



SINO-LIFE GROUP LIMITED
中國生命集團有限公司

Incorporated in the Cayman Islands with limited liability
Stock Code : 8296

資本服務科技

科技創造價值

2025 *Interim Report*

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors (the “Directors”) of Sino-Life Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company.

The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein or in this report misleading.

INTERIM RESULTS (UNAUDITED)

The board (the “Board”) of Directors is here to present the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2025 (the “Period”) together with the comparative unaudited condensed consolidated figures for the corresponding period in 2024 (the “Prior Period”), as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	3	36,039	34,383
Cost of sales and services rendered		(22,827)	(22,412)
Gross profit		13,212	11,971
Fair value (loss)/gain on financial assets measured at fair value through profit or loss (“FVTPL”)	11	(80)	79
Fair value (loss)/gain on convertible bonds designated at FVTPL		(615)	1,017
Other income and other net gains	4	3,395	1,321
Selling expenses		(1,721)	(1,657)
Administrative expenses		(19,225)	(19,474)
Other operating expenses		(148)	(2)
Loss from operations		(5,182)	(6,745)
Finance costs	5(a)	(749)	(928)
Loss before taxation	5	(5,931)	(7,673)
Income tax expense	6	(1,241)	(1,236)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

	Notes	Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Loss for the period		(7,172)	(8,909)
Other comprehensive income for the period			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		1,613	535
Other comprehensive income for the period, net of income tax		1,613	535
Total comprehensive expense for the period, net of income tax		(5,559)	(8,374)
Loss for the period attributable to:			
Owners of the Company		(4,803)	(8,665)
Non-controlling interests		(2,369)	(244)
		(7,172)	(8,909)
Total comprehensive expense attributable to:			
Owners of the Company		(3,749)	(6,868)
Non-controlling interests		(1,810)	(1,506)
		(5,559)	(8,374)
Loss per share			
Basic (RMB cents)	7(a)	(0.51)	(0.96)
Diluted (RMB cents)	7(b)	(0.38)	(1.00)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment	9	35,235	33,946
Right-of-use assets		13,676	14,601
Investment properties	10	4,544	4,392
Intangible assets		2	2
Interests in an associate		–	–
Goodwill		–	–
Other receivables and deposits paid	12	364	378
Deposits for hire of funeral parlours and funeral services centres	12	929	929
		54,750	54,248
CURRENT ASSETS			
Financial assets measured at FVTPL	11	39,061	39,373
Development and formation costs		3,384	3,790
Inventories		833	943
Trade and other receivables and deposits paid	12	41,778	43,016
Cash and bank balances		110,858	109,256
		195,914	196,378
CURRENT LIABILITIES			
Trade and other payables and deposits received	13	17,234	12,253
Contract liabilities		84,467	81,937
Lease liabilities		5,988	5,821
Bank borrowings		1,348	1,271
Income tax liabilities		3,897	5,008
Amounts due to directors	17(e)	1,815	2,935
Amount due to a shareholder	17(f)	10,701	11,146
Convertible bonds		12,929	12,754
Provisions		509	486
		138,888	133,611

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

		At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
	Notes		
NET CURRENT ASSETS		57,026	62,767
TOTAL ASSETS LESS CURRENT LIABILITIES		111,776	117,015
NON-CURRENT LIABILITIES			
Contract liabilities		519	577
Other payables and deposits received	13	590	590
Amount due to a shareholder		3,249	2,479
Lease liabilities		7,438	8,686
Bank borrowings		524	1,149
		12,320	13,481
NET ASSETS		99,456	103,534
EQUITY			
Equity attributable to owners of the Company			
Share capital	14	87,489	87,489
Reserves		32,214	35,963
		119,703	123,452
Non-controlling interests		(20,247)	(19,918)
TOTAL EQUITY		99,456	103,534

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to owners of the Company

	Share capital	Share premium	Merger reserve	Statutory reserve	Statutory surplus reserve	Properties revaluation reserve	Foreign currency translation reserve	Share-based compensation reserve	Other reserve	Convertible bonds	Accumulated losses	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2023 (Audited) and 1 January 2024 (Unaudited)	81,941	222,910	(16,261)	790	12,058	6,155	(14,932)	1,417	(1,785)	(27)	(168,548)	123,718	(15,185)	108,533
Loss for the period	-	-	-	-	-	-	-	-	-	-	(8,665)	(8,665)	(244)	(8,909)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	1,797	-	-	-	-	1,797	(1,262)	535
Other comprehensive income/(expenses)	-	-	-	-	-	-	1,797	-	-	-	-	1,797	(1,262)	535
Total comprehensive income/(expenses) for the period	-	-	-	-	-	-	1,797	-	-	-	(8,665)	(6,868)	(1,506)	(8,374)
Placement of new shares	5,548	-	-	-	-	-	-	-	-	-	-	5,548	-	5,548
Capital contribution from non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	240	240
At 30 June 2024 (Unaudited)	87,489	222,910	(16,261)	790	12,058	6,155	(13,135)	1,417	(1,785)	(27)	(177,213)	122,398	(16,451)	105,947
At 31 December 2024 (Audited) and 1 January 2025 (Unaudited)	87,489	222,709	(16,261)	790	12,058	9,779	(15,439)	1,417	(1,785)	(58)	(177,247)	123,452	(19,918)	103,534
Loss for the period	-	-	-	-	-	-	-	-	-	-	(4,803)	(4,803)	(2,369)	(7,172)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	1,054	-	-	-	-	1,054	559	1,613
Other comprehensive income/(expenses)	-	-	-	-	-	-	1,054	-	-	-	-	1,054	559	1,613
Total comprehensive income/(expenses) for the period	-	-	-	-	-	-	1,054	-	-	-	(4,803)	(3,749)	(1,810)	(5,559)
Capital contribution from non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	1,481	1,481
At 30 June 2025 (Unaudited)	87,489	222,709	(16,261)	790	12,058	9,779	(14,385)	1,417	(1,785)	(58)	(182,050)	119,703	(20,247)	99,456

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
NET CASH USED IN OPERATING ACTIVITIES	(1,989)	(12,145)
NET CASH GENERATED FROM INVESTING ACTIVITIES	74	704
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(1,255)	1,534
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,170)	(9,907)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	109,256	125,019
EFFECT OF FOREIGN EXCHANGE RATES CHANGES	4,772	3,658
CASH AND CASH EQUIVALENTS AT 30 JUNE	110,858	118,770
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	110,858	118,770

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. GENERAL

The Company was incorporated on 24 February 2005 in the Cayman Islands as an exempted company with limited liability under the Cayman Islands Companies Law. Its shares are listed on GEM of the Stock Exchange on 9 September 2009.

The Company is principally engaged in investment holding. The subsidiaries are mainly engaged in the provision of funeral and related services in the People's Republic of China (the "PRC"), Taiwan and Hong Kong Special Administrative Region, the PRC ("Hong Kong"), sale of burial plots and tombstones and provision of cemetery maintenance services in Socialist Republic of Vietnam ("Vietnam"), and sales of advance biotechnical machineries and other electronic products in Hong Kong. The Company and its subsidiaries are herein collectively referred to as the "Group". The addresses of the Company's registered office and principal place of business are The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands and 18/F., Ovest, No. 77 Wing Lok Street, Sheung Wan, Hong Kong respectively.

2. BASIS OF PREPARATION

These Group's unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements set out in Chapter 18 of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules") and Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations, including compliance with Hong Kong Accounting Standard ("HKAS") 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These unaudited condensed consolidated interim financial statements also comply with the applicable disclosure provisions of the GEM Listing Rules. These unaudited condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2024 (the "2024 Annual Financial Statements"), which have been prepared in accordance with HKFRS(s).

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2024 Annual Financial Statements, except for the changes in accounting policies that are expected to be reflected in the annual financial statements for the year ending 31 December 2025.

The HKICPA has issued certain new and amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. None of the developments have had a material effect on how the Group's results and financial position for the Period and the Prior Period have been prepared or presented in these unaudited condensed consolidated interim financial statements. The Group has not applied any new amendments to HKFRSs that are not yet effective for the current accounting period.

These unaudited condensed consolidated interim financial statements have been prepared under the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- investment properties;
- freehold land and buildings;
- financial assets measured as at FVTPL; and
- convertible bonds designated at FVTPL.

The preparation of these unaudited condensed consolidated interim financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2024 Annual Financial Statements.

These unaudited condensed consolidated interim financial statements contain unaudited condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 Annual Financial Statements. These unaudited condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRSs.

These unaudited condensed consolidated interim financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand, unless otherwise stated.

All intra-group assets and liabilities, equity, income and expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

These unaudited condensed consolidated interim financial statements have not been audited by the Company’s auditor, but have been reviewed by the Company’s audit committee (the “Audit Committee”).

3. REVENUE AND SEGMENT INFORMATION

(a) Revenue

Revenue represents the fair value of consideration received and receivables for the services rendered to customers and goods sold to customers. The amount of each significant category of revenue during the Period and the Prior Period are as follows:

	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Funeral services and cremation services provided in funeral parlours and funeral services centres under Group's management	34,298	33,007
Funeral arrangement and related consultancy services	1,125	1,376
Sales of burial plots and tombstones	616	–
	36,039	34,383

(b) Segment information

The Group manages its businesses by divisions, which are organised by a mixture of both business lines and geography. In a manner consistent with the way in which information is reported internally to the executive directors of the Company (the "Executive Directors"), which are the chief operating decision maker, for the purposes of resources allocation and performance assessment.

The reportable operating segments derive their revenue primarily from funeral services and biotechnical and other businesses for the Period and the Prior Period. Apart from the below operating and reportable segments, other activities of the Group were mainly investment holdings which are not considered as an operating segment and therefore grouped as "Unallocated" for the purpose of these unaudited condensed consolidated interim financial statements disclosures.

The Group had below two reportable segments:

- Funeral services: Provision of funeral related services, including arrangement and related consultancy services, provision of funeral and cremation services and sales of burial plots and tombstones; and
- Biotechnical and other businesses: Sales of biotechnical machineries and other electronic products.

(A) The segment information provided to the Executive Directors for the reportable segments for the six months ended 30 June 2025 and 2024 is as follows:

Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Executive Directors monitor the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all non-current assets and current assets with the exception of certain financial assets measured at FVTPL and corporate assets. Segment liabilities include trade and other payables and deposits received, contract liabilities, lease liabilities, bank borrowings, provisions, amounts due to directors and a shareholder and income tax liabilities attributable to the activities of the individual segments and borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

Segment results represent the profit and loss of each segment without allocation of fair value gain/(loss) on investment properties, financial assets measured at FVTPL and convertible bonds designated at FVTPL, unallocated other income and other net gains, unallocated head offices and corporate expenses, finance costs and income tax expense. This is the measure reported to the Executive Directors for the purposes of resource allocation and assessment of segment performance.

For the purpose of assessment by the Executive Directors, the finance costs on bank borrowings, convertible bonds and lease liabilities were not included in segment results while the bank borrowings and lease liabilities have been included in the segment liabilities.

