

爱尚大众

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

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

Stock Code 股份代號 : 2651



2025 中期報告
INTERIM REPORT

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

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

Independent non-executive Directors

Mr. Shu Yijie (疏義傑)
Ms. Huang Suzhen (黃素珍)
Ms. Wang Taosha (王陶沙)

AUDIT COMMITTEE

Ms. Huang Suzhen (黃素珍) (*Chairperson*)
Mr. Shu Yijie (疏義傑)
Ms. Wang Taosha (王陶沙)

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

Mr. Yao Xue (姚雪) (*Chairperson*)
Mr. Shu Yijie (疏義傑)
Ms. Wang Taosha (王陶沙)

AUTHORIZED REPRESENTATIVES

Ms. Liu Hongchan (劉紅嬋)
Ms. Pau So Yi (鮑素怡)

JOINT COMPANY SECRETARIES

Ms. Xu Liman (許莉曼)
Ms. Pau So Yi (鮑素怡)

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1920, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

H SHARE REGISTRAR

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

HONG KONG LEGAL ADVISER

Tian Yuan Law Firm LLP
Suites 3304-3309, 33/F
Jardine House
One Connaught Place
Central
Hong Kong

Corporate Information

AUDITOR

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

COMPLIANCE ADVISER

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

STOCK CODE

2651

COMPANY'S WEBSITE

www.chinadzyl.com

LISTING DATE

9 July 2025

PRINCIPAL BANKS

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

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

Financial and Business Highlights

For the six months ended 30 June 2025, adhering to a highly standardized and refined direct chain model, our profitability developed steadily.

Our revenue decreased by 9.2% from RMB204.5 million for the six months ended 30 June 2024 to RMB185.8 million for the six months ended 30 June 2025. Our gross profit margin increased from 36.6% for the six months ended 30 June 2024 to 37.8% for the six months ended 30 June 2025.

Our net profit decreased by 2.2% from RMB29.2 million for the six months ended 30 June 2024 to RMB28.6 million for the six months ended 30 June 2025. Our net profit margin increased from 14.3% for the six months ended 30 June 2024 to 15.4% for the six months ended 30 June 2025. Despite the challenging market conditions in the first half of 2025, such as consumption downgrade and fierce competition, we focused on the strategic initiatives of operating resilience and efficiency management to mitigate the negative impact on our profitability, especially the effective cost control under centralized management.

During the six months ended 30 June 2025, we continued to expand our market layout and opened 8 new dental out-patient departments. Our total number of dental chairs increased by 3.6% from 692 as of 30 June 2024 to 717 as of 30 June 2025.

For the six months ended 30 June 2025, we recorded 355,181 customer visits and 151,998 new customer visits.

Management Discussion and Analysis

BUSINESS REVIEW

OVERVIEW

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

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

Most of our dental institutions are located in or adjacent to local communities, providing dental services to residents with ease of access. As of 30 June 2025, we operated 92 dental institutions, including 4 for-profit dental hospitals, 80 for-profit dental out-patient departments and 8 for-profit dental clinics covering 8 cities in Hubei and Hunan provinces. Over the years, we have been focusing our dental services on addressing the mass market demands, maintaining strong presence in densely populated Central China.

Our Services

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

General Dentistry Services

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

Implantology Services

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

Management Discussion and Analysis

Orthodontics Services

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

Network Coverage



Management Discussion and Analysis

FUTURE PROSPECTS

Industry

Driven by the rising public awareness of oral health and favorable policies, the dental services market in China is expected to witness continual growth in market demand and penetration. According to Frost & Sullivan, the market size of the dental services market in China was RMB147.2 billion in 2024 and is expected to grow at a CAGR of 6.4% from 2024 to 2029, reaching RMB200.4 billion in 2029.

The market size of the dental services market in Central China is expected to grow at a CAGR of 6.9% from 2024 to 2029, reaching RMB40.0 billion in 2029. In particular, the market size of the private dental services market in Central China accounted for approximately 16.8% of the total market size of the private dental services market in China in 2024, and is expected to grow at a CAGR of 7.8% from 2024 to 2029, reaching RMB25.3 billion in 2029. In terms of revenue generated from Central China in 2024, we ranked first among all private dental services providers in Central China, occupying a market share of approximately 2.4%, with numerous untapped demands in this densely populated region.

We maintain a dominant position in the dental services market in Wuhan with recognized brand awareness, and strategic network coverage extending across Hubei province leading to a prominent network effect, which alongside our highly standardized and adaptable business model enables highly efficient network expansion, enabling us to be well positioned to capture this market opportunity.

Outlook

1. *Refining internal operations and improving quality and efficiency*

We will continue to leverage the distinctive branding strategy, experienced medical team, centralized cost control measures and standardized and refined operational capabilities to further optimize standardized service processes, strengthen digitalized customer management, deeply explore the potential of existing stores, enhance single-store operational efficiency and profitability, consolidate market advantages, and fully unleash the benefits of economies of scale.

2. *Deepening regional roots and consolidating advantages*

We will continue to prudently and efficiently open new dental institutions in response to market dynamics and overall development pace, continuously enhancing market share and competitiveness in local markets. We will designate a dedicated team to further optimize medical resource allocation, improve return on investment, and achieve healthy network expansion.

Management Discussion and Analysis

3. *Rooted in medical and driven by technology*

Adhering to the philosophy of “rooted in medical and driven by technology (醫療本源、技術驅動)” and through developing our Technical Committee (技術委員會), focusing on cultivating advantageous specialties, and strictly implementing standardized quality control system, we will continuously enhance dental service capabilities, build a moat for technological development with professional excellence and innovative leadership, and provide customers with more reliable and safe dental services.

