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JBM (HEALTHCARE) LIMITED

健倍苗苗(保健)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2161)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

FINANCIAL HIGHLIGHTS

- The revenue for the six months ended 30 September 2022 amounted to approximately HK\$236.8 million, representing an increase of about 25.0% as compared to that of approximately HK\$189.4 million for the corresponding period of 2021.
- Profit from operations for the same period amounted to approximately HK\$33.1 million, representing an increase of about 112.2% as compared to that of approximately HK\$15.6 million for the corresponding period of 2021.
- Profit attributable to equity shareholders of the Company for the same period amounted to approximately HK\$21.6 million, representing an increase of about 116.0% as compared to that of approximately HK\$10.0 million for the corresponding period of 2021.
- The Board declared the payment of an interim dividend for the six months ended 30 September 2022 of HK0.5 cent per ordinary share for the total amount of approximately HK\$4.5 million (six months ended 30 September 2021: Nil).

The Board is pleased to announce the unaudited consolidated interim results of the Group for the six months ended 30 September 2022, together with the comparative figures for the corresponding period in 2021 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2022 – unaudited

(Expressed in Hong Kong dollars)

		Six months ended 30 September	
	<i>Note</i>	2022	2021
		HK\$'000	HK\$'000
Revenue	4	236,848	189,372
Cost of sales		<u>(151,305)</u>	<u>(114,292)</u>
Gross profit		85,543	75,080
Other net income	5	7,149	970
Selling and distribution expenses		(41,243)	(38,671)
Administrative and other operating expenses		<u>(18,384)</u>	<u>(21,762)</u>
Profit from operations		33,065	15,617
Finance costs	6(a)	(3,373)	(3,403)
Share of loss of an associate		(516)	(749)
Share of losses of joint ventures		<u>(519)</u>	<u>(285)</u>
Profit before taxation	6	28,657	11,180
Income tax	7	<u>(5,556)</u>	<u>(2,905)</u>
Profit for the period		<u>23,101</u>	<u>8,275</u>
Other comprehensive income for the period			
<i>Item that will not be reclassified subsequently to profit or loss, net of nil tax:</i>			
Revaluation of financial assets at fair value through other comprehensive income		(5,701)	–
<i>Item that may be reclassified subsequently to profit or loss, net of nil tax:</i>			
Exchange differences on translation of financial statements of operations outside Hong Kong		<u>(769)</u>	<u>(249)</u>
Other comprehensive income for the period		<u>(6,470)</u>	<u>(249)</u>
Total comprehensive income for the period		<u>16,631</u>	<u>8,026</u>

		Six months ended 30 September	
		2022	2021
	<i>Note</i>	HK\$'000	HK\$'000
Profit attributable to:			
Equity shareholders of the Company		21,561	10,040
Non-controlling interests		1,540	(1,765)
		<hr/>	<hr/>
Total profit for the period		23,101	8,275
		<hr/>	<hr/>
Total comprehensive income attributable to:			
Equity shareholders of the Company		15,091	9,791
Non-controlling interests		1,540	(1,765)
		<hr/>	<hr/>
Total comprehensive income for the period		16,631	8,026
		<hr/>	<hr/>
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share			
Basic and diluted	8	2.41	1.12
		<hr/>	<hr/>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2022 – unaudited

(Expressed in Hong Kong dollars)

		As at 30 September 2022 HK\$'000	As at 31 March 2022 HK\$'000
	<i>Note</i>		
Non-current assets			
Property, plant and equipment		170,458	179,960
Intangible assets		818,536	828,834
Interest in an associate		14,811	15,327
Interests in joint ventures		3,815	4,334
Other non-current assets		13,792	11,192
Other financial assets		19,620	25,321
Deferred tax assets		3,280	2,783
		<u>1,044,312</u>	<u>1,067,751</u>
Current assets			
Inventories		53,275	47,874
Trade and other receivables	10	142,408	144,465
Current tax recoverable		2,499	2,556
Cash and cash equivalents		94,698	69,843
		<u>292,880</u>	<u>264,738</u>
Current liabilities			
Trade and other payables and contract liabilities	11	58,739	47,762
Bank loans		60,000	60,000
Lease liabilities		11,499	15,890
Current tax payable		10,571	4,961
		<u>140,809</u>	<u>128,613</u>
Net current assets		<u>152,071</u>	<u>136,125</u>
Total assets less current liabilities		<u>1,196,383</u>	<u>1,203,876</u>

