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**LIFE HEALTHCARE GROUP LIMITED**

**蓮和醫療健康集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 928)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

The board (the “**Board**”) of directors (the “**Directors**”) of Life Healthcare Group Limited (the “**Company**”) hereby announces the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2023 together with comparative figures for the year ended 31 March 2022 as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*FOR THE YEAR ENDED 31 MARCH 2023*

	<i>Notes</i>	<b>2023</b> <b>HK\$'000</b>	2022 HK\$'000
Healthcare products and services revenue		<b>223,661</b>	92,118
Loan interest income		<b>192</b>	755
<b>Total revenue</b>	<b>3</b>	<b>223,853</b>	92,873
Cost of sales and services		<b>(211,804)</b>	(79,119)
<b>Gross profit</b>		<b>12,049</b>	13,754
Bank interest income		<b>10</b>	6
Other income and gains	<b>5</b>	<b>1,743</b>	927
Share of result of associates		<b>288</b>	(5,936)
Selling and distribution expenses		<b>(1,252)</b>	(227)
Administrative and other expenses		<b>(43,320)</b>	(45,188)
Finance costs	<b>6</b>	<b>(227)</b>	(23)
<b>Loss before tax</b>		<b>(30,709)</b>	(36,687)
Income tax expense	<b>7</b>	<b>(1,044)</b>	(631)
<b>Loss for the year</b>	<b>8</b>	<b>(31,753)</b>	(37,318)
<b>Other comprehensive (loss)/income:</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<b>(25,000)</b>	8,644
Share of foreign currency translation reserve of an associate		<b>(1)</b>	(25)
		<b>(25,001)</b>	8,619
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value change on equity investment at fair value through other comprehensive income		–	(2,603)
<b>Total comprehensive loss for the year</b>		<b>(56,754)</b>	(31,302)
<b>Loss for the year attributable to:</b>			
Owners of the Company		<b>(25,192)</b>	(34,458)
Non-controlling interests		<b>(6,561)</b>	(2,860)
		<b>(31,753)</b>	(37,318)
<b>Total comprehensive loss for the year attributable to:</b>			
Owners of the Company		<b>(51,143)</b>	(28,299)
Non-controlling interests		<b>(5,611)</b>	(3,003)
		<b>(56,754)</b>	(31,302)
<b>Loss per share</b>	<b>10</b>		
<i>Basic and diluted (HK cents)</i>		<b>(1.71)</b>	(2.68)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT 31 MARCH 2023**

	<i>Notes</i>	<b>2023</b> <b>HK\$'000</b>	2022 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		17,750	401
Right-of-use assets		–	419
Interest in associates		2,003	67,814
Equity investment at fair value through other comprehensive income		248	37,258
		<u>20,001</u>	<u>105,892</u>
<b>Current assets</b>			
Inventories		–	10
Loan receivables and interest		3,442	–
Trade and other receivables	<i>11</i>	223,040	159,636
Bank balances and cash		17,786	37,402
		<u>244,268</u>	<u>197,048</u>
<b>Current liabilities</b>			
Trade and other payables	<i>12</i>	19,626	34,890
Lease liabilities		1,765	249
Borrowings		2,500	–
Tax payable		4,921	4,244
		<u>28,812</u>	<u>39,383</u>
<b>Net current assets</b>		<u>215,456</u>	<u>157,665</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>235,457</u>	<u>263,557</u>
<b>Non-current liabilities</b>			
Lease liabilities		2,462	173
		<u>2,462</u>	<u>173</u>
<b>NET ASSETS</b>		<u>232,995</u>	<u>263,384</u>
<b>Capital and reserves</b>			
Share capital	<i>13</i>	77,101	64,251
Reserves		160,404	198,032
<b>Equity attributable to owners of the Company</b>		<u>237,505</u>	<u>262,283</u>
Non-controlling interests		(4,510)	1,101
<b>TOTAL EQUITY</b>		<u>232,995</u>	<u>263,384</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**1. GENERAL INFORMATION**

Life Healthcare Group Limited (the “**Company**”) is a company incorporated in the Cayman Islands as an exempted company with limited liability under Companies Law of the Cayman Islands on 12 March 2001 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as of 29 April 2002. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands and the principal place of business of the Company in Hong Kong is Suite 6307–08, 63rd floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (the “**Group**”) are principally engaged in healthcare products and services business and money lending business.

The functional currency of the Company and the subsidiaries incorporated in Hong Kong is Hong Kong dollars (“**HK\$**”). The functional currency of the Group’s subsidiaries incorporated in the PRC is Renminbi (“**RMB**”). For the convenience of the consolidated financial statements users, the results and financial position of the Group are presented in HK\$ as the Company’s shares are listed on the Stock Exchange.

**2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) that are relevant to its operations and effective for its accounting year beginning on 1 April 2022. HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies and amounts reported for the current year and prior years.

**3. REVENUE**

Revenue represents the amounts received and receivable for services provided by the Group to outside customers during the year.

	<b>2023</b>	2022
	<b>HK\$’000</b>	HK\$’000
Revenue from contracts with customers		
– Healthcare services	<b>2,866</b>	7,390
– Healthcare products	<b>220,795</b>	84,728
Loan interest income	<b>192</b>	755
	<b>223,853</b>	92,873

## **Disaggregation of revenue from contracts with customers:**

### ***Geographical markets***

For the years ended 31 March 2023 and 2022, HK\$179,978,000 from healthcare services and trading of healthcare products were recognised in PRC and HK\$43,683,000 were recognised in Hong Kong (2022: All revenue from healthcare services and trading of healthcare products were recognised in PRC).