4. *Building a foundation of talents and jointly constructing the platform*

Adhering to the dual-wheel strategy of “internal cultivation and external recruitment”, we continuously expand the reserve of medical professionals and management talents. We will improve talent promotion channels and incentive mechanisms, provide favourable compensation and benefits and clear long-term career development planning. We will also develop the Partnership Program to effectively incentivize core teams, committed to building the Company into a career platform where employees can realize their value.

5. *Digital empowerment and lean operations*

We will increase investment in the research and development of digital tools and internal data system, and deepen the application of digitalization in core areas such as diagnosis and treatment process optimization, refined operational management, and precision marketing and customer acquisition. Through data-driven decision making, we will improve operational efficiency, optimize customer experience, and ultimately enhance the our overall lean operational capabilities and business benefits.

FINANCIAL REVIEW

Analysis of Consolidated Statements of Profit or Loss and Comprehensive Income

Our unaudited consolidated financial results for the six months ended 30 June 2025, together with the comparative figures for the six months ended 30 June 2024 are set out below.

Revenue

Our revenue decreased by 9.2% from RMB204.5 million for the six months ended 30 June 2024 to RMB185.8 million for the six months ended 30 June 2025.

Management Discussion and Analysis

Revenue by dental service category

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

	Six months ended 30 June			
	2025		2024	
	RMB'000	% of revenue	RMB'000	% of revenue
General dentistry services	102,010	54.9	110,778	54.2
Implantology services	53,553	28.8	59,831	29.3
Orthodontics services	30,235	16.3	33,940	16.5
Total	185,798	100.0	204,549	100.0

General dentistry services

Our revenue from general dentistry services decreased by 7.9% from RMB110.8 million for the six months ended 30 June 2024 to RMB102.0 million for the six months ended 30 June 2025. The decrease was primarily due to the decrease of 4.6% of the number of customer visits from 258,000 for the six months ended 30 June 2024 to 246,000 for the six months ended 30 June 2025. Revenue from general dentistry services accounted for 54.9% of our total revenue, as compared to 54.2% for the six months ended 30 June 2024.

Implantology services

Our revenue from implantology services decreased by 10.5% from RMB59.8 million for the six months ended 30 June 2024 to RMB53.6 million for the six months ended 30 June 2025. The decrease was primarily due to the decrease of 8.6% of number of customer visits from 43,000 for the six months ended 30 June 2024 to 39,000 for the six months ended 30 June 2025. Revenue from implantology services accounted for 28.8% of our total revenue, as compared to 29.3% for the six months ended 30 June 2024.

Orthodontics services

Our revenue from orthodontics services decreased by 10.9% from RMB33.9 million for the six months ended 30 June 2024 to RMB30.2 million for the six months ended 30 June 2025. The decrease was primarily due to a decline in average spending per customer. Revenue from orthodontics services accounted for 16.3% of our total revenue, as compared to 16.5% for the six months ended 30 June 2024.

Management Discussion and Analysis

Cost of Sales

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

Our cost of sales decreased by 10.9% from RMB129.7 million for the six months ended 30 June 2024 to RMB115.5 million for the six months ended 30 June 2025. The decrease was primarily due to (i) the decrease in consumables and customized products; (ii) the decrease in staff costs; and (iii) the decrease in depreciation and amortization.

Gross Profit and Gross Profit Margin

Our gross profit decreased by 6.1% from RMB74.8 million for the six months ended 30 June 2024 to RMB70.3 million for the six months ended 30 June 2025. The decrease in our gross profit was primarily due to the decrease in our revenue. Our gross profit margin increased from 36.6% for the six months ended 30 June 2024 to 37.8% for the six months ended 30 June 2025. The increase in our gross profit margin was primarily due to our effective cost control.

Other Income and Gains

Our other income and gains primarily consists of (i) investment income from wealth management products we purchased; (ii) government grants mainly representing certain government grants by the relevant government authorities; (iii) gain arising from lease modification, representing gains arising from adjustment on the lease terms; (iv) bank interest income; (v) rental income, representing income generated from lease of certain properties owned by us or sublease of our right of use assets; and (vi) impairment of trade receivables and other receivables. Our other income and gains decreased by 64.4% from RMB3.2 million for the six months ended 30 June 2024 to RMB1.2 million for the six months ended 30 June 2025, primarily due to the decrease in investment income from wealth management products and bank interest income.

Selling and Distribution Expenses

Our selling and distribution expenses primarily consist of (i) advertising and promotion expenses; and (ii) staff costs, mainly representing salaries, bonuses and benefit expenses for our branding and marketing staff. Our selling and distribution expenses decreased by 28.5% from RMB22.9 million for the six months ended 30 June 2024 to RMB16.3 million for the six months ended 30 June 2025, primarily due to the decrease in advertising and promotion expenses resulting from strategic adjustments to marketing activities in 2025.

Management Discussion and Analysis

Administrative Expenses

Our administrative expenses primarily consist of (i) staff costs, mainly representing salaries, bonuses and benefit expenses for our management and administrative personnel; (ii) depreciation and amortization; (iii) consultation and professional service expenses mainly in connection with the business strategy consultation services provided by third-party professional consulting firms. We engaged such consulting firms for market positioning and business strategies; (iv) office expenses; (v) listing expenses; (vi) share-based payment expenses for Restricted Shares granted to our directors and employees under the Pre-IPO Restricted Share Scheme; and (vii) entertainment expenses. Our administrative expenses increased by 14.7% from RMB14.5 million for the six months ended 30 June 2024 to RMB16.6 million for the six months ended 30 June 2025, primarily due to the increase of listing expenses.

Finance Costs

Our finance costs mainly consist of (i) interest on lease liabilities, representing interest recognized in association with our lease liabilities; and (ii) interest on bank loans. Our finance costs decreased by 12.1% from RMB2.8 million for the six months ended 30 June 2024 to RMB2.4 million for the six months ended 30 June 2025, primarily due to the decrease in interest on lease liabilities as we negotiated with lessors to reduce the rental payments.

