unaudited)	30.6.2024 (unaudited)
Number of shares Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	1,083,981,672	1,086,005,457

No diluted earnings per share has been presented as there were no dilutive potential ordinary shares outstanding for the six months ended 30 June 2025 and 2024.



For the six months ended 30 June 2025

11. MOVEMENTS IN INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EOUIPMENT

During the six months ended 30 June 2025, additions to the Group's property, plant and equipment amounted to HK\$64,818,000 (2024: HK\$74,133,000).

As at 30 June 2025, the Group's investment properties were revalued by Norton Appraisals Holdings Limited ("Norton Appraisals"), being an independent qualified professional valuer not related to the Group. Loss on fair value of investment properties of HK\$25,744,000 (2024: HK\$11,797,000) was recognised in the profit or loss for the six months ended 30 June 2025. No impairment loss on property, plant and equipment (2024: HK\$1,368,000) was recognised in the profit or loss for the six months ended 30 June 2025.

12. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Trade receivables: Trade receivables arising from hospital		
operation and eldercare related services operation Debtor from financial services	128,655 876	150,141 876
Less: Allowance for credit losses	129,531 (8,641)	151,017 (7,226)
	120,890	143,791
Deposits, prepayments and other receivables: Prepayments, other debtors and deposits Deposits with and receivables from the	22,231	29,324
financial institutions	1,403	763
Less: Allowance for credit losses	23,634 (1,325)	30,087 (1,295)
	22,309	28,792

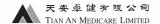
For the six months ended 30 June 2025

12. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

The customers of hospital operation and eldercare related services operation are either settled by cash, credit card or local governments' social insurance schemes. For credit card payment, the banks usually pay the Group 7 days after the trade date. Payments under local governments' social insurance schemes are normally settled by the local social insurance bureau or similar government departments, which are responsible for the reimbursement of medical expenses for patients who are covered by the local governments' social insurance schemes, 90 days from the invoice date.

The following is an aging analysis of trade receivables arising from hospital operation and eldercare related services operation denominated in Renminbi ("RMB") and presented based on the invoice date:

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
0 – 30 days	77,546	109,664
31 – 60 days	12,733	10,110
61 – 90 days	7,894	5,243
91 – 365 days	22,881	16,055
More than 365 days	7,601	9,069



For the six months ended 30 June 2025

13. LOAN RECEIVABLE

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Fixed-rate loan Less: Allowance for credit losses	94,715 (94,715)	94,715 (94,715) —

The balance represents a secured loan by a subsidiary of the Company (the "Subsidiary") as lender, to an independent third party corporate borrower, the shares of which were listed on the Stock Exchange (the "Borrower"). The loan is secured by (i) a debenture created by the chargor, a wholly owned subsidiary of the Borrower (the "Chargor") in favour of the Subsidiary by way of a first fixed and floating charge over all the undertaking, property and assets of the Chargor; (ii) a share mortgage in favour of the Subsidiary by way of a first fixed mortgage of the 75% of the entire issued share capital of the Chargor; (iii) an additional deed of assignment of shareholder's loan owed by another non-whollyowned subsidiary of the Borrower and held by the Borrower; and (iv) a deed of assignment of shareholder's loan owed by Chargor and held by the Borrower.

As at 30 June 2025, based on the assessment of the Directors, the loan receivable is not expected to be settled within the next 12 months and therefore classified as non-current asset.

As at 30 June 2025 and 31 December 2024, the Directors considered that the estimated cash flow of the loan receivable and/or the realisation of the relevant collaterals was expected to be zero due to the adverse development of value of collaterals (inclusive of the anticipated receipts of the shareholder's loan held by the Borrower that are assigned to the Group) and the loan receivable was fully impaired.

For the six months ended 30 June 2025

14. TRADE PAYABLES, DEPOSITS, RECEIPTS IN ADVANCE AND ACCRUED CHARGES, AND OTHER PAYABLE

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Trade payables of hospital operation, of eldercare related services operation and to construction contractors	108,171	133,439
Current Deposits, receipt in advance and accrued charges:		
Bills payable Accrued construction costs for properties under development for sale and properties	12,088	50,000
held for sale Construction cost payable for hospital buildings classified as property, plant and	29,154	28,837
equipment	71,036	109,567
Deposits and receipts in advance Dividend payables	41,667 13	52,353 1,005
Other payables and accrued charges	167,416	208,349
	321,374	450,111
Non-current Other payable:		
Other payable: Construction cost payable (Note)	37,239	_

Trade payables of hospital operation and eldercare related services operation principally comprise amounts outstanding for trade purchases. Trade payables to construction contractors comprise construction costs for property development and other projects. The normal credit period taken for these trade payables is 30–90 days.

Deposits and receipts in advance mainly represent refundable deposits from hospital operation and eldercare related services operation.

Note: Construction cost payable related to the hospital in Kunming was classified as a noncurrent liability as the Group is contractually obligated to repay the amount beyond 12 months from the reporting date.



For the six months ended 30 June 2025

14. TRADE PAYABLES, DEPOSITS, RECEIPTS IN ADVANCE AND ACCRUED CHARGES (Continued)

The following is an aging analysis of trade payables of hospital operation, of eldercare related services operation and to construction contractors denominated in RMB and presented based on the invoice date:

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
0 – 30 days 31 – 60 days 61 – 90 days 91 – 365 days	42,847 30,184 11,066 15,592	59,973 38,855 8,154 13,767
More than one year but not exceeding two years More than two years but not exceeding five years	5,638 2,844	9,405 3,285
	108,171	133,439

The following is an aging analysis of bills payable denominated in RMB and presented based on the invoice date:

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
61 – 90 days 91 – 365 days	12,088	50,000
	12,088	50,000

For the six months ended 30 June 2025

15. BORROWINGS

The following table provides an analysis of the borrowings:

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Bank borrowings, secured Bank borrowings, unsecured Term loans, unsecured	72,053 387,063 407,693	35,123 395,050 403,210
	866,809	833,383

At the end of the reporting period, total current and non-current bank borrowings were scheduled to repay as follows:

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
On demand or within one year More than one year, but not exceeding	418,329	390,817
two years	36,357	39,356
More than two years, but not exceeding five years	4,430	
	459,116	430,173

At the end of the reporting period, total non-current term loans were scheduled to repay as follows:

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
More than one year, but not exceeding two years	407,693	403,210

The amounts due are based on the scheduled repayment dates in the loan agreements.

During the current period, the Group obtained new borrowings amounting to HK\$199,708,000 (six months ended 30 June 2024: HK\$125,791,000) and repaid borrowings amounting to HK\$171,406,000 (six months ended 30 June 2024: HK\$81,677,000).