### ***Timing of revenue recognition***

For the years ended 31 March 2023 and 2022, all revenues from healthcare services and trading of healthcare products were recognised at a point in time.

### **Healthcare services**

The service income is recognised when the services are rendered, the amount for which can be reliably estimated and it is probable that the income will be received.

A receivable is recognised when the services are rendered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

### **Healthcare products**

Sales are recognised when control of the products has transferred, being when the products are delivered to a customer, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the customer has obtained legal titles to the products. Sales to customers are normally made with credit period within 365 days.

A receivable is recognised when the products are delivered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

## **4. SEGMENT INFORMATION**

Information was reported to the executive directors of the Company, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focusing on types of goods or services delivered or provided. This is also the basis upon which the Group is organised.

For the year ended 31 March 2023 and 2022, the Group has two operating and reportable segments, namely (i) healthcare products and services business and (ii) money lending business.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment loss/profit represents the loss/profit of each segment without allocation of bank interest income, other income and gains, share of result of associates and central administration costs. This is the measure reported to the Group's CODM for the purposes of resource allocation and performance assessment.

For the purposes of monitoring segment performances and allocating resources among segments, all assets and liabilities are allocated to operating segments on the basis of the revenue earned by individual reportable segment. Segment assets exclude interest in associates, equity investment at fair value through other comprehensive income, prepayment and unallocated corporate assets while segment liabilities exclude tax payable and unallocated corporate liabilities. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

## Segment revenue and results

### *For the year ended 31 March 2023*

	<b>Healthcare products and services business <i>HK\$'000</i></b>	<b>Money lending business <i>HK\$'000</i></b>	<b>Total <i>HK\$'000</i></b>
Revenue	<u>223,661</u>	<u>192</u>	<u>223,853</u>
Segment (loss)/profit	<u>(16,115)</u>	<u>5</u>	<u>(16,110)</u>
Bank interest income			10
Other income and gains			1,743
Share of result of associates			288
Unallocated expenses			<u>(16,640)</u>
Loss before tax			<u>(30,709)</u>

### *For the year ended 31 March 2022*

	<b>Healthcare products and services business <i>HK\$'000</i></b>	<b>Money lending business <i>HK\$'000</i></b>	<b>Total <i>HK\$'000</i></b>
Revenue	<u>92,118</u>	<u>755</u>	<u>92,873</u>
Segment loss	<u>(2,348)</u>	<u>(1,876)</u>	<u>(4,224)</u>
Bank interest income			6
Other income and gains			927
Share of result of associates			(5,936)
Unallocated expenses			<u>(27,460)</u>
Loss before tax			<u>(36,687)</u>

## Segment assets and liabilities

*As at 31 March 2023*

	Healthcare products and services business <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets	<u>257,222</u>	<u>3,451</u>	260,673
Interest in associates			2,003
Equity investments at fair value through other comprehensive income			248
Unallocated corporate assets			<u>1,345</u>
Consolidated total assets			<u>264,269</u>
Segment liabilities	<u>15,837</u>	<u>15</u>	15,852
Tax payable			4,921
Unallocated corporate liabilities			<u>10,501</u>
Consolidated total liabilities			<u>31,274</u>

*As at 31 March 2022*

	Healthcare products and services business <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets	<u>196,055</u>	<u>9</u>	196,064
Interest in an associate			67,814
Equity investments at fair value through other comprehensive income			37,258
Unallocated corporate assets			<u>1,804</u>
Consolidated total assets			<u>302,940</u>
Segment liabilities	<u>27,094</u>	<u>44</u>	27,138
Tax payable			4,244
Unallocated corporate liabilities			<u>8,174</u>
Consolidated total liabilities			<u>39,556</u>

### Other segment information

For the year ended 31 March 2023	Healthcare products and services business <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Depreciation of property, plant and equipment	2,644	–	34	2,678
Depreciation of right-of-use assets	189	–	1,179	1,368
Impairment of trade receivables	841	–	–	841
Impairment of prepayments and deposits	16,375	–	2,432	18,807
Impairment loss of right of use assets	–	–	4,163	4,163
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

For the year ended 31 March 2022	Healthcare products and services business <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Depreciation of property, plant and equipment	774	–	–	774
Depreciation of right-of-use assets	775	–	–	775
Impairment of prepayment	13,978	–	–	13,978
Impairment of interest in associates	9,101	–	–	9,101
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### Geographical information

Healthcare services and trading of healthcare products revenue for the years ended 31 March 2023 and 2022, were revenue derived from contracts with customers, the geographical information of revenue could be referred to note 3.

For the year ended 31 March 2023, loan interest income derived from Hong Kong was approximately HK\$192,000 (2022: HK\$755,000).

Information about the Group's non-current assets by geographical location of the assets are detailed below:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
PRC	19,828	105,473
Hong Kong	173	419
	<u>          </u>	<u>          </u>
	<u>20,001</u>	<u>105,892</u>



## Information about major customers

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Healthcare products and services business		
Customer A	—*	84,690
Customer B	43,678	—#
Customer C	63,563	—#
Customer D	113,382	—#
	<u>113,382</u>	<u>84,690</u>

\* No revenue was generated from this customer for the year ended 31 March 2023.

