



Kindstar Globalgene Technology, Inc.
康聖環球基因技術有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 9960



2025
Interim Report



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Definitions

“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Company,” “our Company” or “the Company”	Kindstar Globalgene Technology, Inc. (康聖環球基因技術有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands, the shares of which are listed on the Main Board (stock code: 9960)
“CRO”	Contract Research Organizations
“Director(s)”	the director(s) of the Company
“Global Offering”	the global offering of the Shares in connection with the Listing
“Group,” “our Group,” “the Group” or “we”	the Company and its subsidiaries (including the PRC Consolidated Entities)
“Guangzhou AnchorDx”	Guangzhou AnchorDx Medical Co., Ltd. (廣州市基準醫療有限責任公司), a limited liability company incorporated in the PRC and a PRC Consolidated Entity
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IFRS”	International Financial Reporting Standards, amendments and the related interpretations issued by the International Accounting Standards Board
“Kindstar Global Wuhan”	Kindstar Global (Wuhan) Medical Esoteric Technology Co., Ltd. (康聖環球(武漢)醫學特檢技術有限公司), a limited liability company established in the PRC and a PRC Consolidated Entity
“Kindstar Zhenyuan”	Wuhan Kindstar Zhenyuan Medical Laboratory Co., Ltd. (武漢康聖真源醫學檢驗所有有限公司), a limited liability company established under the laws of the PRC and a PRC Consolidated Entity
“Latest Practicable Date”	September 22, 2025, being the latest practicable date for the purpose of ascertaining certain information contained in this report prior to its publication

“Listing”	the listing of the Shares on the Main Board on the Listing Date
“Listing Date”	July 16, 2021, on which dealings in the Shares first commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of the Stock Exchange
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Post-IPO Option Scheme”	the post-IPO share option scheme adopted by the Company on June 22, 2021
“Post-IPO RSU Scheme”	the post-IPO restricted share unit scheme adopted by the Company on June 22, 2021
“PRC”	the People’s Republic of China, but for the purpose of this report and for geographical reference only and except where the context requires otherwise, references in this report to the “PRC” do not include Hong Kong, the Macau Special Administrative Region and Taiwan
“PRC Consolidated Entity(ies)”	entity(ies) whose financial results have been consolidated and accounted for as subsidiaries of the Company by virtue of variable interest entity structure
“Pre-IPO Stock Incentive Plans”	the pre-IPO stock incentive plans adopted by the Company on March 14, 2013, December 20, 2015 and December 1, 2016
“Prospectus”	the prospectus of the Company dated June 29, 2021
“Reporting Period”	the six months ended June 30, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.00025 each
“Shareholder(s)”	holder(s) of Share(s)

Definitions

“Share Subdivision”	the share subdivision referred to in “Appendix IV – Statutory and General Information – A. Further Information about Our Company and Our Subsidiaries – 4. Written Resolutions Passed by Our Shareholders on June 22, 2021” in the Prospectus where, upon completion of the conversion of the preference shares, our Directors be authorized to subdivide each of our issued and unissued shares of par value US\$0.001 each into four Shares of par value US\$0.00025 each, such that following the Share Subdivision, the authorized share capital of the Company shall be US\$500,000 divided into 2,000,000,000 Shares of par value US\$0.00025 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“treasury shares”	has the meaning ascribed to it under the Listing Rules
“United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$”	United States dollars, the lawful currency of the United States
“Wuhan Haixi”	Wuhan Haixi Life Science Technology Co., Ltd (武漢海希生命科技有限公司), a limited liability company established under the laws of the PRC
“Wuhan Kindstar”	Wuhan Kindstar Medical Laboratory Co., Ltd. (武漢康聖達醫學檢驗所有限公司), a limited liability company established under the laws of the PRC and a PRC Consolidated Entity
“%”	per cent

In this report, the terms “associate,” “close associate,” “connected person,” “connected transaction,” “continuing connected transaction,” “controlling shareholder,” “core connected person,” “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

Certain amounts and percentage figures included in this report have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

Board of Directors

Executive Directors

Dr. Huang Shiang (*Chairman and Chief Executive Officer*)
Mr. Tu Zanbing
Ms. Chai Haijie

Non-executive Directors

Mr. Huang Zuie-Chin
Mr. Peng Wei
Ms. Huang Lu

Independent Non-executive Directors

Dr. Yao Shanglong
Dr. Xia Xinping
Mr. Gu Huaming

Audit Committee

Dr. Xia Xinping (*Chairman*)
Mr. Huang Zuie-Chin
Mr. Gu Huaming

Remuneration Committee

Mr. Gu Huaming (*Chairman*)
Dr. Xia Xinping
Mr. Tu Zanbing

Nomination Committee

Dr. Huang Shiang (*Chairman*)
Ms. Huang Lu
Dr. Yao Shanglong
Dr. Xia Xinping
Mr. Gu Huaming

Company Secretary

Ms. Chai Haijie
Ms. Lee Mei Yi (*resigned with effect from August 29, 2025*)

Authorized Representatives

Ms. Chai Haijie
Ms. Lee Mei Yi (*resigned with effect from August 29, 2025*)
Mr. Tu Zanbing (*appointed with effect from August 29, 2025*)

Hong Kong Legal Advisors

Jingtian & Gongcheng LLP
Suites 3203-3207
32/F., Edinburgh Tower
The Landmark
15 Queen's Road 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

Registered Office

P.O. Box 472, 2nd Floor
Harbour Place, 103 South Church Street
George Town, Grand Cayman KY1-1106
Cayman Islands



Corporate Information

Head Office and Principal Place of Business in the PRC

Biolake D2-1, 666 Gaoxin Road
East Lake High Tech Zone
Wuhan, Hubei
PRC

Principal Banks

Standard Chartered Bank (HK) Limited
China Merchants Bank Wuhan Branch
CITIC Bank Optics Guanggu Free Trade Zone Branch

Stock Code

9960

Principal Place of Business in Hong Kong

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

Company's Website

www.kindstar.com.cn

Principal Share Registrar

International Corporation Services Limited
Harbour Place
2nd Floor
103 South Church Street
P.O. Box 472
George Town
Grand Cayman KY1-1106
Cayman Islands

Hong Kong Share Registrar

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

Business Review and Outlook

Since the beginning of this year, Kindstar Global has continued to make steady progress in a complex and changing market environment. In the face of continuously strengthening industry regulation, the Company, leveraging its profound accumulation in the field of specialty testing, further optimized its operational strategies to ensure a comprehensive upgrade of its business model and compliance management, successfully addressing policy challenges. At the same time, in response to the continuous growth in demand for precision medicine and specialty esoteric testing, we have further consolidated our market position in key specialty areas through the deepened application of multi-technology platforms and the expansion of multiple testing projects. The continuous advancement of strategic mergers and acquisitions has not only achieved the orderly expansion of the business landscape but also promoted the efficient integration and optimal allocation of resources, laying a solid foundation for the Company's long-term development. In the first half of 2025, Kindstar Global's various businesses achieved stable progress, demonstrating strong market adaptability and continuous growth potential.

Specialty esoteric testing business remained stable

Since its establishment, the Group has built solid core barriers in six major core specialty esoteric testing businesses, including hematology, neurology, genetic diseases and rare diseases, infectious diseases, solid tumors, and maternity. Based on our keen insights into market trends and industry dynamics, we have promptly adjusted our business layout. Leveraging cutting-edge technology and extensive research accumulation in the fields of hematology and solid tumor testing, we have built a more robust leading edge, forming an insurmountable moat. At the same time, we actively coordinated resources from all parties to jointly promote the development of other segments, such as maternity, pediatrics, neurology, continuously consolidating and expanding our business footprint to provide customers with more comprehensive and precise testing services.

In the first half of 2025, the overall cooperation with hospitals for hematology testing services maintained steady growth, with more than 90 new hospital customers. Our pediatric hematology segment continues to be deeply rooted in pediatric hematology and oncology hospitals and pediatric hematology departments of large Class IIIA hospitals, with 48 new cooperative hospitals added in the first half of 2025. The sales of NGS testing IG/TCR rearrangement technology products increased by over 50% during the Reporting Period, demonstrating core technological advantages and product features. In the field of neurology, while our testing projects have covered almost all neurological diseases, we continue to deeply cultivate market demand. In the first half of the year, we added 34 new testing projects and 44 new partnering hospitals for testing, further deepening our cooperation with Nanfang Hospital. In terms of collaborations with pharmaceutical companies, the neurology business line has embedded its proprietary esoteric testing projects into multi-center studies, proactively preparing for the future trend of blood tests for neurodegenerative diseases.

Business Review and Outlook

In the field of oncology, the Group added 15 important cooperative units, including Beijing Cancer Hospital, Peking University Third Hospital, Nanjing Chest Hospital, establishing a clinical+research cooperation model. Among these, both solid tumor large panel testing and solid tumor MRD testing increased by over 100% compared to the same period last year, covering an increasing number of core customers. Projects developed based on Tumor informed and Tumor agnostic strategies have been widely recognized by the market, and the MRD business has grown significantly. In January 2025, our acquisition of Guangzhou AnchorDx and Guangzhou Kangchengweiye Biotechnology Co., Ltd. (collectively “**the acquired subsidiaries**” or “**AnchorDx**”) was officially completed. By integrating AnchorDX’s team and products, the Group quickly established presence in the field of solid tumor early screening and diagnosis.

In the first half of 2025, AnchorDX’s signature product, PulmoSeek®Plus and AnchorDX’s signature product, PulmoSeek were included in the second batch of the National Medical Products Administration’s pilot program for vitro diagnostic reagents by medical institutions (LDT) on February 27, 2025. It is currently undergoing the filing work for reagents by medical institutions (LDT) with its co-development unit, The First Affiliated Hospital of Guangzhou Medical University. With the help of AnchorDX, Kindstar Global has fully established a business system covering the entire disease course of solid tumor detection and diagnosis, including early screening, early diagnosis, recurrence monitoring, and companion diagnostics, precisely targeting the huge growth potential in the early screening and early detection market for oncology specialty testing.

In the infectious diseases segment, we deepen our long-term cooperation with hospitals through clinical research and research collaboration, providing reliable evidence for doctors and patients in clinical disease exploration, diagnosis and treatment plan formulation, and treatment pathway exploration. The Group’s independently-developed targeted pathogen high-throughput sequencing product reagents and analysis software are implemented through central laboratories to offer various pathogen combination products for different syndromes, including respiratory, bloodstream, nervous system, and reproductive tract infections.

In terms of the maternity and pediatrics business, we continued to conduct multi-center research on the clinical application value of L-CBA detection of MOG antibodies, cooperated with several well-known pediatric hospitals on immunology testing projects, and promoted the growth of pediatric endocrinology testing business with multiple steroid hormone tests and vitamins tests as signature projects. During the Reporting Period, the maternity and pediatrics unit established a professional reproductive genetics team, which will develop new diagnostic tools and treatment methods to reduce the incidence of genetic diseases by thoroughly studying the role of genetic factors in the reproductive process.

In the first half of 2025, we continuously adjusted the layout of our new specialty esoteric testing business based on market demand. The sales of key projects in the rheumatology testing segment, including antiphospholipid series testing samples and complement factor-related projects, have steadily increased. Based on clinical testing, the team successfully developed an mda5 antibody detection kit with market-leading sensitivity and stability, breaking through existing market barriers by combining cross-departmental collaboration. In terms of cardiovascular testing, we have further enhanced the research and development and testing capabilities of our mass spectrometry platform, continuously carrying out over 200 pharmacogenomic and genetic disease testing items, adding 1 approved Class I reagent filing for mass spectrometry testing items, and obtaining approval for 1 Class II in vitro diagnostic reagent kit; successfully established 3 co-built clinical mass spectrometry laboratories, promoting clinical mass spectrometry in the market through a combination of IVD and LDT.

Scientific Research and Innovation to Drive the Development of the Industry

Adhering to innovation-driven development is the foundation of our standing in the industry. In the first half of 2025, the Group's R&D department published 33 articles, applied for 67 patents, of which 29 were granted, and obtained 24 copyrights. During the Reporting Period, the Group added 56 new research and development testing projects, including 16 projects related to molecular biology detection technology, 16 projects related to flow cytometry detection technology, 7 projects related to cytogenetic detection technology, and 6 projects related to pathological detection technology.

In terms of R&D, we continued the development of several key projects during the year, including multiple CAR-T monitoring and evaluation projects; acute myeloid leukemia MRD monitoring (which can increase the detection limit from 1-3% to about 0.1%); fusion gene quantitative detection (using NGS technology to simultaneously detect 144 genes related to multiple myeloma); and focused on developing comprehensive MICM diagnosis. The next step is to combine remote slide scanning with AI analysis to further enrich the pathological database and improve comprehensive diagnostic capabilities.

Highlighted Potential of the Products for Immune Repertoire

In the first half of 2025, our core product in immune repertoire, Lymscan, which is used for minimal residual disease detection in hematological tumors, further expanded its business, covering over 160 institutions in 26 provinces, with revenue increasing by nearly 30% compared to the same period in 2024. In 2024, Kindstar Global's subsidiary Kindstar Biotech's Ig/TCR project successfully passed the EuroClonality EQA program with a perfect score, becoming the only laboratory in China to participate and pass with full marks, marking a critical step towards the internationalization of China's immune repertoire testing field.

The product KB-SEQ, used for health monitoring, continues to deepen its cooperation with well-known domestic enterprises and institutions in health monitoring, and actively explores the application and expansion of its technology in multiple scenarios. Fantekang, a product for immune reconstruction and monitoring, has been deeply involved in the field of immune reconstruction and monitoring, completing and summarizing research results with famous national oncology hospitals, while also deepening cooperation and discussion with pharmaceutical companies on the evaluation of immune therapy effects to optimize application pathways.

Esoteric Testing Reagents

Since achieving a closed-loop from R&D to commercialization for esoteric testing reagents last year, the Group's Haixi Biological product lines have continued to expand, covering NGS capturing series, NGS multiplex amplification series, NGS universal database construction series, single gene mutation detection series, fusion gene detection series, and transplantation series products, with over 180 product categories already developed and transferred to production. With the optimization and upgrade of its products, the NGS test kits produced by Haixi can be adapted to more sequencing platforms. Its launched 74 fusion gene screening projects, with product coverage and performance at a leading level in China, have been sold in many medical institutions and third parties. In the first half of 2025, the Group's self-operated product sales for the esoteric testing reagents business increased by over 20% compared to the same period in 2024.

