

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



## **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)**

### **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2024**

#### **FINANCIAL AND OPERATIONAL HIGHLIGHTS**

Revenue of the Group increased by 6.0% to RMB734.3 million for the six months ended June 30, 2024 from RMB692.7 million for the same period in 2023.

Gross profit of the Group increased by 4.1% to RMB336.0 million for the six months ended June 30, 2024 from RMB322.9 million for the same period in 2023. Gross profit margin decreased to 45.8% for the six months ended June 30, 2024 from 46.6% for the same period in 2023.

Profit before tax of the Group decreased by 2.7% to RMB179.6 million for the six months ended June 30, 2024 from RMB184.6 million for the same period in 2023. Pre-tax profit margin decreased to 24.5% for the six months ended June 30, 2024 from 26.6% for the same period in 2023.

Net profit of the Group decreased by 9.1% to RMB133.6 million for the six months ended June 30, 2024 from RMB146.9 million for the same period in 2023. Net profit margin decreased to 18.2% for the six months ended June 30, 2024 from 21.2% for the same period in 2023.

Non-IFRS adjusted net profit<sup>(1)</sup> of the Group increased by 6.1% to RMB144.8 million for the six months ended June 30, 2024 from RMB136.5 million for the same period in 2023. Non-IFRS adjusted net profit margin for both the six months ended June 30, 2024 and the six months ended June 30, 2023 were 19.7%.

Basic earnings per Share of the Group decreased by 4.8% to RMB0.20 for the six months ended June 30, 2024 from RMB0.21 for the same period in 2023.

The number of ophthalmic hospitals operated by the Group increased from 26 as of June 30, 2023 to 31 as of June 30, 2024 and the number of optical centers operated by the Group increased from 27 as of June 30, 2023 to 29 as of June 30, 2024.

The Board has resolved to declare an interim dividend of HK\$0.1307 per Share for the six months ended June 30, 2024 (six months ended June 30, 2023: Nil).

### **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 and non-IFRS adjusted net profit margin 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.

*Note:*

- (1) Non-IFRS adjusted net profit for the six months ended June 30, 2024 was calculated as net profit excluding share-based compensation expenses, and that for the six months ended June 30, 2023 was calculated as net profit excluding share-based compensation expenses and one-off gain on a deemed disposal of interest previously held in an associate.

## SUMMARY OF UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2024

	<b>Unaudited</b>	
	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>(RMB'000)</b>	<b>(RMB'000)</b>
Revenue	<b>734,287</b>	692,688
Cost of sales	<b>(398,313)</b>	(369,766)
Gross profit	<b>335,974</b>	322,922
Other income and gains	<b>25,674</b>	40,501
Selling and distribution expenses	<b>(62,976)</b>	(51,265)
Administrative expenses	<b>(106,437)</b>	(110,585)
Impairment losses on financial assets, net	<b>(534)</b>	(1,368)
Other expenses	<b>(6,443)</b>	(9,937)
Finance costs	<b>(5,618)</b>	(5,702)
Profit before tax	<b>179,640</b>	184,566
Income tax expense	<b>(46,020)</b>	(37,654)
Net profit	<b>133,620</b>	146,912
Non-IFRS adjusted net profit <sup>(1)</sup>	<b>144,753</b>	136,539
Gross profit margin	<b>45.8%</b>	46.6%
Net profit margin	<b>18.2%</b>	21.2%
Non-IFRS adjusted net profit margin <sup>(2)</sup>	<b>19.7%</b>	19.7%
Non-IFRS EBITDA <sup>(3)</sup>	<b>234,818</b>	223,233
Non-IFRS adjusted EBITDA	<b>245,951</b>	212,860

Notes:

- (1) Adjustments to the net profit for the six months ended June 30, 2024 include share-based compensation expenses. Adjustments to the net profit for the six months ended June 30, 2023 include share-based compensation expenses and one-off gain on a deemed disposal of interest previously held in an associate.

- (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) amortization of intangible assets; and (vi) depreciation of right-of-use assets.

## **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. 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 its patients with a safe, reassuring and pleasant ophthalmic medical experience with the aid of effective medical equipment and technology as well as professional, caring and considerate services.

The Group expands its network of ophthalmic hospitals and optical centers in a cautious and accountable manner. Since January 2024, the Group continues providing ophthalmic medical services in North China while proactively leveraging its leadership position in the ophthalmology industry to expand its customer base in new regions with strong growth potential.

As at June 30, 2024, the Group operated a network of 31 ophthalmic hospitals and 29 optical centers spanning across a total of in seven 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 demands from customers.

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

	<b>Unaudited</b>	
	<b>Six months ended 30 June,</b>	
	<b>2024</b>	<b>2023</b>
<b>The hospitals</b>		
<b>Out-patient services</b>		
Number of out-patient visits	<b>571,087</b>	531,714
Average spending per visit (RMB) <sup>(2)</sup>	<b>764</b>	752
<b>In-patient services</b>		
Number of in-patient admissions	<b>35,814</b>	32,922
Average spending per admission (RMB) <sup>(2)</sup>	<b>7,052</b>	7,473
<b>Optical centers</b>		
Number of customer visits <sup>(1)</sup>	<b>51,774</b>	58,317
Average selling price (RMB) <sup>(2)</sup>	<b>868</b>	803

*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 increased by 6.0% from RMB692.7 million for the six months ended June 30, 2023 to RMB734.3 million for the six months ended June 30, 2024, primarily due to an increase in our market share through the acquisitions of ophthalmic hospitals and optical centers.