Information regarding the Group's reportable segments as provided to the Executive Directors for the purposes of resources allocation and assessment of segment performance for the six months ended 30 June 2025 and 2024 is set out below.

	Six months ended 30 June					
	2025			2024		
	Funeral services	Biotechnical and other businesses	Total	Funeral services	Biotechnical and other businesses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Segment Revenue						
– Funeral services and cremation services provided in funeral parlours and funeral service centres under the Group's management	34,298	–	34,298	33,007	–	33,007
– Funeral arrangement and consultancy services	1,125	–	1,125	1,376	–	1,376
– Sales of burial plots and tombstones	616	–	616	–	–	–
	36,039	–	36,039	34,383	–	34,383
Segment operating profit/(loss)	844	(39)	805	972	(58)	914

There are no inter-segment sales during both the Period and the Prior Period.

The following table presents segment assets and segment liabilities of the Group's reportable segments as at 30 June 2025 and 31 December 2024:

	As at 30 June 2025			As at 31 December 2024		
	Biotechnical and other		Total	Biotechnical and other		Total
	Funeral services	businesses		Funeral services	businesses	
	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Audited)	RMB'000 (Audited)	RMB'000 (Audited)
Segment assets	208,388	2,292	210,680	208,997	2,959	211,956
Segment liabilities	126,106	5,693	131,799	108,147	4,722	112,869

Reconciliation of reportable segment profit or loss

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Total reportable segment revenue and consolidated revenue	36,039	34,383
Total reportable segment profit derived from Group's external customers	805	914
Fair value (loss)/gain on financial assets measured at FVTPL	(80)	79
Fair value (loss)/gain on convertible bonds designated at FVTPL	(615)	1,017
Unallocated other income and other net gains	3,395	1,321
Finance costs	(749)	(928)
Unallocated head office and corporate expenses	(8,687)	(10,076)
Consolidated loss before taxation	(5,931)	(7,673)

(B) Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical markets, major products and services lines and timing of revenue recognition.

For the six months ended 30 June 2025

	Funeral services RMB'000 (Unaudited)	Biotechnical and other businesses RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Primary geographical markets			
The PRC	34,298	–	34,298
Taiwan	626	–	626
Hong Kong	499	–	499
Vietnam	616	–	616
	36,039	–	36,039
Major products and services			
Funeral services and cremation services provided in funeral parlours and funeral service centres under the Group's management	34,298	–	34,298
Funeral arrangement and consultancy services	1,125	–	1,125
Sales of burial plots and tombstones	616	–	616
	36,039	–	36,039
Timing of revenue recognition			
At a point in time	616	–	616
Transferred over time	35,423	–	35,423
	36,039	–	36,039

For the six months ended 30 June 2024

	Funeral services RMB'000 (Unaudited)	Biotechnical and other businesses RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Primary geographical markets			
The PRC	33,007	–	33,007
Taiwan	962	–	962
Hong Kong	414	–	414
	34,383	–	34,383
Major products and services			
Funeral services and cremation services provided in funeral parlours and funeral service centres under the Group's management	33,007	–	33,007
Funeral arrangement and consultancy services	1,376	–	1,376
	34,383	–	34,383
Timing of revenue recognition			
At a point in time	–	–	–
Transferred over time	34,383	–	34,383
	34,383	–	34,383

(C) Geographic information

The following is an analysis of geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment, investment properties, right-of-use assets, intangible assets, interests in an associate, goodwill, other receivables and other deposits paid and deposits for hire of funeral parlours and funeral services centres (collectively the "Specified Non-Current assets").

The geographical location of customers refers to the location at which the services were provided or the goods delivered. The geographical locations of Specified Non-Current assets are based on the physical location of the assets, in case of property, plant and equipment, the physical location to which they are located. In the case of right-of-use assets, intangible assets, interests in an associate, goodwill, other receivables and deposits paid and deposits for hire of funeral parlours and funeral services centres, it is based on the location of the operation to these assets are allocated.

	Revenue from external customers		Specified Non-Current Assets	
	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
The PRC	34,298	33,007	19,603	20,450
Taiwan	626	962	34,079	32,663
Hong Kong	499	414	663	693
Vietnam	616	–	405	442
	36,039	34,483	54,750	54,248

4. OTHER INCOME AND OTHER NET GAINS

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income on financial assets		
measured at amortised cost		
– Interest income on deposits at bank and		
financial institutions	216	144
– Loans advanced to independent		
companies (note a)	54	–
	270	144
Rental income from investment properties	559	574
Gains/(losses) on disposals of property,		
plant and equipment	23	(19)
Gains on disposal of financial assets		
measured at FVTPL	2,234	564
Net exchange gains	15	20
Sundry income	294	38
	3,395	1,321

- (a) During the Period, the Group advanced a total of approximately RMB6,380,000 (the Prior Period: RMBnil) to three parties. Of these, two parties are independent of the Group, while another party, in which Nanyue CB (as defined in Note 17(c)(v)) owns 26% of the shares, received a loan of RMB1,700,000 from the Group. All loans to the independent parties and the party associated with Nanyue CB were unsecured, interest-bearing at a rate of 3.45% per annum, and had repayment periods ranging from 0.34 to 0.62 years. All counterparties fully repaid their loans before the end of the reporting period. The Group recognised interest income of approximately RMB54,000 (the Prior Period: RMBnil) on these loans during the Period, of which approximately RMB11,000 (the Prior Period: RMBnil) was derived from the loan to the party associated with Nanyue CB.

5. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting) the followings:

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
(a) Finance costs			
Interest on lease liabilities	617	653	
Interest on bank borrowings	48	192	
Interest on convertible bonds designated at FVTPL	84	83	
	749	928	
(b) Staff costs (including Directors' emoluments)			
Salaries, wages and other benefits	13,536	13,514	
Contributions to defined contribution retirement plans	1,143	1,144	
	14,679	14,658	
(c) Depreciation and amortisation			
Right-of-use assets	2,610	2,563	
Property, plant and equipment	859	591	
Intangible assets	144	289	
	3,613	3,443	
(d) Other items			
Cost of inventories recognised as an expense	3,233	2,517	
Rental income from investment properties less direct outgoing of RMBnil (the Prior Period: RMBnil)	559	(574)	
Lease payments for property, plant and equipment not included in the measurement of lease liabilities: minimum lease payment	185	—	

6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
PRC Enterprise Income Tax ("EIT") (Note (c))		
– current period	1,241	1,236

Notes:

- (a) Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profit above HK\$2,000,000.

No provision for Hong Kong profits tax has been made as the Group has no assessable profits in Hong Kong for both the Period and the Prior Period.

- (b) The Group is not subject to any taxation under the jurisdiction of the Cayman Islands, Independent State of Samoa ("Samoa") and the British Virgin Islands ("BVI") for both the Period and the Prior Period.
- (c) During the Period and Prior Period, all subsidiaries operating in the PRC are subject to Enterprise Income Tax rate at 25% in accordance with the Law of the PRC on Enterprises Income Tax.

- (d) Bau Shan Life Science Technology Co., Ltd. (“Bau Shan”), a direct subsidiary of the Company, and Bao De Life Enterprise Co., Ltd. (“Bao De”) and Bu Lao Lin Limited (“BLL”), both indirect subsidiaries of the Company, are subject to Taiwan Enterprise Income Tax at 17% for both the Period and Prior Period on taxable profits determined in accordance with the Income Tax Act and other relevant laws in Taiwan. No provision for Taiwan Enterprise Income Tax has been made as Bau Shan has accumulated tax loss brought forward which exceed the estimated assessable profits for both the Period and Prior Period, and Bao De and BLL have no assessable profits for both the Period and the Prior Period.
- (e) Bao Son Life Company Limited (“Bao Son Life”) and Hoan Loc Viet Duc Hoa Corporation (“HLV Duc Hoa”), indirect non-wholly-owned subsidiaries of the Company, are subject to Vietnam Corporate Income Tax at 20% for both the Period and the Prior Period, on taxable profits determined in accordance with the relevant laws and regulations in Vietnam. No provision for Vietnam Corporate Income Tax has been made as Bao Son Life and HLV Duc Hoa have no assessable profits for both the Period and the Prior Period.

7. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share for the six months ended 30 June 2025 and 2024 are as follow:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss attributable to the owners of the Company (RMB'000)	(4,803)	(8,665)
Weighted average number of ordinary shares (note (i))	94,500,000	90,181,300
Basic loss per share (RMB cents)	(0.51)	(0.96)

(b) Diluted loss per share

The calculation of diluted loss per share for the six months ended 30 June 2025 and 2024 are as follow:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss:		
Loss attributable to owners of the Company for the purpose of basic loss per share	(4,803)	(8,665)
Effect of dilutive potential ordinary shares		
– Interest on convertible bonds	84	83
– Fair value loss/(gain) on convertible bonds	615	(1,017)
Loss attributable to owners of the Company for the purpose of diluted loss per share	(4,104)	(9,599)

	Six months ended 30 June	
	2025	2024
Number of shares: (note (i))		
Weighted average number of shares for the purpose of basic loss per share	94,500,000	90,181,300
Effect of dilutive potential ordinary shares		
– Convertible bonds	14,412,698	5,646,619
Weighted average number of shares for the purpose of diluted loss per share (note(ii))	108,912,698	95,827,919
Diluted loss per share (RMB cents)	(0.38)	(1.00)

Notes:

- i) The weighted average number of ordinary shares and the effect of dilutive potential ordinary shares for the Prior Period has been restated to reflect the effect of the share consolidation with effect from 14 October 2024 as if they happen on 1 January 2024 (Note 14(a)(ii)).
- ii) For both the six months ended 30 June 2025 and 2024, the computation of diluted loss per share did not assume the exercise of share options because the share options had an anti-dilutive effect on the basic loss per share.

8. DIVIDENDS

The Directors do not recommend payment of interim dividend for both the Period and the Prior Period.

9. PROPERTY, PLANT AND EQUIPMENT

(a) Acquisitions and disposals

During the Period, the Group acquired items of property, plant and equipment with a cost of approximately RMB143,000 (the Prior Period: RMB52,000). Items of property, plant and equipment with carrying amounts of approximately RMB430,000 were disposed of during the Period (the Prior Period: RMB560,000).

(b) Valuation

The freehold land and buildings held by the Group for own use were carried at their fair values as determined by the Directors, at 30 June 2025, with reference to recent market transactions for similar properties; and at 31 December 2024, with reference to the valuation reports prepared by an independent firm of surveyors.

No revaluation surplus or deficit has been recognised in other comprehensive expense and accumulated in properties revaluation reserve during both the Period and Prior Period.

10. INVESTMENT PROPERTIES

Valuation

The investment properties held by the Group were carried at its fair value as determined by the Directors, at 30 June 2025, with reference to recent market transactions for similar properties; and at 31 December 2024, with reference to the valuation reports prepared by an independent firm of surveyors.