Business Review and Outlook

In the first half of 2025, the IVD business of AnchorDX, which we officially acquired, continued to progress. UriFind®, the signature product, is the first assay kit approved for the supplementary diagnosis of urothelial carcinoma in China, and obtained the Class III medical device registration certificate from the National Medical Products Administration (NMPA) last year. As at the first half of 2025, UriFind® completed the procurement process in 11 hospitals and 8 clients, which were third parties, with reagent sales volume increasing by approximately 82% compared to the first half of 2024. The Company's blood-based non-invasive gastric cancer early screening product, Gastromia® (衛益檢), completed its in vitro diagnostic reagent registration clinical study in the first half of 2025 and has entered the product registration application phase, with breakthrough progress expected in the first quarter next year. Unlike traditional gastroscopy or biopsy methods for early gastric cancer screening, Gastromia® (衛益檢) only requires a 10ml peripheral blood sample, posing no invasive risk. By detecting ctDNA methylation markers in the blood, it achieves a negative accuracy rate of over 99%, which will significantly enhance the accuracy and convenience of early gastric cancer detection and provide important support for treatment decisions, recurrence monitoring, and prognostic evaluation of related diseases.

Scientific Research Services and Contract Research Organizations (“CRO”)

Leveraging on its professional R&D and innovation strength and bioinformatics accumulation, the Group has become a multi-omics scientific research service provider for many national and international leading biotechnology scientific research institutes and pharmaceutical companies since 2023. Since becoming one of the first PacBio official certified Revio platform sequencing service providers in the Asia-Pacific region in 2023, the Group currently owns three PacBio Revio. Among them, two Revio systems are positioned to provide long-read sequencing services for the domestic market, and one Revio system is positioned to provide full-process long-read sequencing services for overseas markets. At the same time, we have fully upgraded PacBio's latest SPRQ reagents, increasing single-cell output by up to 49%, which will place us among the top PacBio service providers nationwide in terms of total delivery capacity and throughput for PacBio sequencing. Leveraging our full-dimensional technology matrix in third-generation sequencing, NGS, single-cell sequencing, MAS-Seq (the third generation single cell) and STOmics, our scientific research services segment achieved nearly 100 new cooperating hospitals and enterprises in the first half of the year, with overall revenue reaching nearly RMB20 million.

During the Reporting Period, Kindstar Sequenon, a subsidiary of the Group, preliminarily completed the construction of its overseas laboratory in New Zealand. Meanwhile, it independently developed and expanded product lines in China, including third-generation sequencing for thalassemia, third-generation capture sequencing for DMD gene, PacBio Revio sequencing for AAV genome, Hi-C sequencing, and ONT ultra-long sequencing.

In the first half of 2025, the Group received over 120 pilot business consultancies, totaling 4 new contracts and supplemental agreements, covering multiple therapeutic areas such as multiple myeloma, acute myeloid leukemia, and myelodysplastic syndrome. New contracts amounted to approximately RMB9.78 million, with existing contracts exceeding RMB37.00 million. Our partners include renowned pharmaceutical companies and cell therapy research and development institutions at home and abroad.

Internet Hospital

The Group's deployment of its internet hospital began in 2021. Since its development, the total number of doctors collaborating with "Kindstar You Yi" has approached 500, covering over 10 departments including dermatology, hematology (the largest proportion), maternity, and pediatrics. Doctors holding titles of vice-senior or above account for 27%, achieving a dual improvement in the scale and quality of medical resources. During the Reporting Period, our platform's registered users increased significantly, with both average monthly active users and service satisfaction improving, achieving a closed loop for patient operation services. By integrating high-quality medical resources from different departments, Kindstar You Yi will provide patients with more comprehensive and professional medical services, further enhancing their medical experience and satisfaction.

In the first half of 2025, Kindstar You Yi officially integrated with the DeepSeek AI platform, deeply incorporating AI capabilities into the full-process service system of Kindstar You Yi Internet Hospital. Through "medical + AI" intelligent scenarios, it will address pain points such as long waiting times in traditional medical procedures and high professional thresholds for report interpretation, thereby reshaping the entire medical experience.

External Investment and M&A

In the first half of 2025, the Group accelerated investment in integrating upstream and downstream resources of the industry chain, focusing on major specialty testing areas urgently needed in clinical practice, and building differentiated competitiveness through strategic investment and mergers and acquisitions of innovative enterprises. In January 2025, Kindstar Global completed its angel investment in Wuhan Tuoruijing* (武漢拓銳晶). Wuhan Tuoruijing* is a global molecular diagnostics company with technology innovation at its core, developing a new generation of ultra-multiplex PCR platforms with high-throughput, high-speed, and strong typing capabilities, widely applied in fields such as hematology, infectious diseases, and oncology. This investment will strengthen Kindstar's technological layout and clinical transformation capabilities in cutting-edge molecular diagnostics platforms. In the future, both parties will conduct in-depth collaboration around sample resource sharing, clinical transformation, and market expansion to jointly improve molecular diagnostic efficiency and service breadth.

In June 2025, Kindstar Global and Biostate AI of the United States jointly established Wuhan Baisheng Intelligence* (武漢百生智能), dedicated to the localization and global transformation of AI-driven RNA multi-omics diagnostic technology. Wuhan Baisheng Intelligence* will introduce Biostate AI's core RNA sequencing and AI modeling technologies, combined with the Group's clinical testing network covering over 3,000 hospitals nationwide, data resources, and local operational capabilities, to develop precision diagnostic products for the Chinese population. The first phase of the project will focus on five major specialties: autoimmune diseases, oral cancer, diabetes, lymphoma, and organ transplantation. It aims to build a multi-omics data-driven large model, accelerate the implementation of a "data + AI + diagnosis" ecological closed-loop, and create a globally leading intelligent molecular diagnostics platform. Leveraging the Group's profound accumulation in the field of esoteric testing, Wuhan Baisheng Intelligence* is expected to form a high degree of synergy with Kindstar Global in AI-assisted diagnosis, complex disease biomarker development, and sample resource transformation, thereby helping the Group build differentiated competitive barriers and continuously strengthen its technological leadership.



Business Review and Outlook

As of June 30, 2025, the Company had sufficient cash reserves with approximately RMB1.88 billion of cash, cash equivalents and time deposits. In 2025, we will continue to develop multi-omics data integration platforms, AI pathology analysis systems, and automated laboratory technologies. Leveraging the resource networks of our shareholders and strategic partners, we will introduce international cutting-edge detection technologies through investment, while simultaneously promoting localized validation and industrialization of these technologies, thereby achieving a technology upgrade path of “introduction – assimilation – innovation”.

Digitalization, Informatization and Artificial Intelligence

In the first half of 2025, the Group actively promoted the three-in-one transformation strategy of digitalization, informatization, and artificial intelligence. Its intelligent order management platform was further upgraded, optimizing logistics processes by reducing system switching operations, and achieving full-process tracking from unboxing to pre-processing through the addition of ISO compliant handover procedures. Simultaneously, order control is strengthened to ensure data compliance, achieving flow restrictions based on project/hospital/laboratory dimensions, and significantly reducing the error rate of submitted samples.

Our laboratory digitalization process has also achieved remarkable results. Through measures such as full-process digital management, refined inventory control, multi-terminal collaboration, and LIMS system upgrades, the report turnaround time has been significantly reduced, fault location time shortened, and operation and maintenance efficiency remarkably improved.

In the rapidly changing medical industry, traditional medical testing companies must, while solidifying their core businesses, keenly observe market and industry dynamics, closely follow technological frontiers and policy guidance, and flexibly adjust their business layout and strategic planning. Looking ahead to 2025, the Group will continue to deepen its core detection technologies to ensure the stability of its fundamental business, providing a solid profit base for the Company; on the other hand, we aim to actively expand the upstream and downstream industrial chains to create new business growth points in response to fierce market competition. With the dual-track synergistic development of IVD+LDT, we are confident in achieving a balanced ‘offense-defense’ strategy, possessing both a stable foundation and strong growth points, standing invincible amidst industry trends, and continuously leading the innovative development in the field of medical testing.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial review

The following table sets forth our unaudited condensed consolidated statements of profit or loss for the periods indicated, together with the change (expressed in percentages) from the six months ended June 30, 2024 to the corresponding period of 2025:

	For the six months ended June 30,		Year-on-year change
	2025 <i>RMB'000</i> (unaudited)	2024 <i>RMB'000</i> (unaudited)	%
Revenue	456,919	473,335	(3.5)
Cost of sales	(260,389)	(247,545)	5.2
Gross profit	196,530	225,790	(13.0)
Other income and gains	48,865	54,889	(11.0)
Selling and marketing expenses	(144,991)	(147,923)	(2.0)
Administrative expenses	(56,249)	(46,767)	20.3
Research and development costs	(46,046)	(48,401)	(4.9)
Other expenses	(21,090)	(17,840)	18.2
Finance costs	(7,699)	(4,679)	64.5
(Loss)/Profit before tax	(30,680)	15,069	(303.6)
Income tax expense	(1,956)	(4,541)	(56.9)
(Loss)/Profit for the period	(32,636)	10,528	(410.0)
Attributable to:			
Owners of the parent	(36,073)	11,895	(403.3)
Non-controlling interests	3,437	(1,367)	(351.4)

Management Discussion and Analysis

Revenue

We organize our businesses into nine segments, including hematology testing, neurology testing, maternity-related testing, genetic disease and rare disease testing, infectious disease testing, oncology testing, routine testing, scientific research services and CRO and others.

The table below sets forth our main segment revenue and segment revenue proportion by operating segment for the periods presented.

	For the six months ended June 30,			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
	(unaudited)		(unaudited)	
Hematology testing	276,691	60.6	297,919	62.9
Neurology testing	47,074	10.3	49,154	10.4
Maternity-related testing	20,942	4.6	25,003	5.3
Genetic disease and rare disease testing	20,664	4.5	23,635	5.0
Infectious disease testing	17,946	3.9	23,659	5.0
Oncology testing	18,464	4.0	10,972	2.3
Routine testing	20,393	4.5	21,064	4.5
Scientific research services and CRO	32,059	7.0	21,285	4.5

Revenue from testing services

For the six months ended June 30, 2025, except for oncology testing, which saw an increase in revenue due to the consolidation of the related business of AnchorDx, other testing business lines experienced a decline in revenue due to challenges in the external market environment and cost control pressure from hospitals.

Management Discussion and Analysis

Scientific research services and CRO

This segment primarily includes scientific research services and CRO sales. With the increase in the number of cooperating hospitals and corporate customers, scientific research services and CRO achieved steady growth in the first half of the year in 2025. For the six months ended June 30, 2025, we achieved scientific research services and CRO revenue of approximately RMB32 million, representing a year-on-year increase of approximately 50.6%.

Cost of Sales

Our cost of sales consists of staff costs related to the personnel who performed our testing services, costs incurred by third-party institutions or laboratories, raw material costs and others. “Others” mainly include third-party logistics, depreciation and amortization and rental expenses. The following table sets forth a breakdown of our cost of sales by nature for the periods indicated, both in actual amounts and as a percentage of cost of sales.

	For the six months ended June 30,			
	2025		2024	
	RMB'000	%	RMB'000	%
	(unaudited)		(unaudited)	
Staff costs	73,454	28.2	73,583	29.7
Outsourcing costs	43,664	16.8	42,052	17.0
Raw materials	81,429	31.3	78,117	31.6
Others	61,842	23.7	53,793	21.7
Total	260,389	100.0	247,545	100.0

For the six months ended June 30, 2025, our cost of sales increased by 5.2% from approximately RMB247.5 million for the same period in 2024 to approximately RMB260.4 million. The increase in cost was mainly due to (i) decrease in sales discounts; (ii) changes in product mix; and (iii) an increase in fixed operating costs resulting from the addition of new laboratories.

Gross Profit, Gross Profit Margin and Segment Results

For the six months ended June 30, 2025, we recorded a consolidated gross profit of approximately RMB196.5 million, representing a year-on-year decrease of approximately 13.0%, with a consolidated gross profit margin of approximately 43.0%, representing a year-on-year decrease of 4.7 percentage points. The above changes in our gross profit and gross profit margin compared with the corresponding period were primarily due to the decrease in revenue of RMB16.4 million and the increase in fixed operating costs resulting from the addition of new laboratories, which together resulted in the decrease of 4.7 percentage points in our gross profit margin from 47.7% for the corresponding period in 2024 to 43.0%.

Management Discussion and Analysis

Our management monitors the results of our operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment result is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax from continuing operations, or our segment result, is measured consistently with our profit before tax excluding other income and gains, administrative expenses, research and development expenses, other expenses, finance costs, listing expenses and fair value loss on financial liabilities at FVTPL. The following table sets forth a breakdown of our principal segment results for the periods indicated, both in actual amounts and as a percentage of segment revenue.

	For the six months ended June 30,			
	2025	% of	2024	% of
	Segment results (RMB'000) (unaudited)	segment revenue	Segment results (RMB'000) (unaudited)	segment revenue
Hematology testing	61,755	22.3	67,898	22.8
Neurology testing	9,519	20.2	7,316	14.9
Maternity-related testing	206	1.0	727	2.9
Genetic disease and rare disease testing	592	2.9	3,045	12.9
Infectious disease testing	40	0.2	2,835	12.0
Oncology testing	(13,638)	(73.9)	1,702	15.5
Routine testing	(515)	(2.5)	156	0.7
Scientific research services and CRO	(6,000)	(18.7)	(3,413)	(16.0)

During the Reporting Period, as the complexity of the external market environment and the intensity of competition continued to rise, the pressure on hospitals to control costs became increasingly evident. Against this backdrop, our main testing projects, as an important component of hospital operating costs, were all affected to some extent. For the six months ended June 30, 2025, the performance of the hematology testing segment decreased from RMB67.9 million in the same period of 2024 to RMB61.7 million in the Reporting Period; the performance of the maternity-related testing segment decreased from RMB0.7 million in the same period of 2024 to RMB0.2 million in the Reporting Period; the performance of the genetic disease and rare disease testing segment decreased from RMB3.0 million in the same period of 2024 to RMB0.6 million in the Reporting Period; the performance of the infectious disease testing segment decreased from RMB2.8 million in the same period of 2024 to RMB0.04 million in the Reporting Period. Additionally, due to operational losses from the acquisition of AnchorDx and amortization of intangible assets resulting from the merger and acquisition, the performance of the oncology testing segment decreased from RMB1.7 million in the same period of 2024 to a loss of RMB13.6 million in the Reporting Period. Due to increased costs associated with the establishment of overseas laboratories, the performance of the CRO and scientific research service segment decreased from a loss of RMB3.4 million in the same period of 2024 to a loss of RMB6.0 million in the Reporting Period.



Management Discussion and Analysis

Other Income and Gains

- For the six months ended June 30, 2025, our other income and gains amounted to approximately RMB48.9 million, representing a decrease of approximately 11.0% as compared to the corresponding period in 2024. The decrease was primarily because declining bank deposit interest rates led to reduced interest income.

Selling and Marketing Expenses

- For the six months ended June 30, 2025, our selling and marketing expenses amounted to approximately RMB145.0 million, representing a decrease of approximately 2.0% as compared to the corresponding period in 2024. The selling and marketing expenses as a percentage of revenue increased by 0.5 percentage point to 31.7% in this period from 31.2% for the same period last year, remaining largely unchanged from last year.

