

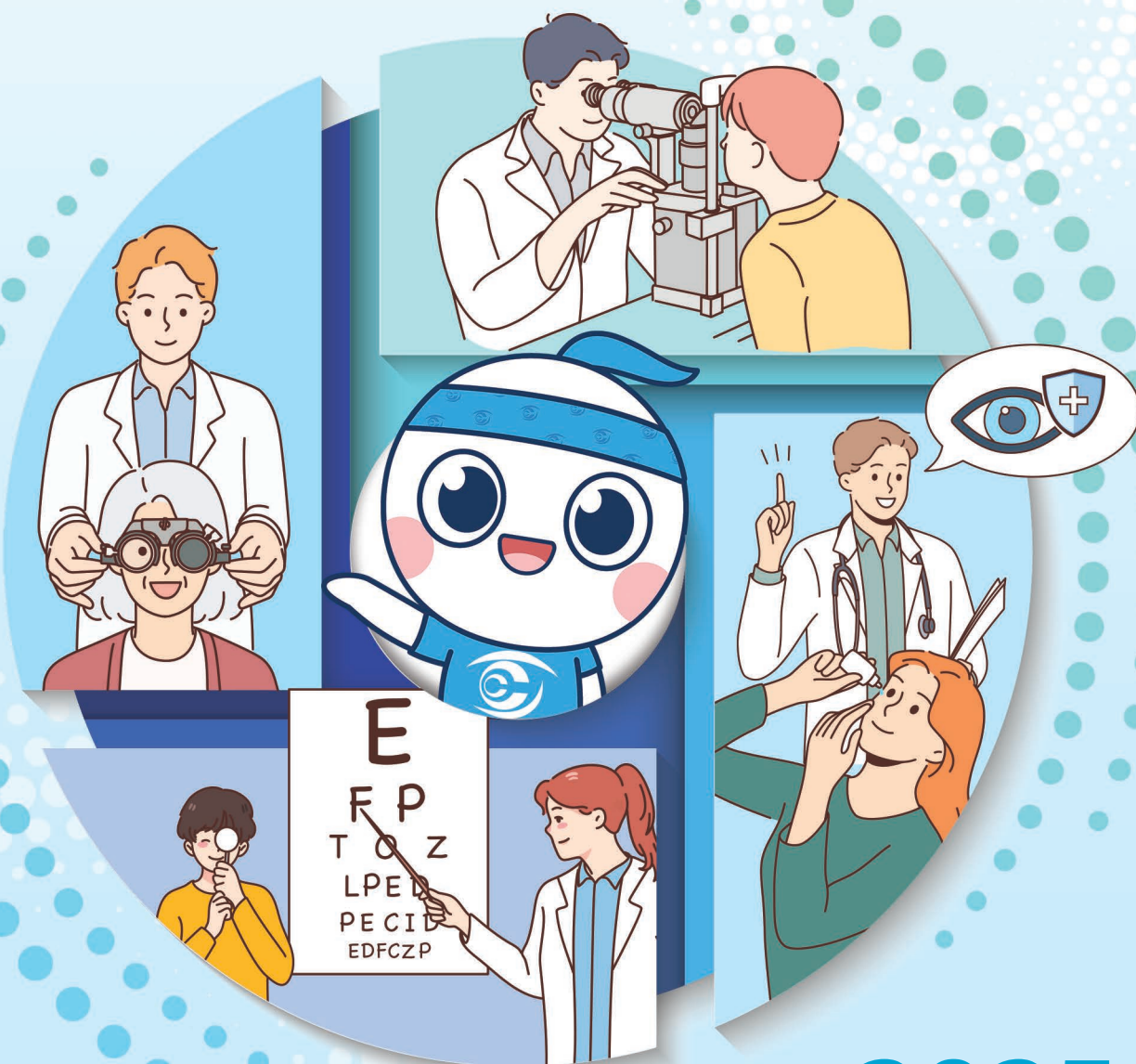


Chaoju Eye Care Holdings Limited

朝聚眼科醫療控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code : 2219

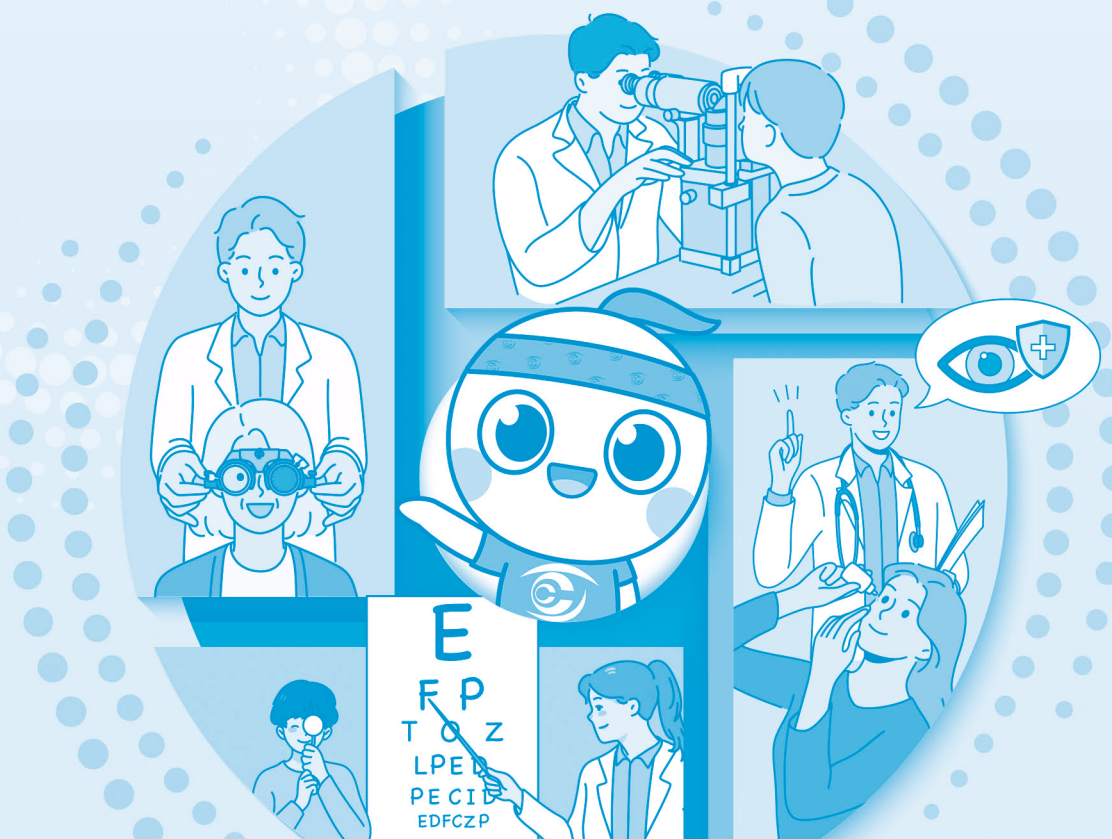


2025

INTERIM REPORT

CONTENTS

Corporate Information	2
Financial Highlights	4
Corporate Profile	5
Management Discussion and Analysis	6
Other Information	25
Independent Review Report	34
Interim Condensed Consolidated Statement of Profit or Loss	35
Interim Condensed Consolidated Statement of Comprehensive Income	36
Interim Condensed Consolidated Statement of Financial Position	37
Interim Condensed Consolidated Statement of Changes in Equity	39
Interim Condensed Consolidated Statement of Cash Flows	41
Notes to Interim Condensed Consolidated Financial Information	43
Definitions & Glossary	59





CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Zhang Bozhou (*Chairman and Chief Executive Officer*)
Ms. Zhang Xiaoli
Mr. Zhang Junfeng
Mr. Zhang Guangdi

Non-executive Directors

Mr. Richard Chen Mao
Mr. Li Zhen
Ms. Zhang Li

Independent non-executive Directors

Mr. He Mingguang
Ms. Guo Hongyan
Mr. Li Jianbin
Mr. Bao Shan

AUDIT COMMITTEE

Mr. Li Jianbin (*Chairman*)
Ms. Guo Hongyan
Mr. Bao Shan

REMUNERATION COMMITTEE

Mr. Bao Shan (*Chairman*)
Mr. Li Jianbin
Mr. Zhang Bozhou

NOMINATION COMMITTEE

Mr. Zhang Bozhou (*Chairman*)
Mr. Bao Shan
Mr. He Mingguang
Ms. Guo Hongyan (*appointed on June 30, 2025*)

ESG COMMITTEE

Mr. Zhang Bozhou (*Chairman*)
Mr. Zhang Guangdi
Mr. He Mingguang
Mr. Li Jianbin
Mr. Bao Shan

JOINT COMPANY SECRETARIES

Mr. Zhang Guangdi (*appointed on March 17, 2025*)
Mr. Cheng Ching Kit
Ms. Xie Chun (*resigned on March 17, 2025*)

AUTHORISED REPRESENTATIVES

Mr. Zhang Bozhou
Mr. Cheng Ching Kit

REGISTERED OFFICE

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

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

24/F, East Zone
Block A, Shouke Building
No. 14 Yard, West 3rd Ring South Road
Fengtai District
Beijing
China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

20th Floor
One International Finance Centre
1 Harbour View Street
Central
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

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

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17/F, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

HONG KONG LEGAL ADVISOR

Jingtian & Gongcheng LLP
Suites 3203-3207, Edinburgh Tower
The Landmark
Central
Hong Kong

AUDITOR

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

STOCK CODE

2219

COMPANY WEBSITE

www.chaojueye.com



FINANCIAL HIGHLIGHTS

	Six months ended June 30,		Change
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	
Operating Results			
Revenue	698,258	734,287	(4.9%)
Gross profit	297,667	335,974	(11.4%)
Profit before tax	153,090	179,640	(14.8%)
Net profit	110,739	133,620	(17.1%)
Non-IFRS adjusted net profit ⁽¹⁾	118,401	144,753	(18.2%)
Profitability			
Gross profit margin	42.6%	45.8%	
Net profit margin	15.9%	18.2%	
Non-IFRS adjusted net profit margin ⁽²⁾	17.0%	19.7%	
Non-IFRS EBITDA ⁽³⁾	210,165	234,818	
Non-IFRS adjusted EBITDA	217,827	245,951	
	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)	Change
Financial Position			
Total assets	3,000,432	2,880,916	4.1%
Total equity	2,361,897	2,326,151	1.5%
Total liabilities	638,535	554,765	15.1%
Cash and cash equivalents	283,790	780,785	(63.7%)

Notes:

- (1) Adjustments to the net profit for the six months ended June 30, 2025 and 2024 include share-based compensation expenses.
- (2) Non-IFRS adjusted net profit margin was calculated based on non-IFRS adjusted net profit divided by revenue.
- (3) Non-IFRS EBITDA represents profit before tax excluding (i) finance costs; (ii) interest income and fair value gains on financial assets at fair value through profit or loss; (iii) depreciation of property, plant and equipment; (iv) depreciation of investment properties; (v) amortisation of intangible assets; and (vi) depreciation of right-of-use assets.



CORPORATE PROFILE

The Group is a leading ophthalmic medical service group in North China with a strong reputation nationwide. The Group was founded in 1988 in Baotou, Inner Mongolia, as a clinic providing ophthalmic services. In the coming 10 years, the Group will adhere to the vision of “Being a Leader of Happy Ophthalmic Healthcare” (成為全球快樂眼健康引領者) and has been providing patients with “Safe, Effective and Friendly Ophthalmic Medical Experience” with the aid of effective medical equipment and technology as well as professional, caring and considerate services.

The Group generates revenue primarily from (i) consumer ophthalmic services and (ii) basic ophthalmic services. Consumer ophthalmic services include treatments and prevention of various types of ophthalmic disorders, including refractive correction (including presbyopia correction), myopia prevention and control, dry eye syndrome, oculoplastic and provision of optical products and services, the costs for which are currently not covered by public health insurance programs. Basic ophthalmic services include treatments of a wide range of common eye diseases, including cataract, glaucoma, squint, ocular fundus diseases, ocular surface diseases, orbital diseases and pediatric eye diseases, the cost of which are generally eligible to be covered by public health insurance programs. In light of upgraded social consumption in China over the recent years, the Group plans to increase its strategic focus on its consumer ophthalmic services business and devote more efforts to continuing its rapid growth, while maintaining its fundamental strength in basic ophthalmic business.

The Group’s patients are treated by ophthalmologists equipped with advanced technology and equipment. The Group’s medical team comprises of ophthalmologists specializing in a wide range of eye diseases as well as having strong medical background and extensive experiences. Advanced technology and equipment is another key factor underpinning its market leadership. Baotou Hospital is the one-and-only ophthalmic hospital in Inner Mongolia with a preparation room to produce hospital-made traditional Chinese medicine capsules and eye drops. The Group believes that its capabilities in hospital-made pharmaceuticals have helped improve its brand awareness and customer loyalty, which has brought the Group with competitive advantage in the area of myopia control and increased its overall revenue.

The Group believes that the following competitive strengths have differentiated itself from its competitors:

- As a leading ophthalmic medical service group in China, the Group is well-positioned to capture significant demands from a vast market for ophthalmic services.
- The Group’s clustered operation model helps to improve its market penetration, operational efficiency and profitability.
- The Group’s centralized and standardized management system makes its business model scalable and replicable.
- The Group has a team of high-caliber medical professionals and a sound training system underpinning the foundation of its growth.
- The Group’s full-service clinical ophthalmic treatments bring high customer satisfaction.
- The Group has garnered significant support from its experienced management team as well as its Shareholders.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a leading ophthalmic medical service group in North China with a strong reputation nationwide. The Group was founded in 1988 in Baotou, Inner Mongolia, as a clinic providing ophthalmic services. Since its inception, the Group adheres to the vision of “Being a Leader of Happy Ophthalmic Healthcare” (成為全球快樂眼健康引領者) and has been providing patients with “Safe, Effective and Friendly Ophthalmic Medical Experience” with the aid of effective medical equipment and technology as well as professional, caring and considerate services.