# No revenue was generated from these customers for the year ended 31 March 2022.

## 5. OTHER INCOME AND GAINS

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Exchange (loss)/gain, net	(998)	2
Compensation income	1,178	—
Sundry income	1,563	925
	<u>1,743</u>	<u>927</u>

## 6. FINANCE COSTS

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Loan interest expenses	63	—
Lease interest	164	23
	<u>227</u>	<u>23</u>

## 7. INCOME TAX EXPENSE

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Hong Kong Profits Tax:		
– Current year	1,044	631
PRC Enterprise income tax (the “EIT”)		
– Current year	–	–
	<u>1,044</u>	<u>631</u>

For the year ended 31 March 2023 and 2022, Hong Kong Profits Tax is calculated under two-tier profits tax system where the first HK\$2 million of estimated assessable profits is taxed at a rate of 8.25% and remaining estimated assessable profits is taxed at 16.5%. The Group should elect one of the Hong Kong subsidiaries to apply the two-tier profits tax rate.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

## 8. LOSS FOR THE YEAR

The Group’s loss for the year is stated after charging the following:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Auditor’s remuneration	1,800	1,800
Cost of inventories sold	211,804	79,119
Depreciation of property, plant and equipment	2,678	774
Depreciation of right-of-use assets	1,368	775
Expenses related to short-term lease	1,211	1,107
Impairment of trade receivables	841	–
Impairment of prepayments and deposits	18,807	13,978
Impairment of right-of-use assets	4,163	–
Impairment of interest in associates	–	9,101
Directors’ remuneration	2,646	1,961
Other staff costs	4,854	4,170
Retirement benefits scheme contributions, excluding directors	199	570
Total staff costs	<u>7,699</u>	<u>6,701</u>

## 9. DIVIDENDS

The Directors do not recommend the payment of any dividend for the years ended 31 March 2023 and 2022.

## 10. LOSS PER SHARE

### Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the year of approximately HK\$25,192,000 (2022: approximately HK\$34,458,000) attributable to owners of the Company and the weighted average number of approximately 1,475,135,000 (2022: approximately 1,285,025,000).

### Diluted loss per share

The effects of all potential ordinary shares are anti-dilutive for the years ended 31 March 2023 and 2022.

## 11. TRADE AND OTHER RECEIVABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade receivables	118,305	24,358
Less: allowance for trade receivables	<u>(972)</u>	<u>(139)</u>
	117,333	24,219
Prepayments and deposits	119,184	132,778
Less: allowance for prepayments and deposits	<u>(17,628)</u>	<u>(6,781)</u>
	101,556	125,997
Other receivables	<u>4,151</u>	<u>9,420</u>
	<u><u>223,040</u></u>	<u><u>159,636</u></u>

Included in prepayments and deposit are mainly advances to suppliers for purchases of goods amounting to HK\$100,980,000 net of impairment provision of HK\$17,628,000 (2022: HK\$125,997,000 net of impairment provision of HK\$6,781,000).

For the year ended 31 March 2023, for the receivables from healthcare services and trading of healthcare products, the Group allows a credit period 0 – 365 days (2022: 0 – 365 days) to corporate customers. Most of the healthcare services were receipt in advance from individual customers.

### Allowance for trade receivables

The movements in allowance for trade receivables are as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
At beginning of the reporting period	139	133
Allowance for the year	841	–
Exchange adjustments	<u>(8)</u>	<u>6</u>
	972	139
At the end of the reporting period	<u><u>972</u></u>	<u><u>139</u></u>

Aged analysis of trade receivables is presented based on the invoice dates at the end of the reporting period, which approximate the respective revenue recognition dates, are as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Within 90 days	–	3,317
91 – 180 days	<b>110,208</b>	–
Over 181 days	<b>7,125</b>	20,902
	<u><b>117,333</b></u>	<u>24,219</u>

## 12. TRADE AND OTHER PAYABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade payables	<b>2,079</b>	5,009
Accruals and other payables ( <i>note</i> )	<b>17,547</b>	29,881
	<u><b>19,626</b></u>	<u>34,890</u>

*Note:*

The amounts included provision for litigation of RMB3,957,000 (equivalent to approximately HK\$4,520,000) (2022: RMB5,000,000 (equivalent to approximately HK\$6,165,000)) in relation to a legal claim brought against the Group by an intermediary for trading of healthcare products. The provision is made based on a PRC court's decision. The Group is currently seeking legal advice for a further appeal on the claim.

The following is an aged analysis of trade payables presented based on the invoice dates at the end of reporting period:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Within 90 days	–	3,698
91 – 180 days	–	6
181 days to 1 year	–	–
Over 1 year	<b>2,079</b>	1,305
	<u><b>2,079</b></u>	<u>5,009</u>

The credit period granted by suppliers is normally within 90 days as at 31 March 2023 (2022: within 90 days).

### 13. SHARE CAPITAL

	<i>Notes</i>	<b>Number of shares</b> <i>'000</i>	<i>HK\$'000</i>
Authorised:			
Ordinary shares of HK\$0.05 each at 1 April 2021 and 31 March 2022 and 31 March 2023		<u>10,000,000</u>	<u>500,000</u>
Issued and fully paid:			
Ordinary shares of HK\$0.05 each at 1 April 2021 and 31 March 2022		1,285,025	64,251
Issue of shares on placement ( <i>note a</i> )	<i>(a)</i>	<u>257,000</u>	<u>12,850</u>
Ordinary shares of HK\$0.05 each at 31 March 2023		<u>1,542,025</u>	<u>77,101</u>

*Note:*

- (a) On 14 June 2022, the Company entered into a placing agreement with a placing agent in respect of the placement of 257,000,000 ordinary shares of HK\$0.05 each to independent investors at a price of HK\$0.105 per share. The placement was completed on 5 July 2022 and the premium on the issue of shares, amounting to approximately HK\$13,515,000, after net of share issue expenses of approximately HK\$620,000, was credited to the Company's share premium account.