Enterprise Income Tax

Our enterprise income tax expense decreased from RMB4.6 million for the six months ended 30 June 2024 to RMB3.0 million for the six months ended 30 June 2025, primarily due to the decrease in profit before tax during the Reporting Period.

Net Profit

As a result of the foregoing, our net profit decreased by 2.2% from RMB29.2 million for the six months ended 30 June 2024 to RMB28.6 million for the six months ended 30 June 2025. Our net profit margin (i.e., the percentage of net profit to revenue during the Reporting Period) increased from 14.3% for the six months ended 30 June 2024 to 15.4% for the six months ended 30 June 2025. Our adjusted net profit⁽¹⁾ (non-IFRS measure) increased by 13.9% from RMB30.2 million for the six months ended 30 June 2024 to RMB34.4 million for the six months ended 30 June 2025. The following table reconciles our adjusted net profit (non-IFRS measure) for the periods indicated:

Management Discussion and Analysis

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Net profit for the period	28,602	29,245
Add:		
Fair value losses on redeemable preference shares	–	204
Share-based payment expenses ⁽²⁾	867	785
Listing expenses	4,969	–
Adjusted net profit (non-IFRS measure)	34,438	30,234

Notes:

- (1) **Adjusted net profit (non-IFRS measure)** – We define adjusted net profit (non-IFRS measure), as net profit for the period adjusted by adding (i) fair value losses or gains on redeemable preference shares; (ii) share-based payment expenses; and (iii) listing expenses. Our redeemable preference shares represent shares issued by us in connection with Series A Investment and Series B Investment to Independent Third-Party investors. All special rights granted to such investors have been terminated in September 2024. We ceased to recognize any further loss or gain on fair value changes of redeemable preference shares thereafter, because there were no more redeemable preference shares upon the termination of all special rights.
- (2) **Share-based payment expenses** – representing expenses arising from Restricted Shares granted to our employees and former employees under the Pre-IPO Restricted Share Scheme.

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets increased by 35.8% from RMB21.8 million as of 31 December 2024 to RMB29.6 million as of 30 June 2025, primarily due to an increase of RMB8.0 million in capitalized listing fees.

Goodwill

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

Contingent Liabilities

As at 30 June 2025 and 31 December 2024, we had no material contingent liabilities.

Management Discussion and Analysis

Liquidity, Financial Resources and Capital Structure

During the Reporting Period, we financed our capital expenditure and working capital requirements mainly through cash generated from operations. Our cash and cash equivalents decreased from RMB95.0 million as at 31 December 2024 to RMB79.8 million as at 30 June 2025. As at 30 June 2025, we had no bank loans and we had obtained undrawn bank loan facilities of RMB50.0 million.

As at 30 June 2025, we had net current assets of RMB23.7 million, as compared to net current liabilities of RMB13.5 million as at 31 December 2024; as at 30 June 2025, our liquidity as represented by current ratio⁽¹⁾ was 1.2 times, compared to 0.9 times as at 31 December 2024; as we had no bank loans and other borrowings, the gearing ratio (total bank loans and other borrowings to total equity) was 0% as at 30 June 2025 (31 December 2024: 0%).

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

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

Capital Expenditures

Our capital expenditures primarily consisted of expenditures on (i) property, plant and equipment; (ii) acquisition of subsidiaries; and (iii) other intangible assets. Our capital expenditures decreased from RMB10.0 million for the six months ended 30 June 2024 to RMB8.6 million for the six months ended 30 June 2025, primarily due to the decrease of RMB1.3 million in our expenditures on property, plant and equipment.

Contractual Commitments

As at 30 June 2025, our capital commitments in respect of contracts for property, plant and equipment, intangible assets, etc. were nil, as compared to RMB0.4 million as at 31 December 2024.

Pledge of Assets

As at 30 June 2025, we did not have any pledged assets.

Foreign Exchange Risk

As we primarily operate our business in the PRC with most transactions settled in RMB, and we do not have material assets or liabilities denominated in currencies other than our functional currency, management believes that our business does not face material foreign exchange risk. Our net proceeds received from the Global Offering are denominated in Hong Kong dollars, and as at the Latest Practicable Date, there were foreign exchange differences arising from the exchange of Hong Kong dollars against RMB, the reporting currency. The Board will from time to time review analyses prepared by our accounting department and assess whether there will be any material adverse impact on our financial performance and whether we should enter into any hedging or derivative financial instruments to manage such foreign exchange risk exposures.

Material Acquisitions and Disposals of Subsidiaries, Associates or Joint Ventures

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

Management Discussion and Analysis

Events After the Reporting Period

The Directors are not aware of other significant events affecting the Company and its subsidiaries which have occurred after the end of the Reporting Period.

Future Plans for Material Investments and Capital Assets

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

Save as disclosed above, we did not have any material investments and any future plans for material investments or increasing capital assets as at 30 June 2025.

Employees and Remuneration Policy

As at 30 June 2025, we had a total of 1,115 employees, all of whom were based in the PRC (as at 31 December 2024: 1,164 employees). The remuneration package we provide to employees mainly includes basic salaries and bonuses. We conduct annual performance reviews for them, and the review results will be used in their salary determination, bonus awards and promotion assessments. We highly value the recruitment, management, training and retainment of our employees, especially medical professionals. In particular, we arrange diversified training sessions for our employees, including pre-job training, training on basic medical theory, basic medical knowledge, and basic medical skills, advanced training and special training focused on selected specialties. We also encourage our employees to participate in a wide range of academic exchange activities and professional studies to enrich their technical know-how and develop their capabilities and skills. In addition, our on-the-job tutoring enables young medical professionals to closely and systematically learn the valuable academic theories and clinical experiences from experienced medical professionals. We also adopted the Pre-IPO Restricted Share Scheme in July 2017 to incentivize employees and align their interests with ours. Employee benefit expenses mainly include salaries, bonuses and allowances we provide to employees in the PRC. For the six months ended 30 June 2025, employee benefit expenses amounted to RMB75.4 million (six months ended 30 June 2024: RMB81.4 million). In particular, under the employee incentive schemes, we recognized share-based payment expenses of RMB0.9 million for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB0.8 million).