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

	<b>Unaudited</b>			
	<b>Six months ended June 30,</b>			
	<b>2024</b>		<b>2023</b>	
	<b>Revenue</b>	<b>Percentage</b>	<b>Revenue</b>	<b>Percentage</b>
	<b>(RMB'000)</b>	<b>of revenue</b>	<b>(RMB'000)</b>	<b>of revenue</b>
Consumer ophthalmic services	<b>376,483</b>	<b>51.3%</b>	361,113	52.1%
Basic ophthalmic services	<b>357,214</b>	<b>48.6%</b>	331,575	47.9%
Sales of equipment and medical consumables	<b>590</b>	<b>0.1%</b>	–	–
<b>Total</b>	<b><u>734,287</u></b>	<b><u>100.0%</u></b>	<b><u>692,688</u></b>	<b><u>100.0%</u></b>

### **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 and maintain customer loyalty; and (iv) streamlined the admission process to increase the Group's capacity for entertaining 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 "Providing its patients with safe, reassuring and pleasant ophthalmic medical experience". Furthermore, the Group also implemented stringent medical quality control measures in providing high-quality medical services to its patients to enhance its reputation.

In addition, consumer ophthalmic services are usually more profitable as it is not subject to the pricing guidance imposed by public health insurance authorities and as such, the Group will devote more resources to pursue continuous and rapid growth of consumer ophthalmic services.

For the six months ended June 30, 2024, the Group's consumer ophthalmic services contributed to 51.3% of the Group's total revenue, representing a decrease of approximately 0.8 percentage points compared to the six months ended June 30, 2023. In terms of revenue, consumer ophthalmic services have continued to be the Group's major source of revenue.

### 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 costs of which are mostly covered by public health insurance programs. On the other hand, femtosecond cataract surgery is gaining popularity as a self-paying treatment option due to the significant number of elderly patients in China and the stability of patients' income, which contribute to the strong demand for high-quality surgery.

The Group continued to devote significant resources on the procurement of cutting-edge medical equipment for the treatment of eye diseases and expanded the use of advanced treatment regimes, premium medical equipment and consumables, which further raised the quality of the Group's medical services, and in turn increased the patient retention rate returning to the Group's ophthalmic hospitals to receive treatment on their other eye for basic eye diseases.

For the six months ended June 30, 2024, the Group's basic ophthalmic services accounted for 48.6% of the Group's total revenue, representing an increase of approximately 0.7 percentage points compared to the six months ended June 30, 2023.

### 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:

	<b>Unaudited</b>			
	<b>Six months ended June 30,</b>			
	<b>2024</b>		<b>2023</b>	
	<b>Gross profit</b>	<b>profit margin</b>	<i>Gross profit</i>	<i>Gross profit margin</i>
	<i>(RMB'000)</i>		<i>(RMB'000)</i>	
Consumer ophthalmic services	<b>183,025</b>	<b>48.6%</b>	185,903	51.5%
Basic ophthalmic services	<b>152,892</b>	<b>42.8%</b>	137,019	41.3%
Sales of equipment and medical consumables	<b>57</b>	<b>9.7%</b>	–	–
<b>Total</b>	<b>335,974</b>	<b>45.8%</b>	322,922	46.6%

The gross profit generated from consumer ophthalmic services was RMB183.0 million for the six months ended June 30, 2024, representing a decrease of 1.6% compared to the six months ended June 30, 2023, primarily due to an increase in costs from consumer ophthalmic services of 10.4% as compared to the six months ended June 30, 2023. The gross profit generated from basic ophthalmic services was RMB152.9 million for the six months ended June 30, 2024, representing an increase of 11.6% compared to the six months ended June 30, 2023, primarily due to an increase in revenue from basic ophthalmic services of 7.7% compared to the six months ended June 30, 2023 and the dilution of related costs. The Group's gross profit was RMB336.0 million for the six months ended June 30, 2024, representing an increase of 4.1% compared to the six months ended June 30, 2023.

### **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, 2024, the Group had a total of 1,458 full-time medical professionals (June 30, 2023: 1,316), including 302 physicians, 622 nurses and 534 other professionals (June 30, 2023: 262 physicians, 598 nurses and 456 other professionals). Among the 302 physicians, 265 are full-time physicians registered as specialized ophthalmologists. In addition, the Group also had 60 multi-site practice physicians who were full-time employees of other medical institutions.

### **Awards, Recognitions and Social Responsibility**

The Group provides charitable medical aid and free 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 2024, 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 examination and treatment to children suffering from amblyopia;
2. continued to participate in the "Belt and Road: Bright Tour" project and conduct free cataract screening and cataract recovery operations in both Inner Mongolia Autonomous Region and Mongolia;



3. provided free optical screening events and established medical profiles for primary and secondary school students in Inner Mongolia;
4. provided professional and customized rehabilitation trainings for children with low vision and squint and prevention activities to educate children and parents for early diagnosis;
5. conducted various forms of online and offline expert science 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 three scientific research projects with various authorities and published six articles on reputable scientific journals.