For the six months ended 30 June 2025

16. DEFERRED TAX LIABILITIES

The following are the deferred tax liabilities recognised and movements thereon during the current period:

		Withholding tax in respect of undistributed earnings of PRC subsidiaries HK\$'000	Fair value adjustment on business combination HK\$'000	Total HK\$'000
	As at 31 December 2024 (audited) Exchange differences	1,396 15	27,241 298	28,637 313
	As at 30 June 2025 (unaudited)	1,411	27,539	28,950
17.	SHARE CAPITAL AND TREASUR	RY SHARES		
		Nominal value per share	Number of ordinary shares	Carrying value HK\$'000
	Authorised: At 31 December 2024 (audited) and 30 June 2025 (unaudited)			, ,
	At 31 December 2024 (audited) and	per share	ordinary shares	HK\$'000
	At 31 December 2024 (audited) and 30 June 2025 (unaudited) Issued and fully paid:	per share	30,000,000,000	300,000

For the six months ended 30 June 2025

17. SHARE CAPITAL AND TREASURY SHARES (Continued)

A summary of movements in the Company's treasury shares is as follows:

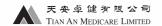
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
At 1 January	869	-
Shares repurchased (Note)	1,542	-
Cancellation of shares repurchased	(2,391)	
At 30 June	20	

Note: During the six months ended 30 June 2025, the Company repurchased 1,965,000 shares through the Stock Exchange for a total consideration of HK\$1,542,000 (2024: nil) and all the shares were subsequently cancelled.

18. PLEDGE OF ASSETS

At the end of the reporting period, the following assets of the Group were pledged to banks and a securities broker house to secure credit facilities granted to the Group:

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Investments held for trading Buildings (included in property, plant and	5,028	4,951
equipment) Right-of-use assets	557,034 15,082	-
Investment properties	13,082	13,043
Pledged bank deposit	8,791	_
Medical equipment (included in property, plant and equipment)	14,181	14,883
	613,413	32,877



For the six months ended 30 June 2025

19. CAPITAL COMMITMENTS

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Capital expenditure contracted for at the end of reporting period but not yet incurred: – Property, plant and equipment	95,834	133,747

20. RELATED PARTY TRANSACTIONS

The Group had following transactions and balances with its related parties:

Six months ended

(a) Transactions with related parties

	six months ended	
	30.6.2025	30.6.2024
	HK\$'000	HK\$'000
	(unaudited)	
	(unauditeu)	(uriauuiteu)
The ultimate holding company of the Company, Allied Group Limited ("AGL") and its subsidiaries – Administrative expenses charged to		
the Group	9	_
 Short-term lease expenses charged 		
to the Group	_	1,526
 Legal and professional service fee 		
charged to the Group	91	_
The intermediate holding company of the Company, Tian An China Investments Company Limited ("TACI") and its subsidiaries — Interest expense on borrowings		
charged to the Group	9,010	8,221
– Interest expense on lease liabilities	3,010	0,221
charged to the Group	8	_
Consultancy fee and service fee	·	
charged to the Group	342	_
 Legal and professional services fee 	342	
charged to the Group	245	
	243	_
A related company		
 Short-term lease expenses charged to 		
the Group	463	_
A joint venture of AGL		
 Interest expense on lease liabilities charged to the Group Property management and 	51	-
air-conditioning fees charged to	447	
the Group	117	

For the six months ended 30 June 2025

20. RELATED PARTY TRANSACTIONS (Continued)

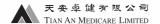
(b) Balances with related parties

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
The intermediate holding company of the Company, TACI and its subsidiaries – Term loans, unsecured (included in borrowings)	407,693	403,210
 Accrued charges (included in deposits, receipt in advance and accrued charges) 	503	376
The ultimate holding company of the Company, AGL and its subsidiaries – Accrued charges	69	_
A joint venture of AGL – Deposits	367	367
A joint venture of TACI – Deposits		70

(c) Compensation of key management personnel

The remuneration of Directors, who are also the key management of the Group during the period is as follows:

	Six months ended	
	30.6.2025	30.6.2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Salaries and other short-term employee		
benefits	2,040	2,273
Retirement benefits costs	87	82
	2,127	2,355



For the six months ended 30 June 2025

20. RELATED PARTY TRANSACTIONS (Continued)

(c) Compensation of key management personnel (Continued)

The remuneration of Directors is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

21. FAIR VALUE MEASUREMENTS

Except as disclosed below, management of the Group considers that the carrying amounts of the financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair values:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets

or liabilities that the Group can access at the measurement

date.

Level 2 inputs: inputs other than quoted prices included within Level 1 that are

observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

For the six months ended 30 June 2025

21. FAIR VALUE MEASUREMENTS (Continued)

Disclosure of valuation techniques and inputs used in fair value measurements:

Financial assets in the condensed consolidation statement of financial position		Fair value as at 30 June 2025	Fair value as at 31 December 2024	Fair value hierarchy	Valuation techniques and key inputs	
1)	Investments in listed equity securities classified as investments held for trading	Listed equity securities: - Hong Kong - HK\$3,718,000 - Overseas HK\$1,310,000	Listed equity securities: - Hong Kong HK\$3,593,000 - Overseas HK\$1,358,000	Level 1	Quoted bid prices in active markets	
2)	Club debentures classified as financial assets at fair value through profit or loss	Assets – HK\$2,151,000	Assets – HK\$2,151,000	Level 2	Quoted prices in a market for identical assets	

There were no transfers between Level 1 and Level 2 for both periods.

Non-financial assets in the condensed consolidation statement of financial position	Fair value as at 30 June 2025	Fair value as at 31 December 2024	Fair value hierarchy	Valuation techniques and key inputs
Investment properties	HK\$503,116,000	HK\$525,392,000	Level 3	Investment approach/direct comparison approach

Reconciliation of investment properties measured at fair value based on level 3:

	Six months ended		
	30.6.2025	30.6.2024	
	HK\$'000	HK\$'000	
	(unaudited)	(unaudited)	
At 1 January Decrease in fair value recognised in profit or loss Exchange differences	525,392 (25,744) 3,468	545,920 (11,797) 	
As at 30 June	503,116	534,123	

There were no transfers into or out of level 3 for both periods.



For the six months ended 30 June 2025

21. FAIR VALUE MEASUREMENTS (Continued)

Valuation processes

The Group measures its investment properties at fair value as at 30 June 2025 and 31 December 2024. The investment properties were revalued by Norton Appraisals.

The Group's management is responsible for the review of the valuations performed by Norton Appraisals for financial reporting purposes and reports directly to the Board. Discussions of valuation processes and results are held between management and Norton Appraisals at least once a year, in line with the Group's reporting date.

At each financial period end/year end, management of the Group:

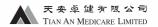
- Verifies all major inputs to the independent valuation reports
- Assesses property valuation movements when compared to the prior year valuation reports
- Holds discussions with Norton Appraisals

Valuation techniques

The fair values of investment properties were derived from:

- (i) investment approach, the market value of these properties are the aggregate of its term value, which is calculated by capitalised the existing rent for its unexpired term of the contractual tenancy and its reversionary value, which derives from the capitalised current market rent arise from lease renewal or new letting or from the disposal based on the current market price; or
- (ii) direct comparison approach, assuming these properties are capable of being sold in their existing states and on a strata-titled basis with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant markets.

All of the fair value measurements of the Group's investment properties were categorised into Level 3 of the fair value hierarchy.