Pre-IPO Restricted Share Scheme

On 27 July 2017, the Company adopted the Pre-IPO Restricted Share Scheme, which was amended on 28 October 2024, in order to motivate and encourage our officers, employees and consultants. Pursuant to the Pre-IPO Restricted Share Scheme, an aggregate of 5,750,740 Restricted Shares were reserved for share grants to our officers, employees and consultants as awards and incentives, including (i) 2,740,740 Shares held by Wuhan Xinglin, (ii) 1,505,000 Shares held by Wuhan Taolin and (iii) 1,505,000 Shares held by Wuhan Zhulin. As of 30 June 2025, all Restricted Shares under the Pre-IPO Restricted Share Scheme had been granted to 68 participants, all of whom indirectly held their interests in our Company as limited partners and/or general partners of our three employee stock ownership platforms.

Corporate Governance and Other Information

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

As the H Shares had not been listed on the Stock Exchange as of 30 June 2025, Divisions 7 and 8 of Part XV of the SFO and section 352 of the SFO were not applicable to the Company as at 30 June 2025.

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

(i) Interests in the Shares of Our Company

Name	Position	Nature of interest	Number of Shares	Description of Shares	Approximate percentage of the number of Shares of that class ⁽¹⁾	Approximate percentage of the total issued Shares of our Company ⁽¹⁾
Mr. Yao ⁽²⁾	Chairman of the Board and executive Director	Interest in controlled corporation	31,324,102	Unlisted Shares	96.82%	63.44%
		Beneficial interest	475,800	Unlisted Shares	1.47%	0.96%
		Interest of concert party	31,774,102	Unlisted Shares	98.21%	64.35%
Ms. Shen ⁽²⁾	Executive Director, vice chairman of the Board and general manager	Interest in controlled corporation	31,324,102	Unlisted Shares	96.82%	63.44%
		Beneficial interest	450,000	Unlisted Shares	1.39%	0.91%
		Interest of concert party	31,799,902	Unlisted Shares	98.29%	64.40%
Mr. Guo Jiaping ⁽³⁾	Executive Director and vice general manager	Interest in controlled corporation	1,505,000	H Shares	8.84%	3.05%

Notes:

- (1) The percentage is for illustrative purpose only and may be subject to discrepancies. The calculation is based on a total number of 49,379,042 Shares in issue as at the Latest Practicable Date (comprising 17,026,140 H Shares and 32,352,902 Unlisted Shares).
- (2) As at the Latest Practicable Date, Mr. Yao and Ms. Shen held 475,800 Unlisted Shares and 450,000 Unlisted Shares in our Company, respectively; Mr. Yao and Ms. Shen held 51,300,000 shares and 36,500,000 shares in Zhongshan Medical Investment, respectively, representing approximately 44.11% and 31.38% of the equity interest in Zhongshan Medical Investment, respectively; Zhongshan Medical Investment held 31,324,102 Unlisted Shares in our Company. Pursuant to an acting-in-concert agreement entered into between Mr. Yao and Ms. Shen on 3 June 2014, Mr. Yao and Ms. Shen agreed to act in concert in respect of their voting rights in Zhongshan Medical Investment and our Company. See "History, Development and Corporate Structure — Our Major Corporate Development — Early Development" in the Prospectus for details. Therefore, Mr. Yao and Ms. Shen were deemed to be interested in the Shares directly held by Zhongshan Medical Investment and each other by virtue of the SFO.
- (3) As at the Latest Practicable Date, Mr. Guo Jiaping was the general partner of Wuhan Zhulin. Therefore, Mr. Guo Jiaping was deemed to be interested in the 1,505,000 H Shares in our Company directly held by Wuhan Zhulin by virtue of the SFO.
- (4) All interest(s) represented long position(s).

Corporate Governance and Other Information

(ii) Interests in Our Associated Corporation

Name	Position	Nature of interest	Name of associated corporation	Number of Shares	Approximate percentage of shareholding
Mr. Yao ⁽¹⁾	Chairman of the Board	Beneficial interest	Zhongshan Medical Investment	51,300,000	44.11%
	and executive Director	Interest of concert party	Zhongshan Medical Investment	36,500,000	31.38%
Ms. Shen ⁽¹⁾	Executive Director,	Beneficial interest	Zhongshan Medical Investment	36,500,000	31.38%
	vice chairman of the	Interest of concert party	Zhongshan Medical Investment	51,300,000	44.11%
	Board and general manager				
Ms. Liu Hongchan	Executive Director,	Beneficial interest	Zhongshan Medical Investment	1,000,000	0.86%
	vice general manager and	Interest of spouse ⁽²⁾	Zhongshan Medical Investment	1,500,000	1.29%
	secretary of the Board				
Ms. Huang Meiyun	Chairman of the	Beneficial interest	Zhongshan Medical Investment	2,000,000	1.72%
	Board of Supervisors				
Ms. Xu Cen	Supervisor	Beneficial interest	Zhongshan Medical Investment	1,000,000	0.86%

Notes:

- (1) As at the Latest Practicable Date, Mr. Yao and Ms. Shen held 51,300,000 shares and 36,500,000 shares in Zhongshan Medical Investment, respectively, representing approximately 44.11% and 31.38% of the equity interest in Zhongshan Medical Investment, respectively. Pursuant to an acting-in-concert agreement entered into between Mr. Yao and Ms. Shen on 3 June 2014, Mr. Yao and Ms. Shen agreed to act in concert in respect of their voting rights in Zhongshan Medical Investment. See “History, Development and Corporate Structure — Our Major Corporate Development — Early Development” in the Prospectus for details. Therefore, each of them was deemed to be interested in the equity interest in Zhongshan Medical Investment held by each other by virtue of the SFO.
- (2) As at the Latest Practicable Date, Mr. Liu Baoping (劉保平), the spouse of Ms. Liu Hongchan, held 1,500,000 shares in Zhongshan Medical Investment, representing approximately 1.29% of the equity interest in Zhongshan Medical Investment. Under the SFO, Ms. Liu Hongchan was deemed to be interested in the equity interest in Zhongshan Medical Investment held by Mr. Liu Baoping.
- (3) All interest(s) represented long position(s).

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

Corporate Governance and Other Information

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

As mentioned above, as the H Shares had not been listed on the Stock Exchange as of 30 June 2025, Divisions 2 and 3 of Part XV of the SFO and section 336 of the SFO were not applicable to the substantial shareholders of the Company as at 30 June 2025.

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

Name of Shareholder	Nature of Interest	Number	Description of Shares	Approximate percentage of the number of Shares of that class ⁽¹⁾	Approximate percentage of the total issued Shares of our Company ⁽¹⁾
Zhongshan Medical Investment ⁽²⁾	Beneficial interest	31,324,102	Unlisted Shares	96.82%	63.44%
Wuhan Xinglin	Beneficial interest	2,740,740	H Shares	16.10%	5.55%
Yao Qi ⁽³⁾	Interest in controlled corporation	2,740,740	H Shares	16.10%	5.55%

Notes:

- (1) The percentage is for illustrative purpose only and may be subject to discrepancies. The calculation is based on a total number of 49,379,042 Shares in issue as at the Latest Practicable Date (comprising 17,026,140 H Shares and 32,352,902 Unlisted Shares).
- (2) As at the Latest Practicable Date, Mr. Yao and Ms. Shen held 51,300,000 shares and 36,500,000 shares in Zhongshan Medical Investment, respectively, representing approximately 44.11% and 31.38% of the equity interest in Zhongshan Medical Investment, respectively. Pursuant to an acting-in-concert agreement entered into between Mr. Yao and Ms. Shen on 3 June 2014, Mr. Yao and Ms. Shen agreed to act in concert in respect of their voting rights in Zhongshan Medical Investment. See "History, Development and Corporate Structure — Our Major Corporate Development — Early Development" in the Prospectus for details. Therefore, each of them was deemed to be interested in the equity interest in Zhongshan Medical Investment held by each other by virtue of the SFO.
- (3) As at the Latest Practicable Date, Yao Qi is the general partner of Wuhan Xinglin. Therefore, Yao Qi is deemed to be interested in the Shares directly held by Wuhan Xinglin by virtue of the SFO.
- (4) All interest(s) represented long position(s).

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

Corporate Governance and Other Information

Purchase, Sale or Redemption of the Listed Securities of the Company

The H Shares were first listed on the Stock Exchange on 9 July 2025. From the Listing Date to the Latest Practicable Date, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company (including the sale of treasury shares, if any). As of the Latest Practicable Date, the Company did not hold any treasury shares.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' and Supervisors' securities transactions.

As the H Shares had not been listed on the Stock Exchange as of 30 June 2025, the Model Code was not applicable to the Company during the Reporting Period. Having made specific enquiry of all Directors and Supervisors, each of the Directors and the Supervisors has confirmed that he/she has fully complied with all relevant requirements set out in the Model Code from the Listing Date to the Latest Practicable Date.

Compliance with the Corporate Governance Code

The Company is committed to maintaining high standards of corporate governance practices to safeguard the interests of Shareholders and enhance corporate value.

As the H Shares had not been listed on the Stock Exchange as of 30 June 2025, the Corporate Governance Code was not applicable to the Company during the Reporting Period. From the Listing Date to the Latest Practicable Date, the Company has complied with all code provisions set out in Part 2 of the Corporate Governance Code. The Board will continue to review and monitor the corporate governance position of the Company for the purpose of complying with the Corporate Governance Code and maintaining a high standard of corporate governance of the Company.

Compliance with Relevant Laws and Regulations

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

Interim Dividend

The Board resolved not to declare any interim dividend for the Reporting Period.

Corporate Governance and Other Information

Audit Committee and Review of Interim Financial Results

As of the Latest Practicable Date, the Audit Committee comprises three independent non-executive Directors, namely Ms. Huang Suzhen (黃素珍), Mr. Shu Yijie (疏義傑) and Ms. Wang Taosha (王陶沙). Ms. Huang Suzhen is the chairperson of the Audit Committee and possesses the appropriate qualifications required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee are to assist the Board by providing an independent view on the effectiveness of the Company's financial reporting procedures, internal control and risk management systems and monitoring the audit process.

The unaudited interim results of the Group for the six months ended 30 June 2025 and this interim report have been reviewed by the Audit Committee. The Audit Committee is of the view that appropriate accounting policies have been adopted in the preparation of the relevant results, the applicable requirements under the Listing Rules have been complied with, and adequate disclosure has been made.