## **BUSINESS PROSPECTS AND STRATEGIC HIGHLIGHTS**

The demand for ophthalmic medical services has grown steadily in recent years and is expected to experience relatively high growth in the foreseeable future as a result of continued economic growth and an increasingly aging population, according to the report of Frost and Sullivan. The size of China's ophthalmic medical services market is expected to further reach RMB223.1 billion by 2024, and in particular, the size of ophthalmic medical services market in North China is expected to further grow to RMB33.7 billion by 2024. However, ophthalmic medical resources in China are scarce, and the penetration rate of surgeries for eye diseases in China is low.

As a leading ophthalmic medical services group in China, the Group will continue to adhere to the vision of "Being a Leader of Happy Ophthalmic Healthcare" guided by the Group's latest 10-year strategic goal. The Group will continue to enhance the capabilities of its hospitals and optical centers by way of "Five-Modernizations Construction" – being systematization, standardization, specialization, refinement and intelligence-powered. The Group will comprehensively upgrade its hospital environment, hardware and software and customer service system with a view to create excellent customer experience and raise customer satisfaction and loyalty. Furthermore, the Group will continue deepening the integration of teaching and clinical research, promoting the construction of disciplines and featured specialties of major eye health development areas to align with international standards in ophthalmology diagnosis and treatment and upholding the leading advantage of discipline contribution in China. The Group attaches high importance to talent retention and recruitment, employee care and talent development at all levels, with an aim to strengthen the Group's professional profile. The Group will continue to promote the enjoyment of eye health through the construction of specialty, talent, technology and quality and the adherence of its core values, being "Benefits to Patient Satisfaction, Benefits to Talent Development and Benefits to Efficiency Enhancement".

As of the date of this announcement, 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 establish and acquire more hospitals and optical centers in the coming years. As of the date of this announcement, 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 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, 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. broaden 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 service provider of ophthalmic 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; and
8. continue to promote the construction of a sound environmental, social and corporate governance (ESG) system and constantly give back to society.

## **Financial Review**

### ***Revenue***

During the Reporting Period, the Group generated revenue primarily from (i) consumer ophthalmic services and (ii) basic ophthalmic services. The revenue of the Group increased by 6.0% from RMB692.7 million for the six months ended June 30, 2023 to RMB734.3 million for the six months ended June 30, 2024.

#### *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 increased by 4.3% from RMB361.1 million for the six months ended June 30, 2023 to RMB376.5 million for the six months ended June 30, 2024, primarily due to the expansion of our business, through establishing and acquiring new hospitals and optical centers, inviting more ophthalmic experts to join the Group and introducing highly effective equipment and technologies to improve our professionalism and attract more high-end patients.

#### *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 increased by 7.7% from RMB331.6 million for the six months ended June 30, 2023 to RMB357.2 million for the six months ended June 30, 2024, primarily due to (i) improving our marketing efforts by chairing and holding various pro bono health lectures, eye disease screening, physical examination and other activities for the public; (ii) enhancing admission, reception, pre-surgery and post-surgery process to provide more convenient treatment services, more efficient emergency process and better reception capacity to enable serving rapidly increased patients in a short period of time; (iii) devoting significant resources on the procurement of premium consumables and equipment and expanding the use of advanced treatment regimes, which satisfied patients' diversified and customized needs, so as to improve the successful rate of converting potential patients to the Group's customers and increase single customer value; and (iv) enhancing stringent medical quality management and control measures to improve the Group's reputation, which attracted more patients to receive basic ophthalmic services in the Group's ophthalmic hospitals, among which, more and more patients chose to return to receive treatment on their other eye for basic diseases.

### ***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 7.7% from RMB369.8 million for the six months ended June 30, 2023 to RMB398.3 million for the six months ended June 30, 2024, primarily due to an increase in fixed costs (such as depreciation, amortization and lease payments) and expenses incurred in relation to (i) the upgrading and renovation of the Group's existing hospitals, (ii) the commencement of businesses of Zhangjiakou Chaoju Eye Hospital Co., Ltd. in July 2023, and (iii) the acquisitions of Beijing Chaoju Ophthalmic Clinic Co., Ltd., Bayannur Xudong Ophthalmic Hospital Co., Ltd., Bayannur Chaoju Optometry Co., Ltd., Wuyuan County Xudong Ophthalmic Hospital Co., Ltd. and Wulate Qianqi Xudong Ophthalmic Out-Patient Department Co., Ltd. (collectively referred as to the “**New Hospitals**”) in September 2023.

### ***Gross Profit and Gross Profit Margin***

The Group's gross profit increased by 4.1% from RMB322.9 million for the six months ended June 30, 2023 to RMB336.0 million for the six months ended June 30, 2024.

The Group's gross profit margin decreased from 46.6% for the six months ended June 30, 2023 to 45.8% for the six months ended June 30, 2024. The decrease in gross profit margin was primarily due to (i) the low gross profit margin of the New Hospitals during their incubation period, and (ii) an increase in expenses incurred in relation to the upgrading and renovation of the Group's existing hospitals.

### ***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 decreased by 36.5% from RMB40.5 million for the six months ended June 30, 2023 to RMB25.7 million for the six months ended June 30, 2024, primarily due to the appreciation gain on the valuation of Ningxia Chaoju Kaiming Eye Hospital Co., Ltd. was no longer incurred during the Reporting Period.

### ***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 and advertising expenses, depreciation, amortization, office expenses and rental expenses.

The Group's selling and distribution expenses increased by 22.8% from RMB51.3 million for the six months ended June 30, 2023 to RMB63.0 million for the six months ended June 30, 2024, primarily due to the addition of newly acquired hospitals and the increased expense in marketing and advertising activities by existing hospitals as part of our efforts in market expansion.