Effect on fair

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

21. FAIR VALUE MEASUREMENTS (Continued)

Valuation techniques (Continued)

Information about recurring fair value measurements using significant unobservable inputs (Level 3)

The following table shows the valuation techniques used in the determination of fair values for investment properties and key unobservable inputs used in the valuation models:

	Fair value HK\$'000	Valuation techniques	Unobservable inputs	Range/weighted average of significant inputs	value for increase of inputs
<u>As at 30 June 2025</u>					
Industrial property units located in Hong Kong	163,600	Investment approach	(i) Capitalisation rate (ii) Monthly market rent per square feet	3.50%–4.00% HK\$15.00–HK\$18.60 per square feet	Decrease Increase
Land in Hong Kong	16,900	Direct comparison approach	Market unit rate	HK\$193–HK\$347 per square feet	Increase
Residential property units located in the PRC	3,605	Investment approach	(i) Capitalisation rate (ii) Monthly market rent per square feet	4.50%–5.00% RMB14–RMB23 per square meter	Decrease Increase
Commercial and residential property units located in the PRC	319,011	Investment approach	(i) Capitalisation rate (ii) Monthly market rent per square meter	4.00%–4.4% RMB17–RMB52 per square meter	Decrease Increase
	503,116				



For the six months ended 30 June 2025

21. FAIR VALUE MEASUREMENTS (Continued)

Valuation techniques (Continued)

Information about recurring fair value measurements using significant unobservable inputs (Level 3) (Continued)

	Fair value HK\$'000	Valuation techniques	Unobservable inputs	Range/weighted average of significant inputs	Effect on fair value for increase of inputs
As at 31 December 2024					
Industrial property units located in Hong Kong	176,700	Investment approach	(ii) Capitalisation rate (i) Monthly market rent per square feet	3.00%–3.40% HK\$14–HK\$16 per square feet	Decrease Increase
Land in Hong Kong	16,900	Direct comparison approach	Market unit rate	HK\$193–HK\$355 per square feet	Increase
Residential property units located in the PRC	3,730	Investment approach	(ii) Capitalisation rate (i) Monthly market rent per square feet	4.25%–4.75% RMB14–RMB22 per square meter	Decrease Increase
Commercial and residential property units located in the PRC	328,062	Investment approach	(iii) Capitalisation rate (i) Monthly market rent per square meter	4.00%–4.30% RMB26–RMB52 per square meter	Decrease Increase
	525,392				

For the six months ended 30 June 2025

22. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations and to recruit and retain high calibre eligible persons and attract human resources that are valuable to the Group. Eligible participants include the full-time and part-time employees, executive, non-executive and independent non-executive director, supplier, technical supporter, adviser or consultants of the Company and the Company's subsidiaries. The Scheme became effective on 7 March 2019 and will remain in force for 10 years from that date and in the absence of determination, the period commencing from the date of acceptance and ending in accordance with the terms of Scheme or on the day immediately preceding the tenth anniversary of the offer date, whichever is earlier. The remaining life of the Scheme is 3.75 years. The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee.

The exercise price of the share options is determined by the board of the Company, but may not be less than the highest of (a) the closing price of the shares of the Company (the "Shares") as stated in the Stock Exchange's daily quotation sheet on the date of grant, (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant, and (c) the nominal value of the Shares on the date of grant, when applicable.

The maximum number of shares to be granted under the Scheme shall not exceed 10% of the total number of Shares in issue on the adoption date, unless the Company seeks the approval of the shareholders of the Company for refreshing the 10% limit under the Scheme.

Besides, the maximum number of shares which may be issued upon exercise of all outstanding option must not exceed 30% of the total number of Shares from time to time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the Shares in issue at any time. Any further grant of shares options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the Shares in issue at any time or with an aggregate value (based on the price of the Shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.



For the six months ended 30 June 2025

22. SHARE OPTION SCHEME (Continued)

Share options do not confer rights on the holder to dividends or to vote at shareholders' meeting.

No share options were granted by the Company nor exercised by any eligible participants during the six months ended 30 June 2025 and 2024. There are no share options outstanding as at 30 June 2025 and 31 December 2024.

23. LITIGATION

On 30 July 2024, Tongren Healthcare Industry Group Company Limited* (同 仁醫療產業集團有限公司) ("Tongren Healthcare"), an indirect wholly-owned subsidiary of the Company, received a writ of summons dated 25 July 2024 inclusive of a statement of claim (民事起訴狀) from the Henan Province Jiaozuo City Intermediate People's Court (河南省焦作市中級人民法院) of the PRC regarding the claims by Jiaozuo Investment Group Company Limited* (焦作市投 資集團有限公司) (the "Claimant") against, amongst others, Tongren Healthcare (the "Litigation"). The Claimant is claiming against Tongren Healthcare and others to be jointly and severally liable to the Claimant for compensation of an amount of approximately RMB143 million. On 26 December 2024, the Court has ruled to dismiss all claims of the Claimant's claim against Tongren Healthcare and Tongren Healthcare shall not be jointly and severally liable in the sum of RMB143 million as claimed. An appeal was brought by the Claimant against this ruling on 9 January 2025 and as at 30 June 2025, no judgement on the appeal has been received. As at 30 June 2025, the Company, after seeking PRC legal advice, is of the view that the Litigation has no merits and hence no material impact on the operations and financial position of the Group.

* For identification purpose only

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



Tel: +852 2218 8288 Fax: +852 2815 2239 www.bdo.com.bk 25th Floor Wing On Centre 111 Connaught Road Central Hong Kong

TO THE BOARD OF DIRECTORS OF TIAN AN MEDICARE LIMITED

(incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim condensed consolidated financial statements set out on pages 4 to 42 which comprise the condensed consolidated statement of financial position of Tian An Medicare Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as of 30 June 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months then ended, and notes to the interim condensed consolidated financial statements, including material accounting policy information (the "interim condensed consolidated financial statements"). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on the interim condensed consolidated financial statements based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

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



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

BDO Limited Certified Public Accountants Lee, Alfred Practising Certificate no. P04960

Hong Kong, 1 August 2025

INTERIM DIVIDEND

The Board considers that it is prudent to retain an appropriate level of funds to take advantage of business opportunities as and when they arise, and therefore does not intend to declare an interim dividend for the six months ended 30 June 2025 (2024: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the six months ended 30 June 2025, the Group recorded a total revenue of HK\$783,132,000 (2024: HK\$821,529,000) representing an approximately 4.67% decrease as compared with the total revenue for the six months ended 30 June 2024 ("HY2024") and a profit attributable to owners of the Company of HK\$11,979,000 (2024: HK\$21,659,000) representing an approximately 44.69% decrease as compared with the profit attributable to owners of the Company for HY2024. This was mainly due to (i) the decrease in revenue from operations of the Healthcare Division; (ii) the increase in non-cash loss on fair value of investment properties but were partially off-set by (iii) the decrease in employee benefits expense; (iv) the unrealised net foreign exchange gain versus the unrealised net foreign exchange loss in HY2024; and (v) the decrease in income tax expense.

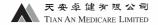
Earnings per share (basic) for the six months ended 30 June 2025 was HK1.11 cents (2024: HK1.99 cents).

The Group's net asset value per share, attributable to the shareholders of the Company (the "Shareholders"), as at 30 June 2025 amounted to HK\$1.68 (31 December 2024: HK\$1.67).

REVIEW OF OPERATIONS

The Group's principal businesses are investment in and management and operation of healthcare and hospital businesses, eldercare businesses, trading of medical equipment and related supplies, property investment and development, securities trading and investments, provision of financial services and strategic investment.