11. FINANCIAL ASSETS MEASURED AT FVTPL

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Mutual funds/unit trusts established in Taiwan (note (i))	32,096	31,657
Listed outside Hong Kong for trading purpose (note (ii))		
– Equity securities	6,456	7,519
– Exchange traded funds	509	197
	39,061	39,373

Notes:

- (i) According to the Mortuary Service Administration Act (殯葬管理條例) in Taiwan, which was first promulgated on 17 July 2002 and further amended on 1 July 2003 and 4 July 2007, the Group has to deposit 75% of the gross receipt of each funeral services deed entered into after 31 July 2003 in financial institutions in Taiwan as trust monies.

The trust monies have been invested, in mutual funds and unit trusts in Taiwan, which were managed by fund managers of these financial institutions in Taiwan. The mutual funds and unit trusts comprise a basket of financial assets including local and foreign currencies bank deposits, bonds and equity securities listed in Taiwan and other foreign stock markets.

The financial assets above offer the Group the opportunity for return through fair value gain. They have no fixed maturity and coupon rate.

The fair value of the above financial assets is based on their current bid prices in an active market.

- (ii) At 30 June 2025 and 31 December 2024, the equity securities and exchange traded funds listed outside Hong Kong for trading purpose were stated at fair value, determined by reference to bid prices quoted in an active market.

The above financial assets are classified as current as the management expects to realise these financial assets within twelve months after the reporting period.

Mutual funds/unit trusts are presented within "operating activities" as part of changes in working capital and equity securities and exchange traded funds for trading purpose are presented within "investing activities" in the condensed unaudited consolidated statement of cash flows. The Group recognised a net unrealised loss of approximately RMB(80,000) for the Period (the Prior Period: net unrealised gain of approximately RMB79,000).

12. TRADE AND OTHER RECEIVABLES

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Trade receivables from contracts with customers	1,497	1,692
Less: Allowance for expected credit losses ("ECLs")	(1,165)	(1,165)
Trade receivables from contracts with customers, net (note (a))	332	527
Prepayments, deposits paid and other receivables	30,105	31,101
Amounts due from security brokers (note (d))	12,634	12,695
	43,071	44,323
Representing:		
Current		
– Trade and other receivables and deposits paid	41,778	43,016
Non-current		
– Deposits for hire of funeral parlours and funeral services centre	929	929
– Other receivables and deposits paid	364	378
	43,071	44,323

Notes:

- (a) Trade receivables from contract with customers with the following aging analysis by age presented based on the invoice date, net of allowance, as at 30 June 2025 and 31 December 2024 is as below:

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
0 to 180 days	332	527

During the Period, the average credit period for funeral arrangement services granted to non-funeral services deed customers is 45 days (the Prior Period: 45 days).

There is no credit period granted to customers for the other services rendered by the Group.

The Group does not hold any collateral over these balances.

- (b) All of the current portion of trade and other receivables and deposits paid are expected to be recovered within one year and prepayments are expected to be recognised as expense within one year or in its normal operating cycle.
- (c) The carrying amounts of trade and other receivables and deposits paid approximate to their fair values.
- (d) Amounts due from security brokers are required to be settled on the settlement date determined under the relevant market practices or exchange rules. The full amount was subsequently refunded.

13. TRADE AND OTHER PAYABLES AND DEPOSITS RECEIVED

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Trade payables (note (c))	1,945	2,256
Other payables and accruals	15,541	10,249
Deposits received	338	338
	17,824	12,843
Less: deposits received	(338)	(338)
Financial liabilities measured at amortised cost	17,486	12,505
Representing:		
Non-current liabilities		
– Other payables and deposits received	590	590
Current liabilities		
– Trade and other payables and deposits received	17,234	12,253
	17,824	12,843

Notes:

- (a) All of the current portion of trade and other payables and deposits received are expected to be settled within one year or are repayable on demand.
- (b) The carrying amounts of trade and other payables and deposits received approximate to their fair values.
- (c) The following is an ageing analysis of trade payables, based on the date of receipt of goods or services received, as at 30 June 2025 and 31 December 2024:

	At	At
	30 June	31 December
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
0 to 30 days	1,106	1,283
31 days to 90 days	44	51
Over 90 days	795	922
	1,945	2,256

During the Period, the average credit period on purchase of goods is 30 days (the Prior Period: 30 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

14. CAPITAL AND RESERVES

(a) Share Capital

	No. of shares	Amount RMB'000
Authorised - Ordinary shares:		
At 1 January 2024 (audited),		
30 June 2024 (unaudited) and 1 July		
2024 (unaudited) of HK\$0.1 each	10,000,000,000	881,541
Share consolidation (note (ii))	(9,000,000,000)	–
At 31 December 2024 (audited) and 30		
June 2025 (unaudited) of HK\$1.0 each	1,000,000,000	881,541
Issued and fully paid - Ordinary shares:		
At 1 January 2024 (audited),		
30 June 2024 (unaudited) and 1 July		
2024 (unaudited) of HK\$0.1 each	885,000,000	81,941
Placing of shares (note (i))	60,000,000	5,548
30 June 2024 (unaudited) and 1 July		
2024 (unaudited) of HK\$0.1 each	945,000,000	87,489
Share consolidation (note (ii))	(850,500,000)	–
At 30 June 2025 (unaudited) of		
HK\$1.0 each	94,500,000	87,489

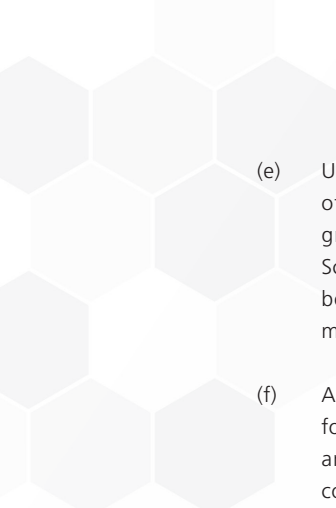
Notes:

- (i) On 14 June 2024, the Company placed 60,000,000 new shares to not less than six placees at the placing price of HK\$0.1 per placing share with total gross proceeds of approximately RMB5,548,000 and the related issue expenses were approximately RMB201,000.
- (ii) Pursuant to an ordinary resolution passed in the extraordinary general meeting of the Company on 9 October 2024, every ten issued and unissued shares of HK\$0.1 each were consolidated into one consolidated share of the Company of HK\$1 each. The changes took effect on 14 October 2024.

(b) Equity settled share-based transactions

Pursuant to the ordinary resolution of the shareholders of the Company dated 21 April 2021, a share option scheme ("2021 Share Option Scheme") was approved and adopted. The major terms of the 2021 Share Option Scheme are summaries as follows:

- (a) The purpose of the 2021 Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to eligible participants and to promote the success of the business of the Group.
- (b) The eligible participants include any director, employee, advisor, consultant, supplier, agent, customer, partner or joint-venture partner of the Company or any subsidiary of the Company, who, in the absolute discretion of the board of the directors of the Company, has contributed or may contribute to the Group so as to promote the success of the business of the Group.
- (c) The exercise price of a share option under the 2021 Share Option Scheme shall be determined at the absolute discretion of the board of directors of the Company but in any event will not be less than the highest of (i) the closing price of the shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the offer date of the particular option, which must be a business day; (ii) the average of the closing prices of the shares as shown in the daily quotations sheets of the Stock Exchange for the five consecutive business days immediately preceding the offer date of that particular option; and (iii) the nominal value of a share on the offer date of the particular option.
- (d) The maximum number of shares which may be issued upon exercise of all share options to be granted under the 2021 Share Option Scheme and any other share option schemes must not in aggregate exceed 10% of the shares in issue, unless the grant of options, beyond the limit of 10% but not exceeding 30% of the shares in issue, is specifically approved by the shareholders of the Company in an annual general meeting.

- 
- (e) Unless approved by the Company's shareholders, the total number of shares issued and to be issued upon exercise of the options granted and to be granted pursuant to the 2021 Share Option Scheme and any other share option schemes of the Group (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares in issue.
 - (f) An offer shall be made to a eligible participant in writing in such form as the Company's directors may from time to time determine and shall remain open for acceptance by the eligible participant concerned for a period of 10 days from the date upon which it is made provided that no such offer shall be open for acceptance after the 10th anniversary of the adoption date of the 2021 Share Option Scheme or the termination of the 2021 Share Option Scheme. An offer shall be deemed to have been accepted by the eligible participant to whom the offer is made when the duplicate letter comprising acceptance of the offer duly signed by the eligible participant, together with a non-refundable remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within such time as may be specified in the offer (which shall not be later than 10 days from, and inclusive of, the date of the offer), or within such time as may be determined by the board of directors of the Company pursuant to the GEM Listing Rules.
 - (g) An option may be exercised at any time during the period to be determined and identified by the board of directors of the Company to each grantee at the time of making an offer for the grant of an option, but in any event no later than 10 years from the date of offer.
 - (h) An option shall be exercisable in whole or in part in the circumstances by giving notice in writing to the Company stating that the option is thereby exercised and the number of shares in respect of which it is so exercised. Each such notice must be accompanied by a remittance for the full amount of the subscription price for shares in respect of which the notice is given.

These Share Options were vested immediately upon the grant of Share Options, and then be exercisable until 18 May 2032. The exercise price is HK\$0.137, being the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of the grant of the Share Options.

The terms and conditions of the options granted are as follows:

	Number of shares issuable under options granted	Exercisable period	Contractual life of options
Options granted on 19 May 2022:			
Options granted to directors:			
– on 19 May 2022 (note)	7,424,000	19 May 2022 to 18 May 2032	10 years
Options granted to an employee:			
– on 19 May 2022	3,700,000	19 May 2022 to 18 May 2032	10 years
Options granted to business partners:			
– on 19 May 2022	14,832,000	19 May 2022 to 18 May 2032	10 years
Total share options	25,956,000		

Note: The directors who was granted the options resigned as directors of the Company on 31 August 2023 and 3 April 2023 respectively. Their share options were lapsed accordingly.

The method of settlement for options granted is by equity. The closing price of the Company's share on 19 May 2022, the date on which the options were granted was HK\$0.137.

During both the Period and the Prior Period, no share options was lapsed, granted, cancelled and exercised.

The particulars of outstanding options at the end of the reporting period as follows:

	Six months ended 30 June			
	2025 (Unaudited)	Number of shares issuable under options granted (Note)	2024 (Unaudited)	Number of shares issuable under options granted
	Weighted average exercise price (Note)		Weighted average exercise price	
Outstanding at the beginning of the period	HK\$1.37	1,853,200	HK\$0.137	18,532,000
Granted during the period	N/A	–	N/A	–
Lapsed during the period	N/A	–	N/A	–
Outstanding at the end of the period	HK\$1.37	1,853,200	HK\$0.137	18,532,000
Exercisable at the end of the period	HK\$1.37	1,853,200	HK\$0.137	18,532,000

Note: Upon the completion of the share consolidation on 14 October 2024 (Note 14(a)(ii)), the exercise price of the share options was adjusted from HK\$0.137 to HK\$1.37 per share option, and the number of shares issuable under share options granted was adjusted from 18,532,000 to 1,853,200.