### ***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 3.8% from RMB110.6 million for the six months ended June 30, 2023 to RMB106.4 million for the six months ended June 30, 2024, primarily due to a decrease in professional service and office expenses as a result of cost control, partially offset by an increase in shared-based payments and administrative costs incurred by New Hospitals including Bayannur Xudong Ophthalmic Hospital Co., Ltd. and Beijing Chaoju Ophthalmic Clinic Co., Ltd. acquired in the second half year of 2023.

### ***Impairment Losses on Financial Assets, Net***

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

The Group's impairment losses on financial assets decreased by 64.3% from RMB1.4 million for the six months ended June 30, 2023 to RMB0.5 million for the six months ended June 30, 2024, primarily due to a decrease in the provision for impairment in the Reporting Period.

### ***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 RMB5.7 million for the six months ended June 30, 2023 and RMB5.6 million for the six months ended June 30, 2024, 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 rate of 5% with respect to part of their taxable income.

The Group's income tax expenses increased by 22.0% from RMB37.7 million for the six months ended June 30, 2023 to RMB46.0 million for the six months ended June 30, 2024, primarily due to the increase in the profit before tax of high income tax rate subsidiaries.

### ***Net Profit and Net Profit Margin***

As a result of the foregoing, the Group's net profit decreased by 9.1% to RMB133.6 million for the six months ended June 30, 2024 from RMB146.9 million for the six months ended June 30, 2023. The Group's net profit margin decreased to 18.2% for the six months ended June 30, 2024 from 21.2% for the same period in 2023. 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 and one-off gain on a deemed disposal of interest previously held in an associate. The Group's non-IFRS adjusted net profit increased by 6.1% to RMB144.8 million for the six months ended June 30, 2024 from RMB136.5 million for the same period in 2023.

### ***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 and non-IFRS adjusted net profit margin 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, 2023 and 2024 to the nearest measures prepared in accordance with IFRS:

	<b>Unaudited</b>	
	<b>Six months ended June 30</b>	
	<b>2024</b>	<b>2023</b>
	<b>(RMB'000)</b>	<b>(RMB'000)</b>
<b>Net Profit</b>	<u><b>133,620</b></u>	<u>146,912</u>
<b>Adjustments:</b>		
Share-based compensation expenses	<u><b>11,133</b></u>	<u>1,700</u>
One-off gain on a deemed disposal of interest previously held in an associate	–	(12,073)
<b>Non-IFRS adjusted net profit</b>	<u><u><b>144,753</b></u></u>	<u><u>136,539</u></u>
<b>Non-IFRS adjusted net profit margin</b>	<u><u><b>19.7%</b></u></u>	<u><u>19.7%</u></u>

*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 increased by 21.2% from RMB55.7 million as of December 31, 2023 to RMB67.5 million as of June 30, 2024, primarily due to an increase in medical insurance receivables as a result of the growth in the Group's basic ophthalmic services.

### ***Prepayments, other receivables and other assets***

The Group's prepayments, other receivables and other assets mainly include prepayments, trust funds and deposits. Prepayments, other receivables and other assets increased by 55.6% from RMB76.8 million as of December 31, 2023 to RMB119.5 million as of June 30, 2024, primarily due to an increase in prepayments paid to purchase of land.

### ***Cash and Bank Balances***

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.

	<b>Unaudited</b>	
	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>(RMB'000)</b>	<b>(RMB'000)</b>
Net cash flows from operating activities	<b>174,461</b>	194,784
Net cash flows used in investing activities	<b>(18,791)</b>	(589,356)
Net cash flows used in financing activities	<b>(224,348)</b>	(153,764)
Effect of foreign exchange rate changes, net	<b>975</b>	17,516
Net decrease in cash and cash equivalents	<b>(67,703)</b>	(530,820)

The Group's net decrease in cash and cash equivalents is RMB67.7 million for the six months ended June 30, 2024, primarily due to net cash inflows of RMB174.5 million from operating activities, net cash outflows of RMB18.8 million from investing activities, mainly attributable to the payment for acquisition of subsidiaries in prior years, and net cash outflows of RMB224.3 million from financing activities, which resulted from the payment of dividends for the year ended December 31, 2023.

### ***Trade Payables***

The Group's trade payables increased by 13.0% from RMB55.4 million as of December 31, 2023 to RMB62.6 million as of June 30, 2024, primarily due to an increase in accounts payable as a result of the Group's business expansion.

### ***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 decreased by 16.8% from RMB229.2 million as of December 31, 2023 to RMB190.6 million as of June 30, 2024, primarily due to (i) a decrease in compensation payable to the employees; and (ii) equity payables of the consideration for the acquisition of Beijing Chaoju Ophthalmic Clinic Co., Ltd., were paid in the current period.



### ***Contingent Liabilities***

As of June 30, 2024, the Group did not have any material contingent liabilities or guarantees.

### ***Pledge of Assets***

As of June 30, 2024, no asset has been pledged by the Group.

### ***Capital Commitments***

As of June 30, 2024, the Group had a total capital commitment of approximately RMB30.0 million (as of December 31, 2023: RMB71.5 million), primarily related to 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)).

### ***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 (being surplus cash received from its business operations) for treasury management purpose in order to enhance the efficiency of 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, 2024, the Group maintained a portfolio of structured deposit products with a total outstanding principal amount of RMB350.0 million, representing approximately 12.3% of the Group's total assets.

