



**Raily Aesthetic Medicine International  
Holdings Limited**

**瑞麗醫美國際控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2135



**2025**  
Interim Report

# CONTENTS

CORPORATE INFORMATION	2
MANAGEMENT DISCUSSION AND ANALYSIS	4
CORPORATE GOVERNANCE AND OTHER INFORMATION	14
INDEPENDENT REVIEW REPORT	20
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	21
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	22
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	24
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	25
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION	27



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Mr. Fu Haishu (*Chairman*)  
Mr. Song Jianliang (*Chief Executive Officer*)  
Mr. Wang Ying

### Independent Non-executive Directors

Mr. Cao Dequan  
Mr. Liu Teng  
Ms. Yang Xiaofen

## AUTHORISED REPRESENTATIVES

Mr. Fu Haishu  
Mr. Chan Oi Fat

## COMPANY SECRETARY

Mr. Chan Oi Fat

## AUDIT COMMITTEE

Mr. Liu Teng (*Chairman*)  
Mr. Cao Dequan  
Ms. Yang Xiaofen

## NOMINATION COMMITTEE

Mr. Fu Haishu (*Chairman*)  
Mr. Cao Dequan  
Ms. Yang Xiaofen

## REMUNERATION COMMITTEE

Mr. Cao Dequan (*Chairman*)  
Mr. Fu Haishu  
Mr. Liu Teng

## STRATEGIC INVESTMENT COMMITTEE

Mr. Fu Haishu (*Chairman*)  
Mr. Cao Dequan  
Ms. Yang Xiaofen

## REGISTERED OFFICE IN THE CAYMAN ISLANDS

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

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC")

3-5/F, Minhang Tower  
No. 290 North Zhongshan Road  
Gongshu District  
Hangzhou City  
PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Workshop A2, 29/F, TML Tower  
3 Hoi Shing Road  
Tsuen Wan  
Hong Kong

## AUDITORS

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

## HONG KONG LEGAL ADVISER

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

## Corporate Information

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

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

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### PRINCIPAL BANKS

Bank of Jiangsu  
Hangzhou Binjiang  
Small and Micro-enterprise Sub-branch  
8 Chunxiao Road  
Xixing Sub-District  
Binjiang District  
Hangzhou City  
PRC

China Merchants Bank  
Hangzhou, Yuhang Sub-branch  
1/F, Building 4  
Lvchuang Plaza  
84 Longyuan Road  
Yuhang District  
Hangzhou City  
PRC

### STOCK CODE

2135

### INVESTOR RELATIONS

Email address:  
[investor.relationship@raily.com](mailto:investor.relationship@raily.com)

### COMPANY'S WEBSITE

<http://www.raily.com>



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

Raily Aesthetic Medicine International Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) is a leading aesthetic medical service provider located in the Yangtze River Delta region, the PRC, and our main business is to offer a number of high-quality aesthetic medical services to meet the different aesthetic and anti-aging objectives of our clients, including aesthetic surgery services, minimally-invasive aesthetic services and aesthetic dermatology services. At the same time, we are engaged in aesthetic medical management consulting services and sales of aesthetic medical equipment products, and we have invested in research and development (the “R&D”) and production of aesthetic medical equipment products. We have operated across the upstream, midstream and downstream sectors of the aesthetic medical industry.

For the six months ended 30 June 2025 (the “Reporting Period”), our revenue in the first half of the year declined due to the slowdown in the overall growth of the aesthetic medical market in China (according to the China Aesthetic Medical Industry Outlook 2025 (《中國醫美行業2025年度洞悉報告》) jointly published by Deloitte China, Chinese Association of Plastics and Aesthetics and Allergan Aesthetics), intense market competition, and differentiated consumer demand. Our revenue was approximately RMB84.6 million for the Reporting Period, representing a decrease of approximately 28.0% from approximately RMB117.5 million for the corresponding period in 2024. Our loss for the Reporting Period was approximately RMB9.5 million (six months ended 30 June 2024: loss of approximately RMB3.0 million) and loss attributable to shareholders of the parent was approximately RMB7.6 million (six months ended 30 June 2024: loss attributable to shareholders of the parent of approximately RMB1.6 million).

For the Reporting Period, we had approximately 24,200 active aesthetic medical clients, representing a decrease of approximately 23.7% as compared to approximately 31,700 active clients for the first half of 2024. The number of new clients and repeat clients was approximately 8,700 and 15,500, respectively, representing a decrease of approximately 28.1% and 20.9%, respectively, as compared to approximately 12,100 new clients and approximately 19,600 repeat clients for the six months ended 30 June 2024. The decreases were primarily attributable to the intensified market competition, which resulted in an increase in client mobility. For the Reporting Period, the average consumption per client for our aesthetic medical services was approximately RMB3,100, representing an increase of approximately 18.3% from the average consumption per client of approximately RMB2,621 for the six months ended 30 June 2024.

We have gradually moved forward with the following development planning and strategic layout:

### 1. Enhance the productivity of non-surgical procedure services rooms

Non-surgical procedures hold a leading position in the aesthetic medical market due to their advantages, which include non-invasive or minimally invasive, low risk, quick recovery, safety, convenience, and affordability. The Group will continue to introduce cutting-edge aesthetic medical technologies, equipment and medications, and will expand the investment in minimally-invasive aesthetic services and aesthetic dermatology services rooms, thereby strengthening our capabilities in non-surgical aesthetic medical services, enhancing customer loyalty and improving brand reputation. We remain confident in the long-term growth prospects of our medical institutions. While enhancing productivity of our services rooms, we will also diversify our service offering, improve professional capabilities of our medical teams, and strengthen client communication and care.



## Management Discussion and Analysis



The following table sets forth certain operating data of our aesthetic medical institutions as of 30 June 2025:

Aesthetic medical institution	Date of establishment	Approximate gross floor area (sq.m.)	Number of minimally-invasive aesthetic services rooms	Number of dermatology department services rooms	Number of other services rooms
Hangzhou Raily Aesthetic Medical Hospital Co., Ltd. ("Hangzhou Raily")	August 2013	5,900	23	32	21
Ruian Raily Aesthetic Medical Out-patient Department Co., Ltd. ("Ruian Raily")	March 2013	2,900	6	17	4
Wuhu Raily Aesthetic Medical Out-patient Department Co., Ltd. ("Wuhu Raily")	July 2015	2,900	8	18	10
Hainan Beilifeier Out-patient Department Co., Ltd. ("Hainan Beilifeier") <sup>1</sup>	June 2022	800	3	2	2
Total		12,500	40	69	37

Note:

- On 4 July 2025, Hainan Beilifeier entered into an investment agreement (the "Investment Agreement") with Hangzhou Raily and Hainan Super Health Management Co., Ltd. (the "First Investor") and Bokun Agricultural Development (Hainan) Co., Ltd. (the "Second Investor", together with the First Investor, the "Investors"). The Company's interest in Hainan Beilifeier would decrease from 100.00% to 30.00% upon completion of the deemed disposal. For details, please refer to the section headed "EVENTS AFTER THE REPORTING PERIOD" in this report.

### 2. Control costs and optimise personnel structure

We will regularly review and assess all costs and expenses, including employee salaries, promotion expenses, equipment maintenance and material procurement, and then come up with reasonable budgets. We will negotiate for more favourable procurement prices and payment terms and rationalise procurement plans to reduce inventory backlogs. We will also reasonably allocate human resources and optimise post setups to ensure that employees' positions and working hours are reasonably arranged, and will allocate additional staff during peak periods to enhance work efficiency. Additionally, we will develop training programmes to provide tailored training courses to employees based on their job requirements and career development plans. We will also establish a scientific performance evaluation system, recruitment plans and selection criteria to attract and retain more talented candidates.

### 3. Expand diversified sales channels

We will adopt diversified sales channels based on factors such as our positioning, product characteristics, and market demand. In addition to continuing to disseminate product information via Internet platforms, placing advertisements through search engines, and interacting with consumers through social media accounts to achieve targeted marketing, we will also leverage third-party platforms for sales, strengthen cooperation with suppliers, distributors and agents, engage in joint marketing campaigns with other companies and organise more promotional activities to jointly promote our products, and strive to expand sales channels and enhance operational efficiency by integrating resources and leveraging complementary strengths with our partners. Additionally, we will make more efforts to establish cooperative relationships with industry associations and organisations to gain more sales opportunities and market information, and actively seek cooperation with enterprises or organisations in related industries to jointly plan and carry out diversified marketing activities.