Administrative Expenses

- For the six months ended June 30, 2025, our administrative expenses amounted to approximately RMB56 million, representing an increase of approximately 20.3% as compared to the corresponding period in 2024. The increase was primarily due to the merger and acquisition of AnchorDx and personnel adjustment-related expenditures.

Research and Development Costs

- For the six months ended June 30, 2025, our research and development costs amounted to approximately RMB46.0 million, accounting for 10.1% of revenue. To maintain the Company's competitiveness and continue to promote layout of new specialty and new test technology, we still remain a high investment in research and development.

Other Expenses

- For the six months ended June 30, 2025, our other expenses amounted to approximately RMB21.1 million, representing an increase of approximately 18.2% as compared to the corresponding period in 2024. The increase was primarily due to the changes in the fair value of the fund.

Finance Costs

- For the six months ended June 30, 2025, our finance costs amounted to approximately RMB7.7 million, which was primarily associated with bank borrowings.

Management Discussion and Analysis

Income Tax Expense

- For the six months ended June 30, 2025, our income tax expense decreased by approximately 56.9% to approximately RMB2.0 million as compared to the corresponding period in 2024.

Loss for the Period

- In view of the above, our loss for the six months ended June 30, 2025 amounted to approximately RMB32.6 million, representing a decrease of approximately 410.0% as compared to the net profit of the corresponding period in 2024.

Liquidity and Capital Resources

We have maintained a comprehensive treasury policy, detailing specific functions and internal control measures for capital use. These functions and measures include but are not limited to procedures of capital management and liquidity management. We manage and maintain our liquidity through the use of internally generated cash flows from operations, bank borrowings and proceeds from the Global Offering. We regularly review our major funding positions to ensure that we have adequate financial resources in meeting our financial obligations.

For the six months ended June 30, 2025, we funded our working capital and other capital expenditure requirements through a combination of income generated from operations, investments received and the proceeds from the Global Offering. The following table sets forth a summary of our cash flows for the periods indicated.

	For the six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Net cash flows used in operating activities	(33,769)	(70,249)
Net cash flows from/(used in) investing activities	302,487	(969,483)
Net cash flows from financing activities	56,029	133,581
Net increase/(decrease) in cash and cash equivalents	324,747	(906,151)
Cash and cash equivalents at the beginning of the period	381,572	1,472,799
Effect of foreign exchange rate changes, net	(5,412)	24,498
Cash and cash equivalents at the end of the period	700,907	591,146

Management Discussion and Analysis

Cash and cash equivalents

For the six months ended June 30, 2025, our net cash used in operating activities was approximately RMB33.77 million, mainly attributable to: (i) positive adjustments to non-cash items, primarily including adjustments to bank wealth management income, depreciation of property, plant, and equipment, and fair value adjustments to financial assets and contingent consideration; and (ii) an increase of RMB19.9 million in other receivables and prepayments. During the Reporting Period, our trade and bills receivables decreased by RMB4.8 million, while trade and bills payables decreased by RMB21.0 million.

For the six months ended June 30, 2025, our net cash from investing activities was approximately RMB302.5 million, mainly attributable to (i) RMB438.9 million in maturing bank time deposits; (ii) investment and merger and acquisition expenses.

For the six months ended June 30, 2025, our net cash from financing activities was approximately RMB56.0 million, which was mainly attributable to: (i) new bank loans of RMB190.9 million; (ii) repayment of bank loans and interest of RMB120.5 million; and (iii) payment of RMB11.9 million in lease payments.

As a result of the foregoing, our cash and cash equivalents, which were primarily held in Renminbi and United States dollars, increased by approximately 18.6% from approximately RMB591.1 million as of June 30, 2024 to approximately RMB700.9 million as of June 30, 2025.

During the Reporting Period, we conducted business in China, and most of our transactions were settled in Renminbi. Our presentation and functional currency are Renminbi. We were not exposed to significant foreign exchange risk since we did not have any significant financial assets or liabilities denominated in currencies other than Renminbi, except that cash at banks deposited in the United States dollars or Hong Kong dollars primarily from investors as capital contributions. The foreign exchange risk exposure of the Group mainly comes from the risk of exchange of United States dollars to Renminbi and Hong Kong dollars. We managed our foreign exchange risk by regularly reviewing net foreign exchange exposures, and conducted risk management. The hedging activities period of the Group shall not exceed twelve months. The management of the Group continued to pay attention to the market environment and the Group's own foreign exchange risk profile, and to consider taking appropriate hedging measures when necessary.

Indebtedness

As of June 30, 2025, approximately RMB449.0 million of the credit facility has been utilized for bank borrowings and trade financing, leaving approximately RMB370 million of unused bank financing. As of June 30, 2025, the Group's total borrowings amounted to approximately RMB436.9 million, all of which were RMB-denominated interest-bearing bank borrowings. Of these, borrowings at a fixed interest rate amounted to approximately RMB139 million, while borrowings at a floating interest rate amounted to approximately RMB297.9 million.

Management Discussion and Analysis

Gearing Ratio

The Group monitored capital on the basis of the gearing ratio. That ratio is calculated by dividing the total borrowings as shown in the consolidated statement of financial position by the share capital and reserves attributable to the equity holder of the Company. As of June 30, 2025, the total borrowings are approximately RMB436.9 million and the total share capital and treasury shares and reserves attributable to owners of the Company is approximately RMB2,852.7 million, and therefore the gearing ratio is 15.3%.

Capital Expenditures

Our principal capital expenditures relate primarily to the purchase of equipment and the renovation of our laboratories. The following table sets forth our capital expenditures for the periods indicated.

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Purchases of property, plant and equipment	24,519	95,216
Purchases of other intangible assets	623	14,162
Total	25,142	109,378

Contingent Liabilities

As of June 30, 2025, we did not have any material contingent liabilities.

Significant Investments and Future Plans for Material Investments or Capital Assets

As of June 30, 2025, we did not hold any significant investment. In addition, save for the expansion plans as disclosed in the sections headed “Business” and “Future Plans and Use of Proceeds” in the Prospectus, we have no future plans for material investments or capital assets.

Material Acquisitions and Disposals

For the six months ended June 30, 2025, we did not conduct any material acquisitions or disposals of subsidiaries, associates or joint ventures.

Charges on Assets of the Group

In February 2024, Kindstar Global (Shanghai) Medical Technology Co., Ltd. (“**Kindstar Shanghai**”), a subsidiary of the Company, entered into a ten-year bank loan agreement of RMB70,000,000 with Nanshi Branch of Shanghai Pudong Development Bank, which was guaranteed by Wuhan Kindstar Medical Laboratory Co., Ltd. and Shanghai SinoPath Medical Laboratory Co., Ltd. and secured by mortgages over the Kindstar Shanghai’s buildings. As at June 30, 2025, the balance of interest-bearing bank borrowings (secured) was RMB69,000,000 (unaudited).



Management Discussion and Analysis

In February 2025, another subsidiary of the Company, Kindstar Global Medical Technology (Wuhan) Co., Ltd. (“**Kindstar Wuhan WFOE**”) entered into a seven-year bank loan agreement with Wuhan Free Trade Zone Branch of CITIC Bank for an amount of RMB132,000,000, guaranteed by Wuhan Kindstar and secured by a pledge of 100% of the equity interest in Guangzhou Kangchengweiye Biotechnology Co., Ltd.

Except for those disclosed above, as of June 30, 2025, we did not have any other charged assets.

Interim Dividend

The Board has resolved not to declare any interim dividend for the six months ended June 30, 2025.

Employees

As of June 30, 2025, we had 3,162 employees in total and most of them were located in Hubei and Sichuan Provinces, Beijing and Shanghai. We conduct new staff training regularly to guide new employees and help them adapt to the new working environment. In addition, we provide online and in-person formal and comprehensive company-level and department-level training to our employees on a quarterly basis in addition to on-the-job training. We also encourage our employees to attend external seminars and workshops to enrich their technical knowledge and develop competencies and skills, and provide training and development programs to our employees and external training sessions from time to time to improve their technical skills and ensure their awareness and compliance with our various policies and procedures.

The remuneration of our employees is determined with reference to market conditions and individual employees’ performance, qualification and experience. In line with the performance of us and individual employees, a competitive remuneration package is offered to retain employees, including salaries, discretionary bonuses and benefit plans.

The Company adopted the pre-IPO stock incentive plans on March 14, 2013, December 20, 2015 and December 1, 2016, respectively. As of the date of this announcement, options to subscribe for 3,346,192 Shares, representing approximately 0.32% of the total issued share capital of the Company (excluding treasury shares) as of the date of this announcement, were outstanding and held by the grantees. On June 22, 2021, the Company also adopted the Post-IPO RSU Scheme and the Post-IPO Option Scheme, of which our employees are eligible participants, effective upon July 16, 2021 on which dealings in the shares of the Company first commenced on the Stock Exchange. Details of the Post-IPO RSU Scheme and the Post-IPO Option Scheme are set out in the sections headed “Statutory and General Information – E. Post-IPO RSU Scheme” and “Statutory and General Information – F. Post-IPO Option Scheme” in Appendix IV to the Prospectus. As of June 30, 2025, no restricted share unit or option had been granted or agreed to be granted under the Post-IPO RSU Scheme or Post-IPO Option Scheme, respectively.

Significant Events after the Reporting Period

There are no material events subsequent to June 30, 2025 and up to the Latest Practicable Date which could have a material impact on our operating and financial performance.

Other Information

Appointment of Chief Technology Officer

On June 5, 2025, following a resolution by the Board, Dr. Jian-Bing FAN (“**Dr. Fan**”), the Company’s Chief Scientific Officer, will assume the role of Chief Technology Officer instead, effective as of June 6, 2025. As the Company’s Chief Technology Officer, in addition to overseeing research and development innovation and application commercialization in specific technical fields, Dr. Fan will also provide decision-making support and advisory services for the Company’s scientific research strategic planning and the implementation of clinical testing projects.

Change in Directors’ Biographical Details Under Rule 13.51B(1) of the Listing Rules

Mr. Gu Huaming resigned as a director of Vega Global Limited, a director of PCA Sign Resources SDN. BHD. and a founding member of the Finance Advisory Board of the Gatton College of Business and Economics at the University of Kentucky with effect from August 16, 2025, July 18, 2025 and March 1, 2025, respectively.

Mr. Huang Zuie-Chin was appointed as a director of Atara Biotherapeutics Inc., a company whose shares are listed on NASDAQ Global Select Market (ticker symbol: ATRA), since May 16, 2025.

Save as disclosed herein, as of the Latest Practicable Date, there was no information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Pre-IPO Stock Incentive Plans

The Pre-IPO Stock Incentive Plans were adopted pursuant to the Board resolutions passed on March 14, 2013, December 20, 2015 and December 1, 2016. The purposes of the Pre-IPO Stock Incentive Plans are to attract and retain the best available personnel, to provide additional incentives to the Group’s employees, the Directors and persons (other than an employee or a Director) who are engaged by the Company or any related party to render consulting or advisory services (“**Consultants**”), and to promote the success of the Group’s business.

The administrator is authorized under the Pre-IPO Stock Incentive Plans to award any type of arrangement to an employee, Director or Consultant that is not inconsistent with the provisions of the Pre-IPO Stock Incentive Plans and that by its terms involves or might involve the issuance of (i) Shares, (ii) cash or (iii) an option or similar right with a fixed or variable price related to the fair market value of the Shares and with an exercise or conversion privilege related to the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions (the “**Pre-IPO Award(s)**”).

Any Pre-IPO Award granted under the Pre-IPO Stock Incentive Plans shall be exercisable at such times and under such conditions as determined by the administrator under the terms of the Pre-IPO Stock Incentive Plans and specified in the Pre-IPO Award agreement. A Pre-IPO Award shall be deemed to be exercised when written notice of such exercise has been given to the Company in accordance with the terms of the Pre-IPO Award by the person entitled to exercise the Pre-IPO Award and full payment for the Shares with respect to which the Pre-IPO Award is exercised.

The Pre-IPO Stock Incentive Plans do not stipulate: (i) the maximum entitlement of each participant under the scheme; (ii) the amount (if any) on application or acceptance of the Pre-IPO Awards and the period within which payments or calls must or may be made or loans for such purposes must be repaid; and (iii) the vesting period of the Pre-IPO Awards granted under the scheme. The administrator would consider, resolve for and approve the aforesaid particulars in accordance with the terms of the Pre-IPO Stock Incentive Plans.

Subject to the termination provisions under the Pre-IPO Stock Incentive Plans, each of the Pre-IPO Stock Incentive Plans shall be valid and effective for the period of ten years commencing on their respective adoption date. No Pre-IPO Award may be granted after the termination of the relevant Pre-IPO Stock Incentive Plan.

Other Information

As disclosed in the Prospectus, the Company did not and will not grant further options under the Pre-IPO Stock Incentive Plans after the Global Offering.

The principal terms of the Pre-IPO Stock Incentive Plans are summarized in the section headed “Statutory and General Information – D. Pre-IPO Stock Incentive Plans” in Appendix IV to the Prospectus.

As of June 30, 2025, the total number of Shares which may be issued pursuant to all outstanding Pre-IPO Awards (i.e. outstanding Options held by grantees) is 3,396,840 Shares, representing approximately 0.33% of the total issued share capital of the Company (excluding treasury shares) as of the same date. Details of such outstanding Options are set out below:

Name or category of grantee	Grant date	Vesting and exercise period	Exercise price (US\$/Share before the Share Subdivision)	Number of Shares underlying the Options as of January 1, 2025	Number of Options granted during the Reporting Period	Number of Options exercised during the Reporting Period	Number of Options cancelled during the Reporting Period	Number of Options lapsed during the Reporting Period	Number of Shares underlying the Options outstanding as of June 30, 2025	Weighted average closing price date on which the Options were exercised
Other employees of the Group (Note 3)										
In aggregate	March 15, 2013	(Note 1)	0.03	–	–	–	–	–	–	See note 4
	December 31, 2013	(Note 2)	0.03	–	–	–	–	–	–	See note 4
	December 31, 2014	(Note 2)	0.03	–	–	–	–	–	–	See note 4
	December 31, 2015	(Note 2)	0.06	463,368	–	3,832	–	–	459,536	See note 4
	December 31, 2016	(Note 2)	0.09	2,928,568	–	31,264	–	–	2,897,304	See note 4
	December 31, 2016	(Note 2)	0.06-0.09	–	–	–	–	–	–	See note 4
	December 31, 2017	(Note 2)	0.03	–	–	–	–	–	–	See note 4
Sub-total				3,391,936	–	35,096	–	–	3,356,840	
Consultants										
In aggregate	March 15, 2013	(Note 1)	0.03	–	–	–	–	–	–	–
	December 31, 2013	(Note 2)	0.03	–	–	–	–	–	–	–
	December 31, 2015	(Note 2)	0.06	19,156	–	–	–	–	19,156	–
	December 31, 2016	(Note 2)	0.09	20,844	–	–	–	–	20,844	–
Sub-total				40,000	–	–	–	–	40,000	
Total				3,431,936	–	35,096	–	–	3,396,840	

Other Information

Notes:

- (1) 25%, 25%, 25% and 25% of the total number of the Options granted shall vest and become exercisable on the first, second, third and fourth anniversary of January 1, 2012, which was deemed as the vesting commencement date.
- (2) 100% of the total number of the Options granted shall vest and become exercisable immediately after grant date.
- (3) This includes former employees who were our employees on the date of grant, all of whom are independent third parties of the Company.
- (4) In the first half of 2025, 35,096 Options were exercised by the other employees of the Group. The weighted average closing price of these Shares immediately before the relevant date on which the Options were exercised is HK\$1.31.