For the six months ended June 30, 2024, the total principal amount of the structured deposit products that the Group has subscribed for was RMB500.0 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 RMB4.2 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, 2024:

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 <sup>(1)</sup> (RMB'000)	Expected annualized return rate <sup>(2)</sup>	Realized/ Fair value as of June 30, 2024 (RMB'000)	Percentage of the total assets of the Group as of June 30, 2024
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款(機構客戶)(CSDVY202404371)	March 22, 2024	September 23, 2024	105,000	1.5000% to 3.4100%	105,429	3.72%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款(機構客戶)(CSDVY202404372)	March 22, 2024	September 24, 2024	95,000	1.4900% to 3.4000%	95,390	3.36%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款(機構客戶)(CSDVY202408404)	June 3, 2024	December 4, 2024	78,000	1.5000% to 2.9000%	78,086	2.75%
BOC	BOC Linked Structured Deposit Product (Corporate Client) (中國銀行掛鉤型結構性存款(機構客戶)(CSDVY202408405)	June 3, 2024	December 6, 2024	72,000	1.4950% to 2.8950%	72,080	2.54%

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 announcement, there was no other significant investments held by the Group during the Reporting Period.

### ***Future Plan for Material Investment and Capital Asset***

Save as disclosed in this announcement and the Prospectus, as of June 30, 2024, the Group did not have any future plan for material investments and capital assets.

### ***Borrowings and Gearing Ratio***

As of June 30, 2024, 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. Borrowings issued at variable rates expose the Group to cash flow 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 and Closure of Register of Members***

The Board has resolved to declare an interim dividend of HK\$0.1307 (June 30, 2023: Nil) per share for the six months ended June 30, 2024. The interim dividend is expected to be payable to the Shareholders on September 25, 2024. The interim dividend will be payable to the Shareholders whose names appear on the register of members of the Company at the close of business on September 17, 2024.

The register of members of the Company will be closed from September 13, 2024 to September 17, 2024, both days inclusive, in order to determine the identity of the Shareholders who are entitled to the interim dividend, during which period no share transfers will be registered. To be eligible to receive the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on September 12, 2024.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

Since January 1, 2024 and up to the date of this announcement, 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.

## **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, 2024 and up to the date of this announcement.

## **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**

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. The Company intends to apply the net proceeds for the purposes as disclosed in the section headed “Future Plans and Use of Proceeds” of the Prospectus and the announcement dated March 26, 2024 in relation to the update on the expected timeline for the use of proceeds.

Use of Proceeds	Net Proceeds from the Global Offering <i>HK\$ million</i>	Percentage of the net proceeds from the Global Offering	Utilized during the six months ended June 30, 2024 <i>HK\$ million</i>	Utilized as at June 30, 2024 <i>HK\$ million</i>	Unutilized amount as at June 30, 2024 <i>HK\$ million</i>	Expected timeline for utilization <sup>(1)(2)</sup>
Establishment of new hospitals and the relocation, upgrade and renovation of existing hospitals	572.44	35.80%	75.10	257.69	314.75	Expected to be fully utilized on or before December 31, 2025
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	44.80%	22.14	353.68	362.67	Expected to be fully utilized on or before December 31, 2025
Upgrading information technology systems	150.31	9.40%	8.63	42.58	107.73	Expected to be fully utilized on or before December 31, 2025
Working capital and other general corporate purposes	159.90	10.00%	–	159.90	–	
<b>Total</b>	<b>1,599.00</b>	<b>100.00%</b>	<b>105.87</b>	<b>813.85</b>	<b>785.15</b>	

*Notes:*

- (1) The update on the expected timeline for the use of proceeds as per announcement dated March 26, 2024.
- (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.

As at the date of this announcement, there were no changes of the use of IPO Proceeds plans from those disclosed in the Prospectus and the announcement dated March 26, 2024.

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

In order to safeguard the value of the Company and the interests of the Shareholders, the Company repurchased 49,000 Shares and 49,500 Shares on January 12, 2024 and January 15, 2024, respectively, all of which were cancelled on January 25, 2024. The Company repurchased a total of 98,500 Shares on the Stock Exchange, with an aggregate cash consideration (excluding expenses) of HK\$422,200. Please refer to the next day disclosure returns of the Company dated January 15, 2024 and January 25, 2024 for further details.

Save as disclosed above, since January 1, 2024 and up to the date of this announcement, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

As of June 30, 2024, the Group did not hold any treasury shares.

## EMPLOYEES AND REMUNERATION POLICIES

As of June 30, 2024, the Group had 2,648 full-time employees, among which, 1,458 were professionals at the hospitals, 101 were professionals at the optical centers and 1,089 were administrative, finance and other employees at the Group's headquarters, hospitals and optical centers. In addition, the Group also had 48 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
<b>Professionals at the hospitals</b>		
Physicians <sup>(1)</sup>	302	11.40%
Nurses	622	23.49%
Other professionals	534	20.17%
<b>Professionals at the optical centers</b>	101	3.81%
<b>Administrative, finance and other employees at</b>		
The headquarters	185	6.99%
The hospitals	868	32.78%
The optical centers	36	1.36%
<b>Total</b>	<b>2,648</b>	<b>100.00%</b>

*Note:*

(1) As of June 30, 2024, 265 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). As at June 30, 2024, the Company has granted 13,396,724 award Shares in aggregate to 224 employees, Directors and the directors of the Company's subsidiaries pursuant to the Scheme, among which 248,055 and 3,989,935 award Shares have lapsed and vested, respectively as at the date of this announcement. As at the date of this announcement, a total of 57,613,831 Shares are allowed to be granted under the Scheme. Further details of the Scheme are set out in the section headed "Share Schemes" in our 2024 interim report to be issued in due course.