In the first half of 2025, domestic healthcare and eldercare institutions were facing a complex operating environment influenced by multiple factors such as governmental policy adjustments, intensified market competition, weak consumer sentiment, technological changes and uncertain broader economic outlook. As such, healthcare and eldercare service industry was navigating through a landscape under the frozen weather.



Healthcare Division:

Under such challenging operating environment, for the six months ended 30 June 2025, the Healthcare Division, operated through its wholly-owned subsidiary, Tongren Healthcare Industry Group Company Limited (同仁醫療產業集團有限公司), recorded a decreased revenue of HK\$756,739,000 (2024: HK\$800,390,000) and a profit of HK\$57,559,000 (2024: HK\$82,250,000). Without interest, tax, depreciation and amortization, the Healthcare Division generated an EBITDA, being earnings before interest, tax, depreciation and amortization, of HK\$102,248,000 (2024: HK\$137,731,000) for the six months ended 30 June 2025.

Nanjing hospital of the Healthcare Division ("NJH"):

For NJH, a Class III B integrated hospital located in Jiangning Development Zone, Nanjing City, Jiangsu Province, the PRC and the Division's flagship hospital, currently it operates 43 clinical medical & technical departments including 1 national key clinical specialty (otorhinolaryngology ("ENT"), head and neck surgery), 1 provincial key clinical specialty (ENT, head and neck surgery), 6 municipal key medical specialties (ENT, head and neck surgery, ophthalmology, neurology, medical imaging, anesthesiology and clinical laboratory), as well as the approved Nanjing Tongren's ENT Hospital, Nanjing Tongren Internet Hospital and Nanjing Tongren Children's Hospital.

During the period under review:

i) For operational management:

NJH has implemented several cost control measures to enhance operational efficiency.

In human resources, NJH conducted a comprehensive review on departmental performance, optimizing underperforming staff and enforcing strict professional appointment standards.

Budget management has been strengthened through new reward and penalty policies, facilitating better control across clinical and functional teams.

In equipment maintenance, NJH achieved a self-repair rate of 96%, effectively reducing external costs.

Marketing strategies have been dynamically adjusted to increase the frequency of low-cost or no-cost activities, optimizing overall marketing expenses.

Healthcare Division: (Continued)

Nanjing hospital of the Healthcare Division ("NJH"): (Continued)

ii) For scientific research development:

Dr. Yang Qingsong, Dean of NJH, successfully signed a contract for "International/Hong Kong, Macao and Taiwan Science and Technology Co-operation Project of Nanjing Municipal Science and Technology Bureau", focusing on using machine learning to address neurocognitive disorders in cataract surgery patients.

Additionally, NJH's application for 16 projects, including "Early Cancer Diagnosis and Treatment in Grassroots Hospitals," have been approved. It is a new record for municipal continuing medical education projects approved.

iii) For specialty and department development:

NJH has made significant strides in specialty development, including successfully passing the inspection and acceptance for the Jiangsu Provincial Imaging Cloud Platform.

NJH also engaged with local authorities to discuss inclusive education for children with disabilities, establishing a comprehensive mechanism to link up the whole process of screening, assessment and intervention for children with disabilities, so as to promote the seamless connection of "medical rehabilitation and educational integration".

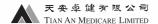
Furthermore, the Chest Pain Center received certification for transitioning from a grassroots to a standard version.

iv) For marketing:

NJH has been fostering collaboration with clinical departments to establish diverse medical alliances and actively explored diversified medical consortium co-operation including general, eldercare and compact medical consortium.

NJH also received recognition as an "Model Unit" for its public medication education initiative.

Additionally, NJH has conducted tailored outreach initiatives for corporate partners, delivering on-site programs at Etonkids Kindergartens, Nanjing Jinzhi Technology Co., Ltd. and Zijin Science & Technology Innovation R&D Center. Activities included earthquake response drills, science-based weight management seminars and adolescent health education workshops.



Healthcare Division: (Continued)

Kunming hospital of the Healthcare Division ("KMH"):

For KMH, another Class III A integrated hospital of the Group located in Kunming City, Yunnan Province, PRC, currently it operates 44 clinical medical & technical departments.

During the period under review:

i) For scientific research development:

KMH has successfully applied for 19 municipal continuing medical education projects for 2025, achieving a record high over the past five years.

Additionally, KMH has submitted 11 medical research proposals for participating 2025 Kunming Minicipal Health Science Research Programme.

ii) For specialty and department development:

The Medical Laboratory Department at KMH has successfully passed the revised ISO 15189 medical laboratory evaluation, indicating that its quality management system and technical capabilities currently fulfil internationally accredited standards for standardization and compliance.

KMH has officially launched preparatory evaluation for Class III A hospital reaccreditation and the development of key provincial and municipal disciplines.

Furthermore, the international medical department of KMH has made progress in foreign-related services, establishing partnerships with 15 channels, three of which have begun to reliably receive foreign patients.

iii) For marketing:

KMH has launched comprehensive promotional campaigns across media platforms—including public WeChat accounts and Douyin—in connection with health observances such as International Women's Day, National Liver Care Day, and World Sleep Day. These initiatives strategically aligned clinical departments with current public health priorities.

Additionally, KMH has launched the "Health Carnival"—an interactive event featuring gamified challenge stations. By seamlessly integrating services from pediatrics, child health management, oral care, ophthalmology, ENT, postpartum recovery, and pelvic floor rehabilitation centers, it has crafted an immersive health education experience event.

Healthcare Division: (Continued)

Kunming hospital of the Healthcare Division ("KMH"): (Continued)

iv) For development of KMH Phase II:

The KMH Phase II includes, among others, the integrated in-patient building, oncology and nuclear medical building and the rehabilitation medical building with an approved total construction area of approximately 66,021 m². During the period under review, following the overall structural topping-out, the renovation work was in progress.

For the period under review, the Healthcare Division achieved a decrease in business volume with NJH recorded a total of 497,321 out-patients visits (2024: 555,941), 18,861 in-patient admissions (2024: 19,500) and 21,248 body-checks (2024: 24,559) and KMH recorded a total of 239,735 out-patients visits (2024: 231,071), 10,725 in-patient admissions (2024: 10,719) and 36,354 body-checks (2024: 35,812).

As at 30 June 2025, NJH operated with 415 doctors (31 December 2024: 422), 547 nurses (31 December 2024: 556) and 1,126 beds (31 December 2024: 1,144) and KMH operated with 305 doctors (31 December 2024: 289), 421 nurses (31 December 2024: 407) and 500 beds (31 December 2024: 500).

Eldercare Division:

In the first half of 2025, the management maintained the stable operations of the elderly homes, elderly departments and eldercare nursing hospital and streamlined its operation and improved the operational efficiency amid stringent governmental policy adjustments and intensified competition.

For the six months ended 30 June 2025, the Eldercare Division, operated through its wholly-owned subsidiary, Aveo China (Holdings) Limited, recorded an increased revenue of HK\$24,254,000 (2024: HK\$18,942,000) but a loss of HK\$32,066,000 (2024: HK\$25,735,000) mainly due to non-cash loss on fair value of investment properties of HK\$12,608,000 (2024: HK\$2,667,000) and a provision for properties under development for sale of HK\$4,834,000 (2024: HK\$6,147,000).