Post-IPO RSU Scheme

The Post-IPO RSU Scheme was adopted pursuant to the shareholders' resolutions passed on June 22, 2021. The Company may appoint a trustee (the **"RSU Trustee"**) to administer the Post-IPO RSU Scheme with respect to the grant of any RSU Award (as defined below), by way of restricted share unit(s) (**"RSU(s)"**), which may vest in the form of Shares (the **"Award Shares"**) or the actual selling price of the Award Shares in cash in accordance with the Post-IPO RSU Scheme. The purpose of the Post-IPO RSU Scheme is to align the interests of Eligible Persons (as defined below) thereto with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and to encourage and retain such Eligible Persons to make contributions to the long-term growth and profits of the Group.

Any individual, being an employee, director (including executive Directors, non-executive Directors and independent non-executive Directors) or officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of the Group or any affiliate (an **"Eligible Person"** and, collectively **"Eligible Persons"**) who the Board or its delegate(s) considers, in its sole discretion, to have contributed or will contribute to the Group is eligible to receive an award granted by the Board (an **"Award"**), by way of RSUs, which may vest in the form of Award Shares or the actual selling price of the Award Shares of RSUs in cash in accordance with the Post-IPO RSU Scheme. However, no individual who is resident in a place where the grant, acceptance or vesting of an RSU Award pursuant to the Post-IPO RSU Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Post-IPO RSU Scheme.

An RSU Award gives a selected participant a conditional right, when the RSU vests, to obtain the Award Share or, if in the absolute discretion of the Board or its delegate(s), it is not practicable for the selected participant to receive the RSU Award in Shares, the cash equivalent from the sale of the Award Shares. An RSU Award includes all cash income from dividends in respect of those Shares from the date on which the RSU Award is granted (the **"Grant Date"**) to the date on which the RSU Award vests (the **"Vesting Date"**). For the avoidance of doubt, the Board at its discretion may from time to time determine that any dividends declared and paid by our Company in relation to the Award Shares be paid to the selected participant even though the Award Shares have not yet vested.

The aggregate number of Shares underlying all grants made pursuant to the Post-IPO RSU Scheme (excluding RSU Awards which have been forfeited in accordance with the Post-IPO RSU Scheme) will not exceed 8% of the issued share capital of the Company as of the date of approval of the Post-IPO RSU Scheme, being 54,337,129 Shares, without Shareholders' approval (the **"Post-IPO RSU Scheme Limit"**), representing approximately 5.26% of the total issued share capital of the Company (excluding treasury shares) as of June 30, 2025.

Save as restricted by the Post-IPO RSU Scheme Limit or as otherwise restricted by the Listing Rules, for any 12-month period, the aggregate number of Shares granted to any participant shall not exceed 1% of the total number of the issued Shares at the relevant time, without Shareholders' approval.

The Board or the committee of the Board or person(s) to which the Board delegated its authority may from time to time while the Post-IPO RSU Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the RSU Award to be vested under the Post-IPO RSU Scheme. No payment is required for the acceptance of an RSU Award.

For the purposes of satisfying the grant of an RSU Award, the Company shall transfer to the RSU Trustee the necessary funds and instruct the RSU Trustee to acquire Shares through on-market transactions at the prevailing market price (i.e. the Company will not issue and allot Shares to the RSU Trustee for the aforesaid purpose) (please refer to the announcement of the Company dated March 27, 2024 for details). Where the RSU Trustee has received instructions from the Company to acquire shares through on-market transactions, the RSU Trustee shall acquire such number of Shares as instructed by the Company on-market at the prevailing market price as soon as reasonably practicable after receiving the necessary funds from the Company.

As at June 30, 2025, the remaining life of the Post-IPO RSU Scheme is approximately six years and one month.

The principal terms of the Post-IPO RSU Scheme are summarized in the section headed "Statutory and General Information – E. Post-IPO RSU Scheme" in Appendix IV to the Prospectus.

As of June 30, 2025, no restricted share unit had been granted or agreed to be granted under the Post-IPO RSU Scheme.

Post-IPO Option Scheme

The Post-IPO Option Scheme was adopted pursuant to the Shareholders' resolutions passed on June 22, 2021 in compliance with Chapter 17 of the Listing Rules. The purpose of the Post-IPO Option Scheme is to reward employees for their past contribution to the success of the Company, and to provide incentives to them to further contribute to the Company.

Any individual, being an employee, director or officer of any member of our Group who the Board may in its absolute discretion select may be granted an Option to subscribe for such number of Shares as the Board may determine at the Subscription Price (as defined below).



Other Information

The maximum number of Shares in respect of which Options may be granted under the Post-IPO Option Scheme when aggregated with the maximum number of Shares in respect of which Options may be granted under any other option scheme over Shares shall not exceed 10% of the issued share capital of the Company as of the date of approval of the Post-IPO Option Scheme (or of the refreshing of the 10% limit) by the Shareholders, being 16,980,353 Shares (adjusted to 67,921,412 Shares upon the Share Subdivision), which represents approximately 6.57% of the total number of Shares in issue (excluding treasury shares) as at the Latest Practicable Date. Options lapsed in accordance with the terms of the Post-IPO Option Scheme shall not be counted for the purpose of calculating the 10% limit. Within the aforesaid 10% limit (or alternatively subject to the approval of Shareholders in a general meeting), the maximum number of Shares to be issued upon exercise of all outstanding Options under the Post-IPO Option Scheme may be increased by increments as determined by the Board, provided that the total number of Shares to be issued upon exercise of all outstanding Options under the Post-IPO Option Scheme and all other schemes of the Company granted and yet to be exercised does not exceed 30% of all the Shares in issue from time to time. No Option may be granted under the Post-IPO Option Scheme if this will result in the limit being exceeded.

Except with the approval of Shareholders in a general meeting with the prospective grantee and his associates abstaining from voting, no Option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of Options and any other Option over the Shares (including exercised, canceled and outstanding Options) granted and to be granted to such person in any 12-month period up to the date of the latest grant exceeds 1% of the Shares in issue from time to time.

An offer of the grant of an Option made to any grantee must be accepted within 28 days from the date of the offer made (provided such offer shall be open for acceptance after the effective period of the Post-IPO Option Scheme) and further requiring the employee to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the Post-IPO Option Scheme.

Subject as provided in the Post-IPO Option Scheme and any conditions specified by the Board, an Option may, subject to the terms and conditions (including the specified period within which the Options must be exercised) upon which such option is granted, be exercised in whole or in part by the grantee giving notice in writing to our Company in such form as the Board may from time to time determine stating that the option is thereby exercised and the number of Shares in respect of which it is exercised.

Subject to such terms and conditions as our Board may determine, there is no minimum period for which an Option must be held before it can be exercised (i.e. there is no requirements of vesting period) and no performance target needs to be achieved by the grantee before the Options can be exercised.

An Option shall be deemed to have been granted and accepted and to have taken effect when the duplicate letter comprising acceptance of the offer of the grant of the Option duly signed by the grantee together with a payment to the Company and/or any of its subsidiaries of HK\$1 (or the equivalent of HK\$1 in the local currency of any jurisdiction where the company and/or its subsidiaries operate, as the Board may in its absolute discretion determine) by way of consideration for the grant thereof is received by the Company within the time period specified in the offer of the grant of the Option. Such remittance shall not be refundable.

The amount payable for each Share to be subscribed for under an Option (“**Subscription Price**”) in the event of the Option being exercised shall be determined by the Board at its absolute discretion, but shall be not less than the greater of: (i) the closing price of a Share as stated in the daily quotations sheet issued by the Stock Exchange on the date of the offer made; (ii) the average closing price of our Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share on the date of grant.

The Post-IPO Option Scheme shall be valid and effective for a period of 10 years commencing on the date when the Post-IPO Option Scheme becomes unconditional, after which period no further Options will be granted pursuant to the provisions of the Post-IPO Option Scheme, but the provisions of the Post-IPO Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Post-IPO Option Scheme. As at June 30, 2025, the remaining life of the Post-IPO Option Scheme is approximately six years.

Further details of the principal terms of the Post-IPO Option Scheme are summarized in the section headed “Statutory and General Information – F. Post-IPO Option Scheme” in Appendix IV to the Prospectus.

As of June 30, 2025, no Option had been granted or agreed to be granted under the Post-IPO Option Scheme. As such, the number of Options available for grant under the Post-IPO Option scheme at the beginning and the end of the six months ended June 30, 2025 was the same as the maximum number of Shares, 67,921,412, in respect of which Options may be granted under the Post-IPO Option Scheme as described above.

The total number of Shares that may be issued in respect of Options granted under all schemes of the Company during the Reporting Period (i.e. nil) divided by the weighted average number of Shares in issue for the Reporting Period was zero.

Disclosure of Interests

Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As of June 30, 2025, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying shares and debentures of the Company and 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 and short positions which they have taken or are deemed to have taken under such provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Other Information

(i) Interests in the Company

Name of Director or chief executive	Capacity/Nature of interest	Number of Shares interested	Approximate % of shareholding
Dr. Huang Shiang ⁽¹⁾⁽²⁾	Settlor of a trust and interest of spouse	145,363,368(L)	13.97
	Beneficial interest	1,062,500(L)	0.10
Mr. Tu Zanning ⁽³⁾	Interest in controlled corporation	38,624,144(L)	3.71
	Beneficial interest	25,737,720(L)	2.47
Ms. Chai Haijie	Beneficial interest	10,166,456(L)	0.98
Mr. Huang Zuie-Chin ⁽⁴⁾	Interest in controlled corporation	72,539,632(L)	6.97
	Beneficial Interest	580,000(L)	0.06

Notes:

- (1) Perfect Tactic Group Limited ("**Perfect Tactic**") is a company incorporated in the BVI held as to 99.8% and 0.2% by Infinite Prosperity Holdings LLC ("**Infinite Prosperity**") and Kindstar Rui An Medical Technology Company Limited (康聖瑞安醫學技術有限公司) ("**Kindstar Rui An**"), respectively. Infinite Prosperity is wholly owned by Jackson Hole Trust Company ("**Jackson Hole**"), the trustee to the Shiang Huang Family Trust which was established by Dr. Huang as settlor. Kindstar Rui An is indirectly wholly owned by Dr. Huang. Accordingly, Dr. Huang is deemed to be interested in the total number of Shares held by Perfect Tactic. Dr. Huang, being the spouse of Ms. Guo Gui-Rong, is deemed to be interested in the total number of Shares Ms. Guo Gui-Rong holds or is interested in.
- (2) According to the voting proxy arrangements dated April 28, 2021, January 1, 2017 and November 2, 2020, Ms. Guo Gui-Rong has effective control over the voting rights attached to the Shares held by each of Perfect Tactic, Mr. Chen Zhong ("**Mr. Chen**") and Ever Prospect Global Limited ("**Ever Prospect**"), which is wholly owned by Mr. Tu Zanning. Accordingly, Ms. Guo Gui-Rong is deemed to be interested in (i) the 48,361,508 Shares held by Perfect Tactic, (ii) 3,468,800 Shares held by Mr. Chen, and (iii) 38,624,144 Shares held by Ever Prospect. Dr. Huang, being the spouse of Ms. Guo Gui-Rong, is deemed to be interested in the total number of Shares Ms. Guo Gui-Rong holds or is interested in.
- (3) Ever Prospect is wholly owned by Mr. Tu. Accordingly, Mr. Tu is deemed to be interested in the 38,624,144 Shares held by Ever Prospect. According to the voting proxy arrangement dated November 2, 2020, Ms. Guo Gui-Rong has effective control over the voting rights attached to the Shares held by Ever Prospect.
- (4) The general partner of Ningbo Meishan Bonded Port Zone Xinyue Kangsheng Equity Investment Limited Liability Partnership (寧波梅山保稅港區新岳康聖股權投資合夥企業(有限合夥)) ("**Ningbo Xinyue**") is Ningbo Meishan Bonded Port Zone Ruixi Equity Investment Management Partnership (Limited Partnership) (寧波梅山保稅港區瑞義股權投資管理合夥企業(有限合夥)) ("**Ningbo Ruixi**"), while the general partner of Wuhan Ruifu Medical Health Equity Investment Limited Liability Partnership (武漢瑞伏醫療健康股權投資合夥企業(有限合夥)) ("**Wuhan Ruifu**") is Ningbo Meishan Bonded Port Zone Ruifu Bojian Investment Management Co., Ltd. (寧波梅山保稅港區瑞伏博健投資管理有限公司) ("**Ningbo Ruifu**"). The general partner of Ningbo Ruixi is Ningbo Ruifu. Accordingly, Ningbo Ruifu is deemed to be interested in the 41,829,140 Shares held by Wuhan Ruifu and the 30,710,492 Shares held by Ningbo Xinyue. Ningbo Ruifu is ultimately controlled by Mr. Huang. Accordingly, Mr. Huang Zuie-Chin is deemed to be interested in (i) the 41,829,140 Shares held by Wuhan Ruifu and (ii) the 30,710,492 Shares held by Ningbo Xinyue.