### 14. CAPITAL COMMITMENT

The Group did not have any capital commitment as at 31 March 2023 and 2022.

### 15. PLEDGE OF ASSETS AND CONTINGENT LIABILITIES

The Group has no pledge of assets and contingent liabilities as at 31 March 2023 and 2022.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### Revenue

For the year ended 31 March 2023, the Group recorded a revenue of approximately HK\$223.85 million (year ended 31 March 2022: approximately HK\$92.87 million), representing an increase of approximately 141.03% as compared with the corresponding period last year.

For the year ended 31 March 2023, the Group recorded gross profit of approximately HK\$12.05 million (year ended 31 March 2022: approximately HK\$13.75 million). The Group's overall gross profit margin was 5.38% (year ended 31 March 2022: 14.81%). During the year ended 31 March 2023 and 2022, the Group's overall gross profit was primarily attributable to the healthcare products and services. Although the Group recorded significant growth in revenue for the year ended 31 March 2023, the gross profit for the year dropped slightly. This is due to the lower profit margin of health products than the health services. This year approximately 98.63% of sales generated from health products.

The loss for the year ended 31 March 2023 was approximately HK\$31.75 million (year ended 31 March 2022: approximately HK\$37.32 million), representing a decrease of approximately HK\$5.57 million as compared with the corresponding period last year. The decrease in loss was mainly attributable to a share of profit of associates for the year, compared with a share of loss of associates for the preceding year.

Basic and diluted loss per share for the year ended 31 March 2023 was approximately HK1.71 cents (year ended 31 March 2022: approximately HK2.68 cents), representing a decrease in loss of approximately HK\$0.97 cents as compared with the corresponding period last year.

### BUSINESS REVIEW

#### Healthcare products and services business

Over the years, the Group has built up its experience in the operation of and understanding in the business environment of the healthcare industry in PRC.

Amongst the principal businesses of the Group, the healthcare business became the largest contributor to the Group's revenue in the past five years.

The Group owns one medical and healthcare service and product sales centre in Yangzhou, with a business operation license of medical devices, which allows the Group to organize and perform the operation, sales and import and export of special medical products, as well as provide healthcare services to customers across the country and around the world.

Due to the frequent occurrence of regional COVID-19 pandemic, the Group's genetic testing business and export business were restricted. The Group is developing domestic healthcare equipment service business. Taking advantage of its own advantages, the Group integrates health data analysis software and healthcare equipment to provide new healthcare services and products business, which has been recognized by the industry. The Group also expands its business to trading of hygiene products to ride on the demand for personal and household hygiene due to the growing awareness among consumers in the wake of the Covid-19 pandemic.

Looking forward, the Group continues to expand its genetic testing service both in Hong Kong and overseas. COVID-19 infection prevention has increased the demand of hygiene and health products. The Group will continue to extend the health and hygiene product supply by continuously developing health data analysis products and novative medical technology products, and sourcing different types of safe personal and household hygiene products.

For the year ended 31 March 2023, the healthcare products and services segment recorded a turnover of HK\$223.66 million (year ended 31 March 2022: HK\$92.12 million) representing the turnover generated by genetic testing and health data analysis services and trading of healthcare products and a segment loss of HK\$16.12 million (year ended 31 March 2022: segment loss of HK\$2.35 million), representing an increase in segment loss of approximately HK\$13.77 million as compared with the corresponding period last year.

Domestic epidemic control resulted in increased costs of the Group, the intense competition in the health and hygiene products sector, which result in a significant decrease in gross profit margin for the healthcare segment.

### **Money lending business**

The Group currently has a money lender license in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) for developing its money lending business to generate interest income for the Group. The gross profit margin generated from the money lending business has been the highest amongst the principal businesses of the Group owing to its low cost of funding. However, the money lending business recorded a loss for the year ended 31 March 2023 because of decrease of interest income owing to the downsize of the loan portfolio.

During the year ended 31 March 2023, interest income from the money lending business was HK\$0.19 million (year ended 31 March 2022: HK\$0.76 million), representing a decrease of approximately 75% as compared with the corresponding period last year. The decrease in interest income from the money lending business was owing to the downsize of the loan portfolio balance as at 31 March 2023.

## **PROSPECTS**

### **Healthcare products and services business**

The Group's genetic testing business, urine chemical testing business and medical and health products and services business are complimentary to each other and create synergy for the Group's healthcare businesses as a whole. The customers and business partners of these businesses are local governments, national institutions and organizations, hospitals and doctors and other overlapping customers, the Company can expand its sales network and cross-sell products in all its businesses,

thereby achieving economies of scale and increase in revenue. Besides, the Company can obtain different information from these customers which are useful in the age of “big data”. For example, the Company can analyze their demand and consumption behavior, and their potential demand for existing and new healthcare products to be launched by the Company. This will help the Company plan the development of its businesses and the appropriate marketing strategy to increase revenues.

With the raising of health and hygiene awareness in the PRC and all around the world after Covid-19 pandemic, the directors of the Company are of the view that its healthcare products and services businesses have great prospects and will bring return to the Company and its shareholders as a whole.

### **Money lending business**

Competition in this business remains intensive. Moreover, compliance with rules and regulations is increasingly demanding. To cope with the keen market competition, the Group focuses on existing customers and leverages on them and their business associates for referral of new customers. This enables the Group to build up its customers’ portfolio gradually. For compliance with rules and regulations and to manage the credit risk, the Group will closely monitor and strengthen the internal control system of money lending business in order to achieve such purposes.

In order to maximise returns to the Company’s shareholders, the management will continue to seek new business opportunities and investment projects suitable for the Company in the future.