As at June 30, 2025, the Group operated a network of 31 ophthalmic hospitals and 29 optical centers spanning across a total of 7 provinces, municipalities and autonomous regions in China. The ophthalmic hospitals specialize in providing ophthalmic services and the optical centers offer a series of optical products and services to satisfy a wide array of requests from customers.

The following table sets forth a breakdown of certain operational information by type of services provided by the Group for the periods indicated:

	Unaudited	
	Six months ended 30 June,	
	2025	2024
The hospitals		
Out-patient services		
Number of out-patient visits	522,051	571,087
Average spending per visit (RMB) ⁽²⁾	797	764
In-patient services		
Number of in-patient admissions	34,844	35,814
Average spending per admission (RMB) ⁽²⁾	6,688	7,052
Optical centers		
Number of customer visits ⁽¹⁾	48,804	51,774
Average selling price (RMB) ⁽²⁾	978	868

Notes:

- (1) Represents the total number of purchases made by customers at the optical centers. If a customer makes more than one purchase at the optical centers within the same day, he/she will only be counted once. If a customer purchases at the optical centers on different days, he/she will be counted according to the number of days he/she made purchases at the optical centers.
- (2) Subject to rounding adjustments, (i) average spending per visit/admission represents the average spending per visit/admission calculated by the total revenue generated from the out-patient or in-patient services (as applicable) divided by the total number of out-patient or in-patient visit/admission (as applicable); and (ii) average selling price represents the average selling price calculated by the total revenue generated from the optical centers divided by the total number of customer visits.

The Group's revenue decreased by 4.9% from RMB734.3 million for the six months ended June 30, 2024 to RMB698.3 million for the six months ended June 30, 2025, primarily due to (1) slightly decrease in outpatient visits and inpatient admissions mainly in basic ophthalmic services; and (2) pricing adjustments starting from the second half of 2024 within the Group in response to intensified market competition and China's national policy of Volume-Based Procurement (VBP).

The following table sets forth a breakdown of revenue by business segments for the periods indicated:

	Unaudited			
	Six months ended June 30,			
	2025		2024	
	Revenue	Percentage	Revenue	Percentage
	(RMB'000)	of revenue	(RMB'000)	of revenue
Consumer ophthalmic services	359,492	51.5%	376,483	51.3%
Basic ophthalmic services	337,467	48.3%	357,214	48.6%
Sales of equipment and medical consumables	1,299	0.2%	590	0.1%
Total	698,258	100.0%	734,287	100.0%

Consumer ophthalmic services

The Group's consumer ophthalmic services include treatments and prevention of various types of ophthalmic disorders, including refractive correction (including presbyopia correction), myopia prevention and control, dry eye syndrome, oculoplastic and provision of optical products and services, the costs for which are currently not covered by public health insurance programs.

To maintain the Group's strong reputation in the provision of consumer ophthalmic services, the Group (i) optimized its marketing and promotion activities with a focus on online promotion, new media and other online channels; (ii) chaired various pro bono eye disease screening activities for the public; (iii) formulated operational management measures to optimize its customer membership management model for maintaining customer loyalty; and (iv) streamlined the admission process to increase the Group's capacity for patient visits. The Group continued to reinforce the training on consumer ophthalmic services techniques and related skills and improve the service quality in adherence to the Group's core values of "provide patients with "Safe, Effective and Friendly Ophthalmic Medical Services". Furthermore, the Group also implemented stringent medical quality control measures and upgraded equipment technology to provide patients with high-quality medical services and enhance the Group's reputation.

In addition, the pricing of consumer ophthalmic services provided by designated hospitals operated by the Group is subject to policy constraints under the Guidelines for the Establishment of Pricing Items for Ophthalmology Medical Services (Trial) with respect to consumer ophthalmology services, while the consumer ophthalmic services provided by other entities operated by the Group are not subject to pricing guidance from public health insurance authorities, whereby the Group retains greater pricing flexibility. The extent of autonomy has enabled the Group to allocate more resources toward driving long-term and sustained growth in consumer ophthalmology services. For the six months ended June 30, 2025, the Group's consumer ophthalmic services contributed to 51.5 % of the Group's total revenue. In terms of revenue, consumer ophthalmic services have continued to be the Group's major source of revenue.



MANAGEMENT DISCUSSION AND ANALYSIS

Basic ophthalmic services

The Group's basic ophthalmic services include treatments of a wide range of common eye diseases, including cataract, glaucoma, squint, ocular fundus diseases, ocular surface diseases, orbital diseases and pediatric eye diseases, the cost of which are partially eligible to be covered by public health insurance programs.

The Group continued to devote significant resources on the procurement of cutting-edge ophthalmic equipment and expand its use of advanced treatment options. This commitment includes the deployment of femtosecond laser-assisted cataract surgery (FLACS) equipment, as well as high-end diagnostic imaging systems and premium consumables. These strategic investments have elevated procedural quality and patient safety, driving stronger satisfaction and higher return rates for our basic ophthalmology services across all our hospitals.

For the six months ended June 30, 2025, the Group's basic ophthalmic services accounted for 48.3% of the Group's total revenue, being another major source of revenue of the Group.

Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of gross profit by business segments and the corresponding gross profit margin for the periods indicated:

	Unaudited			
	Six months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	Gross profit (RMB'000)	Gross profit (RMB'000)	Gross profit margin	Gross profit margin
Consumer ophthalmic services	150,125	183,025	41.8%	48.6%
Basic ophthalmic services	147,413	152,892	43.7%	42.8%
Sales of equipment and medical consumables	129	57	9.9%	9.7%
Total	297,667	335,974	42.6%	45.8%

The gross profit generated from consumer ophthalmic services was RMB150.1 million for the six months ended June 30, 2025, representing a decrease of 18.0% compared to the six months ended June 30, 2024, primarily due to the heightened industry competition, which compressed the profit margin and led to a decline in the segment's gross margin. The gross profit generated from basic ophthalmic services was RMB147.4 million for the six months ended June 30, 2025, representing a decrease of 3.6% compared to the six months ended June 30, 2024, primarily due to (1) tightened national medical insurance policy and settlements; and (2) increased profit margins from enhanced deployment of FLACS and other equipment and technology to supplement basic ophthalmic services, offsetting the loss of profits resulting from China's VBP. The Group's gross profit was RMB297.7 million for the six months ended June 30, 2025, representing a decrease of 11.4% compared to the six months ended June 30, 2024.

Team of Medical Professionals

The Group has a deep bench of ophthalmic experts with medical expertise and rich experience to treat a wide range of eye diseases and to provide various types of consumer ophthalmic services. The Group focuses on the quality of ophthalmic services and devotes resources to allow its ophthalmologists to provide ophthalmic medical services in a professional, dedicated and responsible manner. The Group is also committed to recruiting and cultivating qualified professionals to form an ophthalmic medical team with outstanding professional and ethical standards and strong sense of responsibility. As of June 30, 2025, the Group had a total of 1,500 full-time medical professionals (as of June 30, 2024: 1,458), including 320 physicians, 631 nurses and 549 other professionals (as of June 30, 2024: 302 physicians, 622 nurses and 534 other professionals). Among the 320 physicians, 271 are full-time physicians registered as specialized ophthalmologists. In addition, the Group also had 74 multi-site practice physicians who were full-time employees of other medical institutions.

Awards, Recognitions and Social Responsibility

In 2025, the Group has received recognitions and awards at different levels and from different aspects, such as:

January 2025	Baotou City Chaoju Eye Hospital Co., Ltd.* (包頭市朝聚眼科醫院有限公司) was awarded as “High-Growth Leading Enterprise (高效成長領軍企業)”;
February 2025	Chaoju (Chifeng) Eye Hospital Co., Ltd. (朝聚(赤峰)眼科醫院有限公司) was awarded as “Model Enterprise of Integrity (誠信示範企業)”;
March 2025	Baotou City Chaoju Eye Hospital Co., Ltd.* (包頭市朝聚眼科醫院有限公司) received the “Outstanding Unit (Collective) for Medical Service Capacity Enhancement in Jiuyuan District Health System for the Year 2024* (九原區衛生健康系統2024年度醫療服務能力提升突出單位(集體))” honorary title;
May 2025	Tongliao Chaoju Eye Hospital Co., Ltd.* (通遼朝聚眼科醫院有限公司) was recognized as “Special Contribution Enterprise for Employment of Graduates from Tongliao Vocational College (通遼職業學院畢業生就業工作特殊貢獻企業)” and “Industry-Education Integration Training Base (產教融合實訓基地)”;
June 2025	Chaoju (Inner Mongolia) Eye Hospital Co., Ltd.* (朝聚(內蒙古)眼科醫院有限公司) and Baotou City Chaoju Eye Hospital Co., Ltd.* (包頭市朝聚眼科醫院有限公司) were rated as Grade 3A specialized hospitals (三級甲等專科醫院); Chifeng Chaoju Eye Hospital* (赤峰朝聚眼科醫院) was rated as a Grade 3B hospital (三級乙等醫院); Chaoju Eye Care Science Museum’s exhibit “The Legend of Bright Eyes (明眸正傳)” won the third prize in the National Eye Health Science Popularization Competition (全國眼健康科普大賽); Chaoju (Ulanqab) Eye Hospital Co., Ltd.* (朝聚(烏蘭察布)眼科醫院有限公司) received the “National Civilized Unit (全國文明單位)” honorary title;
July 2025	Hangzhou Chaoju Eye Hospital Co., Ltd.* (杭州朝聚眼科醫院有限公司) was selected as a member unit of China Ophthalmic Innovation Technology Science Popularization Alliance* (中國眼科創新技術科普聯盟單位).



MANAGEMENT DISCUSSION AND ANALYSIS

The Group provides charitable medical aid and medical consultations to public institutions and disadvantaged communities from time to time. Such charitable events allow the Company to maintain good relationships with government authorities and institutions while simultaneously promote its ophthalmic and optical services. These events do not only benefit the disadvantaged communities, but also improve the Group's brand awareness and reputation. For example, in the first half of 2025, the Group:

1. continued to participate in the "Spread the Love in Inner Mongolia, Helping Patients in Pursuit of Health and Dreams" (大愛北疆助康圓夢) charity campaign jointly organized by the Inner Mongolia Disabled Persons' Federation and Inner Mongolia Disabled Persons' Welfare Foundation to provide eye examination and treatment services for vulnerable groups;
2. continued to participate in the "Belt and Road: Bright Tour" public welfare project in the China-Mongolia, provided training for optometrists in Mongolia and performed cataract recovery operation services for cataract patients in Mongolia;
3. provided optical screening services to and established medical profiles for primary and secondary school students in Inner Mongolia;
4. provided professional and customized rehabilitation training for children with low vision and squint, and carried out prevention activities to educate children and parents for early diagnosis;
5. conducted various forms of online and offline expert science popularization lectures on eye health for students and their parents for enriching their knowledge in eye health and common eye diseases among children; and
6. led 2 scientific research projects with various authorities and published 3 articles on reputable scientific journals, and published 1 article domestically.

BUSINESS PROSPECTS AND STRATEGIC HIGHLIGHTS

The demand for ophthalmic medical services has gradually increased in recent years and is expected to remain relatively steady growth rates in the foreseeable future as a result of continued economic growth and an increasingly aging population. However, ophthalmic medical resources in China are scarce, and the penetration rate of surgeries for eye diseases in China is low.

As at the date of this report, the Group operated a network of 31 ophthalmic hospitals and 29 optical centers. The Group plans to continue expanding its network layout and strengthening its network coverage in the key regions of North China and expects to acquire more hospitals in the coming future. The Group also plans to expand its layout in the key regions of Yangtze River Delta region through acquisitions and establishment of new hospitals and optical centers. As at the date of this report, the Group had not entered into any letters of intent or agreements with respect to acquisitions and had not identified any definite acquisition targets.

As a leading ophthalmic medical services group in China, the Group is able to leverage on its branding and market reputation in North China and continue to increase its market share in North China. The Group has further enhanced its brand awareness and reputation in East China through continuously expanding its market share and consolidating the Group's market position in the region. The Group is well-positioned to capture the significant growth potential of the underserved market of private ophthalmic services in China.

Looking into the future and the second half of 2025, the Group expects to:

1. adhere to the vision of “Being a Leader of Happy Ophthalmic Healthcare” to provide effective medical services and continuously revise its improvement plans and promote “Happy Action” plans;
2. reinforce its leading position in North China and enhance its market positioning in Yangtze River Delta region and other key regions while developing its featured ophthalmic hospitals, new-build and mergers and acquisitions in key regions;
3. seize opportunities in the consumer ophthalmic market and expand consumer ophthalmology by leveraging Chaoju Eye ophthalmic's clinical expertise in ophthalmology diagnosis and treatment in order to become a national chain provider of ophthalmic services trusted by the public;
4. improve the utilization efficiency of its regional resources and strengthen its centralized management model with regional center hospitals as the core;
5. serve with quality medical services and continuously improve patient satisfaction and brand awareness;
6. continue to promote Golocal Talent Program, actively attract and recruit talents by further refining its training and career developments programs, cultivating its unique corporate culture and offering fair incentives to its key employees;
7. standardize the management of the Group and the communication with regulatory authorities, such as the Stock Exchange, and various professional institutions, so as to improve the comprehensive corporate governance;
8. deepen the application of intelligent technologies and leverage artificial intelligence to enhance our work efficiency; and
9. continue to promote the construction of a sound environmental, social and corporate governance (ESG) system and constantly give back to the society.



MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Revenue

During the Reporting Period, the Group generated revenue primarily from providing (i) consumer ophthalmic services and (ii) basic ophthalmic services. The revenue of the Group decreased by 4.9% from RMB734.3 million for the six months ended June 30, 2024 to RMB698.3 million for the six months ended June 30, 2025.

Consumer ophthalmic services

The Group's consumer ophthalmic services offer a variety of ophthalmic disorder treatments and prevention measures, including myopia control, refractive correction (including presbyopia correction), dry eye syndrome, oculoplastic and provision of optical products and services.

The Group's revenue from consumer ophthalmic services decreased by 4.5% from RMB376.5 million for the six months ended June 30, 2024 to RMB359.5 million for the six months ended June 30, 2025, primarily due to pricing adjustments in response to intensified market competition especially in refractive operation.

Basic ophthalmic services

The Group's basic ophthalmic services offer a wide range of common eye diseases treatments, including cataract, glaucoma, squint, ocular fundus diseases, ocular surface diseases, orbital diseases and pediatric eye diseases.

The Group's revenue from basic ophthalmic services decreased by 5.5% from RMB357.2 million for the six months ended June 30, 2024 to RMB337.5 million for the six months ended June 30, 2025, primarily due to (1) slightly decrease in outpatient visits and inpatient admissions; and (2) a combined impact of pricing adjustments starting from the second half of 2024 for the implementation of China's VBP and the enhanced deployment of FLACS and other equipment and technology to supplement basic ophthalmic services.

Cost of Sales

During the Reporting Period, the Group's cost of sales was primarily composed of medical consumables and optical products, employee compensation directly related to the Group's provision of medical services, cost of pharmaceuticals, depreciation, amortization and rental expenses.

The Group's cost of sales increased by 0.6% from RMB398.3 million for the six months ended June 30, 2024 to RMB400.6 million for the six months ended June 30, 2025, primarily due to increase in procedures and surgeries in refractive operation and cataract recovery operation. This growth in case volume, in turn, has contributed to a small rise in the costs associated with medical consumables and pharmaceuticals.

Gross Profit and Gross Profit Margin

The Group's gross profit decreased by 11.4% from RMB336.0 million for the six months ended June 30, 2024 to RMB297.7 million for the six months ended June 30, 2025.

The Group's gross profit margin decreased from 45.8% for the six months ended June 30, 2024 to 42.6% for the six months ended June 30, 2025. The decrease in gross profit margin was primarily due to pricing adjustments starting from the second half of 2024 in response to intensified market competition and implementation of VBP.

Other Income and Gains

During the Reporting Period, the Group's other income and gains primarily comprised interest income, fair value gains and government grants.

The Group's other income and gains increased by 47.1% from RMB25.7 million for the six months ended June 30, 2024 to RMB37.8 million for the six months ended June 30, 2025, primarily due to (i) obtaining certain governmental subsidies; and (ii) an increase in fair value gains from financial assets at fair value through profit or loss.

Selling and Distribution Expenses

During the Reporting Period, the Group's selling and distribution expenses were primarily composed of the compensation of the Group's sales and marketing personnel, advertising expenses, depreciation, amortization, office expenses and rental expenses.

The Group's selling and distribution expenses decreased by 22.5% from RMB63.0 million for the six months ended June 30, 2024 to RMB48.8 million for the six months ended June 30, 2025, primarily due to the reduction of inefficient advertising expenditures through precise targeting and efficient utilization of advertising resources, while maintaining stable advertising effectiveness.

Administrative Expenses

During the Reporting Period, the Group's administrative expenses were primarily composed of the compensation of and share-based payments to the Group's administrative and management personnel, depreciation and amortization, rental expenses and fees paid for the professional services and office expenses.

The Group's administrative expenses decreased by 3.9% from RMB106.4 million for the six months ended June 30, 2024 to RMB102.2 million for the six months ended June 30, 2025, primarily due to (1) the conclusion of the amortization period for share-based incentive bonuses for certain management personnel; and (2) strict control expenditures such as business entertainment and travel.

Other Expenses

During the Reporting Period, the Group's other expenses were primarily composed of impairment losses on non-financial assets, foreign exchange losses, and other non-operating expenses. The Group's other expenses increased significantly by 290.6% from RMB6.4 million for the six months ended June 30, 2024 to RMB25.0 million for the six months ended June 30, 2025. This increased in other expenses was primarily due to impairment of goodwill and intangible assets at certain hospitals with under-performing operational results.

Impairment losses on financial assets at amortised cost, net

During the Reporting Period, the Group's impairment losses on financial assets at amortised cost were primarily composed of provision for impairment losses on trade receivables and other receivables.

The Group's impairment losses on financial assets at amortised cost were RMB0.5 million for the six months ended June 30, 2024 and RMB0.4 million for the six months ended June 30, 2025, which remained relatively stable.



MANAGEMENT DISCUSSION AND ANALYSIS

Finance Costs

During the Reporting Period, the Group's finance costs were primarily composed of interest expenses on lease liabilities.

The Group's finance costs were RMB5.6 million for the six months ended June 30, 2024 and RMB6.1 million for the six months ended June 30, 2025, which remained relatively stable.

Income Tax Expense

During the Reporting Period, the income tax rate generally applicable to the Group's subsidiaries in China is 25% and certain subsidiaries of the Group are eligible for a preferential income tax rate of 15%. Certain other subsidiaries are eligible for a preferential income tax rates of 3% or 5% with respect to part of their taxable income.

The Group's income tax expenses decreased by 7.8% from RMB46.0 million for the six months ended June 30, 2024 to RMB42.4 million for the six months ended June 30, 2025, primarily due to a decrease in the profit before tax.

Net Profit and Net Profit Margin

As a result of the foregoing, the Group's net profit decreased by 17.1% to RMB110.7 million for the six months ended June 30, 2025 from RMB133.6 million for the six months ended June 30, 2024. The Group's net profit margin decreased to 15.9% for the six months ended June 30, 2025 from 18.2% for the same period in 2024. The Group defined non-IFRS adjusted net profit as profit for the period adjusted for items which are non-recurring or extraordinary, including share-based compensation expenses. The Group's non-IFRS adjusted net profit decreased by 18.2% to RMB118.4 million for the six months ended June 30, 2025 from RMB144.8 million for the same period in 2024.

Non-IFRS Measures

To supplement the Group's condensed consolidated financial statements which are presented in accordance with IFRS, the Company has provided non-IFRS adjusted net profit, non-IFRS adjusted net profit margin, non-IFRS EBITDA and non-IFRS adjusted EBITDA as non-IFRS measures, which are not required by, or presented in accordance with, IFRS. The Company believes that the non-IFRS adjusted financial measures provide useful information to investors and others in understanding and evaluating the Group's condensed consolidated statements of profit or loss in the same manner as they helped the Company's management, and that the Company's management and investors may benefit from referring to these non-IFRS adjusted financial measures in assessing the Group's operating performance from period to period by eliminating impacts of items that the Group does not consider indicative of the Group's operating performance. However, the presentation of these non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the IFRS. You should not view the non-IFRS adjusted results on a stand-alone basis or as a substitute for results under IFRS.

The following table sets forth the reconciliations of the Group's non-IFRS financial measures for the six months ended June 30, 2024 and 2025 to the nearest measures prepared in accordance with IFRS:

	Unaudited	
	Six months ended June 30	
	2025	2024
	(RMB'000)	(RMB'000)
Net Profit	110,739	133,620
Adjustments:		
Share-based compensation expenses	7,662	11,133
Non-IFRS adjusted net profit	118,401	144,753
Non-IFRS adjusted net profit margin	17.0%	19.7%

Note:

Non-IFRS adjusted net profit margin was calculated based on non-IFRS adjusted net profit divided by revenue.

Financial Position

Trade Receivables

The Group's trade receivables decreased by 5.5% from RMB74.4 million as of December 31, 2024 to RMB70.3 million as of June 30, 2025, primarily due to a decrease in medical insurance receivables as a result of the insurance being received earlier than in the same period of 2024.

Liquidity and Financial Resources

The Group's business operations and expansion plans require significant amount of capital, which will be used for upgrading the existing ophthalmic hospitals and optical centers, establishing and acquiring new hospitals and other working capital requirements. The Group's principal sources of liquidity are cash generated from its business operations, as well as debt and equity financing.

	Unaudited	
	Six months ended June 30,	
	2025	2024
	(RMB'000)	(RMB'000)
Net cash flows from operating activities	181,554	174,461
Net cash flows used in investing activities	(579,217)	(18,791)
Net cash flows used in financing activities	(92,900)	(224,348)
Effect of foreign exchange rate changes, net	(6,432)	975
Net decrease in cash and cash equivalents	(496,995)	(67,703)



MANAGEMENT DISCUSSION AND ANALYSIS

The Group's net decrease in cash and cash equivalents is RMB497.0 million for the six months ended June 30, 2025, primarily due to net cash inflows of RMB181.6 million from operating activities, and net cash outflows of RMB579.2 million from investing activities, mainly attributable to the purchase of financial products, and net cash outflows of RMB92.9 million from financing activities, which resulted from the payment of dividends for the year ended December 31, 2024.

Trade Payables

The Group's trade payables increased by 19.6% from RMB53.6 million as of December 31, 2024 to RMB64.1 million as of June 30, 2025, primarily due to increases in payables for medical consumables and pharmaceuticals.

Other Payables and Accruals

The Group's other payables and accruals include salaries and welfare payables, rent payables, equity payables, payables for purchases of property, plant and equipment and contract liabilities.

The Group's other payables and accruals increased by 15.9% from RMB231.0 million as of December 31, 2024 to RMB267.8 million as of June 30, 2025, primarily due to an increase in payables for construction.

Contingent Liabilities

As of June 30, 2025, the Group did not have any material contingent liabilities or guarantees.

Pledge of Assets

As of June 30, 2025, bank deposits of RMB5.6 million was pledged, which are earmarked for issuing letters of guarantee to ensure the payment of migrant workers' wages in construction projects.

Save as disclosed above, the Group has not charged any assets thereof as at June 30, 2025.

Capital Commitments

As of June 30, 2025, the Group had a total capital commitment of approximately RMB69.3 million (as of December 31, 2024: RMB56.4 million), primarily related to the Group's liabilities in relation to (i) the subscription of limited partnership interest in Xiamen Ronghui Hongshang Phase II Equity Investment Partnership (Limited Partnership)* (廈門融匯弘上二期股權投資合夥企業(有限合夥)); (ii) the construction and renovation of its in-network hospitals and the procurement of medical equipment; (iii) the acquisition of minority shareholders' interests in Ningbo Boshi Eye Hospital Co., Ltd. (寧波博視眼科醫院有限公司), at a total consideration of approximately RMB14.59 million; and (iv) the acquisition of equity interests in Wuzhong Yunshikang Eye Hospital Co., Ltd.* (吳忠市雲視康眼科醫院有限公司), at a total consideration of approximately RMB4.97 million.

Material Acquisitions and Disposals

Save as otherwise disclosed in this report, the Group did not have any material acquisitions or disposal of subsidiaries, associates or joint ventures for the six months ended June 30, 2025 and as at the date of this report.

Significant Investments

The Group subscribed for low-risk short-term structured deposit products issued by reputable commercial banks with certain portion of its temporary idle funds (including surplus cash received from its business operations) for treasury management purpose in order to enhance the efficiency, the utilization of and the return on its temporary idle funds. These products are of very low risk nature with satisfactory liquidity and the Group expects that the structured deposit products will earn a better yield than current deposits generally offered by commercial banks in the PRC while at the same time offer flexibility to the Group in terms of treasury management. The Group has implemented adequate and appropriate internal control procedures to ensure subscriptions of structured deposit products would not affect the working capital or the operations of the Group, and that such investments would be closely monitored and conducted in accordance with the Group's treasury policy. As such, the Board is of the view that the subscriptions of the structured deposit products (as listed below) are fair and reasonable and are on normal commercial terms and the subscriptions are in the interests of the Company and the Shareholders as a whole.

As of June 30, 2025, the Group maintained a portfolio of structured deposit products with a total outstanding principal amount of RMB410.0 million, representing approximately 13.7% of the Group's total assets.

For the six months ended June 30, 2025, the total principal amount of the structured deposit products that the Group has subscribed for was RMB100.0 million and the amount of interest income that the Group has recognized as fair value gains on financial assets at fair value through profit or loss was approximately RMB5.0 million.