(ii) Interests in associated corporations

Name of Director or chief executive	Name of associate corporation	Amount of registered capital held (RMB)	Approximate % of interest
Dr. Huang Shiang	Wuhan Kindstar	6,644,000	96.29
	Kindstar Global Wuhan	10,000,000	99.01
	Wuhan Haixi	10,000,000	9.90
	Guangzhou AnchorDx	10,431,417	96.29
Mr. Tu Zanbing	Wuhan Kindstar	256,000	3.71
	Kindstar Global Wuhan	100,000	0.99
	Shanghai Xinuo Medical Laboratory Co., Ltd.	475,000	9.50
	Kindstar Zhenyuan	1,000,000	10.00
	Guangzhou AnchorDx	401,917	3.71

Save as disclosed above, as of June 30, 2025, no Directors or chief executives of the Company had or was deemed to have an 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, 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 and short positions which they have taken or are deemed to have taken under such provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares of the Company

As of June 30, 2025, to the best knowledge of the Directors, the following persons, other than Directors and chief executives of the Company, had interests or short positions in the Shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein:

Name of substantial shareholder	Capacity/Nature of interest	Number of Shares interested	Approximate % of shareholding
Ms. Guo Gui-Rong	Beneficial interest	3,971,020(L)	0.38
	Interest held through voting powers entrusted by other persons ⁽¹⁾	90,454,452(L)	8.69
	Settlor of a trust ⁽²⁾ and interest of spouse	52,000,396(L)	5.00
Dr. Huang Shiang ⁽³⁾⁽⁴⁾	Settlor of a trust and interest of spouse	145,363,368(L)	13.96
	Beneficial interest	1,062,500(L)	0.10
Mr. Huang Bo ⁽²⁾⁽³⁾	Interest in controlled corporation	99,299,404(L)	9.54
Perfect Tactic ⁽¹⁾⁽³⁾	Beneficial interest	48,361,508(L)	4.65
Jackson Hole ⁽²⁾⁽³⁾	Beneficial interest	50,937,896(L)	4.89
	Interest in controlled corporation	48,361,508(L)	4.65
Infinite Prosperity ⁽³⁾	Interest in controlled corporation	48,361,508(L)	4.65
Mr. Huang Zuie-Chin ⁽⁵⁾	Interest in controlled corporation	72,539,632(L)	6.97
	Beneficial interest	580,000(L)	0.06

Other Information

Name of substantial shareholder	Capacity/Nature of interest	Number of Shares interested	Approximate % of shareholding
Ningbo Ruifu ⁽⁵⁾	Interest in controlled corporation	72,539,632(L)	6.97
Madam Chan Tan Ching Fen ⁽⁶⁾	Founder of a discretionary trust who influence how the trustee exercises his discretion	91,068,160(L)	8.75
Ghalibo (PTC) Limited (" Ghalibo ") ⁽⁶⁾	Trustee	91,068,160(L)	8.75
Morningside Holdings (Asia) Limited (" Morningside Holdings ") ⁽⁶⁾	Interest in controlled corporation	91,068,160(L)	8.75
Healthcare Asia (Holdings) Inc. (" HCA Holdings ") ⁽⁶⁾	Interest in controlled corporation	91,068,160(L)	8.75
Healthcare Asia (China) Inc. (" HCA China ") ⁽⁶⁾	Interest in controlled corporation	91,068,160(L)	8.75
Healthcare Asia Laboratories Inc. (" HCA Laboratories ") ⁽⁶⁾	Interest in controlled corporation	91,068,160(L)	8.75
HCA Health Investments Inc. (" HCA Investments ") ⁽⁶⁾	Beneficial interest	91,068,160(L)	8.75
CPE Holdings International Limited (" CPE International ") ⁽⁷⁾	Interest in controlled corporation	80,367,640(L)	7.72
CPE Holdings Limited (" CPE Holdings ") ⁽⁷⁾	Interest in controlled corporation	80,367,640(L)	7.72
CPE Funds III Limited (" CPE Funds III ") ⁽⁷⁾	Interest in controlled corporation	80,367,640(L)	7.72
CPEChina Fund III, L.P. (" CPEChina ") ⁽⁷⁾	Interest in controlled corporation	80,367,640(L)	7.72
CK Lab Tech Investment Limited (" CK Lab Tech ") ⁽⁷⁾	Beneficial interest	80,367,640(L)	7.72
Mr. Tu Zanbing	Interest in controlled corporation ⁽¹⁾⁽⁶⁾	38,624,144(L)	3.71
	Beneficial interest	25,737,720(L)	2.47

Other Information

Notes:

- (1) According to voting proxy arrangements dated April 28, 2021, January 1, 2017 and November 2, 2020, Ms. Guo has effective control over the voting rights attached to the Shares held by each of Perfect Tactic, Mr. Chen and Ever Prospect. Accordingly, Ms. Guo Gui-Rong is deemed to be interested in (i) the 48,361,508 Shares held by Perfect Tactic, (ii) the 3,468,800 Shares held by Mr. Chen and (iii) the 38,624,144 Shares held by Ever Prospect.
- (2) Jackson Hole is the trustee of Gui-Rong Guo Trust, a family trust established by Ms. Guo (as the settlor) with her and her family members being the beneficiaries. Under the trust deed of the Gui-Rong Guo Trust, for so long as the Jackson Hole holds or controls any Shares, all voting rights attaching to such Shares shall be in effect exercised by Mr. Huang Bo, Dr. Huang Shiang and Ms. Guo Gui-Rong's son, as investment advisor to the Gui-Rong Guo Trust. Accordingly, each of Ms. Guo Gui-Rong and Mr. Huang Bo is deemed to be interested in the total number of Shares held by Jackson Hole.
- (3) Perfect Tactic is a company incorporated in the BVI held as to 99.8% and 0.2% by Infinite Prosperity and Kindstar Rui An, respectively. Infinite Prosperity is wholly owned by Jackson Hole. Jackson Hole is the trustee to the Shiang Huang Family Trust which was established by Dr. Huang as settlor. The Shiang Huang Family Trust is a discretionary trust and the beneficiaries of which includes Dr. Huang and his family members who are his associates, and their lineal descendants. Under the trust deed of the Shiang Huang Family Trust, for so long as the Jackson Hole Trust Company holds or controls any shares in Perfect Tactic, all voting rights with respect to investment decisions attaching thereto will be exercised by Mr. Huang Bo as investment advisor to the Shiang Huang Family Trust. Accordingly, each of Infinite Prosperity, Jackson Hole, Mr. Huang Bo and Dr. Huang is deemed to be interested in the total number of Shares held by Perfect Tactic.
- (4) Dr. Huang, being the spouse of Ms. Guo Gui-Rong, is also deemed to be interested in the total number of the Shares Ms. Guo Gui-Rong holds or is interested in.
- (5) The general partner of Ningbo Xinyue is Ningbo Ruixi, while the general partner of Wuhan Ruifu is Ningbo Ruifu. The general partner of Ningbo Ruixi is Ningbo Ruifu. Accordingly, Ningbo Ruifu is deemed to be interested in the 41,829,140 Shares held by Wuhan Ruifu and the 30,710,492 Shares held by Ningbo Xinyue. Ningbo Ruifu is ultimately controlled by Mr. Huang. Accordingly, Mr. Huang Zuie-Chin is deemed to be interested in (i) the 41,829,140 Shares held by Wuhan Ruifu and (ii) the 30,710,492 Shares held by Ningbo Xinyue.
- (6) HCA Investments is a limited liability company incorporated in the BVI and wholly owned by HCA Laboratories, which is wholly owned by HCA China. HCA China is wholly owned by HCA Holdings, which is wholly owned by Morningside Holdings. Morningside is wholly owned by Ghalibo, the trustee of a family trust established by Madam Chan Tan Ching Fen. Accordingly, each of HCA Investments, HCA Laboratories, HCA China, HCA Holdings, Morningside Holdings, Ghalibo and Madam Chan Tan Ching Fen is deemed to be interested in the total number of Shares held by HCA Investments.
- (7) CK Lab Tech is a company incorporated in the BVI held as to approximately 85.1% by CPEChina and 14.9% by CPE Global Opportunities Fund, L.P. The general partner of CPEChina is CPE Funds III, which is wholly owned by CPE Holdings. CPE Holdings is wholly owned by CPE International, which is owned by a number of shareholders that are natural persons none of whom controls CPE International. Accordingly, each of CPEChina, CPE Fund III, CPE Holdings and CPE International is deemed to be interested in the total number of Shares held by CK Lab Tech.
- (8) Ever Prospect is wholly owned by Mr. Tu. Accordingly, Mr. Tu is deemed to be interested in the 38,624,144 Shares held by Ever Prospect.

Save as disclosed above, as of June 30, 2025, to the best knowledge of the Directors, no other persons (not being Directors or chief executives of the Company) had interests or short positions in the Shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company listed securities (whether on the Stock Exchange or otherwise) for the six months ended June 30, 2025. As at June 30, 2025, the Company had 7,064,000 treasury shares which are intended to be used for purposes such as employee incentives, sale or transfer to obtain liquid funds, etc. subject to the actual decision-making by the Board.

Other Information

Use of Proceeds from the Global Offering

The Shares were listed on the Stock Exchange on July 16, 2021. The net proceeds from the Global Offering (after deduction of underwriting commissions and other expenses paid and payable by the Company in connection with the Global Offering) amounted to approximately HK\$2,053.6 million. The net proceeds from the Global Offering (adjusted on a pro-rata basis based on the actual net proceeds) have been and will continue to be utilized in accordance with the intended use of the proceeds as set out in the Prospectus. The following table sets forth the status of the use of net proceeds from the Global Offering⁽¹⁾:

Intended use of proceeds	Percentage of intended use of proceeds	Intended use of proceeds from the Global Offering	Unutilized net proceeds as of January 1, 2025	Actual Amount of use for the six months ended June 30, 2025	Unutilized net proceeds as of June 30, 2025	Timeframe for utilisation of the unused balance
	(%)	(In HK\$ millions)	(In HK\$ millions)	(In HK\$ millions)	(In HK\$ millions)	

Sales and marketing of our existing esoteric testing service lines to cover more hospitals, especially Class III hospitals

Sales, marketing and expansion of hematology testing business	15	308.0	165.8	56.2	109.6	By June 30, 2028
Sales, marketing and expansion of genetic diseases and rare diseases and maternity-related testing business	10	205.4	153.6	9.5	144.1	By June 30, 2028
Sales, marketing and expansion of oncology, infectious disease and neurology testing businesses	10	205.4	118.7	28.9	89.8	By June 30, 2028

Research and development of our existing esoteric testing service lines

Research and development of hematology testing	6.7	136.9	6.8	4.1	2.7	By June 30, 2028
Research and development of genetic diseases and rare diseases and maternity-related testing	6.7	136.9	14.3	2.3	12.0	By June 30, 2028
Research and development of neurology, infectious disease, oncology and routine testing	6.7	136.9	55.3	2.1	53.2	By June 30, 2028

Intended use of proceeds	Percentage of intended use of proceeds	Intended use of proceeds from the Global Offering	Unutilized net proceeds as of January 1, 2025	Actual Amount of use for the six months ended June 30, 2025	Unutilized net proceeds as of June 30, 2025	Timeframe for utilisation of the unused balance
	(%)	(In HK\$ millions)	(In HK\$ millions)	(In HK\$ millions)	(In HK\$ millions)	
Development and commercialization of new lines of esoteric testing services	15	308.0	151.5	44.6	106.9	By June 30, 2028
Expansion across the industry value chain by acquiring attractive technology or testing-related companies that are complementary and synergistic to our existing businesses	5	102.7	18.7	0	18.7	By June 30, 2028
Increasing our testing capacity	10	205.4	9.1	9	0.1	By June 30, 2028
Overseas expansion into markets outside of China	5	102.7	102.7	–	102.7	By June 30, 2028
Working capital and other general corporate purposes	10	205.4	94.9	0	94.9	–
Total	100.0	2,053.6	891.4	156.7	734.7	

Note:

(1) The figures in the table are approximate figures.

We currently have no intention to change the use of the unutilized net proceeds and have been actively monitoring the market environment for appropriate timing to implement our plans. It is currently expected that the unutilized net proceeds will be fully utilized by June 30, 2028, subject to changes in market conditions and policies and the timing when appropriate opportunities arise in the industry. To the extent that the net proceeds from the Global Offering are not immediately applied for the above purposes and to the extent permitted by the relevant law and regulations, we intend to deposit the net proceeds only into short-term deposits with licensed financial institutions in Hong Kong or the People's Republic of China. We will make an appropriate announcement if there is any change to the above proposed uses of proceeds or if any amount of the proceeds will be used for general corporate purpose.



Other Information

Compliance with the CG Code

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders. The Company has applied the principles as set out in the CG Code contained in Appendix C1 of the Listing Rules.

The Board is of the view that, during the Reporting Period and as of the Latest Practicable Date, the Company has complied with the code provisions as set out in the CG Code, except for the deviation from code provision C.2.1 as explained below.

Code provision C.2.1 of the CG Code stipulates that the roles of chairman of the Board 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 Dr. Huang Shiang. In view of Dr. Huang's experience, personal profile and his roles in the Group, and the fact that Dr. Huang has been the chief executive officer of the Group since its incorporation, the Board considers it beneficial to the business outlook and operational efficiency of the Group that Dr. Huang acts as the chairman of the Board and continues to act as the chief executive officer of the Company.

While this will constitute a deviation from code provision C.2.1 of the CG Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) decision to be made by the Board requires approval by at least a majority of the Directors; (ii) Dr. Huang and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they act for the benefit and in the best interests of the Company and will make decisions for the Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Company. Moreover, the overall strategic and other key business, financial, and operational policies of the Group are made collectively after thorough discussion at both the Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman of the Board and chief executive officer is necessary.

Compliance with the Model Code

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the Group's code of conduct regarding the Directors' securities transactions. Having made specific enquiry of all the Directors, all the Directors confirmed that they have strictly complied with the Model Code during the Reporting Period.

The Board has also adopted written guidelines (the "**Employees Written Guidelines**") no less exacting than the Model Code, to regulate all dealings by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company (as referred to in code provision C.1.3 of the CG Code). No incident of non-compliance with the Employees Written Guidelines by the Company's relevant employees had been noted during the Reporting Period after making reasonable enquiry.

Audit Committee and Review of Financial Information

The Board has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. As at the Latest Practicable Date, the Audit Committee consists of three members, namely Dr. Xia Xinping, Mr. Huang Zuie-Chin and Mr. Gu Huaming. Dr. Xia Xinping, being the chairman of the Audit Committee, holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee include, without limitation, assisting the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group and overseeing the audit process.

The Audit Committee has reviewed the Group's unaudited interim financial information for the six months ended June 30, 2025. The Audit Committee has also reviewed the accounting principles adopted by the Group and discussed auditing, internal control, risk management and financial reporting matters.

In addition, the Company's external auditor, Ernst & Young, has performed an independent review of the Group's interim financial information for the six months ended June 30, 2025 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. Based on their review, Ernst & Young confirmed that nothing has come to their attention that causes them to believe that the interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting."



Independent Review Report

To the board of directors of Kindstar Globalgene Technology, Inc.