Changes in the Information of Directors and Supervisors

From the date of the Prospectus to the Latest Practicable Date, there were no changes in the information of Directors, Supervisors and chief executive that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Use of Proceeds from the Global Offering

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

Corporate Governance and Other Information

As of the Latest Practicable Date, the intended use of the Net Proceeds is consistent with that previously disclosed in “Future Plans and Use of Proceeds” in the Prospectus. The following table sets out the utilization of the Net Proceeds as of the Latest Practicable Date:

Intended use of Net Proceeds	Approximate percentage of Net Proceeds	Planned amount of Net Proceeds to be used (approximately HK\$ million)	Utilized Net Proceeds up to the Latest Practicable Date (approximately HK\$ million)	Unutilized Net Proceeds up to the Latest Practicable Date (approximately HK\$ million)	Expected timeline for full utilization of the remaining Net Proceeds ⁽¹⁾
Establishing new dental institutions	35%	62.36	–	62.36	By 31 December 2029
Acquiring dental institutions	25%	44.54	–	44.54	By 31 December 2029
Upgrading and renovating some of our existing dental institutions	10%	17.82	–	17.82	By 31 December 2029
Optimizing our information technology infrastructure and information technology systems	10%	17.82	–	17.82	By 31 December 2029
Developing our medical professional team	10%	17.82	–	17.82	By 31 December 2029
Working capital and general corporate purposes	10%	17.82	–	17.82	By 31 December 2029
Total⁽²⁾	100%	178.17	–	178.17	

Notes:

(1) The expected timeline for full utilization of the remaining Net Proceeds set out in the table above is based on the Group’s best estimate of the future market conditions, which may be subject to change as a result of the development in current and future market conditions.

(2) Totals may not be the exact sum of numbers shown here due to rounding.

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

Interim Condensed Consolidated Statements of Profit or Loss and Comprehensive Income

For the six months ended 30 June 2025

Six months ended 30 June			
	Notes	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
REVENUE	4	185,798	204,549
Cost of sales		(115,530)	(129,700)
Gross profit		70,268	74,849
Other income and gains		1,153	3,241
Selling and distribution expenses		(16,345)	(22,874)
Administrative expenses		(16,581)	(14,455)
Research and development expenses		(3,934)	(3,342)
Other expenses		(538)	(610)
Finance costs		(2,420)	(2,754)
Fair value losses on redeemable preference shares		–	(204)
PROFIT BEFORE TAX		31,603	33,851
Income tax expense	6	(3,001)	(4,606)
PROFIT FOR THE PERIOD		28,602	29,245
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		28,602	29,245
Attributable to:			
Owners of the parent		15,880	20,423
Non-controlling interests		12,722	8,822
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)		0.41	0.44

Interim Condensed Consolidated Statements of Financial Position

30 June 2025

	Notes	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	72,034	76,512
Right-of-use assets		89,558	108,438
Goodwill		63,090	63,090
Other intangible assets		2,207	1,749
Prepayments, other receivables and other assets		3,468	4,674
Deferred tax assets		1,737	1,885
Total non-current assets		232,094	256,348
CURRENT ASSETS			
Inventories		4,593	3,655
Trade receivables	10	7,947	5,836
Prepayments, other receivables and other assets		26,106	17,107
Cash and cash equivalents		79,846	95,046
Total current assets		118,492	121,644
CURRENT LIABILITIES			
Trade payables	11	16,923	14,678
Other payables and accruals		29,933	50,756
Contract liabilities		16,078	33,612
Lease liabilities		28,348	31,211
Tax payable		3,547	4,839
Total current liabilities		94,829	135,096
NET CURRENT ASSETS/(LIABILITIES)		23,663	(13,452)
TOTAL ASSETS LESS CURRENT LIABILITIES		255,757	242,896

Interim Condensed Consolidated Statements of Financial Position

30 June 2025

	Notes	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000
NON-CURRENT LIABILITIES			
Contract liabilities		1,760	1,732
Deferred tax liabilities		187	253
Lease liabilities		65,376	81,902
Total non-current liabilities		67,323	83,887
Total liabilities		162,152	218,983
Net assets		188,434	159,009
EQUITY			
Equity attributable to owners of the parent			
Share capital	12	38,517	38,517
Treasury shares		(15,438)	(15,438)
Reserves		109,299	92,552
		132,378	115,631
Non-controlling interests		56,056	43,378
Total equity		188,434	159,009

Interim Condensed Consolidated Statements of Changes in Equity

For the six months ended 30 June 2025

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

Interim Condensed Consolidated Statements of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the parent									Total
	Share capital	Treasury shares	Capital reserve	Surplus reserve	Share-based payment reserve	Other reserve	Retained profits	Total	Non-controlling interests	
	RMB'000 (note 12)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2024	46,897	(15,438)	136,384	15,762	9,252	(96,434)	34,936	131,359	39,793	171,152
Total comprehensive income for the period	-	-	-	-	-	-	20,423	20,423	8,822	29,245
Acquisition of non-controlling interests	-	-	(239)	-	-	-	-	(239)	(1,084)	(1,323)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(4,666)	(4,666)
Share-based payments	-	-	-	-	785	-	-	785	-	785
Capital injection from non-controlling shareholders	-	-	-	-	-	-	-	-	360	360
Partial disposal of interests in a subsidiary without loss of control	-	-	323	-	-	-	-	323	490	813
As at 30 June 2024	46,897	(15,438)	136,468	15,762	10,037	(96,434)	55,359	152,651	43,715	196,366

Interim Condensed Consolidated Statements of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	31,603	33,851
Adjustments for:		
Finance costs	2,420	2,754
Loss on disposal of items of property, plant and equipment	213	29
Gain arising from lease modification	(1,164)	(453)
Depreciation of property, plant and equipment	11,082	9,569
Amortisation of other intangible assets	169	149
Depreciation of right-of-use assets	15,809	18,629
Provision for impairment of trade receivables and other receivables	233	35
Fair value losses on redeemable preference shares	–	204
Investment income from wealth management products	–	(1,527)
Share-based payment expenses	867	785
	61,232	64,025
(Increase)/Decrease in inventories	(938)	1,046
Increase in trade receivables	(2,222)	(212)
Increase in prepayments, other receivables and other assets	(562)	(3,219)
Increase in trade payables	2,245	216
Decrease in contract liabilities	(17,506)	(7,519)
Decrease in other payables and accruals	(2,430)	(3,193)
Cash generated from operations	39,819	51,144
Income tax paid	(4,212)	(5,710)
Net cash flows from operating activities	35,607	45,434