The following table sets forth a breakdown of the major structured deposit products subscribed by the Group and remain outstanding as at June 30, 2025:

Name of the issuer of the structured deposit products	Name of the structured deposit products	Deposit starting date	Date of maturity	Principal amount of subscription ⁽¹⁾	Expected annualized return rate ⁽²⁾	Realized/Fair value as of June 30, 2025	Percentage of the total assets of the Group as of June 30, 2025
				(RMB'000)		(RMB'000)	
CIB	CIB Corporate RMB Structured Deposit (興業銀行企業金融人民幣結構性存款) (CC59240806000)	August 9, 2024	August 8, 2025	20,000	1.7000% to 2.3600%	20,234	0.67%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款(機構客戶) (CSDVY202412451)	August 13, 2024	August 13, 2025	11,000	1.4000% to 3.1010%	11,123	0.37%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款(機構客戶) (CSDVY202412452)	August 13, 2024	August 15, 2025	9,000	1.3960% to 3.0950%	9,100	0.30%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款(機構客戶) (CSDVY202414800)	September 30, 2024	September 24, 2025	125,000	1.3000% to 3.1500%	126,382	4.21%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款(機構客戶) (CSDVY202414801)	September 30, 2024	September 26, 2025	115,000	1.2950% to 3.1470%	116,272	3.88%



MANAGEMENT DISCUSSION AND ANALYSIS

Name of the issuer of the structured deposit products	Name of the structured deposit products	Deposit starting date	Date of maturity	Principal amount of subscription ⁽¹⁾ (RMB'000)	Expected annualized return rate ⁽²⁾	Realized/Fair value as of June 30, 2025 (RMB'000)	Percentage of the total assets of the Group as of June 30, 2025
CIB	CIB Corporate RMB Structured Deposit (興業銀行企業金融人民幣結構性存款) (CC59241008015)	October 10, 2024	October 9, 2025	30,000	1.7000% to 2.3500%	30,350	1.01%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款) (機構客戶) (CSDVY202508788)	June 25, 2025	January 7, 2026	26,000	0.8000% to 2.8100%	26,008	0.87%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款) (機構客戶) (CSDVY202508789)	June 25, 2025	January 9, 2026	24,000	0.7940% to 2.8180%	24,007	0.80%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款) (機構客戶) (CSDVY202508790)	June 25, 2025	January 14, 2026	26,000	0.8000% to 2.8200%	26,008	0.87%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款) (機構客戶) (CSDVY202508791)	June 25, 2025	January 16, 2026	24,000	0.7940% to 2.8280%	24,007	0.80%

Notes:

(1) These subscription amounts were all funded by surplus cash of the Group.

(2) Upon maturity, the Group expects to receive the principal amount together with the expected interest.

Save as disclosed in this report, there was no other significant investments held by the Group during the Reporting Period.

Future Plan for Material Investment and Capital Asset

The Group has entered into the construction contract with Inner Mongolia Guangxia Construction & Installation Engineering Co., Ltd. in relation to the construction of the Chaoju Eye Care Integrated Medical Complex Construction Project Phase I at a contract price of RMB222.84 million (inclusive of tax), which constituted a discloseable transaction of the Company and will be funded by the proceeds from the Global Offering and the Group's internal funds. For further details of the construction contract, please refer to the announcement of the Company dated July 28, 2025.

Save as disclosed above, up to the date of this report, the Group did not have any future plan for material investments and capital assets.

Borrowings and Gearing Ratio

As of June 30, 2025, the Group was in a net cash position and thus, gearing ratio is not applicable.

Foreign Exchange Risk

Foreign currency risk refers to the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and other currencies in which the Group conducts business may affect its financial condition and results of operation. The Group mainly operates in the PRC and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Hong Kong dollars. The conversion of foreign currencies into RMB, including Hong Kong dollars, has been based on rates set by the People's Bank of China. The Group seeks to limit its exposure to foreign currency risk by closely monitoring and minimizing its net foreign currency position. During the Reporting Period, the Group did not enter into any currency hedging transactions.

Interest Rate Risk

The Group's interest rate risk arises from interest-bearing borrowings. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group currently does not use any interest rate swap contracts or other financial instruments to hedge against interest rate exposure.

Credit Risk

Credit risk is the risk regarding the loss arising from a counterparty's inability to meet its obligations. The management of the Group has put in place a credit policy and the exposure to such credit risks is monitored on an on-going basis.

Liquidity Risk

The Group's liquidity is primarily dependent on its ability to maintain adequate cash inflows from operations to meet its debt obligations as they fall due, and the ability to obtain external financing to meet its committed future capital expenditure.

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by its management to finance the operation and mitigate the effects of fluctuations in cash flows.

Interim Dividends

The Board has resolved not to declare any interim dividend for the six months ended June 30, 2025 (for the six months ended June 30, 2024: HK\$0.1307 per share).

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Since January 1, 2025 and up to the date of this report, save as provisions addressed below, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules.

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The roles of chairman of the Board and chief executive officer of the Company are held by Mr. Zhang Bozhou who has extensive experience in the industry. The Board believes that vesting the roles of the chairman and chief executive officer in Mr. Zhang Bozhou is beneficial to the management of the Group and will improve the efficiency of the Group's decision making and executive process given his knowledge in the Group's affairs. Further, the Group has put in place an appropriate check-and-balance mechanism through the Board and the independent non-executive Directors.

In view of the above, the Board considers that such structure will not impair the balance of power and authority between the Board and the management of the Group. The Board will review the corporate governance structure and practices from time to time and shall make necessary arrangement when the Board considers appropriate.



MANAGEMENT DISCUSSION AND ANALYSIS

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. Upon specific enquiry, all Directors confirmed that they had complied with the requirements as set out in the Model Code since January 1, 2025 and up to the date of this report.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the requirements under the Listing Rules. The Audit Committee is composed of three independent non-executive Directors, being Mr. Li Jianbin (chairman of the Audit Committee), Ms. Guo Hongyan and Mr. Bao Shan. The primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the financial reporting process, the internal control and risk management system of the Group, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

PROCEEDS FROM GLOBAL OFFERING AND ITS UTILIZATION

Use of Proceeds from Global Offering

The shares of the Company were listed on the Main Board of the Stock Exchange on July 7, 2021. In the Global Offering, the Company issued 137,500,000 Shares at HK\$10.60 per share and subsequently issued 20,125,000 Shares at HK\$10.60 per share on August 3, 2021 upon partial exercise of the overallotment option. The net proceeds from the Global Offering received by the Company, after deduction of the underwriting fees and commissions and other expenses payable by the Company in connection with the Global Offering, were approximately HK\$1,599 million.

Updated Expected Timetable for Use of Proceeds and Change in Use of Proceeds from the Global Offering

As at June 30, 2025, the unutilised balance of net proceeds was approximately HK\$681.50 million. After considering, (1) The upgrade of the Company’s current information technology system has been basically completed and can meet the development needs of the Company, there being no large-scale update plans for the Company’s information technology system in the near term. With the efforts of the Company and its team, there is still a surplus of funds after the information system upgrade is completed. In accordance with the Company’s overall strategic planning, the remaining funds from the information technology system upgrade project will be allocated to the establishment and upgrading of existing hospitals, the use of which will be extended for another two years. (2) In light of the current situation of the ophthalmology market and the Company’s actual circumstances, the Company has adjusted the progress of acquiring and establishing new hospitals. The targets for hospital acquisition are still under screening, so part of the planned funds will be allocated to the establishment of new hospitals and upgrading of existing hospitals and extend it for two years. Therefore, in respect of the use of proceeds as disclosed in the Prospectus and subsequent update on the expected timeline for use of such proceeds as disclosed in the announcement of the Company dated March 26, 2024, the Board resolved on August 29, 2025 to (a) further extend the expected timetable for the use of net proceeds for two years; and (b) reallocate HK\$167.99 million from “acquiring hospitals, when appropriate opportunities arise, in new markets which has sizable population and relatively high level of demand for ophthalmic healthcare services” and HK\$60.00 million from “upgrading information technology systems” to “establishment of new hospitals and the relocation, upgrade and renovation of existing hospitals”.

The Board considered the impact of the proposed change in the use of net proceeds from the Global Offering and the further extension of timeline on the Group's business and operation and believes that, in view of the Group's operation and business development, the reallocation of net proceeds and extension of timeline will facilitate efficient allocation of financial resources and strengthen the future development of the Group, and it is appropriate and in the interests of the Company and its shareholders as a whole. Save for the above, there is no other change in the use of net proceeds from the Global Offering and the expected timeline.

To strive for better business performance of the Group, the Board will continuously assess the use of unutilised net proceeds and the timetable for use of such proceeds and may revise or amend the plan for the use of net proceeds where necessary in respond to the changing market conditions.

Intended Use of Net Proceeds	Planned	Revised	Utilised		Unutilised	Updated Expected Timetable for Utilisation of Unutilised Net Proceeds ^(Note 2)
	Amount of the	Allocation of	Amount of	Actual	Net Proceeds	
	Net Proceeds for its Intended Use ^(Note 1)	the Net Proceeds for its Intended Use	Net Proceeds during the Reporting Period	Utilisation up to June 30, 2025	as at June 30, 2025 (as Revised)	
	(HK\$ million)	(HK\$ million)	(HK\$ million)	(HK\$ million)	(HK\$ million)	
Establishment of new hospitals and the relocation, upgrade and renovation of existing hospitals	572.44	800.42	59.01	345.06	455.36	expected to be fully utilized on or before December 31, 2027
Acquiring hospitals, when appropriate opportunities arise, in new markets which has sizable population and relatively high level of demand for ophthalmic healthcare services	716.35	548.37	–	360.25	188.12	expected to be fully utilized on or before December 31, 2027
Upgrading information technology systems	150.31	90.31	3.64	52.29	38.02	expected to be fully utilized on or before December 31, 2027
Working capital and other general corporate purposes	159.90	159.90	–	159.90	–	
Total	1,599.00	1,599.00	62.65	917.5	681.50	

Notes:

- (1) Planned application of the net proceeds as disclosed in the Prospectus.
- (2) The updated expected timeline for utilizing the remaining net proceeds is made based on the best estimation of the Company taking into account, among others, the prevailing and future market conditions and business development and need, and is therefore subject to change.



MANAGEMENT DISCUSSION AND ANALYSIS

As at the date of this report, the Company has been utilizing the net proceeds from the Global Offering in compliance with the plan as disclosed in the Prospectus and the announcement of the Company dated March 26, 2024. The unutilised portion of the net proceeds from the Global Offering will be applied in a manner consistent with the above revised plan.

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

During the period from January 1, 2025 to June 30, 2025, pursuant to the share repurchase mandate approved by the Shareholders at the annual general meeting of the Company held on June 6, 2024, the Company repurchased a total of 16,000 Shares from the Stock Exchange and such Shares were held as treasury shares of the Company. Details of the repurchase are summarized as follows:

Repurchase date	Price per share		Number of shares	Total Consideration
	Highest price	Lowest price		
	HK\$	HK\$		HK\$
March 27, 2025	2.69	2.67	16,000	42,925

All the repurchased Shares as mentioned above have been cancelled on April 29, 2025. The Board considers that the repurchase can benefit the Shareholders as a whole by enhancing the earnings per share.

Save as disclosed above, since January 1, 2025 and up to the date of this report, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale and/or transfer of treasury shares).

As at June 30, 2025 and the date of this report, the Group did not hold any treasury shares.

EMPLOYEES AND REMUNERATION POLICIES

As of June 30, 2025, the Group had 2,627 full-time employees, among which, 1,500 were professionals at the hospitals, 99 were professionals at the optical centers and 1,028 were administrative, finance and other employees at the Group's headquarters, hospitals and optical centers. In addition, the Group also had 74 practice physicians who were fulltime employees of other medical institutions. The following table shows a breakdown of the Group's full-time employees by function as of that date:

	Number of employees	Percentage of total employees
Professionals at the hospitals		
Physicians ⁽¹⁾	320	12.18%
Nurses	631	24.02%
Other professionals	549	20.9%
Professionals at the optical centers	99	3.77%
Administrative, finance and other employees at		
The headquarters	149	5.67%
The hospitals	839	31.94%
The optical centers	40	1.52%
Total	2,627	100.00%

Note:

(1) As of June 30, 2025, 271 of the full-time physicians were registered as specialized ophthalmologists.

The Group enters into employment contracts with all of its full-time employees. The remuneration packages for its employees primarily comprise one or more of the following elements: basic salary, performance-based incentive bonus and discretionary year-end bonus. The Group also sets performance targets for its employees based on their position and regularly reviews their performances, the results of which are used in their annual salary reviews and promotion appraisals.

The Group adopted a share award scheme on May 10, 2022, for the purposes of recognizing and motivating the contribution of certain employees of the Group and incentivizing them and helping the Group in retaining its existing employees and attracting and recruiting suitable personnel as additional employees to further the operation and development of the Group and providing them with a direct economic interest in attaining the long-term business objectives of the Group. The Scheme is analogous to a share scheme and subject to provisions of Chapter 17 of the Listing Rules (as amended with effect from January 1, 2023). Further details of the Scheme are set out in the section headed "Share Schemes" in this report.



MANAGEMENT DISCUSSION AND ANALYSIS

The Group provides structured training and education programs which enables its employees to consistently deliver high quality services. The Group's discipline development committees are responsible for training its medical professionals, maintaining a proper mix of different levels of professionals, as well as research and development, and have supplied numerous young ophthalmologists with solid skills and rich clinical experience. The Group also engages external consultants, experts and professors to provide training for the physicians with an aim to cultivate clinicians with extensive practical capabilities in a precise, standardized and high-quality manner. These programs aim to equip them with a sound foundation of the medical principles, ethics and knowledge as well as practical skills, and foster a high standard of practice. Regular internal and external mandatory online and on-site training are organized for the medical team to keep them abreast of the latest development in the ophthalmology industry. From time to time, the Group identifies and sponsors its employees with high development potential to undertake further study and professional training in prestigious medical institutions. They also support their attending physicians to train at top-tier eye hospitals in China for a period of three to six months, such as Wenzhou Medical University Eye Hospital (溫州醫科大學附屬眼視光醫院). In addition, the Group also designs and implements specialized training for its nurses and medical assistants to improve their respective professional skills and foster their professional career path.