Eldercare Division: (Continued)

As of 30 June 2025, Tide Health Campus (天地健康城) of the Eldercare Division located in Zhu Jia Jiao County, Qingpu District, Shanghai, the PRC, a retirement community village that integrates community eldercare, institutional eldercare, home eldercare and eldercare nursing hospital (Shanghai Deyi Hospital, "SDH"), sold 857 Independent Living Units ("ILU(s)") out of a total inventory of 868 ILUs and among which nil ILU (2024: nil) was recorded as sales in the six months under review with more than 390 residents (2024: 347) moved into the retirement community village. In addition, the Division's serviced apartments ("SA(s)") consist of two 11-storey buildings with the construction and renovation of the first building and the second building completed in November 2016 and May 2020 respectively, offering a total of 210 SAs (31 December 2024: 210) for lease. As at 30 June 2025, the Division leased out 107 SAs (31 December 2024: 94).

During the six months under review:

i) For eldercare community operation:

For community health and property management, several initiatives have been implemented. Regular community services include organizing birthday celebrations and craft activities for seniors, assisting them in forming new clubs and providing services such as daily blood pressure and blood sugar monitoring, medication delivery, and welfare visits. Positive feedback regarding the community restaurant's food quality was received. And there has been a focus on enhancing caregiver management through ongoing training and home visit follow-ups.

Additionally, property management efforts have included the completion of green space renovations in the community commercial area, fire safety equipment inspections and employee skills training. The planting of flowers and shrubs in the ILU area has been finalized with landscaping plans proposed for the surrounding environment. The registration of property management subsidiaries in Nanjing and Kunming has been completed. The person-incharge of the subsidiary in Kunming has been deployed for pre-handover operations, on-site familiarization and business takeover preparations.

Eldercare Division: (Continued)

ii) For eldercare nursing hospital operation:

The eldercare nursing hospital continues to improve the operational efficiency of its inpatient department by reviewing patient cases individually. Within legal and compliance frameworks, efforts have been made to enhance relevant medical treatments that will benefit patients and increase revenue for outpatient services. Ongoing efforts to streamline and supervise traditional Chinese medicine services aim to boost their business volume. Marketing initiatives have been strengthened through the formulation of service improvement plans, enhancing the overall patient experience to attract more patients.

During the six months ended 30 June 2025, SDH recorded a total of 10,426 outpatients visits (2024: 9,421) and 6,017 in-patient admissions (2024: 4,119). As at 30 June 2025, SDH operated with 23 doctors (31 December 2024: 22), 14 nurses (31 December 2024: 13) and 100 beds (31 December 2024: 100).

As at 30 June 2025, the Division's investment properties portfolio, 100% attributable to the Group, comprising two SAs (31 December 2024: two) (two 11-storey buildings with total gross floor area ("GFA") of 17,117 m²) and the retail shopping precinct (retail shops with GFA of 1,980 m² and shopping mall with GFA of 7,354 m²) with a total carrying value amounted to HK\$319,012,000 (31 December 2024: HK\$328,152,000). The Division's property under development for sale consisted of a residential property in Shanghai, the PRC, amounted to HK\$127,803,000 (31 December 2024: HK\$131,247,000).

Property Development:

For the six months ended 30 June 2025, the Group's property development business recorded a revenue of nil (2024: nil) and a loss of HK\$499,000 (2024: HK\$4,210,000) inclusive of a provision for properties under development for sale of nil (2024: HK\$1,979,000).

As at 30 June 2025, the Division's properties under development for sale amounted to HK\$34,230,000 (31 December 2024: HK\$34,167,000) consisted of a parcel of commercial land in Lianyungang and an office premise in Guangzhou, the PRC.



Property Investments:

For the six months ended 30 June 2025, the Group's investment properties portfolio, for leasing, located in Hong Kong and the PRC recorded a rental income of HK\$2,139,000 (2024: HK\$2,197,000) and a loss of HK\$12,212,000 (2024: HK\$6,096,000) with a non-cash loss on fair value of investment properties of HK\$13,136,000 (2024: HK\$9,130,000) amid ongoing uncertain economic outlook, shifted consumer behaviour and workplace dynamics.

As at 30 June 2025, the Division's investment properties portfolio, 100% attributable to the Group, amounted to HK\$184,104,000 (31 December 2024: HK\$197,240,000).

Securities Trading and Investments:

For the period under review, the Group's activities in securities trading and investments recorded a revenue of nil (2024: nil) and a gain of HK\$53,000 (2024: loss of HK\$363,000). This was mainly due to the gain on fair value of investments held for trading of HK\$77,000 (2024: loss of HK\$326,000).

As at 30 June 2025, the Group maintained a portfolio of investments held for trading of HK\$5,028,000 (31 December 2024: HK\$4,951,000).

Investments held for trading:

As at 30 June 2025, the Group's investments held for trading consisted of securities listed in different geographic locations and their respective performance were as follows:

% of

Geographic Location	Carrying value 30.6.2025 HK\$'000	Carrying value 31.12.2024 HK\$'000	Realized gain/(loss) 30.6.2025 HK\$'000	Fair value gain/(loss) 30.6.2025 HK\$'000		carrying value to the Group's total assets 30.6.2025
Hong Kong Australia Philippines	3,718 947 363	3,593 1,059 299	-	125 (112) 64	- - -	0.11% 0.03% 0.01%
Total	5,028	4,951		77		

Securities Trading and Investments: (Continued)

Investments held for trading: (Continued)

As at 30 June 2025, the Group's investments held for trading consisted of investments in different category of companies and their respective performance were as follows:

Principal Business	Carrying value 30.6.2025 HK\$'000	Carrying value 31.12.2024 HK\$'000	Realized gain/(loss) 30.6.2025 HK\$'000	Fair value (loss)/gain 30.6.2025 HK\$'000	Dividend received 30.6.2025 HK\$'000	carrying value to the Group's total assets 30.6.2025
Entertainment						
and media Financial services	423	511	-	(88)	-	0.01%
and investment	79	95	-	(16)	-	0.00%
materials	257	242	-	15	-	0.01%
Property and construction	4,269	4,103		166		0.12%
Total	5,028	4,951		77		

At 30 June 2025, there was no investment held for trading which was significant to the Group (exceeded 5% the total assets of the Group).

The Group considers that the performance of the Group's investment portfolio in listed securities is generally affected by economic, political and financial market environments, globally and regionally, and is susceptible to the volatility of the financial markets.



Money Lending:

For the period under review, the Group's money lending business recorded no interest income (2024: nil) and a loss of HK\$2,000 (2024: HK\$18,000). As at 30 June 2025, the carrying value of the loan receivable ("Loan"), after full impairment provision, is nil (31 December 2024: nil).