## Management Discussion and Analysis

### 4. Establish an R&D and manufacturing platform for advanced aesthetic medical equipment products

The domestic market for dermal fillers is currently showing a trend of steady expansion. Filler injections primarily comprise materials such as hyaluronic acid, collagen, and regenerative products. Currently, the market share of collagen fillers is relatively small, the number of brands is not yet saturated, and there is still room for development. Suzhou Ruiquan Biosciences Co., Ltd. ("Suzhou Ruiquan"), a subsidiary of the Group, is dedicated to develop and produce subcutaneous injection products. Its factory covers an area of approximately 4,660 sq.m. and is expected to officially commence operations in 2028. Suzhou Ruiquan is actively engaged in the preparation for the application for a Class III medical device registration certificate from the National Medical Products Administration (the "NMPA"), currently in the injection sample testing phase. We will continue to collaborate with well-known universities and colleges in China to build an R&D and manufacturing platform for

aesthetic medical equipment products through joint planning, R&D and manufacturing, and consolidate the Group's position as a leading supplier of non-surgical aesthetic medical services and products in the upstream sector of the aesthetic medical industry.

### 5. Expand brand influence and corporate scale

In order to accelerate the broadening and deepening of the Group's aesthetic medical footprint, and further consolidate our leading position in the aesthetic medical market, we will continuously improve the quality of our products and services, enhance promotional effectiveness, increase brand exposure, and elevate brand awareness and influence. Additionally, we will flexibly adjust our merger and acquisition strategy in response to changes in the economic landscape, and may consider acquiring suitable aesthetic medical institutions or pharmaceutical and medical equipment distribution companies at reasonable costs.

## FINANCIAL REVIEW

### Revenue

The following table sets forth our revenue by service offerings for the Reporting Period:

	Six months ended 30 June				
	2025		2024		Change %
	Revenue RMB'000 (Unaudited)	% of the total revenue %	Revenue RMB'000 (Unaudited)	% of the total revenue %	
<b>Aesthetic medical services</b>	<b>74,937</b>	<b>88.6</b>	83,026	70.7	(9.7)
Aesthetic surgery services	2,741	3.2	2,586	2.2	6.0
Minimally-invasive aesthetic services	38,404	45.4	40,134	34.2	(4.3)
Aesthetic dermatology services	33,110	39.2	39,772	33.9	(16.8)
Others <i>(Note)</i>	682	0.8	534	0.4	27.7
<b>Sales of aesthetic medical equipment products</b>	<b>9,359</b>	<b>11.1</b>	34,420	29.3	(72.8)
<b>Aesthetic medical management consulting services</b>	<b>302</b>	<b>0.3</b>	29	–	941.4
	<b>84,598</b>	<b>100.0</b>	117,475	100.0	(28.0)

*Note:* Others primarily consist of aesthetic dental services and ancillary services such as anaesthetic services, nursing services for inpatients and physical examination services.

## Management Discussion and Analysis

We generated revenue primarily from the sales of aesthetic medical equipment products and the provision of aesthetic medical services. Aesthetic medical equipment products primarily comprise (i) collagen injection products (Bellafill); (ii) surgical implant; and (iii) aesthetic medical skincare products. Bellafill, a Class III medical device product approved by the NMPA with the registration certificate number “Guo Xie Zhu Jin 20243130041 (國械註進 20243130041)” and the official name “Collagen and PMMA Subdermal Implant System for Plastic Surgery”, is designed for injection into the deep dermis to correct moderate to severe nasolabial folds.

Aesthetic medical services primarily include (i) aesthetic surgery services, which are invasive and are performed to alter the appearance of various parts of the face or body, such as eyes, nose, face and breast; (ii) minimally-invasive aesthetic services, which involve minimal penetration into the body tissue with no surgical incisions; and (iii) aesthetic dermatology services, which primarily comprise aesthetic energy-based procedures performed with equipment that utilise various forms of energy such as laser, radiofrequency and intense pulsed light for various purposes such as acne, scar and pigments removal, skin rejuvenation, skin lifting and tightening, and hair removal.

According to the China Aesthetic Medical Industry Outlook 2025 (《中國醫美行業2025年度洞悉報告》) jointly published by Deloitte China, Chinese Association of Plastics and Aesthetics and Allergan Aesthetics, as the economic environment in 2025 is complex with a fragmented consumer market, the industry is transitioning from “scale expansion” to “value reconstruction”, characterized by slowed institutional growth, rising customer acquisition costs, shortages of medical professionals with uneven distribution, and stricter regulatory compliance. In recent years, in addition to the continuous expansion of traditional aesthetic medical institutions, more e-commerce platforms and cosmetics companies have been rushing into the downstream segment of aesthetic medical industry, further intensifying industry competition. As more upstream aesthetic medical companies emerge, the aesthetic medical products approved for launch will record an increase, driving the intensified market competition among upstream suppliers.

For the Reporting Period, our revenue was approximately RMB84.6 million, representing a decrease of approximately 28.0% as compared with approximately RMB117.5 million for the six months ended 30 June 2024. For the Reporting

Period, our revenue from aesthetic medical services was approximately RMB74.9 million, representing a decrease of approximately 9.7% from approximately RMB83.0 million for the six months ended 30 June 2024 as the increase in consumption per client was not sufficient to offset the impact of the decrease in the number of active clients due to intense industry competition, resulting in a decrease in revenue from minimally-invasive aesthetic services and aesthetic dermatology services.

Our revenue from minimally-invasive aesthetic services for the Reporting Period was approximately RMB38.4 million, representing a decrease of approximately 4.3% from approximately RMB40.1 million for the six months ended 30 June 2024. Our revenue from aesthetic dermatology services for the Reporting Period was approximately RMB33.1 million, representing a decrease of approximately 16.8% from approximately RMB39.8 million for the six months ended 30 June 2024, which was attributable to the decrease in active clients. Our revenue from aesthetic surgery services for the Reporting Period was approximately RMB2.7 million, representing an increase of approximately 6.0% from approximately RMB2.6 million for the six months ended 30 June 2024.

For the Reporting Period, the revenue from the sales of aesthetic medical equipment products was approximately RMB9.4 million, representing a decrease of approximately 72.8% from approximately RMB34.4 million for the six months ended 30 June 2024, which was attributable to intensified market competition and adjustments to the sales mix during the Reporting Period, resulting in a sales performance decline in the first half of 2025.

Our revenue from aesthetic medical management consulting services for the Reporting Period was approximately RMB0.3 million, which was increased from approximately RMB0.03 million for the six months ended 30 June 2024.

### Cost of sales

Our cost of sales mainly includes cost of supplies consumed and staff costs. Our cost of sales for the Reporting Period was approximately RMB55.5 million, representing a decrease of approximately 19.6% from approximately RMB69.0 million for the six months ended 30 June 2024. The decrease in our cost of sales was primarily attributable to the decrease in sales performance of aesthetic medical services and aesthetic medical equipment products.





## Management Discussion and Analysis

Our cost of sales by nature is as follows:

Six months ended 30 June					
	2025		2024		Change
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	%
	(Unaudited)		(Unaudited)		
Cost of supplies consumed	32,622	58.8	36,639	53.1	(11.0)
Cost of inventories sold	2,955	5.4	10,311	14.9	(71.3)
Staff costs	13,485	24.3	14,638	21.2	(7.9)
Others	6,401	11.5	7,420	10.8	(13.7)
	55,463	100.0	69,008	100.0	(19.6)

### Gross Profit

For the Reporting Period, our gross profit amounted to approximately RMB29.1 million, representing a decrease of approximately 39.9% from approximately RMB48.5 million for the six months ended 30 June 2024, which was attributable to the decrease in sales performance of aesthetic medical equipment products. During the Reporting Period, our gross profit margin was approximately 34.4%, which was 41.3% for the first half of 2024.