As of June 30, 2025, none of the Group's employees had negotiated with them on the employment terms through the labor unions or in a way of collective bargaining and the Group had not experienced any major labor disputes or labor strikes that had interfered with its operations in any material respect.



OTHER INFORMATION

REVIEW OF INTERIM REPORT

The independent auditors of the Company, namely Ernst & Young, have carried out a review of the unaudited interim financial information in accordance with the Hong Kong Standard on Review Engagement 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee has jointly reviewed with the management and the independent auditors of the Company, the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters (including the review of the unaudited interim results for the six months ended June 30, 2025) of the Group. The Audit Committee and the independent auditors considered that the preparation of such interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate and adequate disclosures.

CHANGES TO DIRECTORS’ INFORMATION

Mr. Zhang Guangdi, our executive Director, was appointed as our joint company secretary on March 17, 2025.

Ms. Guo Hongyan, our independent non-executive Director, was appointed as a member of the nomination committee of the Board on June 30, 2025.

Save as disclosed above, during the Reporting Period, there were no changes in the Directors’ information which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CAPITAL STRUCTURE

The share capital of the Group only comprises ordinary shares. As at the date of this report, the total issued share capital of the Company was HK\$176,877.625 divided into 707,510,500 Shares, and the total authorised share capital of the Company was HK\$380,000 divided into 1,520,000,000 Shares.

During the Reporting Period, pursuant to the share repurchase mandate approved by the Shareholders at the AGM held on June 6, 2024, the Company repurchased a total of 16,000 Shares from the Stock Exchange.

All such repurchased Shares have been cancelled on April 29, 2025. As at the date of this report, the issued share capital of the Company has been reduced by the nominal value of the repurchased Shares.



OTHER INFORMATION

The capital structure of the Group was 21.3% debt and 78.7% equity as of June 30, 2025, compared with 19.3% debt and 80.7% equity as of December 31, 2024. As at June 30, 2025, the Group had recorded interest-bearing borrowings in an amount of RMB6,704,000 (as at June 30, 2024: RMB6,930,000) at such interest rate ranging from 4.15% to 5.70%, and all such borrowings shall fall due on or before December 31, 2025.

EVENTS AFTER THE REPORTING PERIOD

July 28, 2025, Inner Mongolia Chaoju Medical Technology Co., Ltd.* (內蒙古朝聚醫療科技有限責任公司), an indirect wholly-owned subsidiary of the Company, entered into the construction contract with Inner Mongolia Guangxia Construction & Installation Engineering Co., Ltd.* (內蒙古廣廈建安工程有限責任公司) in relation to the construction of the Chaoju Eye Care Integrated Medical Complex Construction Project Phase I at a contract price of RMB222.84 million (inclusive of tax) (the “**Transaction**”), which constitutes a discloseable transaction of the Company. For further details of the transaction, please refer to the announcement of the Company dated July 28, 2025.

On August 22, 2025, Chaoju Medical Technology Co., Ltd.* (朝聚醫療科技有限公司), an indirect wholly-owned subsidiary of the Company, subscribed for wealth management products in the principal amount of RMB30 million in total offered by BOC which constituted a discloseable transaction of the Company. For details, please refer to the announcement of the Company dated August 22, 2025.

Save as disclosed above, there is no other significant event that might affect the Group after the Reporting Period.

INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

(i) Interests and short positions of the Directors and the chief executive of the Company in the Shares, and underlying Shares and debentures of the Company and its associated corporations

As of June 30, 2025, the interests or short positions of the Directors or chief executives in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, under Section 352 of the SFO, to be entered in the register referred to in that section, or which were required, under the Model Code, were as follows:

Interest in Shares or Underlying Shares of the Company

Name of Director	Nature of Interest	Number of Shares or underlying Shares	Approximate percentage of shareholding interest
Mr. Zhang Bozhou ⁽¹⁾	Beneficial owner; interests held jointly with another person; interests of controlled corporation	287,452,328 (L)	40.63%
Ms. Zhang Xiaoli ⁽¹⁾	Beneficial owner; interests held jointly with another person; interests of controlled corporation; interests of spouse	287,452,328 (L)	40.63%
Mr. Zhang Junfeng ⁽¹⁾	Beneficial owner; interests held jointly with another person; interests of controlled corporation	287,452,328 (L)	40.63%
Mr. Zhang Guangdi	Beneficial owner	48,699 (L)	0.01%



OTHER INFORMATION

Notes:

- (1) Mr. Zhang Bozhou, Ms. Zhang Xiaoli, Mr. Zhang Junfeng, Mr. Zhang Fengsheng and Ms. Zhang Yumei have entered into Acting-inconcert Agreement to acknowledge and confirm their acting-in-concert relationship in relation to the Company and irrevocably entrust Mr. Zhang Bozhou to exercise, at his discretion, their voting rights at the shareholders meetings of the Group. Under the SFO, Mr. Zhang Bozhou, Ms. Zhang Xiaoli, Mr. Zhang Junfeng, Mr. Zhang Fengsheng and Ms. Zhang Yumei are deemed to be interested in the Company's Shares which each other has interest in, being 287,452,328 Shares;
- (2) As at June 30, 2025, the Company had a total of 707,510,500 Shares in issue.

(ii) Interests in the Company's associated corporations

So far as the Directors are aware, as of June 30, 2025, the following persons were interested in 10% or more of the nominal value of the share capital carrying rights to vote in all circumstances at general meetings of any member of the Group (other than the Company):

Name of Director	Name of member of the Group	Subscribed capital contribution (RMB)	Approximate percentage of shareholding <i>(Note)</i>
Mr. Zhang Bozhou	Xiamen Xinkangnuo	22,646,550	26.64%
Ms. Zhang Xiaoli	Xiamen Xinkangnuo	24,677,455	29.03%
Mr. Zhang Junfeng	Xiamen Xinkangnuo	17,568,480	20.67%

Note: As at June 30, 2025, the registered share capital of Xiamen Xinkangnuo is RMB85,000,000.

Save as disclosed above, as of June 30, 2025, so far as it was known to the Directors, none of the Directors had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was 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 positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this report, at no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.



OTHER INFORMATION

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

So far as the Directors are aware, as of June 30, 2025, the following persons had an interest or a short position in the Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Division 2 and 3 of Part XV of the SFO or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or which are required to be entered in the register of deposit of shares of the Company pursuant to the provisions of Section 336 of the SFO:

Name of Shareholder	Nature of Interest	Number of Shares/ underlying Shares	Approximate percentage of shareholding interest in the Company	Long position/ Short position/ Lending pool
Mr. Zhang Bozhou ⁽¹⁾⁽²⁾	Beneficial owner; interests held jointly with another person; interests of controlled corporation	287,452,328	40.63%	Long position
Ms. Zhang Xiaoli ⁽¹⁾⁽³⁾	Beneficial owner; interests held jointly with another person; interests of controlled corporation; interests of spouse	287,452,328	40.63%	Long position
Mr. Zhang Junfeng ⁽¹⁾⁽⁴⁾	Beneficial owner; interests held jointly with another person; interests of controlled corporation	287,452,328	40.63%	Long position
Mr. Zhang Fengsheng ⁽¹⁾⁽⁵⁾	Beneficial owner; interests held jointly with another person; interests of controlled corporation	287,452,328	40.63%	Long position
Ms. Zhang Yumei ⁽¹⁾⁽⁶⁾	Interests held jointly with another person; interests of controlled corporation	287,452,328	40.63%	Long position
Ms. Zhang Hongbo ⁽⁷⁾	Interests of spouse	287,452,328	40.63%	Long position
Mr. He Yong ⁽⁸⁾	Beneficial owner; interests of spouse	287,452,328	40.63%	Long position
Ms Su Yuqin ⁽⁹⁾	Interests of spouse	287,452,328	40.63%	Long position
Ms. Li Furong ⁽¹⁰⁾	Interests of spouse	287,452,328	40.63%	Long position
Mr. Jin Longqi ⁽¹¹⁾	Interests of spouse	287,452,328	40.63%	Long position
Jutong Medical Management Co., Ltd.	Beneficial owner	77,684,000	10.98%	Long position
Sihai Medical Management Co., Ltd.	Beneficial owner	84,266,000	11.91%	Long position
Guangming Medical Management Co., Ltd.	Beneficial owner	59,966,000	8.48%	Long position
Orchid Asia VII Global Investment Limited ⁽¹²⁾	Beneficial owner	84,948,500	12.01%	Long position
ORCHID ASIA VII, L.P. ⁽¹²⁾	Interests of controlled corporation	79,002,105	11.17%	Long position
ORCHID ASIA VII GP, LIMITED ⁽¹²⁾	Interests of controlled corporation	79,002,105	11.17%	Long position
ORCHID ASIA V GROUP, LIMITED ⁽¹²⁾	Interests of controlled corporation	79,002,105	11.17%	Long position
ORCHID ASIA V GROUP MANAGEMENT, LIMITED ⁽¹²⁾	Interests of controlled corporation	79,002,105	11.17%	Long position
OAVII HOLDINGS, L.P. ⁽¹²⁾	Interests of controlled corporation	79,002,105	11.17%	Long position
AREO HOLDINGS LIMITED ⁽¹²⁾	Interests of controlled corporation	84,948,500	12.01%	Long position
Ms. Lam Lai Ming ⁽¹²⁾	Interests of controlled corporation	84,948,500	12.01%	Long position
Mr. Gabriel Li ⁽¹²⁾	Interests of controlled corporation	84,948,500	12.01%	Long position
Ms. Zhang Wenwen ⁽¹³⁾	Interests of controlled corporation	35,699,000	5.05%	Long position
Mr. Xiao Feng ⁽¹⁴⁾	Interests of spouse	35,699,000	5.05%	Long position



OTHER INFORMATION

Notes:

- (1) Mr. Zhang Bozhou, Ms. Zhang Xiaoli, Mr. Zhang Junfeng, Mr. Zhang Fengsheng and Ms. Zhang Yumei have entered into Acting-in-concert Agreement to acknowledge and confirm their acting-in-concert relationship in relation to the Company and irrevocably entrust Mr. Zhang Bozhou to exercise, at his discretion, their voting rights at the shareholders meetings of the Group. Under the SFO, Mr. Zhang Bozhou, Ms. Zhang Xiaoli, Mr. Zhang Junfeng, Mr. Zhang Fengsheng and Ms. Zhang Yumei are deemed to be interested in the Company's Shares which each other has interest in, being 287,452,328 Shares.
- (2) Mr. Zhang Bozhou wholly-owns Jutong Medical Management Co., Ltd. and controls Xiamen Juludazhou Equity Investment Partnership (Limited Partnership) (廈門聚鷺達洲股權投資合夥企業(有限合夥)) as its general partner, which held 77,684,000 and 21,563,299 Shares, respectively as at June 30, 2025.
- (3) Ms. Zhang Xiaoli wholly-owns Sihai Medical Management Co., Ltd., which held 84,266,000 Shares as at June 30, 2025.
- (4) Mr. Zhang Junfeng wholly-owns Guangming Medical Management Co., Ltd, which held 59,966,000 Shares as at June 30, 2025.
- (5) Mr. Zhang Fengsheng wholly-owns Xiwang Medical Management Co., Ltd, which held 34,398,500 Shares as at June 30, 2025.
- (6) Ms. Zhang Yumei wholly-owns Sitong Medical Management Co., Ltd, which held 8,910,000 Shares as at June 30, 2025.
- (7) Ms. Zhang Hongbo is the spouse of Mr. Zhang Bozhou and is deemed to be interested in Mr. Zhang Bozhou's interests in the Company.
- (8) Mr. He Yong is the spouse of Ms. Zhang Xiaoli and is deemed to be interested in Ms. Zhang Xiaoli's interests in the Company and vice versa.
- (9) Ms. Su Yuqin is the spouse of Mr. Zhang Junfeng and is deemed to be interested in Mr. Zhang Junfeng's interests in the Company.
- (10) Ms. Li Furong is the spouse of Mr. Zhang Fengsheng and is deemed to be interested in Mr. Zhang Fengsheng's interests in the Company.
- (11) Mr. Jin Longqi is the spouse of Ms. Zhang Yumei and is deemed to be interested in Ms. Zhang Yumei's interests in the Company.
- (12) Orchid Asia VII Global Investment Limited is owned as to 7% by Orchid Asia VII Co-Investment, Limited, which is in turn wholly-owned by Areo Holdings Limited, and 93% by Orchid Asia VII, L.P.. Orchid Asia VII, L.P. is wholly-owned by OAVII Holdings, L.P., which is in turn wholly-owned by Orchid Asia VII GP, Limited. Orchid Asia VII GP, Limited is wholly-owned by Orchid Asia V Group Management, Limited, which is in turn wholly-owned by Orchid Asia V Group Limited. Orchid Asia V Group Limited is wholly-owned by Areo Holdings Limited, which is in turn wholly-owned by Ms. Lam Lai Ming, and is controlled by Mr. Gabriel Li by virtue of his directorship there.
- (13) Ms. Zhang Wenwen controls Riverhead Capital, L.P.(北京陽光融匯醫療健康產業成長投資管理中心(有限合夥)) and Ronghui Yangguang Runfeng, L.P. (北京融匯陽光潤豐投資管理中心(有限合夥)), which held 22,240,500 and 13,458,500 Shares, respectively, as at June 30, 2025.
- (14) Mr. Xiao Feng is the spouse of Ms. Zhang Wenwen and is deemed to be interested in Ms. Zhang Wenwen's interests in the Company.
- (15) As at June 30, 2025, the Company had a total of 707,510,500 Shares in issue.

Save as disclosed above, the Directors are not aware of any person who had, as of June 30, 2025, an interest or a short position in the Shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO or would be, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.