References are made to the Company's announcements dated 10 September 2018 and 26 September 2019 respectively, the paragraph headed "Money Lending" on pages 26 to 27 of the announcement of the final results for the eighteen months ended 31 December 2019 dated 30 March 2020, the announcements dated 28 April 2020, 6 May 2020 and 19 May 2020 respectively, the paragraph headed "Money Lending" on pages 21 to 24 of the announcement of the interim results for the six months ended 30 June 2020 dated 27 August 2020, the announcements dated 29 October 2020 and 10 November 2020 respectively, the paragraph headed "Money Lending" on pages 23 to 27 of the announcement of the annual results for the year ended 31 December 2020 dated 30 March 2021, the announcement dated 20 April 2021 and the paragraph headed "Money Lending" on pages 22 to 23 of the announcement of the interim results for the six months ended 30 June 2021 dated 26 August 2021, the paragraph headed "Money Lending" on pages 25 to 26 of the announcement of the annual results for the year ended 31 December 2021 dated 29 March 2022, the paragraph headed "Money Lending" on page 23 of the announcement of the interim results for the six months ended 30 June 2022 dated 25 August 2022, the paragraph headed "Money Lending" on page 24 of the announcement of the annual results for the year ended 31 December 2022 dated 28 March 2023, the paragraph headed "Money Lending" on page 23 of the announcement of the interim results for the six months ended 30 June 2023 dated 18 August 2023, the paragraph headed "Money Lending" on pages 26 to 28 of the announcement of the annual results for the year ended 31 December 2023 dated 15 March 2024, the paragraph headed "Money Lending" on pages 29 to 31 of the announcement of the interim results for the six months ended 30 June 2024 dated 2 August 2024 and the paragraph headed "Money Lending" on pages 31 to 33 of the announcement of the annual results for the year ended 31 December 2024 dated 10 March 2025. Capitalized terms used in this paragraph headed "Money Lending" shall have the same meanings as those defined in the aforesaid announcements unless the context requires otherwise.

Money Lending: (Continued)

In view of the prevailing development and based on information available at the material time, the Group made a prudent full impairment loss allowance on the Loan in 2021. The Group will continue to explore and negotiate with potential investors, regularly monitor the progress of settlement, enforcement and/or realization of security assets, reassess the value of securities (based on the information currently available to the Group from time to time) and shall take all appropriate actions as and when appropriate.

Business Model and Customer Profile:

The Group provides secured and unsecured term loans to its customers under its financial services segment. Money lending activities diversifies the income stream and business risks of the Group, and generates a stable return with the Group's available financial resources on hand from time to time. The Group mainly finances its money lending business by its internal resources and/or borrowings.

The Group does not set a specific target for the industry, business or level of annual revenue to corporate customers. The customers of the Group's money lending business were referred to the Group through its corporate or business networks.

Risk Management Policies:

The Group adopts a thorough credit assessment and approval process, and will assess and approve each loan transaction on a case-by-case basis. The account & finance department of the Group is responsible for conducting a background check on the prospective customer in compliance with the applicable laws and regulations, reviewing the background, financial position and strength of such customer and/or the guarantor (if any), and enquiring the prospective customer about the purpose of the loan and the expected source of funds for loan repayment. To support its analysis, the Group will obtain corporate documents, financial statements and search reports of the customer and/or the guarantor (if any), and thereafter, assess the credit risk of the loan and negotiate the terms thereof after considering (i) the background and financial position of the customer and/or the guarantor (if any), including net asset value and gearing ratio; and (ii) the value of the securities, if any. Each loan transaction will be approved by either the Board, if such transaction is material or by the executive committee of the Board. The account & finance department monitors the loan and interest repayment regularly and reviews the annual financial statements of the borrowers and guarantors (if any). It would promptly report to the management of the Group for any delay or default in repayment upon maturity, who would then formulate plans for loan collection, including but not limited to requesting for additional securities or initiating legal actions.



Money Lending: (Continued)

Loan Impairment Policies:

The Group adopts policy of ECL according to the requirements of Hong Kong Financial Reporting Standard 9 issued by the Hong Kong Institute of Certified Public Accountants. Accordingly, it shall review the recoverable amount of each loan at the end of each reporting period to ensure that adequate impairment losses are made. The Group applies a general approach on loan receivables to assess for the ECLs. Assessment is based on the Group's historical credit loss experience, adjusted for factors that are specific to the borrower. In order to measure the ECLs of loan receivables, the Group will apply a credit rating for each of its borrowers by reference to each borrower's past default records, current past due exposure, an analysis of its current financial position, likelihood or risk of a default, an assessment on any significant increase in credit risk, and fair value of collaterals (if any), and adjust for forward-looking information that is available without undue cost or effort, such as the current and forecasted global economy and the general economic conditions of the industry in which the borrower operates. The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying any significant increase in credit risk before the loan amount becomes past due.

FINANCIAL RESOURCES, BORROWINGS, CAPITAL STRUCTURE, EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

As at 30 June 2025, the Group's non-current assets of HK\$2,196,056,000 (31 December 2024: HK\$2,179,670,000) consisted of investment properties of HK\$503,116,000 (31 December 2024: HK\$525,392,000), property, plant and equipment of HK\$1,591,237,000 (31 December 2024: HK\$1,541,635,000), right-of-use assets of HK\$84,853,000 (31 December 2024: HK\$86,605,000), financial assets at FVTPL of HK\$2,151,000 (31 December 2024: HK\$2,151,000) and prepayments for acquisition of property, plant and equipment of HK\$14,699,000 (31 December 2024: HK\$23,887,000). These non-current assets are principally financed by the Group's shareholders' funds.

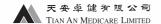
FINANCIAL RESOURCES, BORROWINGS, CAPITAL STRUCTURE, EXPOSURE TO FLUCTUATION IN EXCHANGE RATES (Continued)

As at 30 June 2025, the total borrowings of the Group amounted to HK\$866,809,000 (31 December 2024: HK\$833,383,000) consisting of secured bank borrowings of HK\$72,053,000 (31 December 2024: HK\$35,123,000), unsecured bank borrowings of HK\$387,063,000 (31 December 2024: HK\$395,050,000) and unsecured term loans of HK\$407,693,000 (31 December 2024: HK\$403,210,000). Among the total borrowings of the Group, HK\$418,329,000 (31 December 2024: HK\$390,817,000) was with maturity of less than one year, HK\$444,050,000 (31 December 2024: HK\$442,566,000) was with maturity more than one year but not exceeding two years and HK\$4,430,000 (31 December 2024: nil) was with maturity more than two years but not exceeding five years.

As at 30 June 2025, the Group's gearing ratio, calculated on the basis of the Group's net borrowings (after pledged bank deposit, restricted bank deposits and bank balances and cash) over total equity was 2.3% (31 December 2024: no gearing ratio). The Group's gearing ratio would be adjusted to 2.0% (31 December 2024: no gearing ratio) with marketable securities inclusive of investments held for trading deducted from the net borrowings. The Group continues to monitor its funding requirement and gearing level, and will raise external borrowings with reasonable pricing terms when appropriate.

In May 2024, the Company completed the reduction of the amount of HK\$2,600,000,000 standing to the credit of the share premium account of the Company and the offset of the entire debit amount in the Company's accumulated losses account as at the effective date and the transfer of the balance credit arising therefrom of approximately HK\$327,046,000 to the contributed surplus account of the Company.

In June 2023, the Company completed the issue 362,001,819 rights shares by way of the rights issue, on the basis of one rights share for every two shares held by the qualifying shareholders of the Company on the record date at the subscription price of HK\$0.88 per rights share ("Rights Issue") to raise approximately HK\$318.6 million before expenses. The market price on 5 May 2023 on which the terms of the subscription were fixed was HK\$1.04 per share.