Interim Condensed Consolidated Statements of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	(7,924)	(9,227)
Proceeds from disposal of property, plant and equipment	486	1,304
Purchases of wealth management products	–	(135,000)
Proceeds from disposal of wealth management products	–	136,527
Addition to other intangible assets	(627)	–
Acquisition of subsidiaries	–	(822)
Contingent consideration received	–	1,000
Net cash flows used in investing activities	(8,065)	(6,218)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(19,397)	–
Dividends paid to non-controlling shareholders	(44)	(4,666)
Capital injection from non-controlling shareholders	–	360
Acquisition of non-controlling interests	–	(1,323)
Principal portion of lease payments	(15,154)	(16,459)
Payment of listing expenses	(5,727)	–
Interest paid	(2,420)	(2,754)
Partial disposal of interests in the subsidiaries without loss of control	–	1,932
Net cash flows used in financing activities	(42,742)	(22,910)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(15,200)	16,306
Cash and cash equivalents at beginning of period	95,046	227,083
CASH AND CASH EQUIVALENTS AT END OF PERIOD	79,846	243,389
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	79,846	243,389
Cash and cash equivalents as stated in the statements of cash flows	79,846	243,389

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period's financial information.

Amendments to IFRS 21 *Lack of Exchangeability*

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IFRS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

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

Geographical information

All of the Group's revenue was derived from customers located in Mainland China and all of the Group's non-current assets were located in Mainland China, and therefore geographical segment information is presented in accordance with IFRS 8 Operation Segments.

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

4. REVENUE

An analysis of revenue is as follows:

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Revenue from contracts with customers	185,798	204,549

Revenue from contracts with customers

(a) *Disaggregated revenue information*

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Type of goods or services		
General dentistry services	102,010	110,778
Implantology services	53,553	59,831
Orthodontics services	30,235	33,940
Total	185,798	204,549
Geographical market		
Mainland China	185,798	204,549
Timing of revenue recognition		
Services transferred over time	185,738	204,510
Goods transferred at a point in time	60	39
Total	185,798	204,549

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

5. PROFIT BEFORE TAX

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

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Cost of inventories, consumables and customised products sold	25,113	32,996
Impairment of trade receivables	111	13
Impairment of prepayment financial assets included in prepayments, other receivables and other assets	122	22

6. INCOME TAX

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

Mainland China

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

The Company was accredited as a "High and New Technology Enterprise" in 2020 and the qualification was subsequently renewed in 2023, and therefore the Company was entitled to a preferential EIT rate of 15% for the the six months ended 30 June 2025. "High and New Technology Enterprise" qualifications are subject to review by the relevant tax authority in the PRC every three years.

In addition, pursuant to Caishui [2023] No.6 "Circular of the Ministry of Finance, the State Administration of Taxation Issued on the Implementation of Preferential Income Tax Policies for Small Low-profit Enterprises" (財政部稅務總局關於實施小微企業和個體工商戶所得稅優惠政策的公告), certain subsidiaries whose annual taxable income less than RMB1,000,000 will be included in the actual taxable income at 25%, based on which the enterprise income tax payable will be calculated at the reduced tax rate of 20%. This policy has taken effect on 1 January 2023. According to Announcement No. 12 [2023] of the Ministry of Finance and the State Taxation Administration (財政部、國家稅務總局公告關於進一步支持小微企業和個體工商戶發展有關稅費政策的公告), small low-profit enterprises calculate their annual taxable income at a reduced rate of 25% and pay enterprise income tax at a rate of 20%, and this policy has been extended till 31 December 2027.

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

6. INCOME TAX (CONTINUED)

Mainland China (CONTINUED)

Current income tax for the six months ended 30 June 2025 and 2024 are as follows:

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Current – Mainland China		
Charge for the period	2,920	5,474
Deferred	81	(868)
Total tax charge	3,001	4,606

7. DIVIDENDS

No dividends have been declared by the Company for the six months ended 30 June 2025 (for the six months ended 30 June 2024: Nil).

In February 2025, the unpaid non-trade dividend of RMB19,397,000 was settled by the Company, pursuant to “2023 Annual Profit Distribution Plan” approved by the Company’s shareholders at the annual general meeting.

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

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

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average ordinary shares of 32,767,000 (2024: 41,146,000) outstanding during the period, as adjusted to reflect the rights issue during the period. As the Group had no potentially dilutive ordinary shares outstanding during the period, no adjustment has been made on the basic earnings per share amounts presented for the period.

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

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent:	15,880	20,423
Less: profit attributable to treasury shares	2,371	2,475
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	13,509	17,948
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	32,767	41,146

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets at a cost of RMB7,607,000 (six months ended 30 June 2024: RMB8,578,000).

During the six months ended 30 June 2025, the Group disposed of assets for a cost of RMB1,025,000 (six months ended 30 June 2024: RMB1,333,000).