The following table sets forth our gross profit and gross profit margin by service offerings for the Reporting Period:

Six months ended 30 June						
	2025		2024			
	Gross Profit	Gross Profit	Gross Profit	Change in	Change in	
	<i>RMB'000</i>	Margin	<i>RMB'000</i>	Gross Profit	Gross Profit	
	(Unaudited)	%	(Unaudited)	%	%	%
<b>Aesthetic medical services</b>	22,573	30.1	24,329	29.3	(7.2)	0.8
Aesthetic surgery services	(1,456)	(53.1)	(1,152)	(44.5)	26.4	(8.6)
Minimally-invasive aesthetic services	14,155	36.9	13,399	33.4	5.6	3.5
Aesthetic dermatology services	11,708	35.4	14,382	36.2	(18.6)	(0.8)
Others <i>(Note)</i>	(1,834)	(268.9)	(2,300)	(430.7)	(20.3)	161.8
<b>Sales of aesthetic medical equipment products</b>	6,404	68.4	24,109	70.0	(73.4)	(1.6)
<b>Aesthetic medical management consulting services</b>	158	52.3	29	100.0	444.8	(47.7)
	29,135	34.4	48,467	41.3	(39.9)	(6.9)

*Note: Others primarily consist of aesthetic dental services and ancillary services such as anaesthetic services, nursing services for inpatients and physical examination services.*

## Management Discussion and Analysis

For the Reporting Period, the total gross profit of our aesthetic medical services was approximately RMB22.6 million, representing a decrease of approximately 7.2% from approximately RMB24.3 million for the six months ended 30 June 2024, of which the gross profit of our minimally-invasive aesthetic services was approximately RMB14.2 million, representing an increase of approximately 5.6% from approximately RMB13.4 million for the six months ended 30 June 2024. The total gross profit of the sales of aesthetic medical equipment products during the Reporting Period was approximately RMB6.4 million, representing a decrease of approximately 73.4% from approximately RMB24.1 million for the six months ended 30 June 2024, which was primarily attributable to the diversified categories of injection products, resulting in intensified market competition.

For the Reporting Period, the total gross profit margin of our aesthetic medical services was approximately 30.1%, representing an increase of approximately 0.8 percentage point from approximately 29.3% for the six months ended 30 June 2024. The gross profit margin of the sales of aesthetic medical equipment products was approximately 68.4%, representing a decrease of approximately 1.6 percentage points from approximately 70.0% for the six months ended 30 June 2024, which was mainly attributable to the adjustments to the structure of our aesthetic medical equipment products during the Reporting Period.

### Other Income and Gains

Our other income and gains for the Reporting Period amounted to approximately RMB1.3 million, representing a decrease of approximately RMB8.7 million from approximately RMB10.0 million for the six months ended 30 June 2024. Such decrease was mainly attributable to the decrease in fair value gains on contingent consideration.

### Selling and Distribution Expenses

Our selling and distribution expenses for the Reporting Period amounted to approximately RMB20.1 million, representing a decrease of approximately RMB3.6 million from approximately RMB23.7 million for the six months ended 30 June 2024. The decrease in such expenses was mainly attributable to lower promotion expenses resulting from adjustments of online promotion platforms, though the promotional effects have not yet become prominent, as well as the integration of personnel within the Group, which has led to a corresponding reduction in personnel expenses and rental related expenses.

### Administrative Expenses

Our administrative expenses for the Reporting Period amounted to approximately RMB15.8 million, representing a decrease of approximately RMB4.4 million from approximately RMB20.2 million for the six months ended 30 June 2024. The decrease in such expenses was mainly attributable to the integration of personnel within the Group during the Reporting Period, resulting in a corresponding reduction in personnel expenses and intermediary team service expenses. Our administrative expenses primarily comprised intermediary team service expenses, staff costs, rental related expenses, utility, depreciation expenses and other administrative office expenses.

### Other Expenses

Our other expenses for the Reporting Period amounted to approximately RMB0.6 million (six months ended 30 June 2024: approximately RMB14.7 million). The decrease in such expenses was mainly attributable to the decrease in asset impairment loss.

### Finance Costs

Our finance costs for the Reporting Period amounted to approximately RMB1.4 million (six months ended 30 June 2024: approximately RMB1.6 million). Our finance costs primarily comprised interest on lease liabilities and interest on bank and other borrowings.

### Income Tax Expenses

Our income tax expenses represent our total current income tax and deferred tax expenses/credits under the relevant PRC income tax policies and regulations. We recorded income tax expenses of approximately RMB1.2 million for the Reporting Period (six months ended 30 June 2024: approximately RMB0.7 million).

### Total Comprehensive Loss for the Reporting Period and Total Loss Attributable to Owners of the Parent

The Group recorded a loss of approximately RMB9.5 million for the Reporting Period (six months ended 30 June 2024: loss of approximately RMB3.0 million). Loss for the Reporting Period attributable to owners of the parent was approximately RMB7.6 million (six months ended 30 June 2024: loss attributable to owners of the parent of approximately RMB1.6 million).



## Management Discussion and Analysis

### LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

We maintained a strong financial position with cash and bank balances and time deposits of approximately RMB35.9 million as at 30 June 2025 (31 December 2024: approximately RMB28.9 million). Our net current liabilities were approximately RMB47.1 million as at 30 June 2025 (31 December 2024: net current liabilities of approximately RMB33.2 million). Taking into account the financial resources available to the Group, including cash and cash equivalents on hand, cash generated from operations and available facilities of the Group, and after diligent and careful investigation, the directors of the Company (the "Directors") are of the view that the Group has sufficient working capital required for the Group's operations at present. As at 30 June 2025, the Group had unutilised bank facilities for working capital purposes of approximately RMB7.0 million (31 December 2024: approximately RMB13.0 million).

#### Lease Liabilities

As at 30 June 2025, the Group had lease liabilities of approximately RMB47.3 million (31 December 2024: approximately RMB35.6 million).

#### Capital Commitments

As at 30 June 2025, the Group had no contracted, but not provided for commitments (31 December 2024: Nil).

#### Capital Expenditure

During the Reporting Period, the Group acquired equipment and leasehold improvements amounting to approximately RMB1.4 million (six months ended 30 June 2024: equipment and leasehold improvements amounting to approximately RMB4.3 million).

### INDEBTEDNESS

#### Interest-bearing Bank Borrowings

As at 30 June 2025, the Group had approximately RMB20.0 million outstanding interest-bearing bank borrowings (31 December 2024: approximately RMB13.0 million), of which approximately RMB20.0 million are at fixed interest rates (31 December 2024: approximately RMB13.0 million).

As at 30 June 2025, all of the bank borrowings were repayable within one year. All the borrowings are denominated in Renminbi.

#### Secured Loans

As at 30 June 2025, the Group had approximately RMB5.7 million outstanding secured loans (31 December 2024: approximately RMB7.8 million), of which RMB5.7 million are at fixed interest rates (31 December 2024: RMB7.8 million).

As at 30 June 2025, secured loans of approximately RMB4.5 million are repayable within one year and secured loans of approximately RMB1.2 million are repayable within one to two years. All the loans are denominated in Renminbi.

#### Treasury Policies

The Group adopts a prudent approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the board (the "Board") of Directors closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

### CONTINGENT LIABILITIES AND GUARANTEES

As at 30 June 2025, the Group had no significant contingent liabilities and guarantees (31 December 2024: Nil).

### PLEDGE OF ASSETS

As at 30 June 2025, the lease arrangements were secured by the Group's pledged deposits of RMB1.5 million (31 December 2024: lease arrangements secured by the Group's pledged deposits of RMB1.5 million).

### GEARING RATIO

Gearing ratio is calculated by dividing total liabilities by total equity as at 30 June 2025 and multiplying the result by 100%. As at 30 June 2025, the Group had total debt of approximately RMB152.6 million (31 December 2024: approximately RMB154.4 million) and gearing ratio is approximately 172.8% (31 December 2024: approximately 161.7%).

### INTEREST RATE RISK

The Group has no significant interest rate risk as all of its borrowings bore interest at fixed rates.

## Management Discussion and Analysis

### EXCHANGE RATE FLUCTUATION RISK

As we have deposited with licensed banks certain financial assets that are denominated in Hong Kong dollars, we may be exposed to the risk of exchange rate fluctuations between Hong Kong dollars and Renminbi. The Group currently does not have a foreign currency hedging policy. However, the management will monitor foreign exchange exposure closely and will consider to adopt a proactive but prudent approach to minimise the relevant exposure when necessary.

### FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this report and in the prospectus of the Company dated 15 December 2020 (the "Prospectus"), the Group did not have plans for making material investments or acquiring capital assets as at 30 June 2025. Thereafter, the Group may continue to focus on sales of aesthetic medical equipment products and may consider to invest further in related business.

### EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, we have 289 employees in the PRC (31 December 2024: 290).

Function	Number of Employees	
	30 June 2025	31 December 2024
Management	7	6
Physicians and medical staff	115	121
Sales, marketing, client service and other business staff	124	128
Finance and administration staff	43	35
Total	289	290

For the Reporting Period, our staff costs amounted to approximately RMB30.3 million (six months ended 30 June 2024: approximately RMB31.0 million), the share option expenses amounted to approximately RMB1.4 million (six months ended 30 June 2024: approximately RMB3.7 million), and the total staff costs amounted to approximately RMB31.7 million (six months ended 30 June 2024: approximately RMB34.7 million), accounting for approximately 37.5% (six months ended 30 June 2024: approximately 29.6%) of our total revenue for the Reporting Period.

We believe that we have provided our physicians and medical staff with competitive compensation packages, medical education opportunities and a professional work environment. We will review the performance of our physicians and medical staff at least once a year. According to our internal control policy, the results of such reviews will be taken into consideration in the determination of salary, bonus awards and promotion. The human resources department at our headquarters maintains the license records of our physicians and medical staff and regularly reviews their profiles to ensure compliance with the

relevant laws and regulations in the PRC. Our Directors' remuneration will be reviewed by the remuneration committee of the Company once a year to ensure it remains at a market-comparable level.

Remuneration is determined based on factors such as comparable market salaries, work performance, time investment and the individual responsibilities. The Group provides the employees with relevant internal and/or external training from time to time. In addition to basic salaries, we also provide year-end bonuses to outstanding employees in order to attract and retain qualified employees, so that they can contribute more to the Group.

The employees of the Group in the PRC are required to participate in the central pension scheme operated by the local municipal government. The Group is required to contribute a certain percentage of its payroll costs to this central pension scheme. The contributions vest fully once made and are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

## Management Discussion and Analysis

As of 30 June 2025, there were no forfeited contributions (by the Group on behalf of employees who leave the pension scheme prior to vesting fully of such contributions) available for the Group to reduce the existing level of contributions.

### USE OF PROCEEDS

The Company was successfully listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 December 2020 (the "Listing"). The net proceeds from the Listing (including exercise of the over-allotment options and after deducting the underwriting fees, commission and all related expenses in connection with the Listing) amounted to approximately HK\$81.7 million (the "Net Proceeds"), which was based on the issuing price of HK\$0.4 per share and the actual expenses related to the Listing. As at the date of this report, HK\$8.4 million out of the Net Proceeds for organic growth remains unutilised, while other proceeds have been fully utilised.

The following table sets forth a summary of the utilisation of the Net Proceeds as at 30 June 2025:

Purpose	Percentage to total amount	Planned use of net proceeds HK\$ million	Actual use of proceeds up to 30 June 2025 HK\$ million	Unutilised amount as at 30 June 2025 HK\$ million	Expected timeline of full utilisation of the remaining proceeds
<b>Expanding our aesthetic medical institution network</b>	<b>71.0%</b>	<b>58.0</b>	<b>49.6</b>	<b>8.4</b>	<b>31 December 2025</b>
– Renovation and expansion of existing aesthetic medical institutions	28.0%	22.9	22.9	–	
– Organic growth	28.0%	22.9	14.5	8.4	31 December 2025
– Strategic acquisitions	15.0%	12.2	12.2	–	
<b>Acquire new aesthetic medical service equipment and treatment consumables to extend the spectrum of our treatment services offered in our current aesthetic medical institutions</b>	<b>11.0%</b>	<b>9.0</b>	<b>9.0</b>	<b>–</b>	
<b>Actively promote our brand</b>	<b>8.0%</b>	<b>6.5</b>	<b>6.5</b>	<b>–</b>	
<b>General working capital</b>	<b>10.0%</b>	<b>8.2</b>	<b>8.2</b>	<b>–</b>	
<b>Total</b>	<b>100.0%</b>	<b>81.7</b>	<b>73.3</b>	<b>8.4</b>	

On 26 February 2024, the Company proposed to raise gross proceeds of up to approximately HK\$20.8 million before expenses, by way of rights issue, by issuing up to 140,728,521 rights shares (the "Rights Shares") (assuming no further issue or repurchase of shares of the Company on or before 28 March 2024 (the "Record Date"), other than the full exercise of the exercisable share options of the Company and all the Rights Shares will be taken up and without taking into account the proceeds from the exercise of the exercisable share options of the Company) with an aggregate nominal value of approximately HK\$54.8 million at the subscription price of HK\$0.148 per Rights Share (net price of HK\$0.138 per Rights Share) on the basis of one (1) Rights Share for every three (3) consolidated

shares held by the qualifying shareholders of the Company at the close of business on the Record Date (the "Rights Issue"). The Rights Issue became effective on 25 April 2024. The Company issued and allotted 139,269,333 new shares pursuant to the Rights Issue. In view of the Group's business expansion plans and the unsatisfactory financial performance over the past few years due to the COVID-19 pandemic, the Directors consider that it is commercially reasonable and justifiable to obtain external financing to develop and expand its business with a view to achieving improvement of the Group's financial performance and future business prospects.



## Management Discussion and Analysis

The gross proceeds from the Rights Issue are approximately HK\$20.6 million and the net proceeds from the Rights Issue after expenses are approximately HK\$19.0 million. As at the date of this report, HK\$7.6 million out of the net proceeds remains unutilised.

The following table sets forth a summary of the utilisation of the net proceeds from the Rights Issue as at 30 June 2025:

Purpose	Percentage to total amount	Planned use of net proceeds HK\$ million	Actual use of proceeds up to 30 June 2025	Unutilised amount as at 30 June 2025 HK\$ million	Expected timeline of full utilisation of the remaining proceeds
			HK\$ million		
Acquisition of equipment and raw materials necessary to initiate the manufacturing process	50.0%	9.5	9.5	–	
Registration filing of aesthetic medical equipment products with the NMPA, including clinical trials which are integral to the registration process	40.0%	7.6	–	7.6	31 March 2026
General working capital	10.0%	1.9	1.9	–	
<b>Total</b>	<b>100.0%</b>	<b>19.0</b>	<b>11.4</b>	<b>7.6</b>	

## PROSPECTS

China's aesthetic medical industry started relatively late but has developed rapidly. It is a comprehensive industry integrating medicine, aesthetics, and technology, among other fields. In recent years, with the improvement of people's living standards and the growing pursuit of beauty, the market size of the aesthetic medical industry has continued to expand. The government has also been strengthening its regulation on the aesthetic medical market by introducing a series of policies to regulate market order and crack down on illegal medical practices. These measures have safeguarded the healthy development of the industry, which is now moving towards a more compliant, professional, personalised and technology-empowered model. Consumers are increasingly

demanding higher quality and safety of aesthetic medical services. Non-invasive treatments and personalised solutions have emerged as the two core highlights in the aesthetic medical field. With the rapid development of cutting-edge technologies such as biotechnology and nanotechnology, the safety and efficacy of aesthetic medical materials have been greatly improved. It is expected that more new materials will be approved for launch in the future, providing more and safer options for beauty seekers.

While the industry faces multiple challenges and market competition is becoming increasingly fierce, the overall development trend remains positive, and the future looks promising.

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## CORPORATE GOVERNANCE PRACTICES

The Company is committed to principles of good corporate governance consistent with prudent management and enhancement of shareholder value, which emphasise transparency, accountability and independence.

The Company has adopted the code provisions as set out in Part 2 of the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

During the Reporting Period, the Company has complied with all applicable code provisions in the CG Code.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules, were as follows:

### Long Positions in Shares, Underlying Shares and Debentures of the Company

Name	Capacity/Nature of interests	Number of shares interested	Approximate percentage of the interest in the Company <sup>1</sup>
Mr. Fu Haishu <sup>2</sup>	Interest in a controlled corporation	295,808,923	53.10%

#### Notes:

1. The percentage is calculated based on the total number of issued shares of the Company as at 30 June 2025 (i.e. 557,077,333 shares).
2. These shares are held by Ruide Consultation Limited, a company wholly-owned by Mr. Fu Haishu.