FINANCIAL RESOURCES, BORROWINGS, CAPITAL STRUCTURE, EXPOSURE TO FLUCTUATION IN EXCHANGE RATES (Continued)

As at 30 June 2025, details of use of net proceeds from the Rights Issue following the announcement in relation to the change in use of proceeds from the Rights Issue dated 31 March 2025 (supplemented by announcement dated 23 July 2025) were as follows:

Intended use	Net proceeds for the planned use HK\$'000	Net proceeds used as at 30 June 2025 HK\$'000	Remaining balance of the net proceeds un-utilised as at 30 June 2025 HK\$'000	Expected timeline of utilisation
Investment opportunities General working capital Share repurchase	200,000 47,792 61,500		200,000 47,792 61,500	end of 2027 end of 2026 end of 2026
	309,292	_	309,292	

During the six months under review, the Company repurchased a total of 1,965,000 shares (2024: nil) in the capital of the Company for an aggregate consideration of HK\$1,532,600 (2024: nil). All the repurchased shares were subsequently cancelled.

During the six months under review, the Group's assets, liabilities and transactions were mainly denominated in Hong Kong Dollar, Renminbi, Australian Dollar and United States Dollar. Because of the short-term nature, the Group did not actively hedge risks arising from its Australian Dollar and United States Dollar denominated assets and transactions. As the substantial portion of the Group's assets and operations are located in the PRC and its transactions, related working capital and borrowings are primarily denominated in Renminbi and Hong Kong Dollars, the Group will closely monitor its foreign exchange exposure in this regard and will actively consider hedging the currency exposure should the need arise.

CHARGE ON GROUP ASSETS

As at 30 June 2025, the Group's investments held for trading of HK\$5,028,000 (31 December 2024: HK\$4,951,000), buildings (included in property, plant and equipment) of HK\$557,034,000 (31 December 2024: nil), right-of-use assets of HK\$15,082,000 (31 December 2024: nil), investment properties of HK\$13,297,000 (31 December 2024: HK\$13,043,000), a pledged bank deposit of HK\$8,791,000 (31 December 2024: nil) and medical equipment (included in property, plant and equipment) of HK\$14,181,000 (31 December 2024: HK\$14,883,000) were pledged to banks and a securities broker house to secure credit facilities granted to the Group.

CAPITAL COMMITMENT

As at 30 June 2025, the Group had capital commitment contracted for but not provided relating to the acquisition of property, plant and equipment of HK\$95,834,000 (31 December 2024: HK\$133,747,000).

CONTINGENT LIABILITIES

Save as disclosed in this report, as at 30 June 2025, the Group is not aware of any material contingent liabilities.

MATERIAL ACQUISITIONS AND DISPOSAL, AND FUTURE PLANS

Save as disclosed in this report, during the six months ended 30 June 2025, the Group did not hold any other significant investments nor have any material acquisitions or disposals of subsidiaries, associated companies and joint ventures.

Save as disclosed in this report, as at 30 June 2025, the Group did not have any plan for material investments or capital assets.

EMPLOYEES

The Group had 2,694 employees as at 30 June 2025 (31 December 2024: 2,626). The Group ensures that its employees are remunerated in line with market conditions and individual performance and the remuneration policies are reviewed on a regular basis.



PROSPECTS

Healthcare Division:

Going forward, the Group will continue to implement its daily operation work around the policy of strengthening healthcare excellence infrastructure, activating the operation capacity and sustaining cost-to-efficiency optimisation.

In terms of business development, the two hospitals will prioritize business development to reverse current downturns and achieve growth. NJH aims to stabilize its key specialties, such as ophthalmology, ENT and dentistry, by enhancing operational capabilities and introducing high-value projects. Similarly, KMH will solidify its core services in cardiology, thoracic surgery and gynecology while supporting departments will adopt new technologies to maximize resource efficiency and returns

Regarding collaborative and innovative approaches, both hospitals recognize the importance of breaking down departmental barriers and fostering collaboration. NJH plans to focus on rehabilitation and geriatrics, enhancing cooperation with public and grassroots institutions to boost inpatient volume. KMH will integrate into the Belt and Road Initiative, expanding its international business and establishing itself as a ASEAN-10 healthcare destination.

For specialty development and technology, both hospitals are committed to leveraging innovative technologies to enhance diagnostic and treatment options, improving patient care and hospital performance. NJH is addressing weaker specialties by introducing a traditional Chinese medicine team to optimize services and expand its audience. In parallel, KMH will focus on the Tumor and Nuclear Medicine Center in KMH Phase II, which targets to begin operations in the second half of the year, creating a closed-loop system for oncology services.

Cost control remains a priority for both hospitals. NJH has made strides in reducing personnel and equipment maintenance costs and will continue to optimise its workforce. KMH will focus on effective resource utilisation as it expands its services. Both hospitals aim to improve expense control and operational efficiency through strengthened management practices and assessments of cost-effectiveness.

PROSPECTS (Continued)

Eldercare Division:

In the second half of 2025, the Eldercare Division has several major plans as follows:

In the area of community operations, the Division will make an effort to develop a smart elderly care community that enhances member services. This includes implementing precise nutrition management, expanding the variety of community clubs and enriching cultural activities. Additionally, home-based elderly care services are being launched to better support community residents.

For its property management services, the Division will emphasise on safety management within property operations, focusing on the renovation of fire safety facilities and conducting thorough safety checks and education. The property management subsidiaries in Nanjing and Kunming are progressively taking over the hospital's property management responsibilities to ensure effective oversight.

In the nursing hospital operation, the Division is focusing on strengthening its rehabilitation department by refining the types and frequency of rehabilitation services offered, ensuring standardized and efficient development. The construction of new beds on the first floor has been completed, along with the establishment of reasonable occupancy incentives to attract patients. Continuous progress is being made in developing the nursing hospital's specialties in rehabilitation, nursing care and cognitive disorder support.

Others:

Against the backdrop of global trade tensions, geopolitical conflicts, weak consumer sentiment and softening growth, the operating environments of the Group will continue to be difficult and the Group will remain cautious. The Group will closely review and adjust its business and investment strategies, as well as its overall investment portfolio, to better suit the challenging economic and investment landscape and to enhance value and return for the Shareholders.



DIRECTOR'S INTERESTS

As at 30 June 2025, Mr. Lee Seng Hui, Director, had the following interests in the shares, underlying shares or debentures of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), as recorded in the register required to be kept under Section 352 of the SFO:

		Number of shares and underlying shares	Approximate % of the total number of	
Name of Director	Name of companies	interested	issued shares	Nature of interests
Lee Seng Hui ("Mr. Lee")	the Company (Note 2)	556,097,010 (Note 1)	51.35%	Other interests
	Allied Group Limited ("AGL") (Note 3)	2,635,105,180 (Note 1)	74.99%	Personal interests (held as beneficial owner) in 458,420 shares and other interests in 2,634,646,760 shares
	Tian An China Investments Company Limited ("TACI") (Note 4)	834,809,096 (Note 1)	56.94%	Other interests
	Asiasec Properties Limited ("ASL") (Note 5)	930,376,898 (Note 1)	74.98%	Other interests
	Sun Hung Kai & Co. Limited ("SHK") (Note 6)	1,444,479,575 (Note 1)	73.51%	Other interests

DIRECTOR'S INTERESTS (Continued)

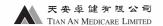
Notes:

- Mr. Lee together with Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust controlled approximately 74.99% of the total number of issued shares of AGL (inclusive of Mr. Lee's personal interests).
- 2. Mr. Lee, by virtue of his interests in AGL, was deemed to be interested in the shares of the Company in which AGL was interested via TACI.
- 3. As at 30 June 2025, AGL was the holding company of TACI and the ultimate holding company of the Company and therefore an associated corporation of the Company within the meaning of Part XV of the SFO.
- 4. As at 30 June 2025, TACI was the holding company of the Company and therefore an associated corporation of the Company within the meaning of Part XV of the SFO.
- 5. As at 30 June 2025, ASL was a non wholly-owned subsidiary of TACI and therefore an associated corporation of the Company within the meaning of Part XV of the SFO.
- 6. As at 30 June 2025, SHK was a non wholly-owned subsidiary of AGL and therefore an associated corporation of the Company within the meaning of Part XV of the SFO.
- 7. All interests stated above represent long positions.