Terms of unexpired and unexercised share options at the end of the reporting period are as follows:

31 December 2024 and 30 June 2025	Number of shares issuable under options granted	Vesting period	Exercisable period	Exercise price
Options granted on 19 May 2022:				
Options granted to an employee:				
– on 19 May 2022	370,000	N/A	19 May 2022 to 18 May 2032	HK\$1.37
Options granted to business partners:				
– on 19 May 2022	1,483,200	N/A	19 May 2022 to 18 May 2032	HK\$1.37
Total share options outstanding	1,853,200			

The share options outstanding at 30 June 2025 had exercise price of HK\$1.37 (31 December 2024: HK\$1.37) and a weighted average remaining contractual life of 6.88 years (31 December 2024: 7.38 years).

The options granted on 19 May 2022 shall expire ten years from the date of grant. As at 30 June 2025, 1,853,200 options (31 December 2024: 1,853,200 options) were exercisable at any time during a period of 10 years from the date of grant.

15. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The Group has a team headed by the financial manager performing valuations for the financial instruments. The team reports directly to the Directors and the Audit Committee. Results of the valuations at interim and annual reporting date are reviewed and approved by the Directors. Discussion of the valuation process and results with the Directors and the Audit Committee is held quarterly, to coincide with the reporting dates.

		Fair value measurements as at 30 June 2025			
	Fair value at 30 June 2025	Level 1	Level 2	Level 3	
	RMB'000	RMB'000	RMB'000	RMB'000	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
Recurring fair value measurement					
Financial assets:					
Financial assets measured					
at FVTPL	39,061	39,061	–	–	
Financial liability:					
Convertible bonds	12,929	–	–	12,929	
		Fair value measurements as at 31 December 2024			
	Fair value at 31 December 2024	Level 1	Level 2	Level 3	
	RMB'000	RMB'000	RMB'000	RMB'000	
	(Audited)	(Audited)	(Audited)	(Audited)	
Recurring fair value measurement					
Financial assets:					
Financial assets measured					
at FVTPL	39,373	39,373	–	–	
Financial liability:					
Convertible bonds	12,754	–	–	12,754	

During the Period and the Prior Period, there were no transfer between instrument in Level 1 and Level 2 or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(b) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at costs or amortised costs are not materially different from their fair values as at 31 December 2024 and 30 June 2025.

16. CAPITAL COMMITMENTS

Capital commitments outstanding at 30 June 2025 and 31 December 2024 not provided for in these unaudited condensed consolidated financial statements are as follows:

	30 June 2025 RMB'000	31 December 2024 RMB'000
Capital expenditure contracted but not provided for:		
– Interest in an associate	2,460	2,460
– Financial assets measured at FVTPL	2,000	2,000
– Intangible assets	225	225
	4,685	4,685

17. RELATED PARTY TRANSACTIONS

The Group has entered into the following material related party transactions:

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Directors, is as follows:

	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short-term employee benefits	3,680	3,677

(b) Remuneration for close family members of key management personnel

Remuneration for close family members of key management personnel of the Group is as follows:

	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short-term employee benefits	605	579

(c) Other related parties transactions

- (i) On 15 March 2013, a renewal of deed of trust (the “Niao Song Deed”) was entered into between Bau Shan and Ms. Li Pi Hsia (“Ms. Li”), spouse of Mr. Liu Tien-Tsai (“Mr. Liu”), in relation to the land property situated in Taiwan at No. 943 in Section Linnei, Niao Song Township, Kaohsiung County, Taiwan (the “Niao Song Property”). Under the Niao Song Deed, Bau Shan agreed that the Niao Song Property, which is owned by Bau Shan, shall be registered under the name of and held on trust by Ms. Li for Bau Shan for a term of ten years commencing on 15 March 2013. Ms. Li has agreed that she shall act in the interest of Bau Shan in relation to the Niao Song Property during the term of the Niao Song Deed.
- (ii) On 25 March 2016, a deed of trust (the “Neimen Deed”) was entered into between BLL and Mr. Liu in relation to a land property situated in Taiwan at No. 0300-00001 in Section Laizikeng, Neimen District, Kaohsiung County, Taiwan (the “Neimen Property”). Under the Neimen Deed, BLL agreed that the Neimen Property, which is owned by BLL, shall be registered under the name of and held on trust by Mr. Liu for BLL. Mr. Liu has agreed that he shall act in the interest of BLL in relation to the Neimen Property.
- (iii) On 1 April 2016, BLL was granted by Mr. Liu Ting Husan, close family member of Mr. Liu, on an exclusive basis a licence to use a number of trademarks in connection with the elderly care and related consultancy services of BLL at a consideration of HK\$1,000 per year.
- (iv) Guarantee for the Group’s bank loan of approximately RMB629,000 (31 December 2024: RMB580,000) is given by Mr. Liu as at 30 June 2025.

- (v) On 13 September 2021, Zhongke Xunda Biotechnology (Shenzhen) Company Limited* (中科訊達生物科技(深圳)有限公司) ("Zhongke Xunda"), an indirect wholly-owned subsidiary of the Company, entered into a capital increase agreement (the "Capital Increase Agreement") with Shenzhen Nanyue Crown Block Bio Intelligent Equipment Investment Co., Ltd.* (深圳市南嶽天車生物智能裝備投資有限公司) ("Nanyue CB") to increase the registered capital of Zhongke Zhenhui (Guangdong) Medical Technology Company Limited* (中科臻慧(廣東)醫療科技有限公司) from RMB10,000,000 to RMB80,000,000 on a pro-rata basis. Pursuant to the Capital Increase Agreement, Zhongke Xunda and Nanyue CB agreed to contribute, by way of cash, RMB35,700,000 and RMB34,300,000 into the registered capital of Zhongke Zhenhui, respectively. Nanyue CB is ultimately owned as to approximately 71.25% by Mr. Xu Jianchun and his associates.

The Group has acquired the paid-up capital of Zhongke Zhenhui amounting to RMB16,200,000, which is equivalent to 20.25% equity interest in Zhongke Zhenhui at a consideration of RMB15,930,000 (equivalent to HK\$18,160,000) during the year ended 31 December 2023.

During the Period, Nanyue CB contributed the paid-up capital of Zhongke Zhenhui of RMB1,481,000 (the Prior Period: RMB240,000).

As at 30 June 2025, Nanyue CB contributed RMB2,191,000 (31 December 2024: RMB710,000) into the registered capital of Zhongke Zhenhui.

(d) **Amounts due from/(to) other related parties**

Particular of amounts due from/(to) other related parties, which are included in trade and other receivables or in trade and other payables are disclosed as follows:

		At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Relationship			
Ms. Chang Hui-Lan	Key management personnel	(43)	109
Mr. Liu Ting Hsuan	Close family member of key management personnel	—	(242)

The amounts are unsecured, interest free and repayable on demand.

(e) **Amounts due to directors**

Particular of amounts due to directors are disclosed as follows:

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Mr. Liu	2,190	2,390
Mr. Xu Jianchun	477	517
Mr. Chai Chung Wai	14	14
Ms. Hu Zhaohui	14	14
	2,695	2,935

The amounts are unsecured, interest free and repayable on demand.

* For identification purpose only

(f) **Amount due to a shareholder**

Particular of amount due to a shareholder is disclosed as follows:

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Hong Kong Gaoqi Biological Technology Company Limited	13,950	13,625

As at 30 June 2025, the amount due to a shareholder classified as current liabilities amounting to approximately RMB10,701,000 (31 December 2024: RMB11,146,000) are unsecured, interest-free and repayable on demand, while the remaining portion of RMB3,249,000 (31 December 2024: RMB2,479,000) is unsecured, interest-free and repayable after one year.

18. EVENTS AFTER REPORTING PERIOD

(a) **Disposal of 100% equity interest in Allied Smart Development Limited**

On 30 July 2025, the Company entered into a sale and purchase agreement (the "Sale and Purchase Agreement") with Hao Shan Limited (the "Purchaser"), a company incorporated in the British Virgin Islands with limited liability, and the ultimate beneficial owner of the Purchaser is Wang Li Wen, in relation to the sale and purchase of all the issued share (the "Sale Share") in Allied Smart Development Limited (the "Disposal Company") at the consideration of HK\$10,000,000 (the "Consideration") (the "Disposal").

Pursuant to the Sale and Purchase Agreement, the Company conditionally agreed to sell and the Purchaser conditionally agreed to acquire the Sale Share, representing 100% of the issued share capital of the Disposal Company.

The Consideration shall be HK\$10,000,000 and shall be payable as follows:

- (i) On the fifth business days following the fulfilment of the conditions and the performance by the parties of their respective obligations under the Sale and Purchase Agreement (the “Completion Date”), the Purchaser shall pay HK\$1,800,000;
- (ii) Within six months from the Completion Date but no later than the last business day of the sixth month following the Completion Date, the Purchaser shall pay HK\$6,000,000; and
- (iii) Within twelve months from the Completion Date but no later than the last business day of the twelfth month following the Completion Date, the Purchaser shall pay HK\$2,200,000.

The Consideration was arrived at after arm’s length negotiations between the Company and the Purchaser on normal commercial terms with reference to the latest financial information of the Disposal Company.

The Disposal Company and its subsidiaries (the “Disposal Group”) have been generated minimal revenue since its establishment and has failed to achieve the anticipated business growth. After careful consideration of the relevant financial performance of the Disposal Group, the Company has decided to cease operations of the Disposal Group in Vietnam through the Disposal. The Disposal will enable the Company to streamline its business operations, reallocate its resources more effectively to other business segments with better growth prospects and save up additional reserve for backing up its other business development opportunities in the future.

In view that the Consideration representing a premium over the net asset value of the Disposal Group as at 31 December 2024, the Board considers that the terms of the Disposal are on normal commercial terms, which are fair and reasonable and in the interest of the Company and its shareholders as a whole.

Up to the date of this report, the Disposal has been completed. For details, please refer to the announcements of the Company dated 30 July 2025 and 5 August 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

The global business landscape has presented a dynamic environment, marked by evolving geopolitical tensions and shifts in international trade policies, including recent tariff adjustments. While these factors, alongside elevated interest rates and a rebalancing property market, have influenced business sentiment, the Group has strategically adapted to these conditions, focusing on resilience and targeted growth.

Economic Environment and Market Conditions

In the first half of 2025, the global economy experienced deep differentiation, with weakened growth momentum and increasing instability and uncertainty. While maintaining steady upward trend, China's economy has accelerated its structural optimisation, unleashing its endogenous growth potential. According to the National Bureau of Statistics of China ("National Bureau of Statistics"), China's Gross Domestic Product ("GDP") reached RMB66,053.6 billion in the first half of 2025, marking a year-on-year increase of 5.3%. The quality of China's economic development steadily improved, demonstrating resilience and vitality amid a volatile global landscape.

Consumer behaviors are adapting in the post-pandemic era, with a growing emphasis on value-oriented offerings, which the Group is actively addressing through tailored service provisions. While the economic recovery has been multifaceted, the Group's focus remains on aligning with evolving consumer preferences.

