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廣東康華醫療股份有限公司  
**GUANGDONG KANGHUA HEALTHCARE CO., LTD.\***  
*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 3689)**

**PROFIT WARNING**

This announcement is made by Guangdong Kanghua Healthcare Co., Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the Board’s preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 and information currently available to the Board, the Group is expected to record a loss ranging from RMB26.0 million to RMB28.0 million (the amount of which is still being finalised by the Group) for the six months ended 30 June 2024 (the “**2024 Interim**”) as compared to the profit of approximately RMB29.4 million for the six months ended 30 June 2023.

The foregoing is primarily attributable to the following:

- General decline in revenue from the Group’s owned hospitals (In particular, demand for physical examinations and relevant services had seen a decrease post COVID-19 recovery) and continued increase in operating costs such as staff costs and rental expenses.

- Further to the Company's announcement dated 15 December 2023, the Company had, in January 2024, completed the acquisition of 70% equity interest in a target company that operates haemodialysis outpatient centres in the PRC. Such business is still operating at a loss, adding pressure to the Group's overall results.
- Chongqing Kanghua Zhonglian Cardiovascular Hospital Co., Ltd.\* (重慶康華眾聯心血管病醫院有限公司) continues to operate at a loss, negatively impacting the Group's overall performance.
- The Group is expected to record a fair value loss of approximately RMB11.4 million in relation to its interest in an investment fund, which is accounted as financial assets at fair value through profit or loss (FVTPL) on the Company's balance sheet. Such loss was attributed to a decline in the fund's value after conducting the relevant fair value assessment.

The Company is still in the process of finalising the 2024 Interim results. The information contained in this announcement is only based on the Board's preliminary review of the unaudited consolidated management accounts of the Group for the 2024 Interim (which has not been reviewed by the auditors of the Company) and information currently available to the Board. It is expected that the Group's interim results announcement for the 2024 Interim will be published before the end of August 2024.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board of Directors  
**Guangdong Kanghua Healthcare Co., Ltd.\***  
**WANG Junyang**  
*Chairman and Executive Director*

Hong Kong, 7 August 2024

*As at the date of this announcement, the Board comprises:*

*Executive Directors:*

Mr. Wang Junyang (*Chairman*)  
 Mr. Chen Wangzhi (*Chief executive officer*)  
 Mr. Wong Wai Hung (*Vice chairman*)  
 Ms. Wang Aiqin

*Independent non-executive Directors:*

Mr. Yeung Ming Lai  
 Dr. Chen Keji  
 Mr. Chan Sing Nun

*Non-executive Director:*

Mr. Lv Yubo

\* *For identification purposes only*