### **EXTRACT OF INDEPENDENT AUDITOR’S REPORT**

The following is an extract from audited financial report of the Company prepared by ZHONGHUI ANDA CPA Limited (“ZHONGHUI”), the auditor of the Company, for the year ended 31 March 2023.

#### **Qualified Opinion**

We have audited the consolidated financial statements of Life Healthcare Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) which comprise the consolidated statement of financial position as at 31 March 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.



## Basis for Qualified Opinion

### 1. *Interest in associates*

- (a) The Group acquired 30% equity interest in Guangzhou Manrui Biotech Company Limited (“Manrui Biotech”) on 5 August 2016. Manrui Biotech specialises in research and development of genetic testing technologies, and in particular non-invasive cancer screening and diagnosis. At the time of the acquisition, there is an agreement procuring the Group to exclusively utilize Manrui Biotech’s genetic testing and related technologies (without monetary consideration). The cost of the investment was approximately HK\$65,129,000. The Group obtained a valuation price allocation of Manrui Biotech on 5 August 2016 and the investment is recorded as interest in an associate since the acquisition.

Manrui Biotech’s genetic testing and related technologies had not generated any income in its financial statements since the Group’s acquisition, nor contributed to the Group’s revenue. The Group has fully impaired the investment in Manrui Biotech during the year ended 31 March 2022.

We were unable to obtain the financial information to support the basis and assumptions adopted in the valuation of the purchase price allocation of the associate, as well as in the valuation in the subsequent year end dates which were used for impairment assessment of the Group’s interests in Manrui Biotech. Such basis and assumptions included the forecast of Manrui Biotech, the growth rates and the discount rates adopted in the valuation. As such, the value of the genetic testing technologies cannot be reliably determined.

As a result, we have not yet obtained sufficient and appropriate audit evidence to satisfy ourselves as to (i) whether the valuation of the purchase price allocation of that associate on 5 August 2016 was properly performed, (ii) whether the share of loss of interest in that associate of approximately HK\$5,936,000 were properly recorded for the years ended 31 March 2022; (iii) whether the share of foreign currency translation reserve of that associate of approximately HK\$25,000 (Debit) were properly recorded for the years ended 31 March 2022; (iv) whether the balance of translation reserve of that associate of HK\$2,163,000 (Credit) were properly recorded as at 31 March 2023 and 2022, respectively; (v) whether the impairment for interest in that associate of HK\$9,101,000 for the year ended 31 March 2022 was properly recorded and whether this expense should be recorded in the year ended 31 March 2022 or prior year; and (vi) the related disclosure of the interest in that associate disclosed in note 18 to the consolidated financial statements.

- (b) During the year ended 31 March 2022, the Group invested RMB30,000,000 (equivalent to approximately HK\$36,990,000) and RMB25,000,000 (equivalent to approximately HK\$30,824,000) in two associates, namely 億雲力蓮合(北京)健康管理有限公司 and 山東蓮合耀奇醫療器械有限公司, respectively. The Group holds 25% equity interests in each of these two associates. These two associates engaged in healthcare services in the People's Republic of China (the "PRC"). We were unable to perform audit works on the financial statements of the two associates, specifically arrangement of bank confirmations to confirm the material bank balances of the associates as at 31 March 2022.

The two associates were de-registered during the year ended 31 March 2023 and the Group obtained full refund of the investment costs of RMB30,000,000 (equivalent to approximately HK\$34,270,000) and RMB25,000,000 (equivalent to approximately HK\$28,558,000) from the two associates.

We have not yet obtained sufficient and appropriate audit evidence to satisfy ourselves as to the valuation of the Group's interests in the above two associates of approximately HK\$67,814,000 as at 31 March 2022, and the gain/(loss) of HK\$Nil on deregistration of the two associates for the year ended 31 March 2023.

## **2. Trade and other receivables**

### *(a) Prepayments for consultancy services*

On 25 October 2017, the Group granted share options with a total fair value of HK\$20,947,000 to certain consultants of the Group covering a service period up to October 2027. The consultants' services included, but not limited to, providing reports and advisory services to assist the Company in expanding the healthcare market and introducing business and financing opportunities to the Group. The purpose of the grant of share options is to provide consultants an incentive to expand the Group's business.

We have not yet obtained sufficient and appropriate audit evidence to ascertain the economic benefits from the consultants' works/services in accordance with the original plan. During the year ended 31 March 2022, the Group had not received any services from the consultants and decided to cancel the remaining services period and requested the consultants to give up their rights on the share options. The Group has fully impaired the prepayments of approximately HK\$11,694,000 during the year ended 31 March 2022.

We were unable to obtain information to support the values of the proposed services that would be carried out by the consultants at the time of granting the share options. In the subsequent years after granting of the share options and up to 31 March 2022, we were unable to obtain sufficient and appropriate audit evidence to support the services provided by the consultants. Such evidence included the revenue/income/assets brought by the consultants to the Group and proof of such services performed. As a result, we were unable to quantify the value of the services performed by the consultants, which formed the basis for calculation of the amortisation of prepayment. As such, we have not yet obtained sufficient and appropriate audit evidence to satisfy ourselves as to (i) whether the amortisation of prepayment included in administrative and other expenses of approximately HK\$2,095,000 was properly recorded for the years ended 31 March 2022; and (ii) whether the impairment on prepayments of approximately HK\$11,694,000 recorded during the year ended 31 March 2022 was properly recorded.