OTHER INFORMATION

SHARE SCHEMES

Share Award Scheme

The Scheme was approved and adopted by the Board on May 10, 2022 (“**Adoption Date**”). The following is a summary of the principal terms of the Scheme but does not form part of, nor was it intended to be, part of the Scheme nor should it be taken as affecting the interpretation of the rules of the Scheme:

(1) Purpose of the Scheme

The purposes and objectives of the Scheme are to (i) recognize and motivate the contribution of certain employees of the Group; (ii) incentivize them and help the Group in retaining its existing employees and attracting and recruiting suitable personnel as additional employees to further the operation and development of the Group; and (iii) provide them with a direct economic interest in attaining the long-term business objectives of the Group.

(2) Eligibility of Participation in the Scheme

The following classes of persons (the “**Eligible Persons**”) (excluding the excluded persons) are eligible for being elected to be selected person(s) for participation in the Scheme (the “**Selected Person(s)**”):

- (i) any employee or director of the Company or any of its subsidiaries (including persons who are granted Shares under the Scheme as an inducement to enter into employment contracts with these companies);
- (ii) any employee or director of a related entity; and
- (iii) any person who provides services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are material to the long-term growth of the Group.

(3) Total number of Shares to be granted

The Board shall not make any further award which will result in:

- (i) the aggregate number of the Shares awarded by the Board under the Scheme exceeding 10% of the issued share capital of the Company as of the Adoption Date (i.e. 70,762,500 Shares, representing approximately 10% of the issued share capital of the Company (excluding treasury shares) as of the date of this report); and
- (ii) the aggregate number of the Shares held by public Shareholders falls below the minimum percentage as prescribed under the Listing Rules.

Pursuant to the Scheme, awarded Shares can be satisfied by (i) new Shares to be subscribed by the trustee of the Scheme (the “**Trustee**”) under the Company’s available general mandate or under a specific mandate approved or to be approved by the Shareholders; or (ii) Shares purchased by the Trustee in the open market as directed by the Board.

As at the date of this report, the total number of shares available for issue under the Scheme is 55,853,287 Shares, representing approximately 7.89% of the issued shares of the Company (excluding treasury shares) on the even date.

(4) Maximum entitlement of each Selected Person

The maximum number of Shares which may be awarded to each Selected Person under the Scheme shall not exceed 1% of the issued share capital of the Company as of the Adoption Date (i.e. 7,076,250 Shares).



(5) Administration of the Scheme

The Scheme shall be subject to the administration of the Board and the Trustee in accordance with the rules of the Scheme, the terms of the trust deed entered into between the Company and the Trustee (the “Trust Deed”) and all applicable laws and regulations. The Board shall have the absolute power to interpret the Scheme rules or any part thereof. The Board may delegate and authorize any committee, sub-committee or person to administer the Scheme in accordance with its rules and the Listing Rules.

The Board may, from time to time at its absolute discretion, select any Eligible Persons for participation in the Scheme as a Selected Person, make an offer to the Selected Persons and grant award shares to such Selected Persons.

(6) Vesting Period of award Shares under the Scheme

Vesting shall only occur upon satisfaction (or where applicable, waiver by the Board) of the conditions imposed by the Board. The Trustee shall transfer the relevant award Shares to the relevant Selected Person as soon as practicable after the Vesting Date if no event of lapse occurs on or before the vesting date.

(7) Consideration for acceptance and purchase price

Selected Persons are not required to pay for the acceptance of the relevant awards. The purchase price payable for each award Share under the Scheme (if any) shall be determined by the Board with reference to the business conditions of the Group and the stock price of the Shares and shall be set forth in the grant letter for such award Shares.

(8) Life of the Scheme

The Scheme shall be valid and effective for a term of 10 years commencing from the Adoption Date, subject to the occurrence of any of the following terminating events (whichever is earlier):

- (i) the Board gives not less than 3 months’ prior notice in writing to the Trustee and all Selected Persons to terminate the Scheme; or
- (ii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company).

During the Reporting Period, no award Shares were granted under the Scheme and a total of 991,858 award Shares were lapsed. Details of the movements of the award Shares granted under the Scheme during the Reporting Period are set out in note 13 to the condensed consolidated financial statements of this report, which is subject to adjustment under the accounting standard and policy adopted.

As at the date of this report, the trustee of the Share Award Scheme held 11,795,999 Shares. The total number of Shares available for grant under the Scheme as at January 1, 2025 and June 30, 2025 was 54,803,769 Shares and 55,795,627 Shares, representing approximately 7.75% and 7.89% of the issued share capital of the Company (excluding treasury shares) as at the date of this report, respectively.



OTHER INFORMATION

As at the date of this report, all the award Shares granted under this Scheme are existing Shares, therefore no Shares will be issued in respect of such awards granted.

As the share scheme was adopted before new chapter 17 of the Listing Rules taking into effect, there is no clawback mechanism established under the share scheme.

The table below shows details of the movements of award Shares under the Scheme during the Reporting Period:

Name/ category	Position/description	Grant date	Purchase price per Share (-HK\$)	Unvested Shares as at January 1, 2025	New grants during the Reporting Period	Number of Shares vested during the Reporting Period	Weighted average closing price of Shares immediately before the vesting date (-HK\$)	Unvested Shares as at June 30, 2025	Closing price of the Shares immediately before the grant date (-HK\$)	Awards cancelled during the Reporting Period	Awards lapsed during the reporting period	Vesting period ⁽¹⁾	Fair value of awarded Shares at the date of grant (-HK\$) ⁽²⁾
Zhang Bozhou	Executive Director and Chief Executive Officer	June 14, 2023	1.00	233,737	-	100,173	2.74	133,564	4.31	-	-	April 1, 2024 to May 31, 2026	1,402,422
Zhang Junfeng	Executive Director	June 14, 2023	1.00	56,448	-	24,192	2.74	32,256	4.31	-	-	April 1, 2024 to May 31, 2026	338,688
Zhang Xiaoli	Executive Director	June 14, 2023	1.00	70,000	-	30,000	2.74	40,000	4.31	-	-	April 1, 2024 to May 31, 2026	420,000
Zhang Guangdi	Executive Director	June 14, 2023	1.00	34,426	-	14,754	2.74	19,672	4.31	-	-	April 1, 2024 to May 31, 2026	206,556
Zhang Fengsheng	Substantial Shareholder	June 14, 2023	1.00	58,429	-	25,041	2.74	33,388	4.31	-	-	April 1, 2024 to May 31, 2026	350,574
Zhang Jiao	Associate of Zhang Junfeng	June 14, 2023	1.00	52,472	-	22,488	2.74	29,984	4.31	-	-	April 1, 2024 to May 31, 2026	314,832
He Yong	Associate of Zhang Xiaoli	June 14, 2023	1.00	58,429	-	25,041	2.74	33,388	4.31	-	-	April 1, 2024 to May 31, 2026	350,574
212 employee participants	-	June 14, 2023	Nil-1.00	8,106,585	-	3,258,177	2.74	4,211,020	4.31	-	637,388	April 1, 2024 to May 31, 2026	50,698,594.80
5 service providers	-	June 14, 2023	Nil	364,000	-	156,000	2.74	208,000	4.31	-	-	April 1, 2024 to May 31, 2026	2,184,000
4 service providers	-	December 17, 2024	Nil	300,000	-	150,000	2.74	150,000	2.79	-	-	April 1, 2025 to May 31, 2026	837,000
83 employee participants	-	December 17, 2024	Nil-1.00	2,634,270	-	1,148,200	2.74	1,131,600	2.79	-	354,470	April 1, 2025 to May 31, 2026	7,349,613.3
Total				11,968,796	-	4,954,066		6,022,872		-	991,858		

Notes:

- (1) The vesting of the award Shares shall be subject to certain vesting conditions based on a set of indicators that are linked with, and subject to, the results of individual performance assessments carried out by the Group for each grantee under the Scheme and the achievement of the overall performance of the Group by the grantees.
- (2) The fair value of awarded Shares at the date of grant at June 14, 2023 was approximately HK\$4.20 per Share, being the closing price of the Shares at the date of grant; and the fair value of awarded Shares at the date of grant at December 17, 2024 was approximately HK\$2.79 per Share, being the closing price of the Shares at the date of grant.
- (3) The grantees will not make further payment for being vested with relevant awarded Shares under the Share Scheme.

Share Option Scheme

The Company has not adopted any share option scheme.



INDEPENDENT REVIEW REPORT

To the board of directors of Chaoju Eye Care Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 35 to 58, which comprises the condensed consolidated statement of financial position of Chaoju Eye Care Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) as at 30 June 2025 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* (“**IAS 34**”) as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

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

Ernst & Young

Certified Public Accountants

Hong Kong

29 August 2025



INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

	Notes	For the six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
REVENUE	4	698,258	734,287
Cost of sales		(400,591)	(398,313)
Gross profit		297,667	335,974
Other income and gains		37,833	25,674
Selling and distribution expenses		(48,755)	(62,976)
Administrative expenses		(102,167)	(106,437)
Impairment losses on financial assets at amortised cost, net		(353)	(534)
Other expenses		(25,031)	(6,443)
Finance costs		(6,104)	(5,618)
PROFIT BEFORE TAX	5	153,090	179,640
Income tax expense	6	(42,351)	(46,020)
PROFIT FOR THE PERIOD		110,739	133,620
Attributable to:			
Owners of the parent		113,643	136,453
Non-controlling interests		(2,904)	(2,833)
		110,739	133,620
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	8		
Basic (in RMB per share)		0.16	0.20
Diluted (in RMB per share)		0.16	0.20



INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
PROFIT FOR THE PERIOD	110,739	133,620
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(9,704)	4,352
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	101,035	137,972
Attributable to:		
Owners of the parent	103,939	140,805
Non-controlling interests	(2,904)	(2,833)
	101,035	137,972



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	463,916	391,917
Investment properties		26,736	27,415
Right-of-use assets		266,253	241,273
Goodwill		167,231	185,599
Intangible assets		155,969	165,635
Financial assets at fair value through profit or loss		124,488	125,337
Deferred tax assets		9,300	7,664
Time deposits		70,938	20,339
Prepayments, other receivables and other assets		66,732	7,753
Pledged deposit		5,607	–
Total non-current assets		1,357,170	1,172,932
CURRENT ASSETS			
Inventories		47,098	40,313
Trade receivables	10	70,290	74,426
Prepayments, other receivables and other assets		51,210	52,983
Financial assets at fair value through profit or loss		415,376	462,068
Other current financial assets		–	10,092
Time deposits		775,498	287,317
Cash and cash equivalents		283,790	780,785
Total current assets		1,643,262	1,707,984
CURRENT LIABILITIES			
Trade payables	11	64,104	53,614
Other payables and accruals		265,960	229,172
Due to related parties		22	22
Interest-bearing bank and other borrowings		6,704	7,073
Lease liabilities		37,665	34,251
Tax payable		19,136	15,153
Total current liabilities		393,591	339,285
NET CURRENT ASSETS		1,249,671	1,368,699
TOTAL ASSETS LESS CURRENT LIABILITIES		2,606,841	2,541,631



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Convertible bonds		34,278	33,556
Lease liabilities		175,115	143,126
Deferred tax liabilities		33,706	36,953
Other payables and accruals		1,845	1,845
Total non-current liabilities		244,944	215,480
Net assets		2,361,897	2,326,151
EQUITY			
Equity attributable to owners of the parent			
Share capital	12	152	152
Treasury shares	12	(45,043)	(63,963)
Equity component of convertible bonds		947	947
Reserves		2,398,384	2,379,054
		2,354,440	2,316,190
Non-controlling interests		7,457	9,961
Total equity		2,361,897	2,326,151

Zhang Bozhou
Director

Zhang Guangdi
Director



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the parent									
	Share capital	Treasury shares	Equity component of convertible bonds	Capital reserve	Share-based payment reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	152	(63,963)	947	1,921,268*	16,887*	66,875*	374,024*	2,316,190	9,961	2,326,151
Profit for the period	-	-	-	-	-	-	113,643	113,643	(2,904)	110,739
Other comprehensive income for the period:										
Exchange differences on translation of foreign operations	-	-	-	-	-	(9,704)	-	(9,704)	-	(9,704)
Total comprehensive income for the period	-	-	-	-	-	(9,704)	113,643	103,939	(2,904)	101,035
Acquisition of non-controlling interests	-	-	-	(1,268)	-	-	-	(1,268)	118	(1,150)
Share-based payments	-	-	-	-	7,380	-	-	7,380	282	7,662
Shares vested under the share-based payments	-	18,920	-	-	(14,700)	-	-	4,220	-	4,220
Repurchase of shares (note 12)	-	(40)	-	-	-	-	-	(40)	-	(40)
Cancellation of treasury shares	-	40	-	(40)	-	-	-	-	-	-
Final 2024 dividend (note 7)	-	-	-	-	-	-	(75,981)	(75,981)	-	(75,981)
At 30 June 2025 (unaudited)	152	(45,043)	947	1,919,960*	9,567*	57,171*	411,686*	2,354,440	7,457	2,361,897

* These reserve accounts comprise the consolidated reserves of RMB 2,398,384,000 (31 December 2024: RMB 2,379,054,000) in the interim condensed consolidated statement of financial position.