## Corporate Governance and Other Information

### Long Positions in Shares, Underlying Shares and Debentures in the Associated Corporation

Name of Director(s)	Name of associated corporation(s)	Capacity/Nature of interests	Number of ordinary share(s) interested	Approximate percentage of the total issued shares of the associated corporation
Mr. Fu Haishu	Ruide Consultation Limited	Beneficial owner	50,000	100%

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executives of the Company or their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to be owned under the relevant 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' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2025, the interests or short positions of substantial shareholders of the Company and other persons in the shares and underlying shares of the Company as recorded in the register maintained by the Company under Section 336 of the SFO, or otherwise notified to the Company were as follows:

### Substantial Shareholders' and Other Person's Long Positions in Shares and Underlying Shares of the Company

Name	Capacity/Nature of interests	Number of shares interested	Approximate percentage of the interest in the Company <sup>1</sup>
Ruide Consultation Limited	Beneficial owner	295,808,923	53.10%
Jin Chunmiao <sup>2</sup>	Interest of spouse	295,808,923	53.10%
Youxin Management Co., Ltd.	Beneficial owner	46,133,008	8.28%

## Corporate Governance and Other Information

### Notes:

1. *The percentage is calculated based on the total number of issued shares of the Company as at 30 June 2025 (i.e. 557,077,333 shares).*
2. *Ms. Jin Chunmiao is the spouse of Mr. Fu Haishu, and is therefore deemed to be interested in the shares deemed or taken to be owned by Mr. Fu Haishu under the SFO.*

Save as disclosed above, as at 30 June 2025, there are no other interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be maintained under Section 336 of the SFO.

### SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct for securities transactions by the Directors.

The Company has made specific enquiries with all Directors, and all Directors have confirmed that they have complied with the required standards as set out in the Model Code during the Reporting Period.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this interim report and the Prospectus, none of the Company, any of its holding companies, subsidiaries or fellow subsidiaries have entered into any arrangement at any time during the Reporting Period, so that the Directors or chief executives of the Company or any of their respective spouses or children under the age of 18 may acquire benefits by means of the acquisition of shares or debentures of the Company or any other corporate.

## Corporate Governance and Other Information

### SHARE OPTION SCHEME

A share option scheme was adopted by the shareholders of the Company on 4 December 2020 (the "Share Option Scheme"). Details of the share options movements during the Reporting Period under the Share Option Scheme are as follows:

Number of share options											
Name or category of grantees	Date of grant of share options	Exercise price during 1 January 2024 to 24 April 2024 (HK\$)	Exercise price during 25 April 2024 to 30 June 2024 (HK\$)	Vesting period	Exercise period	Balance as at 1 January 2025	Granted during the Reporting Period	Exercised during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Balance as at 30 June 2025
Other employees											
In aggregate	29/08/2022	0.1678	0.7294	29/08/2022-28/08/2023	29/08/2023-28/08/2032	66,214	—	—	—	—	66,214
	29/08/2022	0.1678	0.7294	29/08/2022-28/08/2024	29/08/2024-28/08/2032	66,213	—	—	—	—	66,213
	29/08/2022	0.1678	0.7294	29/08/2022-28/08/2025	29/08/2025-28/08/2032	99,320	—	—	—	—	99,320
	29/08/2022	0.1678	0.7294	29/08/2022-28/08/2026	29/08/2026-28/08/2032	99,320	—	—	—	—	99,320
	26/01/2024	0.1150	0.4999	26/01/2024-25/01/2025	26/01/2025-25/01/2034	11,187,713	—	—	—	—	11,187,713
	23/02/2024	0.1220	0.5303	23/02/2024-22/02/2025	23/02/2025-22/02/2034	10,681,591	—	—	—	—	10,681,591
	23/02/2024	0.1220	0.5303	23/02/2024-22/02/2026	23/02/2026-22/02/2034	230,056	—	—	—	—	230,056
Service Providers											
In aggregate	29/08/2022	0.1678	0.7294	29/08/2022-28/08/2023	29/08/2023-28/08/2032	4,969,202	—	—	—	—	4,969,202
	29/08/2022	0.1678	0.7294	29/08/2022-28/08/2024	29/08/2024-28/08/2032	4,969,202	—	—	—	—	4,969,202
	29/08/2022	0.1678	0.7294	29/08/2022-28/08/2025	29/08/2025-28/08/2032	7,453,803	—	—	—	—	7,453,803
	29/08/2022	0.1678	0.7294	29/08/2022-28/08/2026	29/08/2026-28/08/2032	7,453,803	—	—	—	—	7,453,803
Total						47,276,437	—	—	—	—	47,276,437

As at the beginning and at the end of the Reporting Period, no options will be available for grant under the Share Option Scheme. The number of shares that may be issued in respect of options granted under all share option schemes of the Company during the Reporting Period divided by the weighted average number of issued Shares for the Reporting Period is 0.0849.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities (including sale of treasury shares) of the Company during the Reporting Period.

### INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the Reporting Period (six months ended 30 June 2024: Nil).

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.



### MAJOR EVENTS DURING THE REPORTING PERIOD

On 7 March 2025 (after trading hours), Suzhou Ruiquan, an indirect non wholly-owned subsidiary of the Company, and Suzhou Maidi Jinggang Technology Co., Ltd. ("Suzhou Maidi"), entered into an agreement (the "Agreement"), pursuant to which Suzhou Ruiquan agreed to acquire and Suzhou Maidi agreed to sell, the property situated at Units 101, 201, 301, 401, Building 7, 26 Jinxing Road, Jinfeng Town, Zhangjiagang, Suzhou, Jiangsu Province, PRC with a gross floor area of approximately 4,660.22 sq.m. at the consideration of RMB21,437,012. The Agreement has been approved by the shareholders of the Company on the annual general meeting of the Company held on 30 May 2025. The consideration was funded by the Group's internal resources and external financing. For details, please refer to the Company's announcements dated 7 March 2025, 17 April 2025, 24 April 2025 and 30 May 2025 and the circulars of the Company dated 24 April 2025.

### EVENTS AFTER THE REPORTING PERIOD

On 4 July 2025, the Investors entered into the Investment Agreement with Hangzhou Raily and Hainan Beilifeier, pursuant to which: (i) the First Investor agreed to subscribe RMB715,000 of the equity interest in Hainan Beilifeier, and the Second Investor agreed to subscribe RMB4,290,000 of the equity interest in Hainan Beilifeier. Upon completion of the capital injection of RMB5,005,000 by the Investors to Hainan Beilifeier (the "Capital Injection"), the equity interest in Hainan Beilifeier held by the First Investor and the Second Investor would be 7.14% and 42.88%, respectively, and Hangzhou Raily's equity interest in Hainan Beilifeier would be changed from 100.00% to 49.98%; and (ii) Hangzhou Raily agreed to reduce registered capital of RMB2,855,000 in Hainan Beilifeier to reduce the accumulated loss for previous years (the "Capital Reduction"). Upon completion of the Capital Reduction, the equity interest in Hainan Beilifeier held by Hangzhou Raily would be further changed from 49.98% to 30.00%, and the equity interest in Hainan Beilifeier held by the First Investor and the Second Investor would be changed to 10.00% and 60.00%, respectively. As the Company's interest in Hainan Beilifeier would decrease from 100.00% to 30.00% upon completion of the Capital Injection and the Capital Reduction, the transactions contemplated under the Investment Agreement constitute

a deemed disposal of equity interest in Hainan Beilifeier under Rule 14.29 of the Listing Rules. For details, please refer to the Company's announcement dated 4 July 2025.