In the Hong Kong Special Administrative Region ("Hong Kong"), the People's Republic of China (the "PRC" or "China"), the Group is proactively navigating external market dynamics and evolving consumer behaviors, identifying new opportunities for adaptation and growth.

Group Performance Overview

Despite the broader economic shifts in China, Sino-Life Group Limited (the “Company”) and its subsidiaries (the “Group”) has demonstrated resilience. While performance from some geographical segments continued to grow during the six months ended 30 June 2025 (the “Current Period”) compared to the six months ended 30 June 2024 (the “Prior Period”), driven by the Group’s implementation of various initiatives to navigate the evolving customer market. These strategic efforts are also positioning the Group for future success. The Group’s management has remained highly vigilant, closely monitoring economic developments and implementing proactive response strategies that leverage its inherent strengths to optimize business deployment.

Looking ahead, the long-term outlook for China’s consumer market remains robust. The continuous improvement in living standards and steady income growth underpin an unchanged upgrading trend in consumption structure. Emerging consumption highlights such as digital consumption and healthy consumption underscore a growing demand for quality, which aligns perfectly with the Group’s long-term strategic objectives.

Strategic Focus: Biotechnology Sector

China’s biotechnology sector is thriving, driven by innovation and potential. Over the past decade, regulatory reforms and increased government funding have shifted the focus from generics to novel drug development. Strategic initiatives like the “Healthy China 2030” plan and the “14th Five-Year Plan for Biotechnology Development” (Source: Ministry of Science and Technology of the PRC) promote innovation and commercialization in biomedicine, including stem cell research, regenerative medicine, and precision medicine.

While 2024 has seen a more cautious funding environment compared to the exceptional activities of 2023, due to global uncertainties and a broader recalibration of private-sector capital, strategic partnerships and licensing deals remain prevalent. This signifies continued confidence, with global pharmaceutical companies increasingly collaborating with Chinese biotech firms to access innovative therapies and cost-effective development opportunities.

To accelerate the Group's expansion in this sector, the Group has meticulously assembled a professional investment team. This team is comprised of expert consultants in the biotechnology industry, seasoned investment and research professionals with substantial sector experience, and highly skilled professionals in management, finance, and legal disciplines. This specialized team ensures comprehensive expertise to drive the Group's biotechnology initiatives forward.

Outlook and Future Strategy

The Group will continue to concentrate on enhancing operational efficiency and forging strategic partnerships. The Group is committed to closely monitoring macroeconomic signals and consumer confidence to adapt its business strategies dynamically. The specialized and comprehensive investment platform established by the Group since 2021, with its focus on biotechnology development – including, but not limited to, biomedicine, medical healthcare, and life science instruments – has already created significant synergistic effects with the Group's existing businesses through numerous strategic investments. As both business segments navigate the evolving landscape in 2024, the Company will strategically balance short-term recovery measures with long-term investments in innovation and efficiency, thereby improving overall returns for the Company and the shareholders of the Company (the "Shareholder(s)").

Segmental Revenue Analysis

The revenue generated from our respective geographical segments during the Current Period and the Prior Period is presented as follows:

Six months ended 30 June	2025 (RMB'000)	2025 (%)	2024 (RMB'000)	2024 (%)
The PRC	34,298	95.2%	33,007	96.0%
Taiwan	626	1.7%	962	2.8%
Hong Kong	499	1.4%	414	1.2%
Socialist Republic of Vietnam ("Vietnam")	616	1.7%	–	–
Total	36,039	100.0%	34,383	100.0%

The PRC

Business in the PRC continued to be the primary source of the Group's operational income during the Current Period. The Group's revenue derived from the PRC market was approximately RMB34,298,000 for the Current Period (Prior Period: RMB33,007,000), representing an increase of approximately 3.9% from the Prior Period. In the PRC, the Group is principally engaged in the provision of funeral, cremation, and cemetery services in funeral parlours and funeral service centers under the Group's management in Chongqing.

In response to the evolving economic landscape, consumer demand for traditional funeral, cremation, and cemetery services has shifted towards more value-oriented offerings. The Group has proactively addressed this by adjusting its service portfolio, leading to increase in the service volume, and in turn translating in to a year-on-year increase in revenue from funeral, cremation, and cemetery services of approximately 3.9% from approximately RMB33,017,000 during the Prior Period to approximately RMB34,298,000 during the Current Period. This strategic adjustment ensures its offerings remain aligned with market needs and maintain its competitiveness.

Taiwan and Hong Kong

In Taiwan and Hong Kong, the Group is engaged in the sales of funeral services deeds, recognized as contract liabilities, and the provision of funeral arrangement services to both deed holders and non-funeral services deed holders, which contribute to the Group's revenue. Additionally, the Group strategically carries out sales of biotechnological machineries and other electronics products in Hong Kong, diversifying its revenue streams.

The Group's business in Taiwan demonstrated an unfavourable conditions, generating revenue of approximately RMB626,000 during the Current Period compared to approximately RMB962,000 during the Prior Period. On the other hand, business in Hong Kong improved from approximately RMB414,000 during the Prior Period to approximately RMB499,000 during the Current Period, the Group was actively implementing strategies to enhance performance. As of 30 June 2025, the Group recorded approximately RMB3,155,000 in unearned revenue related to its Hong Kong sales of biotechnological machineries and electronics products, highlighting future revenue potential.

Vietnam

Since the Prior Period, the Group strategically paused sales activities in the Vietnam market due to a significant decline in demand for burial plots. This led to a minimal revenue contribution of approximately RMB616,000, accounting for only 1.7% of the Group's total revenue during the Current Period.

After careful consideration of the relevant financial performance of the Group's operation in Vietnam, the Company has decided to cease its operations in Vietnam. Thus, subsequent to the period end date, on 30 July 2025, the Company entered into a sale and purchase agreement (the "Sale and Purchase Agreement") with Hao Shan Limited (the "Purchaser"), a company incorporated in the British Virgin Islands with limited liability, and the ultimate beneficial owner of the Purchaser is Wang Li Wen, in relation to the sale and purchase of all the issued share in Allied Smart Development Limited (the "Disposal Company") at the consideration of HK\$10,000,000 (the "Consideration") (the "Disposal"). The Disposal was completed as at the date of this report.

The Disposal will enable the Company to streamline its business operations, reallocate its resources more effectively to other business segments with better growth prospects and save up additional reserve for backing up its other business development opportunities in the future.

In view that the Consideration representing a premium over the net asset value of the Disposal Company and its subsidiaries as at 31 December 2024, the Board considered that the terms of the Disposal are on normal commercial terms, which are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

FINANCIAL REVIEW

The Group's operations have effectively navigated the dynamics of the Chinese economy, focusing on strategic adjustments to market conditions. While factors such as domestic demand and industrial capacity have influenced overall revenue, the Group's decisive actions are reinforcing our financial position.

As compared with the Prior Period, the Group's revenue increased by approximately RMB1,656,000 or 4.8% to approximately RMB36,039,000 during the Current Period from approximately RMB34,383,000 for the Prior Period. This improvement primarily stemmed from the Group's funeral businesses, where the market saw a shift towards value-oriented offerings. The Group has positively addressed this by adjusting its service portfolio and resulted in an increase in service volume, and finally translated into increase in the overall revenue of the Group. Revenue from funeral, cremation, and cemetery services consequently recorded a year-on-year increase of approximately 3.9% from approximately RMB33,007,000 during the Prior Period to approximately RMB34,298,000 in the Current Period, reflecting the Group's deliberate adaptation to evolving consumer preferences.

Cost of sales for the Current Period was approximately RMB22,827,000 (Prior Period: RMB22,412,000), decreasing by approximately 1.9% as compared with the Prior Period. The slower increase in cost of sales compared to revenue growth highlights the Group's effective cost management, enabling the delivery of enhanced services to customers while aligning with revenue growth.

The Group's gross profit for the Current Period was approximately RMB13,212,000, demonstrating on year-on-year increase of approximately 10.4% compared to the Prior Period's gross profit of approximately RMB11,971,000. While the gross profit margin for the Current Period was approximately 36.7%, representing a expansion of 1.9 percentage points compared to 34.8% in the Prior Period, and reflecting the Group's effective cost management and economies of scale, driven by increased service volume.

Other income and other net gains for the Current Period reached approximately RMB3,395,000, more than doubling from approximately RMB1,321,000 in the Prior Period. This significant year-on-year increase was primarily driven by higher gains on the disposal of financial assets measured at fair value through profit or loss ("FVTPL") during the Current Period.

While gross profit increased, the Group strategically focused on enhancing its market presence and optimizing costs. Selling expenses, which accounted for approximately 4.8% of revenue (Prior Period: 4.8%), for the Current Period increased by approximately 3.9% to approximately RMB1,721,000 compared to approximately RMB1,657,000 for the Prior Period. This increase was a strategic investment driven by higher promotional spending to strengthen the Group's presence and market development in the cemetery segment. This initiative is well-aligned with prevailing demographic trends of an aging population and increasing demand for cemetery services, effectively positioning the Group to capitalize on opportunities arising from evolving consumer sentiment amid current economic conditions.

Concurrently, administrative expenses, which accounted for approximately 53.3% of revenue (Prior Period: 56.6%), demonstrated a decrease of approximately 1.3% to approximately RMB19,225,000 for the Current Period (Prior Period: RMB19,474,000). This reduction in administrative expenses underscores the Group's unwavering commitment to enhancing operational efficiencies and optimizing costs across the organization. This initiative has been crucial in successfully navigating the challenging economic conditions and adapting to shifting consumer preferences witnessed during the Current Period.

Finance costs of the Group, primarily encompassing interest expenses on bank borrowings, lease liabilities under HKFRS 16, and convertible bonds, decreased to approximately RMB749,000 from approximately RMB928,000 in the Prior Period. This reduction was primarily due to a decrease in interest on lease liabilities of approximately RMB36,000 and interest on bank borrowings of approximately RMB144,000 during the Current Period.

The loss attributable to the owners of the Company for the Current Period was approximately RMB4,803,000 (Prior Period: RMB8,665,000). Loss per share for the Current Period was approximately RMB0.51 cents (Prior Period: RMB0.96 cents). The Group is implementing targeted strategies to mitigate these losses and return to profitability.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The equity attributable to owners of the Company as at 30 June 2025, decreased to approximately RMB119,703,000, representing a decrease of approximately 3.0% over that as at 31 December 2024, of approximately RMB123,452,000.

Despite this adjustment in equity, the Group's liquidity position remains robust, and the directors of the Company confident in the Group's ability to secure sufficient resources to meet all commitments and working capital requirements. As at 30 June 2025, the Group maintained strong cash and bank balances of approximately RMB110,858,000 (31 December 2024: RMB109,256,000). To further enhance Shareholder's value, the Group strategically invests surplus cash in quality equity securities and exchange-traded funds ("ETF") listed on well-recognized stock exchanges. This approach aims to generate additional returns for both the Group and its Shareholders. For comprehensive details on our treasury investments and significant investments held, please refer to the section titled "Treasury investments and significant investments held" within "LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE."