	As at	As at
	30 September	31 March
	2022	2022
<i>Note</i>	HK\$'000	HK\$'000
Non-current liabilities		
Bank loans	40,000	115,000
Loan from a fellow subsidiary	60,000	–
Lease liabilities	17,990	22,204
Deferred tax liabilities	95,608	97,482
	<u>213,598</u>	<u>234,686</u>
NET ASSETS	<u>982,785</u>	<u>969,190</u>
CAPITAL AND RESERVES		
Share capital	<i>12(a)</i> 8,899	8,937
Reserves	<u>932,358</u>	<u>920,265</u>
Total equity attributable to equity shareholders of the Company	941,257	929,202
Non-controlling interests	<u>41,528</u>	<u>39,988</u>
TOTAL EQUITY	<u>982,785</u>	<u>969,190</u>

NOTES

1 CORPORATE INFORMATION

JBM (Healthcare) Limited is an exempted company with limited liability incorporated in the Cayman Islands. The Company is an investment holding company. The Company and its subsidiaries are principally engaged in manufacturing and trading of proprietary medicines and distributing health and wellness products. The Company's shares were listed on the Main Board on 5 February 2021.

2 BASIS OF PREPARATION

The interim financial results set out in this announcement do not constitute the Group's interim financial report for the six months ended 30 September 2022 but are extracted from that interim financial report.

The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The interim financial report has been prepared in accordance with the same accounting policies adopted in the consolidated financial statements for the year ended 31 March 2022, except for the accounting policy changes that are expected to be reflected in the consolidated financial statements for the year ending 31 March 2023. Details of any changes in accounting policies are set out in note 3.

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA for the current accounting period:

- Amendments to HKAS 16, *Property, plant and equipment: Proceeds before intended use*
- Amendments to HKAS 37, *Provisions, contingent liabilities and contingent assets: Onerous contracts – cost of fulfilling a contract*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the amended HKFRSs are discussed below:

Amendments to HKAS 16, *Property, plant and equipment: Proceeds before intended use*

The amendments prohibit an entity from deducting the proceeds from selling items produced before that asset is available for use from the cost of an item of property, plant and equipment. Instead, the sales proceeds and the related costs should be included in profit and loss. The amendments do not have a material impact on the financial statements as the Group does not sell items produced before an item of property, plant and equipment is available for use.

Amendments to HKAS 37, *Provisions, contingent liabilities and contingent assets: Onerous contracts – cost of fulfilling a contract*

The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

Previously, the Group included only incremental costs when determining whether a contract was onerous. In accordance with the transitional provisions, the Group has applied the new accounting policy to contracts for which it has not yet fulfilled all its obligations at 1 April 2022, and has concluded that none of them is onerous.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are manufacturing and trading of proprietary medicines and distributing health and wellness products. All the revenue for the six months ended 30 September 2022 and 2021 was recognised in accordance with HKFRS 15, *Revenue from Contracts with Customers*.

Revenue represents the sales value of goods supplied to customers less returns and sales rebates and is after deduction of any trade discounts.

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Branded medicines: this segment develops, manufactures and distributes branded medicines with chemical compounds as active ingredients. Currently the activities in this regard are primarily carried out in Hong Kong.
- Proprietary Chinese medicines: this segment develops, manufactures and distributes registered Chinese medicines composed solely of any Chinese herbal medicines specified in the Chinese Medicine Ordinance, or any materials of herbal, animal or mineral origin customarily or widely used by the Chinese. Currently the activities in this regard are primarily carried out in Hong Kong.
- Health and wellness products: this segment distributes and sells supplements, medical consumables and other non-pharmaceutical products for the general health and wellness of consumers. Currently the activities in this regard are primarily carried out in Hong Kong.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is gross profit.

Segment assets and liabilities of the Group are not reported to the Group's chief operating decision makers regularly. As a result, reportable assets and liabilities have not been presented.

No inter-segment sales have occurred during the six months ended 30 September 2022 and 2021.