As Hangzhou Beilifeier Biopharmaceutical Co., Ltd. ("Hangzhou Beilifeier") decides to have strategic focus on the business of the sales of aesthetic medical equipment products and plans to apply for the medical device business licence, and the business of aesthetic medical services together with the medical practice licence of Hangzhou Beilifeier has been ceased by the Company in accordance with PRC laws and regulations, the restrictions on foreign ownership in the business of providing aesthetic medical services are no longer applicable to Hangzhou Beilifeier. On 15 August 2025, Hangzhou Beilifeier, Hangzhou Raily Beauty Consultation Co., Ltd. ("Raily Beauty Consultation") and Mr. Fu Haishu have entered into agreements to (i) transfer all equity interests held by Mr. Fu Haishu in Hangzhou Beilifeier to Raily Beauty Consultation; and (ii) unwind the agreements entered into by Hangzhou Beilifeier, Raily Beauty Consultation and Mr. Fu Haishu on 1 January 2019, comprising the business cooperation agreement, the exclusive option agreement, the equity pledge agreement and the voting rights proxy agreement. For details, please refer to the Company's announcement dated 15 August 2025.

Save for the above, the Group does not have any material subsequent event after the Reporting Period and up to the date of this report.

### CHANGES IN INFORMATION OF DIRECTORS

There were no changes in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the 2024 annual report of the Company.

## Corporate Governance and Other Information

### AUDIT COMMITTEE

The composition of the audit committee of the Company (the “Audit Committee”) is as follows:

#### Independent Non-executive Directors

Mr. Liu Teng (*Chairman*)

Mr. Cao Dequan

Ms. Yang Xiaofen

The Board has established the Audit Committee with written terms of reference in compliance with Rule 3.22 of the Listing Rules and paragraph D.3 of the CG Code. The primary duties of the Audit Committee are to provide oversight of the financial reporting process, the audit process, the mechanism of internal control and compliance with laws and regulations, appointment of external auditors and perform further duties and responsibilities as assigned by our Board from time to time.

The Audit Committee has reviewed and approved the unaudited condensed consolidated financial information of the Group for the Reporting Period and the interim report and the interim results announcement of the Group for the Reporting Period prior to approval by the Board. The Audit Committee has no disagreement with the accounting treatment in unaudited interim financial statements and this interim report. The Company’s auditor, Ernst & Young, has reviewed the unaudited interim financial information of the Group for the Reporting Period 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.

By order of the Board  
**Raily Aesthetic Medicine International  
Holdings Limited**  
**Fu Haishu**  
*Chairman*

Hangzhou, China, 29 August 2025

*As at the date of this interim report, the Board comprises Mr. Fu Haishu, Mr. Song Jianliang and Mr. Wang Ying as executive Directors; and Mr. Cao Dequan, Ms. Yang Xiaofen and Mr. Liu Teng as independent non-executive Directors.*



# INDEPENDENT REVIEW REPORT



Ernst & Young  
27/F, One Taikoo Place  
979 King's Road  
Quarry Bay, Hong Kong

安永會計師事務所  
香港鰂魚涌英皇道979號  
太古坊一座27樓

Tel 電話: +852 2846 9888  
Fax 傳真: +852 2868 4432  
ey.com

**To the board of directors of Raily Aesthetic Medicine International Holdings Limited**  
(Incorporated in the Cayman Islands with limited liability)

## INTRODUCTION

We have reviewed the interim financial information set out on pages 21 to 40, which comprises the condensed consolidated statement of financial position of Raily Aesthetic Medicine International Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2025 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board (the "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 Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

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

**Ernst & Young**  
*Certified Public Accountants*

Hong Kong  
29 August 2025

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Notes	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
REVENUE	4	84,598	117,475
Cost of sales		(55,463)	(69,008)
Gross profit		29,135	48,467
Other income and gains	4	1,302	9,950
Selling and distribution expenses		(20,115)	(23,687)
Administrative expenses		(15,788)	(20,207)
Research and development expenses		(807)	(446)
Other expenses		(550)	(14,717)
Finance costs		(1,398)	(1,577)
Share of loss of an associate		(51)	–
Share of loss of a joint venture		(12)	(40)
LOSS BEFORE TAX	5	(8,284)	(2,257)
Income tax expense	6	(1,178)	(740)
LOSS FOR THE PERIOD		(9,462)	(2,997)
Attributable to:			
Owners of the parent		(7,570)	(1,617)
Non-controlling interests		(1,892)	(1,380)
		(9,462)	(2,997)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	8		
Basic and diluted			
– For loss for the period (RMB)		(1.36) cents	(0.32) cents

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	41,514	45,951
Right-of-use assets	10	42,325	32,365
Goodwill		6,150	6,150
Other intangible assets		42,198	43,906
Investment in an associate		651	702
Investment in a joint venture		416	428
Deferred tax assets		8,729	9,998
Pledged deposits		1,515	1,504
Other non-current assets	12	14,248	18,485
<b>Total non-current assets</b>		<b>157,746</b>	<b>159,489</b>
<b>CURRENT ASSETS</b>			
Inventories and supplies		8,643	14,370
Trade receivables	11	716	1,538
Prepayments, other receivables and other current assets	12	37,906	45,656
Restricted cash		149	–
Cash and cash equivalents		35,730	28,870
<b>Total current assets</b>		<b>83,144</b>	<b>90,434</b>
<b>CURRENT LIABILITIES</b>			
Trade payables	13	7,703	7,779
Other payables and accruals	14	25,435	35,515
Contract liabilities		35,091	38,829
Interest-bearing bank and other borrowings		24,451	17,282
Refund liabilities		1,319	2,302
Amount due to independent directors		249	–
Lease liabilities		30,039	12,225
Tax payable		5,993	9,656
<b>Total current liabilities</b>		<b>130,280</b>	<b>123,588</b>
<b>NET CURRENT LIABILITIES</b>		<b>(47,136)</b>	<b>(33,154)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>110,610</b>	<b>126,335</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		17,271	23,389
Other non-current liabilities	14	3,820	3,957
Interest-bearing bank and other borrowings		1,202	3,471
<b>Total non-current liabilities</b>		<b>22,293</b>	<b>30,817</b>
<b>Net assets</b>		<b>88,317</b>	<b>95,518</b>



## Interim Condensed Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
EQUITY			
<b>Equity attributable to owners of the parent</b>			
Share capital		185,748	185,748
Deficits		(87,774)	(81,614)
		97,974	104,134
Non-controlling interests		(9,657)	(8,616)
Total equity		88,317	95,518

# 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	Capital reserves*	Share option reserve*	Statutory surplus reserve*	Accumulated losses*			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	185,748	–	17,284	9,351	(108,249)	104,134	(8,616)	95,518
Loss for the period	–	–	–	–	(7,570)	(7,570)	(1,892)	(9,462)
Capital contribution from non-controlling shareholders of a subsidiary	–	–	–	–	–	–	851	851
Equity-settled share option arrangements	–	–	1,410	–	–	1,410	–	1,410
At 30 June 2025 (unaudited)	185,748	–	18,694	9,351	(115,819)	97,974	(9,657)	88,317
At 1 January 2024	136,267	28,787	9,300	9,351	(45,590)	138,115	(5,525)	132,590
Loss for the period	–	–	–	–	(1,617)	(1,617)	(1,380)	(2,997)
Issue of shares	49,481	(27,330)	–	–	(3,447)	18,704	–	18,704
Share issue expenses	–	(1,457)	–	–	–	(1,457)	–	(1,457)
Equity-settled share option arrangements	–	–	3,708	–	–	3,708	–	3,708
At 30 June 2024 (unaudited)	185,748	–	13,008	9,351	(50,654)	157,453	(6,905)	150,548

\* These reserve accounts comprise the consolidated deficits of RMB87,774,000 (30 June 2024: deficits of RMB28,295,000) in the consolidated statement of financial position.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