As at 30 June 2025, the Group's current bank borrowings were approximately RMB1,348,000 and non-current bank borrowings were approximately RMB524,000 (31 December 2024: RMB1,271,000 and RMB1,149,000 respectively). All bank borrowings are denominated in New Taiwan Dollars ("NTD") and are at prevailing market interest rates, ensuring transparent and manageable financing costs.

The Company also issued the convertible bonds on 11 August 2023 in the principal amount of Hong Kong dollars ("HK\$" or "HKD") 18,160,000 (the "Convertible Bonds") to Shenzhen Nanyue Crown Block Bio Intelligent Equipment Investment Co., Ltd. or its nominee(s). The Convertible Bonds were denominated in HK\$ which entitled the holder of the Convertible Bonds to convert them in ordinary shares of the Company at any time commencing from the date of issue of the Convertible Bonds up the sixth anniversary of the date of issue of the Convertible Bonds (the "Maturity Date"), at a conversion price of HK\$0.126 per Convertible Bond (subject to anti-dilutive adjustments) (the "Conversion Price"). The Convertible Bonds carry interests at 1% per annum and payable in arrears on the Maturity Date.

The holder of the Convertible Bonds had the right at any time during the conversion period to convert the whole or part of the outstanding principal amount of the Convertible Bonds registered in its name into conversion shares provided further that any conversion shall be made in amounts of not less than a whole multiple of HK\$1,000,000 on each conversion save that if at any time the aggregate outstanding principal amount of the Convertible Bonds is less than HK\$1,000,000, the whole (but not part only) of the outstanding principal amount of the Convertible Bonds may be converted.

The holder of the Convertible Bonds may require the Company to redeem all or part of the Convertible Bonds in the multiples of HK\$1,000,000 by given a notice of redemption at any time before the Maturity Date only in event that any holder of the Convertible Bonds had given a notice in respect of the occurrence of an event of default at the redemption price equal to 100% of the principal amount of all or part of the Convertible Bonds to be redeemed. During the Current Period, no Convertible Bonds were converted by the holder of Convertible Bonds, and the Company did not redeem any part of the Convertible Bonds.

As a result of the share consolidation of every ten issued and unissued shares of the Company of par value of HK\$0.1 each (the "Existing Share(s)") into one consolidated share of par value of HK\$1.0 each (the "Consolidated Share(s)"), effective on 14 October 2024, the Conversion Price of the outstanding Convertible Bonds, being initially at HK\$0.126 per Existing Share (subject to adjustment), was adjusted in accordance with the terms and conditions of the Convertible Bonds to HK\$1.26 per Consolidated Share. Accordingly, the number of Consolidated Shares upon full conversion at the adjusted conversion price of HK\$1.26 per Consolidated Share of the Convertible Bonds immediately after the Share Consolidation becoming effective was 14,412,698 Consolidated Shares.

The Group maintained a prudent financial management strategy during the Current Period, opting not to utilize any financial instruments for hedging purposes. The Group's policy is to sustain a suitable level of liquidity facilities, ensuring we can meet both our operational requirements and any emerging acquisition opportunities.

Looking ahead, while uncertainties persist on the path to a full societal return to normalcy, the Group is actively monitoring economic conditions. The Group recognizes that potential future changes could impact its financial results, though the precise extent cannot be estimated as of the date of this report. Rest assured, the Group will continue to give continuous attention to the situation and will react actively and decisively to any circumstances that may affect our financial position and operating results.

TREASURY INVESTMENTS AND SIGNIFICANT INVESTMENTS HELD

As at 30 June 2025, the Group invested approximately RMB6,965,000 (31 December 2024: RMB7,716,000) in certain equity securities and ETFs listed outside Hong Kong for trading purpose. These listed equity investments and ETFs are denominated in RMB and were classified as financial assets measured at fair value through profit or loss ("FVTPL"). The directors of the Company (the "Director(s)") considered that the closing price of those listed equity securities and ETFs as at 31 December 2024 was the fair value of those investments. As at 30 June 2025, the fair value of the Group's investment portfolio was approximately RMB6,965,000 (31 December 2024: RMB7,716,000).

The aggregate value of the investment portfolio decreased by approximately RMB751,000 during the Current Period. Additions to investment portfolio during the Current Period totalled approximately RMB57,604,000, including investments in 6 equity securities or ETFs listed outside Hong Kong. Whereas disposals in investment portfolio during the Current Period totalled approximately RMB60,509,000, including divestments of 6 equity securities or ETFs listed outside Hong Kong. Other movements of the investment portfolio during the Current Period included net unrealised and realised gain on financial assets measured at FVTPL of approximately RMB2,154,000.

To broaden the Group's income sources and maximize the return on invested capital for our Shareholders, the Group has strategically invested in a diverse portfolio of equity securities, ETFs, debt instruments, and/or derivative instruments. These investments are carefully selected with varying focuses on industries, sectors, regions, and asset types. The Group's primary investment objectives are to reduce concentration risk, efficiently utilize the Group's valuable idle financial resources, and ultimately enhance returns for its Shareholders.

In this endeavor, the Group has partnered with a reputable investment company. This partner specializes in venture capital and investment consultation, with a particular focus on emerging industries. They bring a professional investment team with extensive experience to the Group's collaboration.

During the Current Period, the Group actively sought investment opportunities that align with its long-term business strategy. Concurrently, the Group capitalized on short-term potential, fully utilizing the Group's idle financial resources through various securities investments aimed at capital appreciation.

None of the equity securities or ETFs, both individually and in aggregate, held by the Group equaled or exceeded 5% of the Group's total assets. For further details, please refer to the section headed "Liquidity, Financial Resources And Capital Structure" under the "Management Discussion and Analysis" to this report.

Treasury Policy

The Group continues to uphold a conservative treasury policy in its liquidity and financial management. The Group's ongoing operational business transactions are primarily conducted in RMB and HK\$. Any surplus cash is strategically placed in bank deposits, equity securities, and ETFs, predominantly denominated in United States dollars ("USD"), New Taiwan Dollars ("NTD"), HKD or RMB. During the Current Period, the Group did not utilize any financial instruments for hedging purposes, reflecting our preference for straightforward and stable financial management.

Gearing Ratio

As at 30 June 2025, the Group's gearing ratio, calculated as the ratio of total liabilities to total assets, was approximately 60.3% (31 December 2024: 58.7%). This metric reflects its current financial leverage and capital structure.

CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

Capital commitments outstanding at 30 June 2025 and 31 December 2024 not provided for in these unaudited condensed consolidated financial statements are as follows:

	30 June 2025	31 December 2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Capital expenditure contracted but not provided for:		
– Investments in associates	2,460	2,460
– Financial assets measured at FVTPL	2,000	2,000
– Intangible assets	225	225
	4,685	4,685

In March 2025, the Group discovered that certain subsidiaries of the Company in the PRC were involved in a litigation, which is publicly recorded. As of the date of this report, such litigation was withdrawn. In the opinion of the Directors, the potential financial effect that will be brought by the litigation would be minimal.

Except for the above, the Group did not have any contingent liabilities as at both 30 June 2025 and 31 December 2024.

Save as disclosed above, the Group had no other material capital commitments, material contracts, contingent liabilities or significant investment plans.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

The Group's operations span across the PRC, Taiwan, Hong Kong, and Vietnam. Our unaudited condensed consolidated interim financial statements are presented in RMB, though certain incomes and expenses are denominated in USD, NTD and Vietnamese Dong ("VTD").

It is possible that the value of RMB may fluctuate against these currencies. While such changes in exchange rates could affect the Group's operating results and financial condition, the Directors of the Company actively monitor the Group's foreign currency exposures and will consider implementing hedging strategies for significant exposures should the need arise, ensuring prudent financial management. Currently, the Group does not have a formal foreign currency hedging policy.

SIGNIFICANT ACQUISITIONS AND DISPOSALS OF INVESTMENTS

During the Current Period, the Group did not undertake any significant acquisitions or disposals of investments.

SUBSEQUENT EVENTS

(a) Disposal of 100% equity interest in Allied Smart Development Limited

On 30 July 2025, the Company entered into the Sale and Purchase Agreement with the independent Purchaser, a company incorporated in the British Virgin Islands with limited liability, and the ultimate beneficial owner of the Purchaser is Wang Li Wen, in relation to the sale and purchase of all the issued share in Allied Smart Development Limited (the "Disposal Company") at the consideration of HK\$10,000,000 (the "Consideration") (the "Disposal").

Pursuant to the Sale and Purchase Agreement, the Company conditionally agreed to sell and the Purchaser conditionally agreed to acquire the Sale Share, representing 100% of the issued share capital of the Disposal Company.

The Consideration shall be HK\$10,000,000 and shall be payable as follows:

- (i) On the fifth business days following the fulfilment of the conditions and the performance by the parties of their respective obligations under the Sale and Purchase Agreement (the “Completion Date”), the Purchaser shall pay HK\$1,800,000;
- (ii) Within six months from the Completion Date but no later than the last business day of the sixth month following the Completion Date, the Purchaser shall pay HK\$6,000,000; and
- (iii) Within twelve months from the Completion Date but no later than the last business day of the twelfth month following the Completion Date, the Purchaser shall pay HK\$2,200,000.

The Consideration was arrived at after arm’s length negotiations between the Company and the Purchaser on normal commercial terms with reference to the latest financial information of the Disposal Company.

The Disposal Company and its subsidiaries (the “Disposal Group”) have been generated minimal revenue since its establishment and has failed to achieve the anticipated business growth. After careful consideration of the relevant financial performance of the Disposal Group, the Company has decided to cease operations of the Disposal Group in Vietnam through the Disposal. The Disposal will enable the Company to streamline its business operations, reallocate its resources more effectively to other business segments with better growth prospects and save up additional reserve for backing up its other business development opportunities in the future.

In view that the Consideration representing a premium over the net asset value of the Disposal Group as at 31 December 2024, the Board considers that the terms of the Disposal are on normal commercial terms, which are fair and reasonable and in the interest of the Company and its shareholders as a whole.

Up to the date of this report, the Disposal has been completed. For details, please refer to the announcements of the Company dated 30 July 2025 and 5 August 2025.

CHARGE ON GROUP ASSETS

As at 30 June 2025, the carrying amount of property, plant, and equipment pledged as security for the Group's bank borrowings was approximately RMB27,186,000 (31 December 2024: RMB26,192,000).

DIVIDEND

The Directors do not recommend the payment of any final dividend in respect of the Current Period (Prior Period: RMBnil). There is no arrangement under which a Shareholder has waived or agreed to waive any dividend.

THE NUMBER AND REMUNERATION OF EMPLOYEES

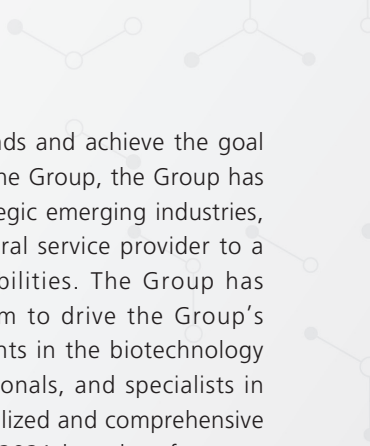
As at 30 June 2025, the Group employed 212 employees (31 December 2024: 173 employees). The Group is committed to attracting and retaining talent, determining staff remuneration in accordance with prevailing market salary scales, individual qualifications, and performance. Remuneration packages, including performance bonuses and entitlements to share options, are reviewed on a regular basis to ensure competitiveness and incentivize high performance.