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, 2024, 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.

## **REVIEW OF INTERIM RESULTS**

The independent auditors of the Company, namely Ernst & Young, have carried out a review of the 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, 2024) of the Group. The Audit Committee and the independent auditors considered that the interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

## **EVENTS AFTER THE REPORTING PERIOD**

Since July 1, 2024 and up to the date of this announcement, the Group subscribed for structured deposit products in the principal amount of RMB20 million in total offered by BOC. For details, please refer to the announcement of the Company dated August 12, 2024.

There was no significant event that might affect the Group after the Reporting Period.

## **PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND THE INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This interim results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.chaojueye.com](http://www.chaojueye.com)), and the 2024 interim report containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company in due course.

The Board is pleased to announce the condensed consolidated interim results of the Group for the six months ended June 30, 2024 together with the comparative figures for the same period in 2023:

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2024*

		<b>For the six months ended 30 June</b>	
		<b>2024</b>	2023
	<i>Notes</i>	<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>REVENUE</b>	4	<b>734,287</b>	692,688
Cost of sales		<u>(398,313)</u>	<u>(369,766)</u>
Gross profit		<b>335,974</b>	322,922
Other income and gains		<b>25,674</b>	40,501
Selling and distribution expenses		<b>(62,976)</b>	(51,265)
Administrative expenses		<b>(106,437)</b>	(110,585)
Impairment losses on financial assets, net		<b>(534)</b>	(1,368)
Other expenses		<b>(6,443)</b>	(9,937)
Finance costs		<u>(5,618)</u>	<u>(5,702)</u>
<b>PROFIT BEFORE TAX</b>	5	<b>179,640</b>	184,566
Income tax expense	6	<u>(46,020)</u>	<u>(37,654)</u>
<b>PROFIT FOR THE PERIOD</b>		<u><b>133,620</b></u>	<u>146,912</u>
Attributable to:			
Owners of the parent		<b>136,453</b>	150,613
Non-controlling interests		<u>(2,833)</u>	<u>(3,701)</u>
		<u><b>133,620</b></u>	<u>146,912</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	8		
Basic for profit for the period (expressed in RMB per share)		<b>0.20</b>	0.21
Diluted for profit for the period (expressed in RMB per share)		<u><b>0.20</b></u>	<u>0.21</u>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
<b>PROFIT FOR THE PERIOD</b>	<b><u>133,620</u></b>	<b><u>146,912</u></b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>4,352</u>	<u>17,696</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b><u>137,972</u></b>	<b><u>164,608</u></b>
Attributable to:		
Owners of the parent	140,805	168,309
Non-controlling interests	<u>(2,833)</u>	<u>(3,701)</u>
	<b><u>137,972</u></b>	<b><u>164,608</u></b>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2024

	<i>Notes</i>	<b>30 June 2024</b>	31 December 2023
		<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		387,714	396,995
Investment properties		28,094	28,774
Right-of-use assets		184,586	195,100
Goodwill		205,986	205,986
Intangible assets		163,620	166,963
Financial assets at fair value through profit or loss		128,401	92,000
Deferred tax assets		6,197	5,712
Time deposits		31,685	95,007
Prepayments, other receivables and other assets		45,744	6,604
		<u>1,182,027</u>	<u>1,193,141</u>
<b>CURRENT ASSETS</b>			
Inventories		55,299	51,112
Trade receivables	9	67,524	55,742
Prepayments, other receivables and other assets		73,716	70,190
Financial assets at fair value through profit or loss		350,985	412,453
Other current financial assets		–	50,222
Time deposits		710,368	626,509
Cash and cash equivalents		395,734	463,437
		<u>1,653,626</u>	<u>1,729,665</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	10	62,571	55,356
Other payables and accruals		181,725	221,137
Due to related parties		22	306
Interest-bearing bank and other borrowings		6,930	7,153
Lease liabilities		46,242	41,822
Tax payable		25,621	16,965
		<u>323,111</u>	<u>342,739</u>
<b>NET CURRENT ASSETS</b>		<u>1,330,515</u>	<u>1,386,926</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,512,542</u>	<u>2,580,067</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****(continued)***30 June 2024*

	<b>30 June 2024 <i>RMB'000</i> (Unaudited)</b>	31 December 2023 <i>RMB'000</i> (Audited)
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	<b>127,182</b>	151,822
Deferred tax liabilities	<b>35,445</b>	41,777
Other payables and accruals	<b>8,909</b>	8,043
	<hr/>	<hr/>
Total non-current liabilities	<b>171,536</b>	201,642
	<hr/>	<hr/>
Net assets	<b>2,341,006</b>	2,378,425
	<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	<b>152</b>	152
Treasury shares	<b>(63,963)</b>	(76,901)
Reserves	<b>2,388,979</b>	2,436,803
	<hr/>	<hr/>
	<b>2,325,168</b>	2,360,054
	<hr/>	<hr/>
Non-controlling interests	<b>15,838</b>	18,371
	<hr/>	<hr/>
Total equity	<b>2,341,006</b>	2,378,425
	<hr/> <hr/>	<hr/> <hr/>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