(Incorporated in Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 39 to 76, which comprises the condensed consolidated statement of financial position of Kindstar Globalgene Technology, Inc. (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2025 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the consolidated financial information. 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 (“IASB”). 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 HKICPA. 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

28 August 2025

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	Notes	For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
REVENUE	4	456,919	473,335
Cost of sales		(260,389)	(247,545)
Gross profit		196,530	225,790
Other income and gains		48,865	54,889
Selling and marketing expenses		(144,991)	(147,923)
Administrative expenses		(56,249)	(46,767)
Research and development costs		(46,046)	(48,401)
Other expenses		(21,090)	(17,840)
Finance costs		(7,699)	(4,679)
(LOSS)/PROFIT BEFORE TAX		(30,680)	15,069
Income tax expense	6	(1,956)	(4,541)
(LOSS)/PROFIT AFTER TAX		(32,636)	10,528
Attributable to:			
Owners of the parent		(36,073)	11,895
Non-controlling interests		3,437	(1,367)
		(32,636)	10,528

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

		For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
	Notes		
OTHER COMPREHENSIVE (LOSS)/INCOME			
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of the financial statements of the Company		(9,330)	25,141
Other comprehensive (loss)/income for the period, net of tax		(9,330)	25,141
Total comprehensive (loss)/income for the period, net of tax		(41,966)	35,669
Attributable to:			
Owners of the parent		(45,403)	37,036
Non-controlling interests		3,437	(1,367)
		(41,966)	35,669
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic (RMB)			
– For (loss)/profit for the period	7	(3.78 cents)	1.25 cents
Diluted (RMB)			
– For (loss)/profit for the period	7	(3.78 cents)	1.24 cents

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	571,421	575,064
Prepayment for purchase of property, plant and equipment		3,541	4,975
Right-of-use assets		31,853	42,496
Prepayments, deposits and other receivables	12	32,081	24,977
Other intangible assets	10	245,615	37,991
Amounts due from related companies (non-current)	22	6,859	4,913
Time deposits (more than 1 years)	13	330,000	410,000
Investments in associates		47,847	42,247
Deferred tax assets		89,726	52,066
Financial assets at FVTPL	14	318,470	324,441
Goodwill	20	11,504	9,169
Total non-current assets		1,688,917	1,528,339
CURRENT ASSETS			
Inventories		61,716	51,499
Trade and bills receivables	11	501,871	504,211
Prepayments, deposits and other receivables	12	83,515	73,980
Amounts due from related parties	22	14,916	8,408
Time deposits (more than 3 months but less than 1 years)	13	844,715	1,217,543
Pledged deposits		7,690	9,314
Cash and cash equivalents		700,907	381,572
Total current assets		2,215,330	2,246,527

Interim Condensed Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
CURRENT LIABILITIES			
Trade and bills payables	15	160,656	178,018
Other payables and accruals	16	337,717	330,523
Contract liabilities		4,944	5,995
Interest-bearing bank borrowings	17	245,915	286,566
Profit tax payable		6,875	1,698
Amounts due to related parties	22	36,493	29,926
Lease liabilities		12,499	17,777
Deferred tax liabilities		32,968	3,942
Total current liabilities		838,067	854,445
NET CURRENT ASSETS		1,377,263	1,392,082
TOTAL ASSETS LESS CURRENT LIABILITIES		3,066,180	2,920,421
NON-CURRENT LIABILITIES			
Deferred income		865	2,044
Long term interest-bearing bank borrowings	17	191,300	68,500
Lease liabilities		21,342	25,519
Total non-current liabilities		213,507	96,063
Net assets		2,852,673	2,824,358
EQUITY			
Equity attributable to owners of the parent			
Share capital	18	1,696	1,589
Treasury shares	18	(76)	(76)
Reserves		2,794,647	2,782,499
		2,796,267	2,784,012
Non-controlling interests		56,406	40,346
Total equity		2,852,673	2,824,358

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 equity
	Share capital	Treasury shares	Capital reserve	Other capital reserve*	Share-based payment reserve	Exchange fluctuation reserve	Accumulated losses			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000			
	(note 18)	(note 18)								
At 1 January 2025 (audited)	1,589	(76)	5,975,195	(190,779)	108,297	205,724	(3,315,938)	2,784,012	40,346	2,824,358
Loss for the period	-	-	-	-	-	-	(36,073)	(36,073)	3,437	(32,636)
Other comprehensive loss for the period:										
Exchange differences on translation of the financial statements of the Company	-	-	-	-	-	(9,330)	-	(9,330)	-	(9,330)
Total comprehensive loss for the period (unaudited)	-	-	-	-	-	(9,330)	(36,073)	(45,403)	3,437	(41,966)
Shares issued for business combination	106	-	57,552	-	-	-	-	57,658	-	57,658
Shares issued upon exercise of share option	1	-	4	-	(5)	-	-	-	-	-
Capital injection into a subsidiary by non-controlling shareholders	-	-	-	-	-	-	-	-	12,623	12,623
At 30 June 2025 (Unaudited)	1,696	(76)	6,032,751	(190,779)	108,292	196,394	(3,352,011)	2,796,267	56,406	2,852,673

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the parent								Non-controlling interests	Total equity
	Share Capital	Treasury shares	Capital reserve	Other capital reserve*	Share-based payment reserve	Exchange fluctuation reserve	Accumulated losses	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(note 18)	(note 18)								
At 1 January 2024 (Audited)	1,599	(56)	6,023,532	(190,779)	108,571	190,475	(3,261,350)	2,871,992	22,989	2,894,981
Profit for the period	-	-	-	-	-	-	11,895	11,895	(1,367)	10,528
Other comprehensive income for the period:										
Exchange differences on translation of the financial statements of the Company	-	-	-	-	-	25,141	-	25,141	-	25,141
Total comprehensive income for the period (unaudited)	-	-	-	-	-	25,141	11,895	37,036	(1,367)	35,669
Shares issued upon exercise of share option	2	-	144	-	(146)	-	-	-	-	-
Repurchase of shares	(13)	(5)	(14,259)	-	-	-	-	(14,277)	-	(14,277)
Capital injection into a subsidiary by non-controlling shareholders	-	-	-	-	-	-	-	-	250	250
At 30 June 2024 (Unaudited)	1,588	(61)	6,009,417	(190,779)	108,425	215,616	(3,249,455)	2,894,751	21,872	2,916,623

* The other capital reserve of the Group represents the difference between the aggregate value of the net assets of the non-controlling interests acquired and the consideration paid by the Group for the acquisition of the non-controlling interests.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

		For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
	Notes		
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/Profit before tax:		(30,680)	15,069
Adjustments for:			
Bank interest income	5	(35,478)	(42,222)
Other income from financial assets at FVPTL	5	–	(3,497)
Foreign exchange (profits)/losses, net	5	(45)	521
Finance costs	5	7,699	4,679
Share of profits and losses of associates		(100)	277
Fair value changes on financial assets at FVTPL	5	10,150	966
Fair value gains on contingent consideration	5	–	(922)
(Profits)/Losses on disposal of property, plant and equipment and other intangible assets	5	(254)	362
Depreciation of property, plant and equipment	9	30,009	21,219
Depreciation of right-of-use assets		12,314	10,991
Amortisation of other intangible assets	10	11,933	2,808
Impairment (reversals)/losses, net:			
– Inventories	5	(379)	777
– Financial assets under expected credit losses (“ECL”) model	11	6,262	11,310
		11,431	22,338
Increase in inventories		(9,112)	(2,573)
Decrease/(increase) in trade and bills receivables		4,807	(33,159)
Increase in prepayments, deposits and other receivables		(19,905)	(22,900)
Decrease in trade and bills payables		(20,980)	(41,105)
Increase in other payables and accruals		6,565	3,795
Decrease in contract liabilities		(1,207)	(3,068)
Decrease in deferred income		(1,579)	(312)
Decrease in pledged deposits		1,624	9,118
Cash used in operations		(28,356)	(67,866)
Income tax paid		(5,413)	(2,383)
Net cash flows used in operating activities		(33,769)	(70,249)

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Notes	For the six months ended 30 June 2025 RMB'000 (Unaudited)	For the six months ended 30 June 2024 RMB'000 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		35,478	20,464
Loans to related parties		(6,338)	–
Purchases of property, plant and equipment		(24,519)	(95,216)
Purchases of other intangible assets		(623)	(14,162)
Repayment from related parties		4,392	–
Disposal/(Purchase) of time deposits with original maturity of more than three months		11,905	(1,171,098)
Disposal of time deposits with original maturity of more than three months		438,956	339,970
Proceeds from disposal of property, plant and equipment		2,395	8,340
Proceeds from disposal of other intangible assets		445	306
Investment in unlisted funds		(5,646)	(58,087)
Investment in an associate		(5,500)	–
Share issue expenses		(2,516)	–
Acquisition of a subsidiary		(145,942)	–
Net cash flows from/(used in) investing activities		302,487	(969,483)
CASH FLOWS FROM FINANCING ACTIVITIES			
New interest-bearing bank borrowings		190,889	178,000
Repayment of interest-bearing bank borrowings		(120,500)	(14,900)
Interest paid		(3,083)	(3,629)
Lease payments		(11,900)	(11,863)
Payment for repurchase of shares		–	(14,277)
Contribution from non-controlling shareholders		623	250
Net cash flows from financing activities		56,029	133,581
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		324,747	(906,151)
Cash and cash equivalents at beginning of period		381,572	1,472,799
Effect of foreign exchange rate changes, net		(5,412)	24,498
CASH AND CASH EQUIVALENTS AT END OF PERIOD		700,907	591,146

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 24 August 2007 and its shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 16 July 2021. The registered address of the office of the Company is P.O. Box 472, 2nd Floor, Harbour Place, 103 South, Church Street, George Town, Grand Cayman KY1-1106, Grand Cayman.

The Company is an investment holding company. During the reporting periods, the major subsidiaries of the Company were principally engaged in the provision of clinical testing services in the People’s Republic of China (the “PRC”).

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information 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 (“IFRSs”) for the first time for the current period’s financial information.

Amendments to IAS 21

Lack of Exchangeability

The new or amended IFRSs that are effective from 1 January 2025 did not have any significant impact on the Group’s accounting policies.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organized into business units based on their products and services and has nine reportable operating segments as follows:

- (a) Hematology testing segment includes testing services related to blood diseases.
- (b) Genetic diseases and rare diseases segment includes testing services from the rare disease.
- (c) Infectious diseases segment includes testing services from the infection department.
- (d) Oncology segment includes testing related to oncology diseases.
- (e) Neurology segment includes testing services related to neurological diseases undertaken by the Group.
- (f) Maternity-related diseases segment includes testing services related to maternity.
- (g) Routine testing segment conducts routine tests for the doctors' daily diagnoses.
- (h) Scientific research services and cro segment includes research and development services.
- (i) The "others" segment provides other miscellaneous testing services.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit before tax from continuing operations. The adjusted profit before tax from continuing operations is measured consistently with the Group's profit before tax except that other income and gains, administrative expenses, research and development costs, other expenses and finance costs are excluded from such measurement. No analysis of segment assets and liabilities is presented as management does not regularly review such information for the purposes of resource allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

3. OPERATING SEGMENT INFORMATION (continued)

For the six months ended 30 June 2025

(Unaudited)

Segments	Hematology Testing RMB'000	Genetic diseases and rare diseases RMB'000	Infectious diseases RMB'000	Oncology RMB'000	Neurology RMB'000	Maternity- related diseases RMB'000	Routine testing RMB'000	CROs and R&D project RMB'000	Others RMB'000	Total RMB'000
Segment revenue:										
Sales to external customers	276,691	20,664	17,946	18,464	47,074	20,942	20,393	32,059	2,686	456,919
Segment results:	61,755	592	40	(13,638)	9,519	206	(515)	(6,000)	(420)	51,539
Reconciliation:										
Other income and gains										48,865
Administrative expenses										(56,249)
Research and development costs										(46,046)
Other expenses										(21,090)
Finance costs										(7,699)
Group's loss before tax										(30,680)

Segments	Hematology Testing RMB'000	Genetic diseases and rare diseases RMB'000	Infectious diseases RMB'000	Oncology RMB'000	Neurology RMB'000	Maternity- related diseases RMB'000	Routine testing RMB'000	CROs and R&D project RMB'000	Others RMB'000	Total RMB'000
Segment revenue:										
Sales to external customers	297,919	23,635	23,659	10,972	49,154	25,003	21,064	21,285	644	473,335
Segment results:	67,898	3,045	2,835	1,702	7,316	727	156	(3,413)	(2,399)	77,867
Reconciliation:										
Other income and gains										54,889
Administrative expenses										(46,767)
Research and development costs										(48,401)
Other expenses										(17,840)
Finance costs										(4,679)
Group's profit before tax										15,069

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

3. OPERATING SEGMENT INFORMATION *(continued)*

Geographical information

Since nearly all of the Group's non-current assets were located in Mainland China, no geographical segment information is presented in accordance with IFRS 8 Operating Segments.

Information about major customers

No information about major customers is presented as there was no single customer from which over 10% or more of the Group's revenue was derived during the reporting periods.

4. REVENUE

An analysis of revenue is as follows:

Revenue from contracts with customers

(i) Disaggregated revenue information

	For the six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Types of services		
Clinical testing service – at a point in time	424,860	452,050
Testing services for R&D projects and others – over time	32,059	21,285
Total revenue from contracts with customers	456,919	473,335

(ii) Performance obligations

Clinical Testing Service

The performance obligation is satisfied upon delivery of the testing report and the payment is generally due within 30 days from the date of billing, except for individual customers, where payment in advance is normally required.

Testing services for R&D projects and others

Under testing services for R&D projects and others, revenue is recognised at the amount to which the Group has the right to invoice for services performed. Therefore, under practical expedient allowed by IFRS 15, the Group does not disclose the value of unsatisfied performance obligation.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

5. (LOSS)/PROFIT BEFORE TAX

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

	<i>Notes</i>	For the six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cost of inventories sold		857	–
Cost of services provided		259,532	247,545
Depreciation of property, plant and equipment	9	30,009	21,219
Depreciation of right-of-use assets		12,314	10,991
Amortisation of other intangible assets	10	11,933	2,808
Research and development costs		46,046	48,401
Auditor's remuneration		1,151	500
Employee benefit expense (including director's benefit)			
Salaries and other benefits		172,655	154,570
Pension scheme contributions, social welfare and other welfare		21,827	22,580
Lease payments not included in the measurement of lease liabilities		3,897	7,336
Bank interest income		(35,478)	(42,222)
Finance costs		7,699	4,679
Foreign exchange (profits)/losses, net		(45)	521
Other income from financial assets at FVPTL		–	(3,497)
Fair value changes on financial assets at FVTPL		10,150	966
Fair value gains on contingent consideration		–	(922)
(Profits)/losses on disposal of items of property, plant and equipment		(254)	362
Impairment losses on financial assets under ECL model	11	6,262	11,310
Impairment (reversals)/losses of inventories to net realisable value		(379)	777

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

6. INCOME TAX

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

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains.

Hong Kong

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the reporting periods. The subsidiary which operates in Hong Kong at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the period.