During the Current Period, no share options were granted, exercised, or lapsed. As at 30 June 2025, 1,853,200 share options were outstanding, aligning employee interests with shareholder value. Further details of the Company's share option scheme currently in effect are set out in the sub-section headed "Share Option Scheme" in this report.

PROSPECTS

Looking forward, the Group anticipates that the external operating environment in 2025 will remain highly uncertain. Slowing global economic growth, heightened geopolitical conflicts and rising trade protectionism are expected to continue exerting pressure on global supply chains and consumer confidence. Moreover, intensified inflationary pressures may lead to a slower-than-expected pace of interest rate cuts by the United States, which could in turn undermine global economic confidence and expectations. Domestically, the Chinese government has strengthened macroeconomic regulation and introduced a series of policies to stimulate domestic demand. The economy generally shows a moderate recovery trend, with GDP increasing by 5.4% year-on-year in the first quarter of 2025, matching the growth rate in the fourth quarter of 2024 and exceeding market expectations, showcasing resilient economic momentum. With the accelerated implementation of accommodative and proactive measures, the Chinese economy is expected to maintain steady and positive growth momentum.

Currently, the Chinese economy is in a critical transitional period. In the near term, risks and challenges persist, including insufficient domestic demand, weak investment willingness, downturn in the real estate market, and complex and volatile external environment. However, the government is stabilizing the economy and mitigating risks by implementing a series of macroeconomic and structural policies, while also promoting continuous economic structural transformation and long-term high-quality development. New quality productive forces have become the core drivers of the economy, with high-tech industries such as the low-altitude economy, biotechnology, artificial intelligence, and digital economy experiencing vigorous development.



To closely follow national industrial development trends and achieve the goal of sustainable and healthy business development for the Group, the Group has in recent years actively deployed in cutting-edge strategic emerging industries, promoting its transformation from a traditional funeral service provider to a high-tech enterprise with independent R&D capabilities. The Group has successfully formed a professional investment team to drive the Group's biotechnology initiatives, comprising expert consultants in the biotechnology industry, seasoned investment and research professionals, and specialists in management, finance, and legal disciplines. The specialized and comprehensive investment platform established by the Group since 2021 has clear focus on investment in biotechnology development, including biomedicine, medical healthcare, life science instruments, and related businesses with synergistic effects.

Concurrently, the Group has consistently implemented flexible investment strategies, actively seeking diversified business opportunities to expand and optimize revenue streams, enhance profitability, and generate maximum returns for shareholders. In November 2024, the Group established Fusha Aviation (蝠鲨航空), a controlled subsidiary, to strategically enter the low-altitude economy sector, focusing on the research and development, production, and sales of new energy unmanned ground effect vehicles. By the end of March 2025, Fusha Aviation successfully developed its first-generation new energy unmanned ground effect vehicle, FU1, and completed its maiden test flight. At present, Fusha Aviation is engaging with local governments, investment institutions, and industry partners to discuss collaborations in equity financing, production base construction, and market sales, and has achieved encouraging progress.

The Group will remain vigilant against potential uncertainties and challenges by strictly controlling operating costs, and establishing comprehensive risk management mechanisms and countermeasures. Meanwhile, accelerating the research and development of new products, strengthening cooperation with industry partners and customers, and expediting the commercialization of new products will remain the Group's top priorities to create greater value for shareholders.



CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company has made continuous effort to ensure high standards of corporate governance. The principles of corporate governance adopted by the Company emphasise a quality board, sound internal controls and accountability to shareholders. These are based upon our established ethical corporate culture.

Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or its Associated Corporations

As at 30 June 2025, the interests and short positions held by the Directors or chief executives of the Company in the shares (the "Shares"), underlying shares (the "Underlying Shares") and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Name of Director	Number of Shares held		Number of Underlying Shares held pursuant to the convertible bonds	Total	Approximate percentage of the total number of Shares in issue
	Personal Interest	Corporate Interest	Corporate Interest		
Mr. Xu	–	22,047,500 (Note 1)	14,412,698 (Note 2)	36,460,198	38.58%

Notes:

1. Mr. Xu is interested in 22,047,500 Shares through his controlling interests in Hong Kong Gaoqi Biological Technology Company Limited (“HK Gaoqi”). Mr. Xu is interested in HK Gaoqi through his 25.55% direct beneficial interests and 9.78% through Houpi Bio-Technology Limited (“HBT Limited”), a company incorporated in the British Virgin Islands. HBT Limited has two classes of shares, namely class A and class B, in which shareholders of class A and class B have 30 votes and 1 vote per share in the shareholders’ meeting respectively. Mr. Xu holds 94.07% class A interests and Ms. Qiu Qi (邱琪), the spouse of Mr. Xu, holds 5.93% class A interests and 10.74% class B interests in HBT Limited. By virtue of the SFO, Mr. Xu is taken to be interested in all the shares held by Ms. Qiu Qi, so Mr. Xu collectively holds 86.78% of the total voting rights of HBT Limited, and in turn is interested in 9.78% of HK Gaoqi. Accordingly, Mr. Xu is deemed to be interested in all the Shares held by HK Gaoqi by virtue of SFO.
2. 14,412,698 Conversion Shares (as defined in the section headed “Directors’ Interests in Contracts” under the “Directors’ Report”) have been allotted and issued by the Company to Shenzhen Nanyue Crown Block Bio Intelligent Equipment Investment Co., Ltd.* (深圳市南嶽天車生物智能裝備投資有限公司) (“Nanyue CB”) of the Convertible Bonds (as defined in the section headed “Directors’ Interests in Contracts” under the “Directors’ Report”) of HK\$18,160,000 upon exercise of the Convertible Rights (as defined in the section headed “Directors’ Interests in Contracts” under the “Directors’ Report”) attaching to the Convertible Bonds at HK\$0.126 per Conversion Share on 11 August 2023. Mr. Xu is interested in 14,412,698 Conversion Shares through his controlling interests in Nanyue CB. Mr. Xu is interested in Nanyue CB through his 71.25% direct beneficial interests. Accordingly, Mr. Xu is deemed to be interested in all the Conversion Shares held by Nanyue CB by virtue of SFO.

Save as disclosed above, as at 30 June 2025, none of the Directors, chief executive of the Company or their respective associates had any interests or short positions in the Shares, Underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short position which they are taken or deemed to have taken under such provisions of the SFO), or which will be required to be entered into the register kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealing by directors of the Company as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares

So far as the Directors are aware, as at 30 June 2025, other than the Directors or chief executives of the Company whose interests or short positions are disclosed under the paragraph headed "Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or its Associated Corporations" above, the following persons and corporations have interests or short position in the Shares or Underlying Shares which has to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, and who were expected, directly or indirectly, to be interested in 5% or more of the Shares is listed as follows:

Name of Shareholders	Capacity/ Nature of Interest	Number of Shares held	Number of Underlying Shares held pursuant to the share options	Number of Underlying Shares held pursuant to the convertible bonds	Total	Approximate percentage of the issued share capital of the Company
HK Gaoqi	Beneficial Owner (Note 1)	22,047,500	–	–	22,047,500	23.33%
Ms. QIU Qi	Interests of controlled corporation (Note 2)	22,047,500	–	–	22,047,500	23.33%
Mr. OU Yafei	Beneficial Owner (Note 3)	14,786,400	741,600	–	15,528,000	16.43%
Nanyue CB	Beneficial Owner (Note 4)	–	–	14,412,698	14,412,698	15.25%

Notes:

1. Mr. Xu is the director of HK Gaoqi, which holds 24.91% Shares, and the director of HBT Limited, which holds 9.78% of equity interests in HK Gaoqi. Mr. Xu is interested in HK Gaoqi through his 25.55% direct beneficial interests and 9.78% through HBT Limited. HBT Limited has two classes of shares, namely class A and class B, in which shareholders of class A and class B have 30 votes and 1 vote per share in the shareholders' meeting respectively, and Mr. Xu holds 94.07% class A interests in HBT Limited and Ms. Qiu Qi, the spouse of Mr. Xu, holds 5.93% class A interests and 10.74% class B interests in HBT Limited. By virtue of the SFO, Mr. Xu is taken to be interested in all the shares held by Ms. Qiu Qi, so Mr. Xu collectively holds 86.78% of the total voting rights of HBT Limited, and in turn is interested in 9.78% of HK Gaoqi.
2. By virtue of the SFO, Ms. Qiu Qi, the spouse of Mr. Xu, is taken to be interested in all the shares held by Mr. Xu.
3. Mr. Ou Yafei is the beneficial owner of 14,786,400 Shares and Mr. Ou holds 741,600 share options of the Company which is deemed to be interested in the Share by virtue of SFO.
4. 14,412,698 Conversion Shares have been allotted and issued by the Company to Nanyue CB of the Convertible Bonds of HK\$18,160,000 upon exercise of the Conversion Rights attaching to the Convertible Bonds at HK\$1.26 per Conversion Share on 11 August 2023. Mr. Xu is interested in 14,412,698 Conversion Shares through his controlling interests in Nanyue CB. Mr. Xu is interested in Nanyue CB through his 71.25% direct beneficial interests. Accordingly, Mr. Xu is deemed to be interested in all the Conversion Shares held by Nanyue CB by virtue of SFO.

Save as disclosed above and the Directors' interests as disclosed in "Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or its Associated Corporations", no person had interests or short positions in the Shares or Underlying Shares which are required to be recorded in the register to be kept by the Company pursuant to section 336 of the SFO as at 30 June 2025.

DIRECTORS' INTERESTS IN CONTRACTS

As disclosed in the announcement (the "Announcement") dated 26 April 2023 and the circular (the "Circular") dated 23 June 2023 of the Company with respect to the major and connected transactions in relation to (i) acquisition of 20.25% equity interest in Zhongke Zhenhui involving issue of convertible bonds under specific mandate; (ii) acquisition of approximately 21.43% equity interest in Guangdong Zhenyuan involving issue of consideration shares under specific mandate, the Company has entered into the SPA I and the SPA II on 26 April 2023. Capitalised terms used in this report shall bear the same meanings as those defined in the Announcement and the Circular unless the context requires otherwise.

On 26 April 2023, the Company and Zhongke Xunda, a company established in the PRC, an indirect wholly-owned subsidiary of the Company, entered into the SPA I with Nanyue CB, a company established in the PRC. Pursuant to the SPA I, Zhongke Xunda (as purchasers) agreed to acquire from Nanyue CB (as vendor) the RMB16,200,000 paid-up capital of Zhongke Zhenhui, a company established in the PRC contributed by Nanyue CB, which is equivalent to 20.25% of the equity interest in Zhongke Zhenhui at a consideration of RMB15,930,000 (equivalent to HK\$18,160,000), which shall be satisfied by way of issue of the Convertible Bonds in the principal amount of HK\$18,160,000 to Nanyue CB or its nominee(s) under the Specific Mandate I granted to the Board at the EGM held on 12 July 2023 for the allotment and issue of 18,700,000 Conversion Shares (adjusted for Share Consolidation) to the holders of the Convertible Bonds upon exercise of the conversion rights attaching to the Convertible Bonds at the Conversion Price.