*For the six months ended 30 June 2024*

		<b>For the six months ended 30 June</b>	
		<b>2024</b>	2023
	<i>Notes</i>	<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>179,640</b>	184,566
Adjustments for:			
Finance costs		<b>5,618</b>	5,702
Interest income		<b>(22,540)</b>	(19,590)
Foreign exchange differences, net	5	<b>3,380</b>	179
Fair value gains on financial assets at fair value through profit or loss	5	<b>(567)</b>	(6,124)
Depreciation of property, plant and equipment	5	<b>36,781</b>	30,984
Depreciation of investment properties	5	<b>679</b>	–
Depreciation of right-of-use assets	5	<b>28,611</b>	23,547
Amortization of intangible assets	5	<b>6,596</b>	4,148
Impairment of trade receivables, net	5	<b>594</b>	1,368
Reversal of other receivables	5	<b>(60)</b>	–
Loss on disposal of items of property, plant and equipment, net	5	<b>32</b>	465
Gain on a deemed disposal of interest previously held in an associate	5	<b>–</b>	(12,073)
Share-based payments		<b>11,133</b>	1,700
		<hr/>	<hr/>
Increase in inventories		<b>(4,187)</b>	(5,738)
Increase in trade receivables		<b>(12,376)</b>	(19,925)
Increase in prepayments, other receivables and other assets		<b>(3,466)</b>	(33,646)
Increase in trade payables		<b>7,215</b>	17,316
(Decrease)/Increase in other payables and accruals		<b>(18,263)</b>	44,119
(Decrease)/Increase in amounts due to related parties		<b>(284)</b>	275
		<hr/>	<hr/>
Cash generated from operations		<b>218,536</b>	217,273
Interest received		<b>5,567</b>	5,544
Interest paid		<b>(5,461)</b>	(5,436)
Income tax paid		<b>(44,181)</b>	(22,597)
		<hr/>	<hr/>
Net cash flows from operating activities		<b>174,461</b>	194,784
		<hr/>	<hr/>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)***For the six months ended 30 June 2024*

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of financial assets at fair value through profit or loss	<b>(540,000)</b>	(950,000)
Proceeds from disposal of financial assets at fair value through profit or loss	<b>565,634</b>	566,392
Purchases of time deposits over three months	<b>(245,402)</b>	(366,860)
Withdrawal of time deposits over three months	<b>241,453</b>	234,120
Redeem of other current financial assets	<b>50,604</b>	–
Payments for acquisition of items of property, plant and equipment	<b>(30,359)</b>	(44,241)
Payments for acquisition of intangible assets	<b>(3,253)</b>	(2,597)
Payments for acquisition of other assets	<b>(40,945)</b>	–
Proceeds from disposal of items of property, plant and equipment	<b>64</b>	346
Acquisition of subsidiaries, net of cash paid	<b>–</b>	(24,266)
Payment for acquisition of subsidiaries in prior years	<b>(16,587)</b>	(2,250)
	<hr/>	<hr/>
Net cash flows used in investing activities	<b>(18,791)</b>	(589,356)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Purchases of shares for the share award scheme	<b>(2,690)</b>	(30,858)
Prepayments received from the award of shares under the share award scheme	<b>4,364</b>	10,228
Repurchase of restricted shares under the share award scheme	<b>(191)</b>	–
Repayment of interest-bearing bank and other borrowings	<b>(380)</b>	(9,339)
Principal portion of lease payments	<b>(38,317)</b>	(14,045)
Dividends paid	<b>(187,134)</b>	(109,750)
	<hr/>	<hr/>
Net cash flows used in financing activities	<b>(224,348)</b>	(153,764)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)***For the six months ended 30 June 2024*

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
	<b>(Unaudited)</b>	(Unaudited)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(68,678)</b>	(548,336)
Cash and cash equivalents at beginning of period	<b>463,437</b>	944,727
Effect of foreign exchange rate changes, net	<b>975</b>	17,516
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>395,734</b>	413,907
	<hr/> <hr/>	<hr/> <hr/>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	<b>395,734</b>	413,907
	<hr/>	<hr/>
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows	<b>395,734</b>	413,907
	<hr/> <hr/>	<hr/> <hr/>



# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

## 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 2024 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 2023.

The interim condensed consolidated financial information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value. The financial information is presented in Renminbi ("RMB"), except when otherwise indicated.

### 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 2023, except for the adoption of the following revised International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial information.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the "2020 Amendments")
Amendments to IAS 1	<i>Non-current Liabilities with Covenants</i> (the "2022 Amendments")
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

The nature and impact of the revised IFRSs are described below:

- (a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure of relevant information for supplier finance arrangements is not required for any interim reporting period during the first annual reporting period in which an entity applies the amendments. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the interim condensed consolidated financial information.