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the parent						Total	Non-controlling interests	Total
	Share capital	Treasury shares	Capital reserve	Share-based payment reserve	Exchange fluctuation reserve	Retained profits			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024 (audited)	152	(76,901)	1,915,061	19,359	53,763	448,620	2,360,054	18,371	2,378,425
Profit for the period	–	–	–	–	–	136,453	136,453	(2,833)	133,620
Other comprehensive income for the period:									
Exchange differences on translation of foreign operations	–	–	–	–	4,352	–	4,352	–	4,352
Total comprehensive income for the period	–	–	–	–	4,352	136,453	140,805	(2,833)	137,972
Share-based payments	–	–	–	10,833	–	–	10,833	300	11,133
Shares vested under the share-based payments	–	15,244	6,591	(18,535)	–	–	3,300	–	3,300
Repurchase of shares (note 12)	–	(2,690)	–	–	–	–	(2,690)	–	(2,690)
Cancellation of treasury shares	–	384	(384)	–	–	–	–	–	–
2023 dividend paid (note 7)	–	–	–	–	–	(187,134)	(187,134)	–	(187,134)
At 30 June 2024 (unaudited)	152	(63,963)	1,921,268	11,657	58,115	397,939	2,325,168	15,838	2,341,006



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

		For the six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		153,090	179,640
Adjustments for:			
Finance costs		6,104	5,618
Interest income		(18,462)	(22,540)
Foreign exchange differences, net	5	(2,219)	3,380
Fair value gains on financial assets at fair value through profit or loss	5	(4,271)	(567)
Depreciation of property, plant and equipment	5	37,236	36,781
Depreciation of investment properties	5	679	679
Depreciation of right-of-use assets	5	28,579	28,611
Amortisation of intangible assets	5	7,210	6,596
Impairment loss of trade receivables, net	5	412	594
Reversal of impairment loss on other receivables	5	(59)	(60)
Impairment of intangible assets	5	4,381	–
Impairment of goodwill	5	18,368	–
(Gain)/loss on disposal of items of property, plant and equipment, net	5	(79)	32
Gain on modification of leases	5	(1,253)	–
Share-based payments	13	7,662	11,133
		237,378	249,897
Increase in inventories		(6,785)	(4,187)
Decrease/(increase) in trade receivables		3,724	(12,376)
Decrease/(increase) in prepayments, other receivables and other assets		3,282	(3,466)
Increase in trade payables		10,490	7,215
Decrease in other payables and accruals		(18,713)	(18,263)
Decrease in amounts due to related parties		–	(284)
Increase in pledged deposits		(5,607)	–
Cash generated from operations		223,769	218,536
Interest received		6,260	5,567
Interest paid		(5,224)	(5,461)
Income tax paid		(43,251)	(44,181)
Net cash flows from operating activities		181,554	174,461



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

		For the six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of financial assets at fair value through profit or loss		(200,000)	(540,000)
Proceeds from disposal of financial assets at fair value through profit or loss		251,812	565,634
Placement of time deposits with original maturity over three months		(644,458)	(245,402)
Withdrawal of time deposits with original maturity over three months		116,650	241,453
Purchases of other current financial assets		(30,000)	–
Redemption of other current financial assets		40,269	50,604
Purchases of items of property, plant and equipment		(112,053)	(30,359)
Purchases of intangible assets		(1,927)	(3,253)
Payments for acquisition of other assets		–	(40,945)
Proceeds from disposal of items of property, plant and equipment		490	64
Payment for acquisition of subsidiaries in prior years		–	(16,587)
Net cash flows used in investing activities		(579,217)	(18,791)
CASH FLOWS FROM FINANCING ACTIVITIES			
Purchases of shares for share award scheme		(40)	(2,690)
Prepayments received from the award of shares under the share award scheme		2,121	4,364
Repurchase of restricted shares under the share award scheme		(419)	(191)
Repayment of interest-bearing bank and other borrowings		(527)	(380)
Principal portion of lease payments		(16,904)	(38,317)
Dividends paid		(75,981)	(187,134)
Acquisition of non-controlling interests		(1,150)	–
Net cash flows used in financing activities		(92,900)	(224,348)
NET DECREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of period		780,785	463,437
Effect of foreign exchange rate changes, net		(6,432)	975
CASH AND CASH EQUIVALENTS AT END OF PERIOD		283,790	395,734
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		283,790	395,734
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows		283,790	395,734



NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 19 May 2020. The registered office address of the Company is Level 20, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong.

The Company is an investment holding company. The Company's subsidiaries are involved in the provision of in-patient services, out-patient services, sales of optical products and sales of equipment and medical consumables in the mainland of the People's Republic of China (the "PRC").

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

2.1 BASIS OF PRESENTATION

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2025 has been prepared in accordance with International Accounting Standard ("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.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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 IAS 21

Lack of Exchangeability

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

Amendments to IAS 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.



NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of in-patient services, out-patient services, sales of optical products and sales of equipment and medical consumables. For management purposes, the aforesaid businesses are integral and the Group has not organized into different operating segments. Management monitors the results of the Group's operation as a whole for the purpose of making decisions about resource allocation and performance assessment, and accordingly no further operating segment analysis thereof is presented.

Geographical information

As the Group's major operations, customers and non-current assets are located in the PRC, no further geographical segment information is provided.

Information about major customers

No revenue from single customers individually accounted for 10% or more of the Group's revenue.

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended	
	30 June	2024
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	698,258	734,287
Analysed into:		
Consumer ophthalmic services	359,492	376,483
Basic ophthalmic services	337,467	357,214
Sales of equipment and medical consumables	1,299	590
Total	698,258	734,287

4. REVENUE (continued)

(a) Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<i>Types of goods or services</i>		
Out-patient services	416,180	436,163
In-patient services	233,052	252,569
Sales of optical products	47,727	44,965
Sales of equipment and medical consumables	1,299	590
Total	698,258	734,287
	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<i>Timing of revenue recognition</i>		
Services and goods transferred at a point in time	465,206	481,718
Services transferred over time	233,052	252,569
Total	698,258	734,287



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/(crediting):

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	37,236	36,781
Depreciation of investment properties	679	679
Depreciation of right-of-use assets	28,579	28,611
Amortisation of intangible assets	7,210	6,596
Impairment loss on trade receivables, net	412	594
Reversal of impairment loss on other receivables	(59)	(60)
Impairment of intangible assets [#]	4,381	–
Impairment of goodwill [#]	18,368	–
Fair value gains on financial assets at fair value through profit or loss	(4,271)	(567)
(Gain)/loss on disposal of items of property, plant and equipment, net	(79)	32
Gain on modification of leases	(1,253)	–
Foreign exchange differences, net	(2,219)	3,380

[#] Included in other expenses on the face of the interim condensed consolidated statement of profit or loss.

6. INCOME TAX EXPENSE

Pursuant to Caishui [2020] No.23 “Announcement Regarding Continuation of Corporate Tax Policies for the Development of the Western Region” (關於延續西部大開發企業所得稅政策的公告), certain subsidiaries operated in the western region of Mainland China are entitled to a preferential corporate income tax rate of 15%, provided that the main business of the subsidiaries belongs to the encouraged projects stipulated in the Catalogue of Encouraged Industries in the Western Region, and such main business income accounts for more than 60% of the total income of the subsidiaries.

Pursuant to Caishui [2022] No.13 “Announcement on Further Implementing the Income Tax Preferential Policies for Small Meagre-profit Enterprises” (關於進一步實施小微企業所得稅優惠政策的公告), from 1 January 2022 to 31 December 2024, certain subsidiaries for the portion of taxable income exceeding RMB1,000,000 but not exceeding RMB3,000,000, the amount of taxable income can be halved 25%, and the income tax rate will be levied at 20%.

Pursuant to Caishui [2023] No.6 “Announcement on the Income Tax Preferential Policies for Small Meagre-profit Enterprises and Self-employed Businesses” (關於小微企業和個體工商戶所得稅優惠政策的公告), from 1 January 2023 to 31 December 2024, certain subsidiaries for the portion of taxable income not exceeding RMB1,000,000, the amount of taxable income can be halved 25%, and the income tax rate will be levied at 20%.

Pursuant to Caishui [2023] No.12 “Announcement on Relevant Tax and Fee Policies for Further Supporting the Development of Small Meagre-profit Enterprises and Self-employed Businesses” (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), the policy of halving the taxable income of small meagre-profit enterprises and self-employed businesses at 25% and levying enterprise income tax at a rate of 20% will be extended until December 31, 2027.

6. INCOME TAX EXPENSE (continued)

Pursuant to Neishuifa [2024] No.1 “Several Measures by the Taxation Bureau of Inner Mongolia Autonomous Region to Further Support the High-Quality Development of the Private Economy” (內蒙古自治區稅務局進一步支持民營經濟高質量發展的若干措施), effective from 3 January 2024, for small meagre-profit enterprises with an annual taxable income of less than RMB1 million, the local share portion of corporate income tax is exempted.

Under the relevant PRC Corporate Income Tax Law and the respective regulations, except for the preferential treatments available to certain subsidiaries as mentioned above, other subsidiaries within the Group were subject to corporate income tax at the statutory rate of 25%.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current – PRC		
Charge for the period	47,234	52,837
Deferred	(4,883)	(6,817)
Total	42,351	46,020

7. DIVIDENDS

	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
Final 2024 declared and paid – HK11.93 cents (Final 2023: HK22.08 cents) per ordinary share	77,292	142,256
Special declared and paid – HK0 cents (Special 2023: HK7.67 cents) per ordinary share	–	49,416
Less: Dividend for shares held under the share award scheme	(1,311)	(4,538)
Total	75,981	187,134

The Board has resolved not to declare any interim dividend for the six months ended June 30, 2025 (six months ended 30 June 2024: HK13.07 cents per ordinary share, amounting approximately HK\$92,444,000).



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 number of ordinary shares of 691,616,000 (30 June 2024: 687,682,000) outstanding during the period.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

No adjustment has been made to the basic earnings per share amount in respect of a dilution as the impact of the convertible bonds had no dilutive effect on the basic earnings per share.

The calculations of basic and diluted earnings per share are based on:

	For the six months ended	
	30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent used in the basic and diluted earnings per share calculation	113,643	136,453
Total	113,643	136,453

	Number of shares	
	For the six months ended	
	30 June	
	2025	2024
	'000 (Unaudited)	'000 (Unaudited)
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic and diluted earnings per share calculation	691,616*	687,682*
Total	691,616	687,682

* The weighted average number of shares was after taking into account the effect of treasury shares held.



9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment at an aggregate cost of RMB 110,928,000 (30 June 2024: RMB 27,596,000).

Assets with a net book value of RMB1,693,000 were disposed of by the Group during the six months ended 30 June 2025 (30 June 2024: RMB 96,000), resulting in a gain on disposal of RMB 79,000 (30 June 2024: loss on disposal of RMB 32,000).

10. TRADE RECEIVABLES

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 3 months	42,202	51,250
4 to 6 months	9,081	7,582
7 to 12 months	11,291	9,297
Over 12 months	7,716	6,297
Total	70,290	74,426

11. TRADE PAYABLES

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	56,684	47,937
1 to 2 years	3,080	2,424
2 to 3 years	2,511	1,252
Over 3 years	1,829	2,001
Total	64,104	53,614



NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

12. SHARE CAPITAL

The Company was incorporated in the Cayman Islands on 19 May 2020 with an authorised share capital of HK\$380,000 divided into 1,520,000,000 shares with a par value of HK\$0.00025 each.

Share Capital	30 June 2025 HK\$ (Unaudited)	31 December 2024 HK\$ (Audited)
Authorised 1,520,000,000 shares of par value of HK\$0.00025 each	380,000	380,000
	RMB	RMB
Issued and fully paid 707,510,500 (2024 : 707,526,500) shares of par value of HK\$0.00025 each	151,731	151,731

	Shares in issued		Treasury shares	
	Number of shares	RMB'000	Number of shares	RMB'000
At 1 January, 2024 (audited)	707,625,000	152	20,140,000	76,901
Shares repurchased	–	–	698,500	2,690
Shares vested	–	–	(3,989,935)	(15,244)
Shares cancelled	(98,500)	–	(98,500)	(384)
At 31 December 2024 (audited)	707,526,500	152	16,750,065	63,963
Shares repurchased	–	–	16,000	40
Shares vested	–	–	(4,954,066)	(18,920)
Shares cancelled	(16,000)	–	(16,000)	(40)
At 30 June 2025 (unaudited)	707,510,500	152	11,795,999	45,043



NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

13. SHARE-BASED PAYMENTS

(a) Xiamen Juludazhou Equity Investment Partnership Scheme

Xiamen Juludazhou Equity Investment Partnership (Limited Partnership) (“**Juludazhou**”)廈門聚鷺達洲股權投資合夥企業(有限合夥) was incorporated on 10 April 2020 in the PRC as the domestic shareholding platform for employee incentive. The main purpose of establishing the domestic shareholding platform is to allow key domestic employees to enjoy the economic interest of the equity of the Group through the shareholding platform indirectly to achieve employee incentive. The vesting conditions and schedule for each of the eligible participants were agreed after taking into consideration his/her roles and responsibilities, historical contributions to the Group as well as his/her performance judged against a set of key performance indicators.

On 22 October 2017, as approved by the board of directors of Chaoju Medical Technology, it was resolved to grant 1,996,976 shares of shareholding platform which the controlling shareholders of the Group originally held for employee incentive purposes, and the economic interests of such shares were further allocated to eligible participants of the Group. The grant price for each share under the share-based incentive scheme is RMB2.00. Subject to the terms and conditions as set out in the share-based incentive scheme, these granted shares will be vested in the proportion of 40%, 30% and 30% on the first working day after 6 months, 18 months and 30 months after the listing of the Company’s shares on the Main Board of the Stock Exchange of Hong Kong Limited(the “**Listing**”), respectively.