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

10. TRADE RECEIVABLES

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

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000
Within 3 months	7,511	5,399
3 months to 6 months	191	246
6 months to 1 year	121	191
1 to 2 years	124	–
Total	7,947	5,836

11. TRADE PAYABLES

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

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000
Within 3 months	10,755	11,687
3 months to 6 months	4,845	2,091
6 months to 1 year	759	591
More than 1 year	564	309
Total	16,923	14,678

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

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

12. SHARE CAPITAL

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000
Issued and fully paid:		
38,517,242 (2024: 38,517,242) ordinary shares	38,517	38,517

13. SHARE-BASED PAYMENTS

The Group adopted a restricted share scheme ("Employee Incentive Scheme") which became effective in 2017, for the purpose of attracting and retaining directors, senior management and employees who promote the success of the Group's operations. Two of the Controlling Shareholders, Ms. Shen Hongmin and Zhongshan Medical Investment, have transferred 5,751,000 shares of the Company to Wuhan Xinglin, Wuhan Zhulin and Wuhan Taolin for cash consideration. Wuhan Xinglin, Wuhan Zhulin and Wuhan Taolin are used as restricted share platforms to facilitate the administration of the Employee Incentive Scheme. Pursuant to the Employee Incentive Scheme, the subscription price ranging from RMB2.00 per share to RMB7.72 per share for restricted shares were paid by the employees to the general partner or limited partners of the platforms at the respective grant date of such scheme.

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

	Six months ended 30 June	
	2025 (unaudited)	2024 (unaudited)
At beginning of period	5,350,740	5,750,740
Granted during the period	400,000	–
At end of period	5,750,740	5,750,740

Under the Employee Incentive Scheme, the Group recognised share-based payment expenses of RMB867,000 during the six months ended 30 June 2025 (for the six months ended 30 June 2024: RMB785,000).

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14. CONTINGENT LIABILITIES

As at 30 June 2025 and 31 December 2024, the Group did not have any material contingent liabilities.

15. CONTRACTUAL COMMITMENTS

The Group had the following contractual commitments at the end of each of the reporting periods:

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000
Contracted, but not provided for: Property, plant and equipment	—	373

16. RELATED PARTY TRANSACTIONS

(a) Name and relationship

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

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

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16. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties

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

	Note	Six months ended 30 June	
		2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Purchases of goods (i)		501	587
Rental payments		338	150
Total		839	737

Note:

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

(c) Outstanding balances with related parties

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000
Dividends payable (non-trade): Hubei Zhongshan Medical Investment Management Co., Ltd.	—	19,397

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16. RELATED PARTY TRANSACTIONS (CONTINUED)

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

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Wages, salaries and allowances	2,090	1,880
Share-based payment expenses	106	223
Pension scheme contributions	20	25
Other employee benefits	73	101
Total compensation paid to key management personnel	2,289	2,229

17. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The unaudited interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 29 August 2025.

Definitions

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

Definitions

“Independent Third Party(ies)”	a person or entity which, to the best of our Directors’ knowledge, information, and belief, having made all reasonable enquiries, is not a connected person of the Company within the meaning of the Listing Rules
“Latest Practicable Date”	29 August 2025, being the latest practicable date for the purpose of ascertaining certain information contained in this interim report prior to its publication
“Listing”	listing of our H Shares on the main board of the Stock Exchange
“Listing Date”	9 July 2025, being the date on which the H Shares were listed on the main board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“MOF”	Ministry of Finance of the PRC (中華人民共和國財政部)
“Mr. Yao”	Mr. Yao Xue (姚雪), our executive Director, chairman of the Board and one of our Controlling Shareholders
“Ms. Shen”	Ms. Shen Hongmin (沈洪敏) (formerly known as Shen Hongmin (沈宏敏)), our executive Director, vice chairman of the Board, general manager and one of our Controlling Shareholders
“Partnership Program”	a partnership program of our Group designed for attracting seasoned medical professionals, as well as administrative and marketing talents to join and work with us, under which we mainly invite seasoned dentists to become minority Shareholders of our dental institutions
“PRC GAAP”	<i>PRC Accounting Standards and Accounting Regulations for Business Enterprise</i> (《中國企業會計準則》), as amended, supplemented or otherwise modified from time to time
“Pre-IPO Restricted Share Scheme”	the pre-IPO restricted share scheme adopted by our Company on 27 July 2017 and amended on 28 October 2024, the principal terms of which are summarized in “Appendix VI — Statutory and General Information — D. Pre-IPO Restricted Share Scheme” in the Prospectus
“Prospectus”	the prospectus of the Company dated 30 June 2025
“Reporting Period”	the six months ended 30 June 2025
“Restricted Share(s)”	the Share(s) granted under the Pre-IPO Restricted Share Scheme with transfer restrictions, and have been converted into H Shares upon the completion of the Global Offering and the conversion of Unlisted Shares into H Shares
“RMB” or “Renminbi”	the lawful currency of the PRC

Definitions

“Series A Investment”	the series A investment in our Group as described in “History, Development and Corporate Structure” in the Prospectus
“Series B Investment”	the series B investment in our Group as described in “History, Development and Corporate Structure” in the Prospectus
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of our Shares
“Share(s)”	shares in the share capital of our Company, with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares
“STA”	State Taxation Administration of the PRC (中華人民共和國國家稅務總局)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Supervisor(s)”	the supervisor(s) of our Company
“Unlisted Shares”	Shares of our Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi, and are not currently listed or traded on any stock exchange
“United States” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$”, “USD” or “US dollars”	United States dollars, the lawful currency of the United States
“Wuhan Taolin”	Wuhan Taolin Management Consulting Partnership (Limited Partnership) (武漢桃林管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on 7 July 2017 and an employee stock ownership platform of our Company
“Wuhan Xinglin”	Wuhan Xinglin Management Consulting Partnership (Limited Partnership) (武漢杏林管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on 17 October 2014 and an employee stock ownership platform of our Company
“Wuhan Zhulin”	Wuhan Zhulin Management Consulting Partnership (Limited Partnership) (武漢竹林管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on 14 July 2017 and an employee stock ownership platform of our Company
“Zhongshan Medical Investment”	Hubei Zhongshan Medical Investment Management Co., Ltd. (湖北中山醫療投資管理有限公司), a limited liability company established in the PRC on 10 October 2004 and one of our Controlling Shareholders
“%”	per cent

爱尚大众