### **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 <i>RMB'000</i> (Unaudited)	2023 <i>RMB'000</i> (Unaudited)
Revenue from contracts with customers	<u>734,287</u>	<u>692,688</u>
Analyzed into:		
Consumer ophthalmic services	376,483	361,113
Basic ophthalmic services	357,214	331,575
Sales of equipment and medical consumables	<u>590</u>	<u>–</u>
Total	<u>734,287</u>	<u>692,688</u>

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

	For the six months ended 30 June	
	2024 <i>RMB'000</i> (Unaudited)	2023 <i>RMB'000</i> (Unaudited)
Types of goods or services		
Out-patient services	436,163	399,816
In-patient services	252,569	246,032
Sales of optical products	44,965	46,840
Sales of equipment and medical consumables	<u>590</u>	<u>–</u>
Total	<u>734,287</u>	<u>692,688</u>

	For the six months ended 30 June	
	2024 <i>RMB'000</i> (Unaudited)	2023 <i>RMB'000</i> (Unaudited)
Timing of revenue recognition		
Services and goods transferred at a point in time	481,718	446,656
Services transferred over time	<u>252,569</u>	<u>246,032</u>
Total	<u>734,287</u>	<u>692,688</u>

## 5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Cost of sales	398,313	369,766
Depreciation of property, plant and equipment	36,781	30,984
Depreciation of investment properties	679	–
Depreciation of right-of-use assets	28,611	23,547
Amortization of intangible assets	6,596	4,148
Total depreciation and amortization	72,667	58,679
Impairment of trade receivables, net	594	1,368
Reversal of other receivables	(60)	–
Fair value gains on financial assets at fair value through profit or loss	(567)	(6,124)
Loss on disposal of items of property, plant and equipment, net	32	465
Gain on a deemed disposal of interest previously held in an associate	–	(12,073)
Foreign exchange differences, net	3,380	179

## 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 Chinese Mainland 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%.

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 2024 (six months ended 30 June 2023: Nil).

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Current – Chinese Mainland		
Charge for the period	<b>52,837</b>	43,597
Deferred	<b>(6,817)</b>	(5,943)
	<hr/>	<hr/>
Total	<b>46,020</b>	37,654
	<hr/> <hr/>	<hr/> <hr/>

## 7. DIVIDENDS

	<b>30 June</b>	<b>30 June</b>
	<b>2024</b>	<b>2023</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Final 2023 declared and paid - HK22.08 cents (Final 2022: HK17.38 cents) per ordinary share	<b>142,256</b>	111,523
Special 2023 declared and paid - HK7.67 cents (Special 2022: Nil) per ordinary share	<b>49,416</b>	–
Less: Dividend for shares held under the share award scheme	<b>(4,538)</b>	(1,773)
	<hr/>	<hr/>
Total	<b>187,134</b>	109,750
	<hr/> <hr/>	<hr/> <hr/>

On 29 August 2024, the board of directors declared an interim dividend of HK13.07 cents (six months ended 30 June 2023: Nil) per ordinary share, amounting to a total of approximately HK\$92,444,000 (six months ended 30 June 2023: Nil).

## 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 687,682,000 (30 June 2023: 700,746,000) in issue during the period, as adjusted to reflect the rights issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the period ended 30 June 2024 and 2023.

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

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Earnings</b>		
Profit for the period attributable to ordinary equity holders of the parent for the purpose of the basic and diluted earnings per share calculation	<b>136,453</b>	150,613
Total	<b>136,453</b>	150,613
<b>Number of shares</b>		
	<b>For the six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>'000</b>	<b>'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings per share calculation	<b>687,682</b>	700,746
Total	<b>687,682</b>	700,746

## 9. TRADE RECEIVABLES

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

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Within 3 months	48,519	41,691
4 to 6 months	6,209	4,570
7 to 12 months	7,997	3,657
Over 12 months	4,799	5,824
	<hr/>	<hr/>
Total	<b>67,524</b>	<b>55,742</b>

## 10. TRADE PAYABLES

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

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Within 1 year	55,009	49,477
1 to 2 years	3,170	3,093
2 to 3 years	2,074	1,392
Over 3 years	2,318	1,394
	<hr/>	<hr/>
Total	<b>62,571</b>	<b>55,356</b>

## GLOSSARY AND DEFINITIONS

“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“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 opaquer 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 the “PRC”	the People’s Republic of China, but for the purpose of this announcement and for geographical reference only, references herein to “China” and the “PRC” do not apply to Hong Kong, Macau and Taiwan
“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
“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
“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC



“IFRS”	the International Financial Reporting Standards
“Inner Mongolia”	the Inner Mongolia Autonomous Region of the PRC, unless the context indicates otherwise
“in-patient services”	treatments of patients who are checked in at hospitals and are hospitalized overnight or for an extended period of time
“IPO Proceeds”	the proceeds obtained by the Company from the Global Offering
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the 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
“oculoplastic”	restorative or reconstructive surgeries performed near or around the eye to correct deformations caused by trauma, illness or congenital causes
“ophthalmologist”	a medical doctor who specializes in eye and vision care

“out-patient services”	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”	the six months ended June 30, 2024
“RMB”	the lawful currency of the PRC
“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

By order of the Board  
**Chaoju Eye Care Holdings Limited**  
**ZHANG Bozhou**  
*Chairman*

Hong Kong, August 29, 2024

*As of the date of this announcement, the board of directors of the Company comprises Mr. ZHANG Bozhou as Chairman and executive Director; Ms. ZHANG Xiaoli, Mr. ZHANG Junfeng and Mr. ZHANG Guangdi as executive Directors; Mr. Richard Chen MAO, Mr. LI Zhen and Ms. ZHANG Li as non-executive Directors; and Mr. HE Mingguang, Ms. GUO Hongyan, Mr. LI Jianbin and Mr. BAO Shan as independent non-executive Directors.*

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