(b) *Prepayments for healthcare supplies*

Year ended 31 March 2022

The Group recorded prepayments for purchases of approximately HK\$89,620,000 to certain materials suppliers as at 31 March 2022, including payments of RMB22,685,000 (equivalent to approximately HK\$27,971,000) and payments of RMB50,000,000 (equivalent to approximately HK\$61,649,000) for purchases of healthcare materials and equipment.

Up to 31 March 2022, the Group has not yet received the healthcare materials and equipment from the suppliers. In July 2022, the Group has entered into cancellation agreements with the suppliers to cancel the purchases and requested for full refund of the amounts prepaid. The amounts were fully refunded subsequent to 31 March 2022. We were unable to obtain sufficient and appropriate audit evidence about the details of the suppliers and the reasons for the cancellation.

In respect of the abovementioned transactions, we were unable to obtain sufficient appropriate audit evidence or satisfactory management explanations to ascertain the nature of the prepayment of approximately HK\$89,620,000 as at 31 March 2022.

Year ended 31 March 2023

The Group recorded prepayments for purchases of approximately HK\$98,454,000 to two materials suppliers (say, suppliers A and B) as at 31 March 2023 for purchases of disinfectant materials, and prepayments of approximately HK\$8,081,000 to a supplier (supplier C) for provision of vehicle remodeling services.

Up to 31 March 2023, the Group has not yet received the disinfectant materials from both suppliers A & B. In April 2023, the Group entered into cancellation agreement with Supplier A and Supplier A was deregistered in the same month. The Group has requested for full refund of the amounts prepaid of approximately HK\$28,889,000. Up to the date of this report, the Group received refund of approximately HK\$23,333,000 and the remaining outstanding balance of approximately HK\$5,556,000 were impaired. We were unable to obtain sufficient and appropriate audit evidence about the details of the suppliers and the reasons for the transaction.

For supplier B, up to 31 March 2023, the Group has not yet received the disinfectant materials from this supplier. We were unable to obtain sufficient and appropriate audit evidence about the reason that no products were received, and whether the prepayments of approximately HK\$69,565,000 can be recoverable.

For supplier C, up to 31 March 2023, no vehicle remodlling services were received by the Group. We were unable to obtain sufficient and appropriate audit evidence that whether the remodlling services will be carried out as planned, and the recoverability of the amounts of approximately HK\$8,081,000 prepaid.

In respect of the abovementioned transactions, we were unable to obtain sufficient appropriate audit evidence or satisfactory management explanations to ascertain the nature of the prepayment of approximately HK\$106,535,000 and the recoverability of the prepayments of approximately HK\$77,646,000 as at 31 March 2023.

(c) *Trade receivables*

The Group carried out healthcare products trading with a customer during the year and as at 31 March 2023, the Group recorded trade receivables of approximately HK\$15,185,000 from this customer. Up to the date of this report, the amounts were still outstanding. We were unable to obtain a concrete repayment timetable. As a result, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability of these trade receivables. There are no other satisfactory audit procedures that we could adopt to determine whether any allowance for non-recovery of the amount should be made in the consolidated financial statements.

### **3. Equity investment at fair value through other comprehensive income**

The equity investment at fair value through other comprehensive income relates to Beijing Life Healthcare Zhongcheng Medical Technologies Co., Ltd (北京蓮和眾成醫療科技有限公司) (the “Investee”), with principal activities such as research and development of medical technology innovations of genomics, cell therapy and their application in the field of human health and precision medicine. As at 26 June 2020, the Group has entered into a joint venture agreement pursuant to which the Group has contributed RMB30,000,000 in the Investee, represented 15% of its share capital.

During the years ended 31 March 2022, we have not obtained sufficient financial information of the Investee, which form the basis for assessing the underlying assumptions and calculation of the fair value of the Investee. The equity investment at fair value through other comprehensive income was disposed during the year ended 31 March 2023.

We were unable to obtain sufficient and appropriate audit evidence to satisfy ourselves as to (i) the fair value of equity investment at fair value through other comprehensive income of approximately HK\$36,990,000 as at 31 March 2022; (ii) whether the fair value loss on equity investment at fair value through other comprehensive income of approximately HK\$Nil and HK\$2,603,000 was properly recorded for the years ended 31 March 2023 and 2022.

## **The Company and the Audit Committee's View on the Qualified Opinion of the Independent Auditor's Report**

### **1. Interest in associates**

- (a) The full impairment had been made on the investment in Manrui Biotech, an associate of the Company for the year ended 31 March 2022 and to be presented under the comparative column of the Group's profit and loss account for the year ended 31 March 2023.

There is no qualification in respect of Manrui Biotech on the consolidated statement of financial position as at 31 March 2023 and the consolidated statement of profit or loss for the year ended 31 March 2023. The qualification on the balance of translation reserve will be removed upon disposal of Manrui Biotech and the Company is looking for potential purchaser to sell its equity interest in Manrui Biotech.

The Audit Committee concurs to the treatment on Manrui Biotech.

- (b) The two associates were de-registered during the year ended 31 March 2023 and the Group obtained full refund of the investment costs of RMB30,000,000 (equivalent to approximately HK\$34,270,000) and RMB25,000,000 (equivalent to approximately HK\$28,558,000) from the two associates.

The qualification was related to the opening balance presented under comparative column of the Group's statement of financial position as at 31 March 2023 and any possible gain/loss on the de-registration of the two associates since the opening balance was qualified. There was no qualification in respect of these two associates for the Group's consolidated statement of financial position as at 31 March 2023.

The Audit Committee concurs to the treatments on the investments in these two associates.

### **2. Trade and other receivable**

- (a) *Prepayment for consultancy fee*

The full impairment had been made on prepayment for consultants' services for the year ended 31 March 2022 and to be presented under the comparative column of the Group's profit and loss account for the year ended 31 March 2023.