On 26 December 2019, as approved by the board of directors of Chaoju Medical Technology, it was resolved to grant 3,200,702 shares of shareholding platform which the controlling shareholders of the Group originally held for employee incentive purposes, the economic interests of which were further allocated to eligible participants of the Group. The grant price for each share under the share-based incentive scheme is in the range between RMB5.21 and RMB11.00. Subject to the terms and conditions as set out in the share-based incentive scheme, these granted shares will be vested either on the first working day after 6 months after the Listing or in the proportion of 40%, 30% and 30% on the first working day after 6 months, 18 months and 30 months after the Listing (for the other eligible participants), respectively.



NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

13. SHARE-BASED PAYMENTS (continued)

(a) Xiamen Juludazhou Equity Investment Partnership Scheme (continued)

The following table discloses the movements of the shares awarded, which granted on 22 October 2017 and 26 December 2019 and fully vested during the six months ended 30 June 2024:

Date of grant	Share price as at the date of grant RMB per share	Grant price RMB per share	Number of shares			
			As at 1 January 2024	Vested during the period	As at 30 June 2024	Vesting period
22 October 2017	9.20	2.00	599,093	(599,093)	–	6 – 30 months after the Listing
26 December 2019	11.82	5.21- 11.00	540,211	(540,211)	–	6 – 30 months after the Listing

(b) 2023 and 2024 Share Option Scheme

The Company operates a share award scheme (the “**Scheme**”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. The Scheme became effective on 10 May 2022 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share awards currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share awards to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share awards in excess of this limit is subject to shareholders’ approval in a general meeting.

On 14 June 2023, the Company approved a batch of Scheme. Pursuant to the batch of granted share awards, the Company granted 13,396,724 restricted shares to 224 eligible persons, who are employees of the Company and its subsidiaries. The Company received prepaid exercise amounts of RMB10,729,000 from the eligible employees under the share award scheme in 2023. Share awards granted under the batch of granted share awards shall be valid and vest over a three-year period, with 30%, 30% and 40% of total share awards vesting on 31 May each year from 2024 to 2026. Performance targets are set out for each batch of granted share awards and determined annually by the Board.

On 17 December 2024, the Company approved a batch of Scheme. Pursuant to the batch of granted share awards, the Company granted 2,934,270 restricted shares to 87 eligible persons, who are employees of the Company and its subsidiaries. Share awards granted under the batch of granted share awards shall be valid and vest over a two-year period, with 50% and 50% of total share awards vesting on 31 May each year from 2025 to 2026. Performance targets are set out for each batch of granted share awards and determined annually by the Board.



NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

13. SHARE-BASED PAYMENTS (continued)

(b) 2023 and 2024 Share Option Scheme (continued)

The following table discloses the movements of the shares awarded, which were granted on 14 June 2023 and 17 December 2024, during the six months ended 30 June 2025 and 2024:

Date of grant	Share price as at the date of grant HK\$ per share	Grant price HK\$ per share	Number of shares				Vesting period
			As at 1 January 2025	Vested during the period	Forfeited during the period	As at 30 June 2025	
14 June 2023	4.20	Nil – 1.00	9,034,526	(3,655,866)	(637,388)	4,741,272	1 April 2024 to 31 May 2026
17 December 2024	2.79	Nil – 1.00	2,934,270	(1,298,200)	(354,470)	1,281,600	1 April 2025 to 31 May 2026

Date of grant	Share price as at the date of grant HK\$ per share	Grant price HK\$ per share	Number of shares				Vesting period
			As at 1 January 2024	Vested during the period	Forfeited during the period	As at 30 June 2024	
14 June 2023	4.20	Nil – 1.00	13,345,094	(3,989,935)	(196,425)	9,158,734	1 April 2024 to 31 May 2026

At the end of the reporting period, the Company had 6,022,872 restricted shares outstanding under the Scheme. The exercise in full of the outstanding shares would, under the present capital structure of the Company, result in the reduction of 6,022,872 treasury shares held under the Scheme by the Company, and such amount of the treasury shares were transferred to the capital reserve.

The outstanding share-based payments were permitted to be granted issued shares which were originally held by the controlling shareholders of the Group, and there is a dilution effect in the computation of earnings per share.

The fair values of the awarded shares were approximately HK\$4.20 per share and HK\$2.79 per share, which were calculated based on the market price of the Company's shares at their respective dates of grant on 14 June 2023 and 17 December 2024, respectively.

For the six months ended 30 June 2025, the Group recognised share-based payments of RMB 7,591,000 (six months ended 30 June 2024: RMB11,133,000).



NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

13. SHARE-BASED PAYMENTS (continued)

(c) Tangshan Hospital Share Option Scheme

Tangshan Hospital operates a share option scheme which became effective on 1 July 2024. The exercise period of the share options granted is determinable by the directors and the share option scheme shall be valid for a term of twenty-three months.

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

The following share options were outstanding under the Scheme during the six months ended 30 June 2025:

	2025 Weighted average exercise price RMB per share	Number of options
At 1 January	1.00	1,000,000
Forfeited during the period	1.00	(100,000)
At 30 June	1.00	900,000

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

2025	Exercise price* RMB per share	Exercise period
Number of options		
900,000	1.00	1 May 2026 to 31 May 2026

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in Tangshan Hospital's share capital.

The fair value of the share options granted on 1 July 2024 was RMB304,000 (RMB0.30 each), of which the Group recognised a share option expense of RMB71,000 during the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

14. CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any contingent liabilities or guarantees that would have a material impact on the financial position or operations of the Group.



15. COMMITMENTS

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Capital contributions to investment fund	49,556	30,000
Property, plant and equipment	19,759	26,417
Total	69,315	56,417

16. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Related party transactions

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

	Notes	For the six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Purchases of services:	(i)		
Entities controlled by controlling shareholders		120	169
Lease payments:	(i)		
An entity controlled by controlling shareholders		436	17,644
Controlling shareholders	(ii)	887	2,027

Notes:

- (i) The pricing for the rental paid to related parties were determined according to the published price. Other transactions were conducted in accordance with the terms mutually agreed between the parties.
- (ii) In April 2024, the Group entered into three lease arrangements in respect of certain leasehold properties from an entity controlled by controlling shareholders for myopia prevention popularization hall and preparation room, students' dormitory, and teaching and training activities, respectively. The amount of rent payable by the Group under the lease is RMB3,184,000 (tax included) per year. The rent was paid in one-off in a total amount of RMB18,196,000 (tax included) within ten days of the date of the tenancy agreement, which is for the whole rental period. At the commencement date of the lease, the Group recognised right-of-use assets of RMB17,329,000.



NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

16. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Compensation of key management personnel of the Group

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries, allowances and benefits in kind	2,861	2,694
Performance related bonuses	1,169	1,034
Share-based payments	323	1,059
Pension scheme contributions	102	141
Total	4,455	4,928

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Financial assets				
Financial assets at fair value through profit or loss	539,864	587,405	539,864	587,405

Management has assessed that the fair values of trade receivables, financial assets included in prepayments, other receivables and other assets, time deposits, cash and cash equivalents, trade payables, financial liabilities included in other payables and accruals, amounts due to related parties, interest-bearing bank and other borrowings and lease liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments or their floating interest rates.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:



NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The Group invests in unlisted investments, which represent wealth management products issued by banks in Mainland China. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The Group invests in unlisted private funds with limited life, which were managed by financial institutions incorporated in Mainland China. The fair value of the investment is determined using the latest round financing, i.e. the prior transaction price or the third-party pricing information.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2025

	Fair value measurement using			Total RMB'000 (Unaudited)
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	
Financial assets at fair value through profit or loss	–	415,376	124,488	539,864
Total	–	415,376	124,488	539,864

As at 31 December 2024

	Fair value measurement using			Total RMB'000 (Audited)
	Quoted prices in active markets (Level 1) RMB'000 (Audited)	Significant observable inputs (Level 2) RMB'000 (Audited)	Significant unobservable inputs (Level 3) RMB'000 (Audited)	
Financial assets at fair value through profit or loss	–	462,068	125,337	587,405
Total	–	462,068	125,337	587,405



NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

The movements in fair value measurements within Level 3 during the period are as follows:

	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Financial assets at fair value through profit or loss		
At 1 January	125,337	92,000
Purchases	–	40,000
Total losses recognised in the statement of profit or loss included in other income	(849)	(3,599)
At 30 June	124,488	128,401

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value as at 30 June 2025 and 31 December 2024.

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2024: Nil).

18. EVENTS AFTER THE REPORTING PERIOD

The Group has entered into a Construction Contract with the Contractor in relation to the construction of the Chaoju Eye Care Integrated Medical Complex Construction Project Phase I at a contract price of RMB222.84 million (inclusive of tax). The execution of this contract was approved by the board of directors on July 28, 2025, prior to the signing of the agreement.

19. APPROVAL OF THE FINANCIAL STATEMENTS

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



DEFINITIONS & GLOSSARY

In this report, the following expressions have the meanings set out below unless the context otherwise requires:

“Audit Committee”	the audit committee of the Board
“Baotou Hospital”	Baotou City Chaoju Eye Hospital Co., Ltd.* (包頭市朝聚眼科醫院有限公司), a limited liability company incorporated in the PRC on May 12, 2016, a subsidiary of the Company
“Board”	the board of Directors of the Company
“BOC”	Bank of China Limited
“cataract”	a condition involving the clouding or opacification of the natural lens. Cataract is most commonly caused by aging, but may also be caused by other reasons such as malnutrition, diabetes, trauma or radiation. The more opaque the lens the more the quality of vision is reduced. As a common treatment, clear artificial lenses may be implanted as a substitute for the natural lens to restore clear vision
“China” or “PRC”	the People’s Republic of China, but for the purpose of this report and for geographical reference only, references herein to “China” and the “PRC” do not apply to Hong Kong, Macau Special Administrative Region and Taiwan region
“Company”	Chaoju Eye Care Holdings Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands on May 19, 2020
“Director(s)”	director(s) of the Company
“East China”	an eastern region of China consisting of Hangzhou, Zhoushan and Zhejiang Province
“ESG Committee”	the environmental, social and governance committee of the Board
“glaucoma”	an eye condition usually caused by overly high intraocular pressure, which usually causes optic nerve atrophies and visual field defect
“Global Offering”	the Hong Kong Public Offering and the International Offering (both as defined in the Prospectus)



DEFINITIONS & GLOSSARY

“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“IFRS”	International Financial Reporting Standards
“Inner Mongolia”	the Inner Mongolia Autonomous Region of the PRC, unless the context indicates otherwise
“in-patient service”	treatments of patients who are checked in at hospitals and are hospitalized overnight or for an extended period of time
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“macula”	the center of the retina where the retina is most sensitive to lights, and is therefore the core area for the sense of vision
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with GEM of the Stock Exchange
“myopia”	a type of refractive error also known as nearsightedness, where the patient is unable to see distant objects clearly. Myopia is usually caused by a longer-than-normal eyeball or excessive refractive ability of the crystalline lens, which results in parallel lights focusing at a position before reaching the retina, thus forming a blurred spot when it reaches the retina
“North China”	a northern region of China consisting of Beijing, Tianjin, Hebei Province, Shanxi Province and Inner Mongolia
“ocular fundus”	the interior surface of the eye opposite the crystalline lens, including the retina, optic disc, macula and posterior pole

“ocular surface”	the interface between the functioning eye and the environment, including the outer layer of the cornea, the conjunctiva, and the margin of the eye lids
“ophthalmologist”	a medical doctor who specializes in eye and vision care
“out-patient service”	treatments of patients who are not checked-in at hospitals and stay at the hospital only for a short period of time (usually completed within the day)
“presbyopia”	an eye condition where the patient has difficulty seeing near items clearly due to declines in refractive abilities of the lens. Presbyopia is a result of the aging of the eye, as the lens loses its natural elasticity and therefore its ability to focus on near objects
“Prospectus”	the prospectus of the Company published on June 24, 2021
“Reporting Period”	from January 1, 2025 to June 30, 2025
“RMB”	the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Scheme”	the share award scheme of the Company as adopted by the Board on May 10, 2022 and as amended from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of HK\$0.00025 each
“Shareholder(s)”	holder(s) of the Shares
“squint”	deviation of the eyes where there is an eye misalignment
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Xiamen Juludazhou Equity Investment”	Xiamen Juludazhou Equity Investment Partnership (Limited Partnership)* (廈門聚鷺達洲股權投資合夥企業(有限合夥)), a limited liability partnership established under the laws of the PRC on April 10, 2020, a shareholder of the Company, which is controlled by Mr. Zhang Bozhou as its sole general partner



DEFINITIONS & GLOSSARY

“Xiamen Xinkangnuo”

Xiamen Xinkangnuo Management Consulting Co., Ltd.* (廈門信康諾管理諮詢有限公司), a limited liability company established under the laws of the PRC on August 6, 2020, a subsidiary of the Company by way of consolidation of financial statements, which is owned by Mr. Zhang Bozhou as to 26.64%, Ms. Zhang Xiaoli as to 29.03%, Mr. Zhang Junfeng as to 20.67%, Mr. Zhang Fengsheng as to 20.67% and Ms. Zhang Yumei as to 2.99%, respectively

“Xiwang Medical Management”

Xiwang Medical Management Co. Ltd, a BVI business company with limited liability incorporated under the laws of the BVI on March 4, 2020, a shareholder of the Company, which is wholly owned by Mr. Zhang Fengsheng

* The English translation of the Chinese names denoted in this report is for illustration purposes only. Should there be any inconsistencies, the Chinese name shall prevail.