As at the date of the SPA I, Nanyue CB is controlled as to approximately 71.25% by Mr. Xu (together with his associates), the chairman and an executive Director of the Company. For more details, please refer to the Announcement and the Circular.

Save as disclosed above and the transactions disclosed in note 17 to the unaudited condensed consolidated interim financial statements, no transaction, arrangement or contract that is significant in relation to the Group's business to which the Company or any of its subsidiaries, fellow subsidiaries or parent company was a party and in which a Director or his connected entity had, directly or indirectly, a material interest subsisted at the end of the Current Period or at any time during the Current Period.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from the details as disclosed under the heading "Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or its Associated Corporations" above, at no time during the Current Period was the Company, its holding company, or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the GEM Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Current Period.

DIRECTORS' INTEREST IN COMPETING BUSINESS

As disclosed in the announcement (the "JV Announcement") dated 13 September 2021 and the circular (the "JV Circular") dated 29 October 2021 of the Company with respect to (i) the major and connected transaction in relation to the capital increase in Zhongke Zhenhui; and (ii) the major transaction in relation to the formation of the JV Company, the Company has entered into the Capital Increase Agreement and the JV Agreement on 13 September 2021. Capitalised terms used in this section shall bear the same meanings as those defined in the JV Announcement and the JV Circular unless the context requires otherwise.

The Capital Increase and the Formation of the JV Company had been approved by the Shareholders at the extraordinary general meeting on 22 November 2021. The Group through (i) the JV Company will engage in equity and/or securities investment business; and (ii) Zhongke Zhenhui engaged in technical development and consultation services, investment activities and business management consultation. The businesses of Nanyue AM are mainly engaged in asset management, investment management, equity investment and investment consulting services through its private equity funds. Mr. Xu is a director of Nanyue AM and, together with his associates, ultimately owned as to approximately 71.25% equity interests of Nanyue AM, therefore, Mr. Xu may be regarded as being interested in the competing business with the business of the Group.

As the Company's management and administrative structure are independent to that of Nanyue AM, and coupled with the diligence of the independent non-executive Directors and the audit committee of the Company (the "Audit Committee"), the Group is capable of carrying its businesses independently on an arm's length basis.

For more details, please refer to the JV Announcement, the JV Circular and the announcement dated 22 November 2021 of the Company.

SHARE OPTION SCHEME

The old share option scheme, which was adopted by the Company on 24 August 2009, was expired and there was no outstanding share option. A new share option scheme (the "Share Option Scheme") was adopted by the Shareholders at the extraordinary general meeting of the Company held on 22 April 2021. The Share Option Scheme will remain in force for a period of 10 years commencing from the date of adoption of the Share Option Scheme from 22 April 2021 (the "Date of Adoption") (that is from 22 April 2021 to 21 April 2031). The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to the participants and to promote the success of the business of the Group. The participants include any director, employee (fulltime and part-time), advisor, consultant, supplier, agent, customer, partner or joint-venture partner of the Company or any subsidiary of the Company, who, in the absolute discretion of the Board, has contributed or may contribute to the Group so as to promote the success of the business of the Group.

The Company may grant to eligible participants (including any director, employee, advisor, consultant, supplier, agent, customer, partner or joint venture partner of the Company or any subsidiary of the Company whom the Board considers, in its sole discretion, have contributed or will contribute to the Group) options to subscribe shares in the Company, subject to a maximum of 10% of the total number of shares of the Company in issue as at the Date of Adoption and as at the approval date of refreshment from time to time, excluding for this purpose shares issued on the exercise of options.

The subscription price for Shares under the Share Option Scheme shall be determined at the absolute discretion of the Directors but in any event will not be less than the highest of (a) the closing price of the Shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the offer date of the particular option, which must be a business day; (b) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five consecutive business days immediately preceding the offer date of that particular option; and (c) the nominal value of a Share on the offer date of the particular option.

Upon acceptance of the options, the grantee of the Share Option Scheme shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within 10 days from the date of offer. The exercise period of any option granted under the Share Option Scheme is determined by the Board upon granting the options but in any event must not be more than 10 years commencing on the date of grant. Unless determined by the Directors otherwise, there is no minimum holding period before the options can be exercised.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not, in the absence of shareholders' approval, in aggregate exceed 10% of the total number of shares of the Company in issue as at the date of approval of the Share Option Scheme. The Board may seek approval by the Shareholders at general meeting to refresh the 10% limit. However, the total number of shares available for issue under exercise of options which may be granted under the Share Option Scheme in these circumstances must not exceed 10% of the total number of shares of the Company in issue as at the date of approval of the refreshment of the 10% limit.

As a result of the Share Consolidation becoming effective on 14 October 2024 and in accordance with the Share Option Scheme, the Exercise price, being initially at HK\$0.137 per Existing Share (subject to adjustment), was adjusted in accordance with the terms and conditions of the Share Option Scheme to HK\$1.37 per Consolidated Share.

Accordingly, the total number of Shares to be issued upon exercise of the outstanding Share Options and the total number of Shares which may fall to be issued under the scheme limit of the share option scheme adopted on 22 April 2021 have been adjusted to 1,853,200 Consolidated Shares and 7,425,000 Consolidated Shares pursuant to the terms of such share option scheme.

The number of options available for grant under the Share Option Scheme as at 1 January 2025 and 30 June 2025 were 4,829,400 and 4,829,400 Share Options respectively.

The total number of shares available for issue under the Share Option Scheme is 7,425,000 Consolidated Shares, representing approximately 10% of the total number of Shares in issue as at the date of passing of an ordinary resolution by the Shareholders at the AGM to approve the adoption of the Share Option Scheme. As at 30 June 2025, 4,829,400 Consolidated Shares were available for issue under the Share Option Scheme, representing 6.50% of the Consolidated Shares in issue as at the date of the AGM passing of an ordinary resolution by the Shareholders to approve the adoption of the Share Option Scheme, 5.11% of the Shares in issue as at 30 June 2025 and as at the date of this report.

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of shares of the Company in issue from time to time and the maximum number of shares in respect of which options may be granted to each eligible participant shall not exceed 1% of the total number of shares of the Company in issue for the time being in any 12-month period up to and including the date of offer of the grant.

The period during which a share option may be exercised is determined and notified by the Board to each grantee at the time of making an offer for the grant of the share option and such period shall not expire later than ten years from the date of grant of the share option.

Details of the share options movements during the Current Period under the Share Option Scheme are as follows:

Name or category of grantees	Date of grant of share options	Adjusted exercise price (Note 3) (HK\$)	Exercisable period	Vesting period	Adjusted closing price immediately preceding the date of grant (Note 1) (HK\$)	Balance as at 1/1/2025	Lapsed during the Current Period	Balance as at 30/06/2025
Other eligible participants:								
Employee	19/5/2022	1.37	19/5/2022-18/5/2032	N/A	1.37	370,000	-	370,000
Business partners (Note 2)	19/5/2022	1.37	19/5/2022-18/5/2032	N/A	1.37	1,483,200	-	1,483,200
						1,853,200	-	1,853,200

Notes:

1. Being the higher of the closing price of the Shares quoted on the Stock Exchange on the trading day immediately prior to the date of grant of the share options; and the average closing price for the five business days immediately preceding the date of grant. The closing price immediately preceding the date of grant, being initially at HK\$0.137 per Existing Share, was adjusted to HK\$1.37 per Consolidated Share as a result of the Share Consolidation, which was effective on 14 October 2024.
2. The share options have been granted to 2 business partners on 19 May 2022 and each of them holds 7,416,000 share options. As at 30 June 2025, the number of share options held by each of them was adjusted to 741,600 share options as a result of the Share Consolidation.
3. As a result of the Share Consolidation becoming effective on 14 October 2024 and in accordance with the Share Option Scheme, the Exercise price, being initially at HK\$0.137 per Existing Share (subject to adjustment), was adjusted in accordance with the terms and conditions of the Share Option Scheme to HK\$1.37 per Consolidated Share. Accordingly, the total number of Shares to be issued upon exercise of the outstanding Share Options has been adjusted to 1,853,200 Consolidated Shares.

During the Current Period, no share option was lapsed, granted, cancelled and exercised.

Further details of Share Options Scheme were set out in note 14(b) to the unaudited condensed consolidated interim financial statements.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities, including the sale of treasury shares (as defined under GEM Listing Rules), during the Current Period. As at 30 June 2025, the Company does not hold any treasury shares.

CORPORATE GOVERNANCE

The Company's corporate governance practices are based on the principles and the code provisions as set out in the Corporate Governance Code as contained in Appendix C1 to the GEM Listing Rules (the "Code"). The principles adopted by the Company emphasize a quality board, transparency and accountability to the shareholders of the Company. In the opinion of the Board, the Company has complied with all of the code provisions set out in the Code for the Current Period, with exception for deviations of the code provisions C.1.2 and F.2.2 of the Code regarding the independent non-executive directors should attend the general meetings of the Company.

Mr. LIU Tien-Tsai, an executive director and chief executive officer of the Company, Dr. YANG Jingjing, an independent non-executive Director and the chairman of nomination committee of the Company, and Ms. HU Zhaohui, an independent non-executive Director and the chairman of remuneration committee of the Company, were unable to attend the annual general meeting held on 25 June 2025 (the "2025 AGM") due to other business engagements. Dr. Yang and Ms. Hu had appointed another member of the committee as his delegate to attend and to answer questions at the 2025 AGM.

CHANGES IN INFORMATION OF DIRECTORS

Upon specific enquiry by the Company and following confirmations from the Directors, there has no change in the information of the Directors required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules subsequent to the date of annual report for the year ended 31 December 2024.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they had complied with such code of conduct throughout the Current Period.

Specific employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with the same code. No incident of non-compliance was noted by the Company for the Current Period.

As at 30 June 2025, the Company did not hold any treasury shares.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control systems of the Group. As at 30 June 2025, the Audit Committee comprises three independent non-executive Directors, namely Mr. CHAI Chung Wai (chairman of the Audit Committee), Ms. HU Zhaohui, and Dr. YANG Jingjing.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the Current Period pursuant to the relevant provisions contained in the Corporate Governance Code as set out in Appendix C1 of the GEM Listing Rules and was of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosures have been made in respect thereof.

By order of the Board
Sino-Life Group Limited
XU Jianchun
Chairman and Executive Director

27 August 2025

As at the date hereof, the Board comprises Mr. XU Jianchun and Mr. LIU Tien-Tsai being executive Directors; and Mr. CHAI Chung Wai, Dr. YANG Jingjing and Ms. HU Zhaohui being independent non-executive Directors.