There is no qualification in respect of the prepayments for consultants' services on the consolidated statement of financial position as at 31 March 2023 and the consolidated statement of profit or loss for the year ended 31 March 2023.

The Audit Committee concurs to the treatment on prepayment for consultant's services.

*(b) Prepayment for healthcare supplies*

Year ended 31 March 2022

The Group received refund of prepayment amount for the purchase of healthcare material and equipment in full. The opening balance of prepayment for the year ended 31 March 2022 is qualified to be presented under the comparative column of the Group's statement of financial position for the year ended 31 March 2023.

There is no qualification in respect of these prepayments for purchase of healthcare materials and equipment on the consolidated statement of financial position as at 31 March 2023 and the consolidated statement of profit or loss for the year ended 31 March 2023.

The Audit Committee concurs to the treatment on prepayment for healthcare supplies.

Year ended 31 March 2023

The Group has prepaid HK\$28,889,000 to Supplier A to purchase disinfectant products. Subsequently, the Group came across the Supplier B who is the manufacturer of the disinfectant products we ordered from Supplier A. Supplier B was able to provide us the products in cheaper cost with more varieties. In April 2023, the Group has entered into a cancellation agreement with Supplier A and requested for the refund of HK\$28,889,000. The Group then made the prepayment of HK\$69,565,000 to purchase disinfectant products from Supplier B.

The Company discussed with the auditor that the Group received a refund of HK\$23,333,000 from Supplier A up to the date of this report. The remaining balance of HK\$5,556,000 was impaired for year ended 31 March 2023.

There will not be any qualification in respect of the prepayment to Supplier A for the year ending 31 March 2024.

The Audit Committee concurs to the treatment on the prepayment to Supplier A.

The Company and the auditor has conducted an interview with Supplier B and visited its production lines in the factory. A product delivery instruction has been given to Supplier B in June 2023. The remaining products will be delivered to designated customers in the coming year.



There will not be any qualification in respect of the prepayment to Supplier B for the year ending 31 March 2024 if the products are delivered as planned.

The Audit Committee concurs to the treatment on the prepayment to Supplier B.

The Group has acquired 126 new energy vehicles from Supplier C and planned to carry out vehicle conversion to initiate basic public health examination program for the elderly which has been included in the construction of national basic public health services sponsored by the government. Owing to the outbreak and prolonged proliferation of COVID-19 pandemic in PRC, the vehicle registration process of the 126 vehicles had been taken almost one year.

The Group has informed the auditor that a supplemental agreement has been entered and the vehicle conversion will be completed by 25 December 2023.

There will not be any qualification in respect of the prepayment to Supplier C for the year ending 31 March 2024 if the vehicle conversion services are carried out as planned.

The Audit Committee concurs to the treatment on the prepayment to Supplier C.

(c) *Trade receivables*

The Group carried out healthcare products (medical ear-loop masks) trading with the customer since July 2022. The customer settled all accounts receivable within stipulated period for the two trading transactions in July and September 2022. The Group carried out the third trading with the customer in November 2022 and the products were delivered in December 2022. Due to the slow moving of the products towards the end of the COVID-19, the customer only settled HK\$1,500,000 in January 2023 with the trade receivable of HK\$15,185,000 as at 31 March 2023. The customer promises to settle the remaining account receivable by 30 September 2023 or else the Group may consider to taking legal action against delinquent customer.

**3. *Equity Investment at fair value through comprehensive income***

The Group received the consideration of RMB30,000,000 on disposal of its 15% equity interest in Beijing Life Healthcare Zhongcheng Medical Technologies Co., Ltd (北京蓮和眾成醫療科技有限公司) as at August 2022. The opening balance and the profit and loss figures is qualified for the year ended 31 March 2022 as presented under the comparative figures of the Group's profit and loss account for the year ended 31 March 2023.

The qualification was related to the opening balance presented under comparative column of the Group's consolidated statement of financial position as at 31 March 2023 and any possible gain/loss on the disposal of this investment since the opening balance was qualified. There was no qualification in respect of these two associates for the Group's consolidated statement of financial position as at 31 March 2023.

The Audit Committee concurs to the treatment on this investment.

## **FINAL DIVIDEND**

The Directors do not recommend the payment of a final dividend for the year ended 31 March 2023 (year ended 31 March 2022: nil).

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

The management and control of the Group's financial and capital management are centralized at its headquarter in Hong Kong. The Group adheres to the principle of prudent financial management to minimise financial and operational risks. The Group mainly relies upon internally generated funds and proceeds from fund raising activities to finance its operations and expansion.

As of 31 March 2023, the Group's net current assets were approximately HK\$215.46 million including cash and cash equivalents of approximately HK\$17.79 million (31 March 2022: net current assets of approximately HK\$157.67 million including cash and cash equivalents of approximately HK\$37.4 million).

The gearing ratio of the Group, calculated as total borrowings divided by total share capital reserves was approximately 1.07% as at 31 March 2023 (2022: Nil).

## **MATERIAL ACQUISITION AND DISPOSAL**

On 29 June 2022, the vendor, a wholly-owned subsidiary of the Company, entered into the disposal agreement with the purchaser pursuant to which the vendor agreed to sell, and the purchaser agreed to acquire, the 15% equity interest in Beijing Life Healthcare Zhongcheng Medical Technologies Co., Ltd.\* (北京蓮和眾成醫療科技有限公司) held by the Vendor for a consideration of RMB30,000,000. For details, please refer to the Company's announcement dated 29 June 2022.