Mainland China

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "CIT Law"), the subsidiaries which operate in Mainland China are subject to CIT at a rate of 25% on the taxable income except those which are subject to tax concession as set out below:

According to the Corporate Income Tax Law of the People's Republic of China (the "CIT Law"), the uniform income tax rate is 25% (2024: 25%), except for 5 subsidiaries Wuhan Kindstar Medical Laboratory Co., Ltd. ("Wuhan Kindstar"), Beijing Hightrust Medical Laboratory Co., Ltd. ("Beijing Hightrust"), Shanghai SimpleGene Medical Laboratory Co., Ltd. ("Shanghai SimpleGene"), Shanghai SinoPath Medical Laboratory Co., Ltd. ("SinoPath") and Wuhan Kindstar Zhenyuan Medical Laboratory Co., Ltd. ("Kindstar Zhenyuan"), accredited as a "High and New Technology Enterprise" ("HNTE") which were entitled to income tax rate of 15% and 4 subsidiaries (Xinjiang Kindstar Medical Laboratory Co., Ltd. ("Xinjiang Kindstar"), Chengdu Shengyuan Medical Laboratory Co., Ltd. ("Chengdu Shengyuan"), Chengdu Wenjiang Kangshengyou Medical Internet Hospital Co., Ltd. ("Kindstar You Yi"), Sichuan Huaxi Kindstar Medical Laboratory Co., Ltd. ("Huaxi Kindstar")), incorporated in Western China which were entitled to income tax rate of 15% under the Grand Western Development Program policy.

The income tax expense of the Group for the reporting periods is analysed as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current income tax	4,524	11,822
Under provision in prior years	5,049	2,224
Deferred income tax	(7,617)	(9,505)
Total tax charge for the period	1,956	4,541

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

7. (LOSSES)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic losses per share amount is based on the losses for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 954,305,654 (unaudited) (six months ended 30 June 2024: 950,752,346 (unaudited)) in issue during the period.

The calculation of the diluted losses per share amounts is based on the losses for the period attributable to ordinary equity holders of the parent, adjusted to reflect the interest on the exercise of certain batch of share options. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period ended 30 June 2024 and 2025, as used in the basic losses 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.

The calculation of basic (loss)/profit per share is based on:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
(Loss)/profit		
(Loss)/profit attributable to ordinary equity holders of the parent (RMB'000)	(36,073)	11,895
Ordinary shares		
Weighted average number of ordinary shares in issue during the period used in the basic (loss)/profit per share calculation	954,305,654	950,752,346
Effect of dilutive potential ordinary shares:		
Share options	–	4,725,148
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	954,305,654	955,477,494
(Loss)/earnings per share attributable to ordinary equity holders of the parent		
– Basic	(3.78 cents)	1.25 cents
– Dilute	(3.78 cents)	1.24 cents

The calculation of basic and diluted loss per share for the six months ended 30 June 2025, has not considered, where appropriate, the share options awarded under the pre-IPO share option scheme as disclosed in Note 19(i), and the restricted shares that have not yet been vested (Note 18) as their inclusion would be anti-dilutive.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

8. DIVIDENDS

The final dividend in respect of 2024 of HK\$0.0238 cents per share, totaling approximately HK\$24,601,000 was approved at the Annual General Meeting on 5 June 2025 and was paid in cash on 27 August 2025.

The Board of Directors has resolved not to declare an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

9. PROPERTY, PLANT AND EQUIPMENT

	Buildings <i>RMB'000</i>	Laboratory equipment <i>RMB'000</i>	Transportation equipment <i>RMB'000</i>	Other equipment <i>RMB'000</i>	Leasehold improvements <i>RMB'000</i>	Construction in progress <i>RMB'000</i>	Total <i>RMB'000</i>
30 June 2025 (Unaudited)							
At 1 January 2025							
Cost	411,263	315,526	6,833	40,704	153,741	11,221	939,288
Accumulated depreciation	(19,800)	(218,693)	(5,072)	(32,057)	(88,602)	-	(364,224)
Net carrying amount	391,463	96,833	1,761	8,647	65,139	11,221	575,064
At 1 January 2025, net of accumulated depreciation	391,463	96,833	1,761	8,647	65,139	11,221	575,064
Additions	-	10,644	57	1,294	3,112	11,304	26,411
Transfer	-	-	-	-	2,294	(2,294)	-
Disposals	(1,007)	482	(75)	(1,541)	-	-	(2,141)
Acquisition of a subsidiary	-	1,483	-	172	400	41	2,096
Depreciation provided during the period	(4,698)	(13,824)	(325)	(2,495)	(8,667)	-	(30,009)
At 30 June 2025, net of accumulated depreciation	385,758	95,618	1,418	6,077	62,278	20,272	571,421
At 30 June 2025:							
Cost	410,256	322,609	6,808	46,419	159,307	20,272	965,671
Accumulated depreciation	(24,498)	(226,991)	(5,390)	(40,342)	(97,029)	-	(394,250)
Net carrying amount	385,758	95,618	1,418	6,077	62,278	20,272	571,421

At 30 June 2025, certain of the Group's buildings with a net carrying amount of RMB152,627,000 were pledged to secure general banking facilities granted to the Group (note 17).

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

9. PROPERTY, PLANT AND EQUIPMENT *(continued)*

	Buildings <i>RMB'000</i>	Laboratory equipment <i>RMB'000</i>	Transportation equipment <i>RMB'000</i>	Other equipment <i>RMB'000</i>	Leasehold improvements <i>RMB'000</i>	Construction in progress <i>RMB'000</i>	Total <i>RMB'000</i>
31 December 2024 (Audited)							
At 1 January 2024							
Cost	232,959	310,068	6,657	42,430	131,182	32,798	756,094
Accumulated depreciation	(11,241)	(200,454)	(4,429)	(27,125)	(75,812)	–	(319,061)
Net carrying amount	221,718	109,614	2,228	15,305	55,370	32,798	437,033
At 1 January 2024, net of accumulated depreciation	221,718	109,614	2,228	15,305	55,370	32,798	437,033
Additions	155,475	13,425	1	1,894	21,034	15,082	206,911
Transfer	22,829	–	175	–	4,788	(35,713)	(7,921)
Disposals	–	(7,967)	–	(3,630)	(3,263)	(946)	(15,806)
Acquisition of a subsidiary	–	–	–	10	–	–	10
Depreciation provided during the year	(8,559)	(18,239)	(643)	(4,932)	(12,790)	–	(45,163)
At 31 December 2024, net of accumulated depreciation	391,463	96,833	1,761	8,647	65,139	11,221	575,064
At 31 December 2024:							
Cost	411,263	315,526	6,833	40,704	153,741	11,221	939,288
Accumulated depreciation	(19,800)	(218,693)	(5,072)	(32,057)	(88,602)	–	(364,224)
Net carrying amount	391,463	96,833	1,761	8,647	65,139	11,221	575,064

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

10. OTHER INTANGIBLE ASSETS

	License RMB'000	Software RMB'000	Development Expenditure RMB'000	Total RMB'000
30 June 2025 (Unaudited)				
At 1 January 2025:				
Cost	25,929	34,196	1,415	61,540
Accumulated amortisation	(4,988)	(18,561)	–	(23,549)
Net carrying amount	20,941	15,635	1,415	37,991
Cost at 1 January 2025, net of accumulated amortisation	20,941	15,635	1,415	37,991
Acquisition of a subsidiary	207,379	–	–	207,379
Additions	2,449	9,319	410	12,178
Transfer	–	445	(445)	–
Amortisation provided during the period	(8,755)	(3,178)	–	(11,933)
At 30 June 2025	222,014	22,221	1,380	245,615
At 30 June 2025				
Cost	235,756	43,960	1,380	281,096
Accumulated amortisation	(13,742)	(21,739)	–	(35,481)
Net carrying amount	222,014	22,221	1,380	245,615

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

10. OTHER INTANGIBLE ASSETS (continued)

	License RMB'000	Software RMB'000	Development Expenditure RMB'000	Total RMB'000
31 December 2024 (Audited)				
At 1 January 2024:				
Cost	16,378	32,821	5,490	48,850
Accumulated amortisation	(3,350)	(17,456)	(2,548)	(17,515)
Net carrying amount	13,028	15,365	2,942	31,335
Cost at 1 January 2024, net of accumulated amortisation	13,028	15,365	2,942	31,335
Acquisition of a subsidiary	9,551	–	–	9,551
Additions	–	896	2,243	3,139
Transfer	–	3,770	(3,770)	–
Amortisation provided during the year	(1,638)	(4,396)	–	(6,034)
At 31 December 2024	20,941	15,635	1,415	37,991
At 31 December 2024				
Cost	25,929	34,196	1,415	61,540
Accumulated amortisation	(4,988)	(18,561)	–	(23,549)
Net carrying amount	20,941	15,635	1,415	37,991

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

11. TRADE AND BILLS RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	635,464	631,805
Bills receivable	1,610	733
Total	637,074	632,538
Allowance for expected credit losses	(135,203)	(128,327)
Total	501,871	504,211

The Group's trading terms with its customers are mainly on credit, except for individual customers, where payment in advance is normally required. The credit period is generally from three months to nine months. The Group seeks to maintain strict control over its outstanding receivables to minimize credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. The balances of trade receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of each of the reporting periods, based on the billing date and net of allowance for expected credit losses, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	216,012	195,811
1 year to 2 years	70,675	74,866
2 years to 3 years	131,146	191,286
3 years to 4 years	62,618	18,504
4 years to 5 years	13,083	12,426
Over 5 years	8,337	11,318
Total	501,871	504,211

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

11. TRADE AND BILLS RECEIVABLES (continued)

The movements in the allowance for expected credit losses of trade receivables are as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
At beginning of period/year	128,327	61,269
Impairment losses, net	6,262	71,174
Acquisition of subsidiary	1,034	–
Amount written off as uncollectible	(420)	(4,116)
At end of period/year	135,203	128,327

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customers with similar loss patterns such as ageing, historical denial and past collection experience. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. In addition, trade receivables with significant outstanding and credit-impaired balances are assessed for ECL individually.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix and individually:

	Amount RMB'000 (Unaudited)	As at 30 June 2025 Expected loss rate %	Impairment RMB'000 (Unaudited)
Individually assessed:	58,815	77	45,454
Measured by provision matrix:			
Within 1 year	225,973	5	11,571
1 year to 2 years	78,053	9	7,379
2 years to 3 years	170,073	23	39,281
3 years to 4 years	79,311	27	21,043
4 years to 5 years	14,018	42	5,916
Over 5 years	9,221	49	4,559
Total	635,464		135,203

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

11. TRADE AND BILLS RECEIVABLES (continued)

	As at 31 December 2024		
	Amount	Expected loss rate	Impairment
	RMB'000 (Audited)	%	RMB'000 (Audited)
Individually assessed:	64,755	70	45,393
Measured by provision matrix:			
Within 1 year	203,624	4	8,546
1 year to 2 years	84,924	12	10,058
2 years to 3 years	228,949	18	40,713
3 years to 4 years	21,849	40	8,674
4 years to 5 years	14,985	45	6,797
Over 5 years	12,719	64	8,146
Total	631,805		128,327

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Deposits and other receivables (current)	68,777	56,649
Prepayments (current)	12,052	11,694
Value-added tax recoverable		
– current	1,993	1,885
– non-current*	32,081	24,977
Prepaid expenses (current)	693	502
Deferred issue cost (current)	–	3,250
Total	115,596	98,957

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

Analysed into:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Current portion	83,515	73,980
Non-current portion*	32,081	24,977
Total	115,596	98,957

* The amount mainly represents value-added tax balance expected not to be recoverable in next twelve months.

The balances are not secured by collateral.

Other receivables had no historical default. The financial assets included in the above balances relate to receivables were categorised in stage 1 at the end of each of the reporting periods. In calculating the expected credit loss rate, the Group considers the historical loss rate and adjusts for forward-looking macroeconomic data. During the reporting periods, the Group estimated that the expected credit loss rate for other receivables and deposits was minimal.

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Long ageing balances are reviewed regularly by senior management. In view of the fact that the Group's deposits and other receivables relate to a large number of diversified counterparties, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its deposits and other receivable balances.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

13. TIME DEPOSITS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Time deposits – current (more than 3 months but less than 1 years)	844,715	1,217,543
Time deposits – non-current (more than 1 year)	330,000	410,000
Total	1,174,715	1,627,543

As at 30 June 2025, time deposits represent deposits over one year of the Group amounted to RMB330,000,000 (unaudited) carried the fixed interest rate ranged from 2.45% to 2.85% per annum with maturity from April 2027 to May 2027.

Current time deposits represent deposits over 3 months but less than one year. As at 30 June 2025, RMB844,715,000 (unaudited) of current time deposits carried fixed interest rates ranging from 4.19% to 4.64% per annum.

14. FINANCIAL ASSETS AT FVTPL

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Investment in unlisted funds *	318,470	324,441
Financial assets at FVTPL – non-current	318,470	324,441

* The investment includes subscription of limited partnership of unlisted funds to allow the Group to further access a wider variety of participants in the clinical testing industry. The unlisted fund was measured at fair value through profit or loss.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

15. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bill payables as at the end of each of the reporting periods, based on the invoice date, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	137,412	147,366
1 year to 2 years	7,711	21,067
Over 2 years	15,533	9,585
Total	160,656	178,018

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

16. OTHER PAYABLES AND ACCRUALS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Accruals	126,368	130,343
Payroll payable	131,930	129,841
Other payables*	77,419	65,439
Equity acquisition payables	2,000	4,900
Total	337,717	330,523

* Other payables are unsecured, non-interest-bearing and repayable on demand. The fair values of other payables at the end of each of the reporting periods approximated to their corresponding carrying amounts.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

17. INTEREST-BEARING BANK BORROWINGS

As at 30 June 2025 (Unaudited)			
	Effective interest rate per annum %	Maturity	RMB'000
Current			
Bank borrowings – credit	2.60-3.50, LPR-25BPS, LPR-50BPS	2026	231,715
Bank borrowings – secured (note (i))	2.90-3.50	2026	14,200
Total			245,915
Non-Current			
Bank borrowings – credit	LPR-20BPS	2026-2028	4,500
Bank borrowings – secured (note (i))	LPR-10BPS, LPR-20BPS	2026-2034	186,800
Total			191,300

As at 31 December 2024 (Audited)			
	Effective interest rate per annum %	Maturity	RMB'000
Current			
Bank borrowings – credit	2.6-3.65	2025	285,566
Bank borrowings – secured (note (ii))	4	2025	1,000
			286,566
Non-Current			
Bank borrowings – secured (note (ii))	LPR-20BPS	2026-2034	68,500

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

17. INTEREST-BEARING BANK BORROWINGS (continued)

Notes:

- (i) In February 2024, Kindstar Global (Shanghai) Medical Technology Co., Ltd. ("Kindstar Shanghai"), a subsidiary of the Company, entered into a ten-year bank borrowing agreement of RMB70,000,000 with Nanshi Branch of Shanghai Pudong Development Bank, which was guaranteed by Wuhan Kindstar and Sinopath and secured by mortgages over the Kindstar Shanghai's buildings. At 30 June 2025, the balance of the Interest bearing bank borrowing-secured is RMB69,000,000 (unaudited).