		2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
	Notes		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		<b>(8,284)</b>	(2,257)
Adjustments for:			
Loss on disposal of items of property, plant and equipment	9	<b>86</b>	109
Gain on disposal of items of right-of-use assets	5	<b>(214)</b>	(490)
Investment income		<b>(265)</b>	(268)
Share of loss of an associate		<b>51</b>	–
Share of loss of a joint venture		<b>12</b>	40
Finance costs		<b>1,398</b>	1,577
Depreciation of right-of-use assets	5	<b>4,604</b>	5,468
Depreciation of property, plant and equipment	5	<b>5,506</b>	5,848
(Reversal of)/provision for impairment of trade receivables and other receivables		<b>(43)</b>	29
Amortisation of intangible assets	5	<b>1,709</b>	3,036
Provision for impairment of intangible assets		<b>–</b>	13,279
Reversal of impairment of inventories		<b>–</b>	(74)
Equity-settled share option expense		<b>1,410</b>	3,708
Loss/(gain) on foreign exchange differences		<b>11</b>	(126)
Fair value change in contingent consideration		<b>–</b>	(9,039)
		<b>5,981</b>	20,840
Decrease/(increase) in inventories and supplies		<b>5,727</b>	(36)
Decrease/(increase) in trade receivables		<b>827</b>	(4,833)
Increase in restricted cash		<b>(149)</b>	–
Decrease/(increase) in prepayments, other receivables and other assets		<b>3,781</b>	(23,515)
Decrease in trade payables	13	<b>(76)</b>	(1,122)
Increase in amounts due to directors		<b>249</b>	246
(Decrease)/increase in contract liabilities		<b>(3,738)</b>	8,855
Decrease in refund liabilities		<b>(983)</b>	(105)
Decrease in other long-term payables		<b>–</b>	(392)
(Decrease)/increase in other payables and accruals		<b>(1,721)</b>	2,105
Cash generated from operations		<b>9,898</b>	2,043
Income tax paid		<b>(3,571)</b>	–
Net cash flows generated from operating activities		<b>6,327</b>	2,043

## Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Notes	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		27	130
Purchases of items of property, plant and equipment	9	(1,423)	(4,303)
Proceeds from disposal of items of property, plant and equipment		243	–
Purchases of items of intangible assets		(8,359)	(21,273)
Purchase of financial investments		(21,500)	(1,000)
Proceeds from disposal of financial investments		21,567	97
Redemption of time deposits		–	23,593
Receipt of government grants for property, plant and equipment		–	3,500
Cash consideration received from disposal of a subsidiary		3,720	–
Purchase of a shareholding in a joint venture		–	(500)
Proceeds from withdraw the prepayment for an equity investment		4,500	–
Prepayment for an equity investment		–	(3,551)
Net cash flows used in investing activities		(1,225)	(3,307)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital injections from non-controlling shareholders of subsidiaries		851	–
New bank and other borrowings		17,000	18,000
Repayment of bank and other borrowings		(12,367)	(10,000)
Interest paid		(325)	(399)
Proceeds from issue of shares		–	18,704
Share issue expenses		–	(1,457)
Principal portion of lease payments		(3,390)	(5,164)
Net cash flows generated from financing activities		1,769	19,684
NET INCREASE IN CASH AND CASH EQUIVALENTS		6,871	18,420
Cash and cash equivalents at beginning of period		28,870	15,930
Effect of foreign exchange rate changes, net		(11)	126
CASH AND CASH EQUIVALENTS AT END OF PERIOD		35,730	34,476
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		35,879	34,762
Restricted cash		(149)	–
Time deposit with maturity of more than 3 months		–	(286)
Cash and cash equivalents as stated in the statement of cash flows		35,730	34,476

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

## 1. BASIS OF PREPARATION

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

The Group had net current liabilities of RMB47,136,000 as at 30 June 2025. Having taken into account the unused banking facilities and the expected cash flows from operating activities, the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

## 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 International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial information.

Amendments to IAS 21

*Lack of Exchangeability*

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

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



## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 3. OPERATING SEGMENT INFORMATION

Six months ended 30 June 2025	Aesthetic medical services RMB'000 (Unaudited)	Consulting services RMB'000 (Unaudited)	Aesthetic medical equipment products RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Segment revenue (note 4):</b>				
Sales to external customers	74,937	302	9,359	84,598
Intersegment sales	–	985	3,785	4,770
Total segment revenue	74,937	1,287	13,144	89,368
<i>Reconciliation:</i>				
Elimination of intersegment sales				(4,770)
<b>Revenue from continuing operations</b>				<b>84,598</b>
<b>Segment results</b>	<b>(1,787)</b>	<b>(1,518)</b>	<b>3,821</b>	<b>516</b>
<i>Reconciliation:</i>				
Elimination of intersegment results				(353)
Other income and gains, net				752
Group and unallocated expenses				(8,607)
Finance costs (other than interest on lease liabilities)				(592)
Loss before income tax				(8,284)

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 3. OPERATING SEGMENT INFORMATION (CONTINUED)

Six months ended 30 June 2024	Aesthetic medical services RMB'000 (Unaudited)	Consulting services RMB'000 (Unaudited)	Aesthetic medical equipment products RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Segment revenue (note 4):</b>				
Sales to external customers	83,026	29	34,420	117,475
Intersegment sales	–	–	2,205	2,205
<b>Total segment revenue</b>	<b>83,026</b>	<b>29</b>	<b>36,625</b>	<b>119,680</b>
<i>Reconciliation:</i>				
Elimination of intersegment sales				(2,205)
<b>Revenue from continuing operations</b>				<b>117,475</b>
<b>Segment results</b>	<b>(2,983)</b>	<b>(364)</b>	<b>14,439</b>	<b>11,092</b>
<i>Reconciliation:</i>				
Elimination of intersegment results				(1,983)
Other income and gains, net				911
Group and unallocated expenses				(11,878)
Finance costs (other than interest on lease liabilities)				(399)
<b>Loss before income tax</b>				<b>(2,257)</b>

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 3. OPERATING SEGMENT INFORMATION (CONTINUED)

The following table presents the asset and liability information of the Group's operating segments as at 30 June 2025 and 31 December 2024.

	<b>Aesthetic medical services</b> RMB'000	<b>Consulting services</b> RMB'000	<b>Aesthetic medical equipment products</b> RMB'000	<b>Total</b> RMB'000
<b>Segment assets</b>				
30 June 2025 (unaudited)	65,214	6,284	72,033	143,531
Corporate and other unallocated assets				97,359
Total assets				240,890
31 December 2024 (audited)	80,270	8,850	76,337	165,457
Corporate and other unallocated assets				84,466
Total assets				249,923
<b>Segment liabilities</b>				
30 June 2025 (unaudited)	87,247	934	1,475	89,656
<i>Reconciliation:</i>				
Corporate and other unallocated liabilities				62,917
Total liabilities				152,573
31 December 2024 (audited)	91,427	1,026	18,723	111,176
<i>Reconciliation:</i>				
Corporate and other unallocated liabilities				43,229
Total liabilities				154,405

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<i>Revenue from contracts with customers</i>		
Aesthetic medical services	74,937	83,026
Aesthetic medical equipment products	9,359	34,420
Consulting services	302	29
Total	84,598	117,475

#### Disaggregated revenue information for revenue from contracts with customers

For the six months ended 30 June 2025

Segments	Aesthetic medical services RMB'000 (Unaudited)	Consulting services RMB'000 (Unaudited)	Aesthetic medical equipment products RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Types of goods or services</b>				
Sale of products	–	–	9,359	9,359
Services	74,937	302	–	75,239
Total	74,937	302	9,359	84,598
<b>Geographical market</b>				
Chinese Mainland	74,937	302	9,359	84,598
<b>Timing of revenue recognition</b>				
Goods transferred at a point in time	–	–	9,359	9,359
Services transferred at a point in time	48,599	–	–	48,599
Services transferred over time	26,338	302	–	26,640
Total	74,937	302	9,359	84,598

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

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

For the six months ended 30 June 2024

Segments	Aesthetic medical services RMB'000 (Unaudited)	Consulting services RMB'000 (Unaudited)	Aesthetic medical equipment products RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Types of goods or services</b>				
Sale of products	–	–	34,420	34,420
Services	83,026	29	–	83,055
Total	83,026	29	34,420	117,475
<b>Geographical market</b>				
Chinese Mainland	83,026	29	34,420	117,475
<b>Timing of revenue recognition</b>				
Goods transferred at a point in time	–	–	34,420	34,420
Services transferred at a point in time	52,553	–	–	52,553
Services transferred over time	30,473	29	–	30,502
Total	83,026	29	34,420	117,475

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

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

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Compensation income	350	—
Interest income	198	171
Investment income	67	97
Government subsidies	60	77
Others	134	76
Total other income	809	421
Gains		
Gain on disposal of items of right-of-use assets	285	—
Gain on disposal of items of property, plant and equipment	162	—
Gain on sublease	46	490
Fair value gains on contingent consideration	—	9,039
Total gains	493	9,529
Total other income and gains	1,302	9,950



## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 5. LOSS BEFORE TAX

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

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of supplies consumed	32,622	36,639
Cost of inventories sold	2,955	10,311
Amortisation of intangible assets	1,709	3,036
Depreciation of property, plant and equipment	5,506	5,848
Depreciation of right-of-use assets	4,604	5,468
Lease payments not included in the measurement of lease liabilities	432	126
Auditor's remuneration	767	707
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	26,173	26,487
Equity-settled share option expense	1,291	3,427
Pension scheme contributions	3,207	3,198
Staff welfare expenses	87	537
Impairment of trade receivables, net	(6)	33
Impairment of financial assets included in prepayments, other receivables and other assets	(37)	(4)
Impairment of intangible assets	–	13,279
Loss on disposal of items of property, plant and equipment	86	109
Gain on disposal of items of right-of-use assets	(214)	(490)
Promotion and marketing expenses	5,112	6,011
Professional fee	1,766	2,005
Fair value change in contingent consideration	–	(9,039)
Exchange differences, net	180	187

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 6. INCOME TAX

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

The majority of the Company's subsidiaries are domiciled in Chinese Mainland. The provision for current income tax in Chinese Mainland is based on the statutory rate of 25% of the assessable profits of the Group as determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI. The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% (2024: 16.5%) on any estimated assessable profits arising in Hong Kong. Pursuant to Caishui 2017 Circular No. 43, 2019 Circular No. 13 and No. 2 Announcement of the State Taxation Administration 2019, Ruian Raily, Wuhu Raily, Suzhou Ruiquan, Hainan Beilifeier, Wuhu Raily Medical Equipment Trade Co., Ltd., Ningbo Zhuerli Beauty Consulting Service Co., Ltd., Hangzhou Ruiyan Network Technology Co., Ltd., Shenzhen Ruiquan Management Consulting Co., Ltd. and Hangzhou Beilifeier, as small micro-enterprises, enjoyed a preferential tax rate of 5% (2024: 5%) for the six months ended 30 June 2025.

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax		
Charge for the year	–	3,760
Overprovision in prior years	(210)	–
Withholding tax	119	375
Deferred tax	1,269	(3,395)
Total tax charge for the period	1,178	740

### 7. DIVIDENDS

No dividends were paid or declared by the Company for the period ended 30 June 2025.

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

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

The calculation of the basic loss per share amount is based on the loss for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares of 557,077,333 (2024: 508,330,653) in issue during the period.

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

	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Loss</b>		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation	(7,570)	(1,617)
	Numbers of shares 2025	2024
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation	557,077,333	508,330,653
Basic and diluted loss per share (RMB)	(1.36) cents	(0.32) cents

Because the diluted loss per share amount is decreased when taking share options into account, the share options had an anti-dilutive effect on the basic loss per share for the period ended 30 June 2025 and were ignored in the calculation of diluted loss per share.

### 9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets at a cost of RMB1,423,000 (30 June 2024: RMB5,277,000).

Assets with a net book value of RMB354,000 were disposed of by the Group during the six months ended 30 June 2025 (30 June 2024: RMB109,000), resulting in a net loss on disposal of RMB86,000 (30 June 2024: RMB109,000).

During the six months ended 30 June 2025, no impairment loss (30 June 2024: Nil) was recognised for any property, plant and equipment.

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 10. RIGHT-OF-USE ASSETS

During the six months ended 30 June 2025, the Group acquired right-of-use assets at a cost of RMB21,536,000 (30 June 2024: Nil).

The Group entered into an agreement to purchase a property from Suzhou Maidi Jinggang Technology Co., Ltd. ("Suzhou Maidi") at the consideration of RMB21,437,000. The agreement has been approved by the shareholders of the Company on the annual general meeting of the Company held on 30 May 2025.

The Group signed a six-month rental agreement with Suzhou Maidi on 23 June 2025 including the right to acquire and recognised the right-of-use asset and lease liability accordingly.

### 11. TRADE RECEIVABLES

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 3 months	485	1,537
7 to 12 months	231	1
Total	716	1,538

### 12. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Prepayments for inventories and supplies	14,579	11,532
Deposits	18,280	18,482
Refundable earnest money	11,500	16,000
Prepaid expense	1,085	1,369
Prepayments for services	533	446
Other receivables	6,238	16,410
	52,215	64,239
Impairment allowance	(61)	(98)
Total	52,154	64,141
Analysed into		
Current	37,906	45,656
Non-current	14,248	18,485

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 13. TRADE PAYABLES

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

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Within 90 days	<b>6,415</b>	7,062
91 to 180 days	<b>798</b>	636
181 to 365 days	<b>459</b>	58
Over 365 days	<b>31</b>	23
Total	<b>7,703</b>	7,779

### 14. OTHER PAYABLES AND ACCRUALS

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Other payables	<b>10,872</b>	19,803
Payroll payable	<b>9,073</b>	9,290
Advances received	<b>5,197</b>	4,357
Deferred revenue	<b>3,500</b>	3,500
Tax liabilities (other than income tax)	<b>613</b>	2,522
Total	<b>29,255</b>	39,472
Analysed into		
Current	<b>25,435</b>	35,515
Non-current	<b>3,820</b>	3,957

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 15. RELATED PARTY TRANSACTIONS

#### (a) Outstanding balances with related parties

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Mr. Cao Dequan	83	—
Mr. Liu Teng	83	—
Ms. Yang Xiaofeng	83	—
Total	249	—

The outstanding balance due to independent directors of RMB249,000 at the end of the reporting period represented the fees payable to Mr. Cao Dequan, Mr. Liu Teng and Ms. Yang Xiaofeng.

#### (b) Compensation of key management personnel of the Group

	For the six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries, allowances and benefits in kind	753	710
Pension scheme contributions	103	100
Equity-settled share option expense	119	281
Total compensation paid to key management personnel	975	1,091



## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

### 16. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual 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 of those financial assets and liabilities measured at fair value:

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

### 17. EVENTS AFTER THE REPORTING PERIOD

On 4 July 2025, the Investors entered into the Investment Agreement with Hangzhou Raily and Hainan Beilifeier, pursuant to which: (i) the First Investor agreed to subscribe RMB715,000 of the equity interest in Hainan Beilifeier, and the Second Investor agreed to subscribe RMB4,290,000 of the equity interest in Hainan Beilifeier. Upon completion of the capital injection of RMB5,005,000 by the Investors to Hainan Beilifeier (the "Capital Injection"), the equity interest in Hainan Beilifeier held by the First Investor and the Second Investor would be 7.14% and 42.88%, respectively, and Hangzhou Raily's equity interest in Hainan Beilifeier would be changed from 100.00% to 49.98%; and (ii) Hangzhou Raily agreed to reduce registered capital of RMB2,855,000 in Hainan Beilifeier to reduce the accumulated loss for previous years (the "Capital Reduction"). Upon completion of the Capital Reduction, the equity interest in Hainan Beilifeier held by Hangzhou Raily would be further changed from 49.98% to 30.00%, and the equity interest in Hainan Beilifeier held by the First Investor and the Second Investor would be changed to 10.00% and 60.00%, respectively. As the Company's interest in Hainan Beilifeier would decrease from 100.00% to 30.00%, the transactions contemplated under the Investment Agreement constitute a deemed disposal of equity interest in Hainan Beilifeier.

As Hangzhou Beilifeier decides to have strategic focus on the business of the sales of aesthetic medical equipment products and plans to apply for the medical device business licence, and the business of aesthetic medical services together with the medical practice licence of Hangzhou Beilifeier has been ceased by the Company in accordance with PRC laws and regulations, the restrictions on foreign ownership in the business of providing aesthetic medical services are no longer applicable to Hangzhou Beilifeier. On 15 August 2025, Hangzhou Beilifeier, Hangzhou Raily Beauty Consultation Co., Ltd. and Mr. Fu Haishu have entered into agreements to (i) transfer all equity interests held by Mr. Fu Haishu in Hangzhou Beilifeier to Raily Beauty Consultation; and (ii) unwind the agreements entered into by Hangzhou Beilifeier, Raily Beauty Consultation and Mr. Fu Haishu on 1 January 2019, comprising the business cooperation agreement, the exclusive option agreement, the equity pledge agreement and the voting rights proxy agreement.