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the period was the Company, its holding companies or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares, underlying shares or debentures of the Company or any other body corporate.



INTERESTS OF SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

To the best of Directors' knowledge, as at 30 June 2025, the following shareholders of the Company (the "Shareholders") had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO:

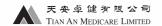
Name of Shareholders	Capacity		Number of shares or underlying shares interested	Approximate % of the total number of issued shares
TACI	Held by controlled corporation	(Note 1)	556,097,010	51.35%
AGL	Held by controlled corporation	(Note 3)	556,097,010 (Note 2)	51.35%
Lee and Lee Trust	Held by controlled corporation	(Note 4)	556,097,010 (Note 2)	51.35%
Cool Clouds Limited ("Cool Clouds")	Beneficial owner		200,000,000	18.42%
Resuccess Investments Limited ("Resuccess")	Held by controlled corporation	(Note 5)	200,000,000	18.42%
Tsinghua Tongfang Co., Ltd. ("THTF")	Held by controlled corporation	(Note 5)	200,000,000	18.42%
Victor Beauty Investments Limited ("Victor Beauty")	Beneficial owner		100,000,000	9.21%
CM International Capital Limited ("CMIC")	Held by controlled corporation	(Note 6)	100,000,000	9.21%
CMIG International Capital Limited 中民投國際資本有限公司	Held by controlled corporation	(Note 6)	100,000,000	9.21%
("中民投國際資本") CMI Financial Holding Corporation ("CMIF")	Held by controlled corporation	(Note 6)	100,000,000	9.21%

INTERESTS OF SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Name of Shareholders	Capacity		Number of shares or underlying shares interested	Approximate % of the total number of issued shares
CMIG Asia Asset Management Co., Ltd. 中民投亞洲資產管理有限公司 ("CMIG")	Held by controlled corporation	(Note 6)	100,000,000	9.21%
China Minsheng Investment Group Corp., Ltd. 中國民生投資股份有限公司 ("CMI")	Held by controlled corporation	(Note 6)	100,000,000	9.21%
Vigor Online Offshore Limited ("Vigor")	Beneficial owner		97,514,540	9.00%
China Spirit Limited ("China Spirit")	Held by controlled corporation	(Note 7)	97,514,540	9.00%
Ms. Chong Sok Un ("Ms. Chong")	Held by controlled corporation	(Note 8)	97,514,540	9.00%

Notes:

- The interest was held by Fareast Global Limited ("Fareast Global"), a wholly-owned subsidiary of TACI, TACI was therefore deemed to have an interest in the shares in which Fareast Global was interested.
- 2. This represents the same interests of TACI in 556,097,010 shares.
- AGL, through its wholly-owned subsidiaries, indirectly owned approximately 56.94% of the total number of issued shares of TACI and was therefore deemed to have an interest in the shares in which TACI was interested.
- 4. Mr. Lee Seng Hui, Director, together with Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust controlled approximately 74.99% of the total number of issued shares of AGL (inclusive of Mr. Lee Seng Hui's personal interests) and was therefore deemed to have an interest in the shares in which AGL was interested through TACI.
- 5. The interest was held by Cool Clouds, a wholly-owned subsidiary of Resuccess which in turn was a wholly-owned subsidiary of THTF. THTF was therefore deemed to have an interest in the shares in which Cool Clouds was interested.



INTERESTS OF SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Notes: (Continued)

- 6. The interest was held by Victor Beauty, a wholly-owned subsidiary of CMIC which in turn was a wholly-owned subsidiary of 中民投國際資本. 中民投國際資本 is owned approximately 77.4% by CMIF. CMIF, a wholly-owned subsidiary of CMIG, which in turn was a wholly-owned subsidiary of CMI. CMI was therefore deemed to have an interest in the shares in which Victor Beauty was interested.
- 7. The interest was held by Vigor, a wholly-owned subsidiary of China Spirit, China Spirit was therefore deemed to have an interest in the shares in which Vigor was interested.
- 8. Ms. Chong owned the entire issued share capital of China Spirit and was therefore deemed to have an interest in the shares in which China Spirit was interested.
- 9. All interests stated above represent long positions.

Save as disclosed above, as at 30 June 2025, the Company was not notified of any other persons having any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2025, the Company has applied the principles of, and complied with, the applicable code provisions set out in the section headed "Part 2 — Principles of good corporate governance, code provisions and recommended best practices" of the Corporate Governance Code under Appendix C1 of the Listing Rules.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have fully complied with the required standard as set out in the Model Code throughout the period under review.

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information on Directors are as follows:

Positions held with the Company

- Dr. Wong Wing Kuen, Albert, an existing member of the nomination committee of the Company (the "Nomination Committee"), assumed the role of chairman of the Nomination Committee with effect from 1 August 2025, succeeding Mr. Kong Muk Yin (the "Redesignation").
- 2. Mr. Kong Muk Yin continues to serve as a member of the Nomination Committee after the Redesignation.

Experience including other directorships held in the last three years in listed public companies and major appointments

- With effect from 17 April 2025, Mr. Lee Seng Hui is an alternate director to the non-executive chairman of Mount Gibson Iron Limited, a company listed on the Australian Securities Exchange.
- 2. Dr. Xia Xiaoning was an independent supervisor of Central China Securities Co. Limited until 30 June 2025.

Save as disclosed above, upon specific enquiry made by the Company and following confirmations from Directors, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published annual report.



AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with the management of the Company (the "Management") the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a general review of the interim report (including unaudited interim condensed consolidated financial statements for the six months ended 30 June 2025). In carrying out this review, the Audit Committee has relied on a review conducted by the Group's external auditor, BDO Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA as well as reports obtained from the Management. The Audit Committee has not undertaken detailed independent audit checks.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES

During the six months ended 30 June 2025, the Company repurchased a total of 1,965,000 Shares on the Stock Exchange at an aggregate consideration (before expenses) of HK\$1,532,600. All the repurchased Shares were subsequently cancelled.

Particulars of the repurchases are as follows:

	Number of Shares		se price Share	Aggregate consideration (before
Month	repurchased	Highest (HK\$)	Lowest (HK\$)	expenses) (HK\$)
March April May June	180,000 1,485,000 40,000 260,000	0.76 0.78 0.75 0.81	0.74 0.77 0.75 0.78	136,600 1,158,250 30,000 207,750
Total	1,965,000			1,532,600

On behalf of the Board

Tian An Medicare Limited

Kong Muk Yin

Executive Director

Hong Kong, 1 August 2025