In February 2025, Kindstar Global Medical Technology (Wuhan) Co., Ltd. ("Kindstar Wuhan WFOE"), another subsidiary of the company, entered into a seven-year bank borrowing agreement of RMB132,000,000 with Wuhan Zimaqu Branch of China Citic Bank, which was guaranteed by Wuhan Kindstar and was secured by a pledge of 100% of the equity of Guangzhou Kangchengweiye Biotechnology Co., Ltd.. At 30 June 2025, the balance of the Interest bearing bank borrowing-secured is RMB132,000,000 (unaudited).

- (ii) At 31 December 2024, the balance of the Kindstar Shanghai's Interest bearing bank borrowings-secured from Nanshi Branch of Shanghai Pudong Development Bank is RMB69,500,000.

Analysed into:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Bank borrowings repayable:		
Within one year or on demand	245,915	286,566
In the second year	14,700	1,000
In the third to fifth year, inclusive	86,800	15,500
Beyond five years	89,800	52,000
Total	437,215	355,066

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

18. SHARE CAPITAL AND TREASURY SHARES

Share Capital

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Issued and fully paid:		
1,040,758,392 (2024: 981,291,940) ordinary shares	1,696	1,589

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue RMB'000 (Unaudited)	Share capital RMB'000 (Audited)
At 1 January 2025	981,291,940	1,589
Shares issued for business combination	59,431,356	106
Shares issued upon exercise of share option	35,096	1
At 30 June 2025	1,040,758,392	1,696
At 1 January 2024	986,308,104	1,599
Shares issued upon exercise of share option	1,637,836	2
Share repurchase	(6,654,000)	(12)
At 31 December 2024	981,291,940	1,589

Treasury Shares

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Shares repurchased:		
44,184,500 (2024: 44,184,500) treasury shares (notes)	76	76

Notes to the Consolidated Financial Statements

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19. STOCK INCENTIVE PLANS

i. Pre-IPO Stock Incentive Plans

The Company's Pre-IPO Stock Incentive Plans (the "Pre-IPO Scheme") were adopted pursuant to resolutions passed on 14 March 2013, 20 December 2015 and 1 December 2016, respectively, for the primary purpose of providing incentives to directors of the Company and eligible employees of the Group.

Details of Pre-IPO Scheme granted are as follows:

Grant date	Number of options	Expiry date	Exercise price per share	Notes
15 March 2013	4,576,229	14 March 2023	US\$0.03	(i)
31 December 2013	8,608,131	31 December 2023	US\$0.03	(ii)
31 December 2015	15,813,456	31 December 2025	US\$0.06	(ii)
31 December 2016	17,242,524	31 December 2026	US\$0.09	(ii)

Notes:

(i) 25%, 25%, 25% and 25% of the total number of the options granted shall vest on the first, second, third and fourth anniversary of vesting commencement date, respectively. All options has been exercised before 14 March 2023.

(ii) 100% of the total number of the options granted shall vest immediately after grant date.

The number of options and exercise price per share for the options granted on 14 March 2013, 20 December 2015 and 1 December 2016 represented the unadjusted number of options and exercise prices before considering the Share Subdivision and Capitalisation Issue.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

19. STOCK INCENTIVE PLANS (continued)

i. Pre-IPO Stock Incentive Plans (continued)

The following share options were outstanding during the reporting periods:

	30 June 2025 (Unaudited)		31 December 2024 (Audited)	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	HK\$ per share	000	HK\$ per share	000
At the beginning of the period/year	0.17	3,443,936	0.17	5,081,772
Exercised during the period/year	0.17	(35,096)	0.18	(1,637,836)
Forfeited during the period/year	0.17	(12,000)	–	–
At the end of period/year	0.17	3,396,840	0.17	3,443,936
Exercisable at the end of the period/year		3,396,840		3,443,936

The weighted average share price at the date of exercise for share options exercised during the period/year was HK\$1.32 per share (unaudited) (2024: HK\$1.45 per share).

ii. Post-IPO RSU Scheme

None shares had been granted under the post-IPO RSU scheme during the reporting period.

20. BUSINESS COMBINATION

On 24 January 2025, the Group completed the acquisition of 100% equity interest in Guangzhou Kangchengweiye Biotechnology Co., Ltd. (廣州康丞唯業生物科技有限公司) ("Guangzhou Kangchengweiye") at a total amount of approximately RMB208,475,000 (unaudited), which consists of RMB148,302,000 (unaudited) in cash and RMB60,173,000 (unaudited) worth of 59,431,356 ordinary shares of the Company.

The fair value of the identifiable net assets at fair value of Guangzhou Kangchengweiye is RMB206,140,000 (unaudited) as of the acquisition date. The Group recognised goodwill of RMB2,335,000 (unaudited) arising from the acquisition.

Since the acquisition, Guangzhou Kangchengweiye contributed RMB6,576,000 (unaudited) to the Group's revenue and RMB6,772,000 (unaudited) to the consolidated loss for the period ended 30 June 2025.

Had the combination taken place at the beginning of the period ended 30 June 2025, the revenue from continuing operations of the Group and the loss of the Group for the year would have been RMB457,880,000 (unaudited) and RMB31,375,000 (unaudited) respectively.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

21. COMMITMENTS

The Group had the following capital commitments at 30 June 2025 and 31 December 2024:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Contracted, but not provided for:		
Property, plant and equipment	19,327	14,504
Equity investments	93,739	114,249
Fund investments	202,149	208,408
Total	315,215	337,161

22. RELATED PARTY TRANSACTIONS

(a) Name and relationship

	Relationship with the Group
Panacea Venture	Entity controlled by a director
武漢蒲雲醫學檢驗實驗室有限公司	Associate
Wuhan Puyun Medical Laboratory Co., Ltd. ("Wuhan Puyun")	
武漢德谷醫學檢驗實驗室有限公司	Associate
Wuhan Degu Medical Laboratory Co., Ltd. ("Wuhan Degu")	
AnchorDx Inc. (Note i)	Associate
武漢邁諾生物醫學科技有限公司	Entity controlled by Rivercity Kindstar Fund
Wuhan Mainuo Medical Biotechnology Co., Ltd. ("Mainuo Medical")	
武漢英視特生物科技有限公司	Entity controlled by Rivercity Kindstar Fund
Wuhan Insight Biotechnology Co., Ltd. ("Wuhan Insight")	
武漢紐凱生物科技有限公司	Entity controlled by Rivercity Kindstar Fund
Wuhan Niukai Biotechnology Co., Ltd. ("Wuhan Niukai")	
武漢康聖澤輝醫學檢驗實驗室有限公司	Entity controlled by Rivercity Kindstar Fund
Wuhan Kindstar Zehui Medical Laboratory Co., Ltd. ("Kindstar Zehui")	
武漢趨勢信息技術有限公司	Entity controlled by Rivercity Kindstar Fund
Wuhan Trend Information Technology Co., Ltd. ("Wuhan Trend")	
武漢沐恩醫學科技有限公司	Entity controlled by Rivercity Kindstar Fund
Wuhan Immuno Medical Tech Co., Ltd. ("Wuhan Immuno")	
湖北聖壹醫學檢驗實驗室有限公司	Entity controlled by Rivercity Kindstar Fund
Hubei ShengYi Medical Laboratory Co., Ltd. ("Hubei ShengYi")	
英視特(武漢)生物有限公司	Entity controlled by Rivercity Kindstar Fund
Insicht (Wuhan) Biotechnology Co., Ltd. ("Insicht Wuhan")	
武漢市雲衍科技有限公司	Entity controlled by Rivercity Kindstar Fund
Wuhan Yunyan Technology Co., Ltd. ("Wuhan Yunyan")	
武漢拓道醫學生物科技有限公司	Entity controlled by Rivercity Kindstar Fund
Wuhan Tuodao Medical Biotechnology Co., Ltd. ("Tuodao Biomedical")	

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

22. RELATED PARTY TRANSACTIONS *(continued)*

(a) Name and relationship *(continued)*

	Relationship with the Group
武漢康聖原啟醫學檢驗有限公司 Wuhan Kindstar Yuanqi Medical Laboratory Co., Ltd. ("Kindstar Yuanqi")	Entity controlled by Rivercity Kindstar Fund
武漢拓道醫學科技有限公司 Wuhan Tuodao Medical Technology Co., Ltd. ("Tuodao Medical")	Entity controlled by Rivercity Kindstar Fund
武漢益特醫療技術諮詢有限公司 Wuhan Medical Esoteric Test Technology Consulting Co., Ltd. ("Wuhan Yite")	Entity controlled by Rivercity Kindstar Fund
武漢康聖易呼醫學檢驗實驗所有限公司 Wuhan Kindstar Yihu Medical Laboratory Co., Ltd. ("Kindstar Yihu")	Entity controlled by Rivercity Kindstar Fund
武漢譜絡生物醫學科技有限公司 Wuhan Puluo Medical Biotechnology Co., Ltd. ("Puluo Biomedical")	Entity controlled by Rivercity Kindstar Fund
譜絡(武漢)醫學生物科技有限公司 Puluo (Wuhan) Medical Biotechnology Co., Ltd. ("Puluo Wuhan")	Entity controlled by Rivercity Kindstar Fund
武漢因特檢醫學科技有限公司 Wuhan Intejian Medical Technology Co., Ltd. ("Wuhan Intejian")	Entity controlled by Rivercity Kindstar Fund
武漢艾樂醫學生物科技有限公司 Wuhan Alla Medical Biotechnology Co., Ltd. ("Wuhan Alla")	Entity controlled by Rivercity Kindstar Fund
邁諾(武漢)醫學生物科技有限公司 Mainuo (Wuhan) Medical Biotechnology Co., Ltd. ("Wuhan Mainuo")	Entity controlled by Rivercity Kindstar Fund
因特檢(武漢)醫學生物科技有限公司 Intejian (Wuhan) Medical Biotechnology Co., Ltd. ("Intejian Medical")	Entity controlled by Rivercity Kindstar Fund

Notes:

(i) AnchorDx Inc became an associate of the Company on 24 January 2025.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

22. RELATED PARTY TRANSACTIONS *(continued)*

(b) Significant related party transactions

In addition to the transactions detailed elsewhere in the Interim Financial Information, the Group had the following material related party transactions during the reporting periods:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Purchases of services		
Entities controlled by Rivercity Kindstar Fund	15,306	21,138
Associates	827	2,343
Total	16,133	23,481
Purchases of reagents		
Entities controlled by Rivercity Kindstar Fund	5,243	2,080
Associates	69	–
Total	5,312	2,080
Investment in		
Panacea Venture	5,646	9,413
Sales of services		
Entities controlled by Rivercity Kindstar Fund	2,213	1,586
Associates	757	3,309
Total	2,970	4,895

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

22. RELATED PARTY TRANSACTIONS (continued)

(b) Significant related party transactions (continued)

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Sales of reagents		
Entities controlled by Rivercity Kindstar Fund	129	116
Associates	38	185
Total	167	301
Rental services		
Entities controlled by Rivercity Kindstar Fund	761	3,117
Purchase of equipment		
Entities controlled by Rivercity Kindstar Fund	115	–
Associates	392	–
Total	507	–
Loan to		
Associates	6,859	–

Notes:

The purchase price was made according to published prices and conditions agreed by the Group and the related parties.

(c) Other transactions with related parties

Mr. Huang Shiang, the legal person of Kindstar Wuhan, provided guarantee in his personal name for the borrowings and credit line granted by Wuhan Branch of Shanghai Pudong Development Bank to Kindstar Wuhan, with a total amount of RMB90 million (unaudited). The security agreement does not involve collateral and pledge. The agreement stipulates that if the guaranteed person fails to repay in time, Shanghai Pudong Development Bank has the right to directly freeze/deduct the funds of any individual account of Mr. Huang Shiang in Shanghai Pudong Development Bank or entrust other financial institutions to freeze and deduct the funds of his account opened under this institution with guarantee period from 4 January 2024 to 31 December 2026.

Secondly, Mr. Huang Shiang also provided guarantee in his personal name for interest-bearing bank borrowings and credit line granted by Wuhan Branch of Industrial Bank to Kindstar Wuhan, with a total amount of RMB200 million (unaudited) with guarantee period from 8 November 2024 to 8 November 2029.

Besides, Mr. FAN JIANBING provided guarantee in his personal name for interest-bearing bank borrowings and credit line granted by Guangzhou Development Zone Branch of Bank of China to Guangzhou AnchorDx, with a total amount of RMB5 million (unaudited) with guarantee period from 4 December 2020 to 31 December 2025.

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For the six months ended 30 June 2025

22. RELATED PARTY TRANSACTIONS (continued)

(d) Outstanding balances with related parties

As disclosed in the statements of financial position, the Group had outstanding balances with related parties at 30 June 2025 and 31 December 2024.

The Group

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Due from related parties (Note)		
Non-current		
AnchorDx Inc.	6,859	4,913
Current		
Entities controlled by Rivercity Kindstar Fund	10,353	5,253
Associates	4,563	3,155
	14,916	8,408
Total amounts due from related parties	21,775	13,321

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Due to related parties (Note)		
Entities controlled by Rivercity Kindstar Fund	32,352	26,442
Associates	4,141	3,484
Total amounts due to related parties	36,493	29,926

Note:

The Group's balances due from and due to the related companies are unsecured, interest-free and repayable on demand, except for the loans to key management and employees.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

22. RELATED PARTY TRANSACTIONS (continued)

(d) Outstanding balances with related parties (continued)

(i) 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	1,333	851
Performance related bonuses	38	–
Pension scheme contributions	89	178
Total	1,460	1,029

23. 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:

	As at 30 June 2025		As at 31 December 2024	
	Carrying amount RMB'000 (unaudited)	Fair value RMB'000 (unaudited)	Carrying amount RMB'000 (audited)	Fair value RMB'000 (audited)
Financial assets				
Investment in unlisted funds	318,470	318,470	324,441	324,441

The Group's finance department headed by the financial controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of each of the reporting periods, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments periodically for financial reporting.

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 the Consolidated Financial Statements

For the six months ended 30 June 2025

23. 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 and unlisted funds subscribed by limited partnership allowing the Group to further access a wider variety of participants in the clinical testing industry.

The Group has estimated the fair value of wealth management products by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks. The Group has estimated the unlisted funds by using market method, comparable company method and net asset value of underlying investment method.

The fair values of lease liabilities have been calculated by discount the expected future cash flows using rate currently available for instruments with similar terms, credit risk and remaining maturities. The fair values have been assessed to be approximate to their carrying amounts.

Fair value hierarchy

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

As at 30 June 2025 (Unaudited)

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial assets				
Investment in unlisted funds	–	–	318,470	318,470

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2025

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy *(continued)*

As at 31 December 2024 (Audited)

	Quoted prices in active markets (Level 1) RMB'000	Fair value measurement using Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Financial assets				
Investment in unlisted funds	—	—	324,441	324,441

During the reporting periods, there was no transfers of fair value measurements between Level 1 and Level 2 for both financial assets and financial liabilities.

24. SUBSEQUENT FINANCIAL STATEMENTS

The Group has no material events after the reporting period.