Shareholders of 億雲力蓮合(北京)健康管理有限公司 (Yiyunli Life Healthcare (Beijing) Health Management Co., Ltd.\*) and 山東蓮合耀奇醫療器械有限公司 (Shandong Life Healthcare Yaoqi Medical Equipment Co., Ltd.\*), which the Group holds 25% equity interest in each of them, have resolved to dissolve and deregistrate them in view of the outbreak of COVID-19 in the PRC which resulted in them unable to implement their business plans in accordance with the planned timeline. For details, please refer to the Company's announcement dated 30 September 2022.

## **CAPITAL EXPENDITURE COMMITMENTS**

As of 31 March 2023, the Group had no capital commitments to acquire property, plant and equipment (31 March 2022: HK\$Nil).

## **PLEDGE OF ASSETS**

As of 31 March 2023 and 2022, the Group had not pledged any of its assets.

\* *For identification purpose only*



## **CONTINGENT LIABILITIES**

As of 31 March 2023 and 2022, the Group had no significant contingent liabilities.

## **FOREIGN EXCHANGE EXPOSURE**

The Group recognises most of its revenue and incurs most of the expenditures in RMB or HK\$. The Directors consider that the Group's foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in functional currency of each individual group entity. The Group currently does not have a foreign currency hedging policy. However, the Group's management will continue to monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

## **EMPLOYEES AND REMUNERATION POLICIES**

As of 31 March 2023, the Group had 13 full-time employees and 1 part-time employee excluding Directors (2022: 15 full-time employees). The decrease in the number of employees was attributed to the marketing strategy to focus on distributor sales. The Group remunerates its employees based on their performance, working experience and prevailing market standards. Employee benefits include medical insurance coverage, mandatory provident fund for Hong Kong employees, state-managed retirement benefits scheme for PRC employees and share option scheme.

## **AUDIT COMMITTEE**

The audit committee of the Company (the “**Audit Committee**”) comprises of three independent non-executive Directors, namely Dr. Wang, Bruce Xianliang (Chairman of the Audit Committee), Dr. Zhao, Shawn Xiaohong.

The Company's annual results for the year ended 31 March 2023 have been reviewed by the Audit Committee.

## **SCOPE OF WORK OF ZHONGHUI**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2023 as set out in the preliminary announcement have been agreed by the Group's auditors, ZHONGHUI, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 March 2023. The work performed by ZHONGHUI in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by ZHONGHUI on the preliminary announcement.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2023.

## CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) during the year ended 31 March 2023, except for the following deviation:

- (a) Code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

The Company does not have a chairman of the Board since the resignation of Mr. Xu Xueping on 6 December 2021. The duties of the chairman have been taken up by the chief executive officer of the Company during the transition period. The Board is in the process of locating appropriate candidate to fill the vacancy of the chairman. During the year ended 31 March 2023, the duties of the chairman were performed by Mr. Pang Zhen, the then chief executive officer of the Company, and Mr. Yuan Limin (“Mr. Yuan”), the Chief Executive Officer of the Company. The chief executive officer is responsible for the day-to-day management of the business and provides leadership for the Board. Despite the roles/duties of the chairman and chief executive are performed by the same person, the Board considers that the transitional arrangement provides efficient communications and strong leadership and thus is beneficial to the Group. Balance of power is safeguarded in that major matters are discussed at the Board room and decided by Directors in Board meetings. Each Director can also propose issues to which he concerns at Board meetings.

- (b) Code provision F.2.2 of the CG Code provides that the chairman of the board of directors should attend the annual general meeting. He should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In their absence, he should invite another member of the committee or failing this their duly appointed delegate, to attend. These persons should be available to answer questions at the annual general meeting. The issuer’s management should ensure the external auditor attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditors’ report, the accounting policies and auditor independence.

As disclosed above, there is no chairman of the Board during the year ended 31 March 2023. The duties of the chairman are performed by the chief executive officer of the Company. All Directors attended the annual general meeting of the Company held on 12 October 2022 (the “2022 AGM”) except Mr. Liu Xinghua (“Mr. Liu”), the then chairman of the Audit Committee, as he had another engagement. Other members of the Audit Committee were present at the 2022 AGM. The partner of the external auditor, ZHONGHUI ANDA CPA Limited, did not attend the 2022 AGM due to physical discomfort. The Company considers that the members of the Board who attended the 2022 AGM were able to sufficiently answer questions from shareholders at the 2022 AGM.

The Board will continue to review and implement steps/measures as appropriate in a timely manner in order to comply with the requirements of the CG Code and enhance the corporate governance practices of the Group.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the standard for securities transactions by Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors' securities transactions for the year ended 31 March 2023.

## **PUBLICATION OF FINANCIAL INFORMATION**

This results announcement is published on the websites of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company ([www.lifehealthcare.com](http://www.lifehealthcare.com)). The Group's Annual Report 2023 will be despatched to the shareholders of the Company and available on the above websites in due course.

## **APPRECIATION**

Taking this opportunity, on behalf of the Board, I would like to express my appreciation to our shareholders for their continuous support and the Company's management and employees for their dedication and hard work.

By Order of the Board  
**LIFE HEALTHCARE GROUP LIMITED**  
**Yuan Limin**  
*Chief Executive Officer and Executive Director*

Hong Kong, 30 June 2023

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

*Executive Directors:*

Mr. Yuan Limin (*Chief Executive Officer*)  
Mr. Pang Zhen  
Mr. Man Wai Lun  
Mr. Huang Zhifang

*Independent Non-executive Directors:*

Dr. Wang, Bruce Xianliang  
Dr. Zhao, Shawn Xiaohong