(i) *Segment revenue and results*

Information regarding the Group's reportable segments as provided to the Group's chief operating decision makers for the purposes of resource allocation and assessment of segment performance for the period is set out below.

	Branded medicines		Proprietary Chinese medicines		Health and wellness products		Total	
	Six months ended		Six months ended		Six months ended		Six months ended	
	30 September		30 September		30 September		30 September	
	2022	2021	2022	2021	2022	2021	2022	2021
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from external customers and reportable segment revenue recognised at a point in time	<u>56,888</u>	<u>63,425</u>	<u>163,084</u>	<u>106,467</u>	<u>16,876</u>	<u>19,480</u>	<u>236,848</u>	<u>189,372</u>
Reportable segment gross profit	<u>32,740</u>	<u>38,889</u>	<u>47,542</u>	<u>28,838</u>	<u>5,261</u>	<u>7,353</u>	<u>85,543</u>	<u>75,080</u>

(ii) *Reconciliations of reportable segment revenue and profit or loss*

	Six months ended 30 September	
	2022	2021
	HK\$'000	HK\$'000
Revenue		
Reportable segment revenue and consolidated revenue	<u>236,848</u>	<u>189,372</u>
Profit		
Reportable segment gross profit	85,543	75,080
Other net income	7,149	970
Selling and distribution expenses	(41,243)	(38,671)
Administrative and other operating expenses	(18,384)	(21,762)
Finance costs	(3,373)	(3,403)
Share of loss of an associate	(516)	(749)
Share of losses of joint ventures	(519)	(285)
Consolidated profit before taxation	<u>28,657</u>	<u>11,180</u>
Interest income from bank deposits	(7)	(12)
Finance costs	3,373	3,403
Depreciation and amortisation	23,624	23,714
Share of loss of an associate	516	749
Share of losses of joint ventures	519	285
Adjusted EBITDA*	<u>56,682</u>	<u>39,319</u>

* Represents "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including interest income from bank deposits and finance costs. To arrive at adjusted EBITDA, the Group's earnings are further adjusted for share of loss of an associate and share of losses of joint ventures.

(iii) *Geographic information*

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the goods are distributed to the distributors or the ultimate customers by the Group.

	Six months ended 30 September	
	2022	2021
	HK\$'000	HK\$'000
Revenue from external customers		
Hong Kong (place of domicile)	149,437	138,747
Mainland China	57,684	18,473
Macau	13,497	19,494
Singapore	5,368	5,233
Others	10,862	7,425
	<u>236,848</u>	<u>189,372</u>

The following table sets out information about the geographical location of the Group's property, plant and equipment, intangible assets, other non-current assets, interests in an associate and joint ventures ("specified non-current assets"). The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment and non-current prepayments for property, plant and equipment, the location of the operations to which they are allocated, in the case of intangible assets and non-current prepayments for distribution rights, and the location of operations, in the case of interests in an associate and joint ventures.

	As at	As at
	30 September	31 March
	2022	2022
	HK\$'000	HK\$'000
Specified non-current assets		
Hong Kong (place of domicile)	1,005,022	1,022,693
Mainland China	16,390	16,954
	<u>1,021,412</u>	<u>1,039,647</u>

(iv) *Information about major customer*

For the six months ended 30 September 2022, the Group's customer base includes one (six months ended 30 September 2021: one) customer of proprietary Chinese medicines and branded medicines segments with whom transactions have exceeded 10% of the Group's revenue. Revenue from sales of proprietary Chinese medicines and branded medicines to this customer amounted to HK\$26,410,000 (six months ended 30 September 2021: HK\$39,506,000).

7 INCOME TAX

	Six months ended 30 September	
	2022	2021
	HK\$'000	HK\$'000
Current tax	7,927	6,184
Deferred taxation	(2,371)	(3,279)
	<u>5,556</u>	<u>2,905</u>

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (six months ended 30 September 2021: 16.5%) to the six months ended 30 September 2022. Taxation for overseas subsidiaries is similarly calculated using the estimated annual effective rates of taxation that are expected to be applicable in the relevant countries.

8 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK\$21,561,000 (six months ended 30 September 2021: HK\$10,040,000) during the interim period, and the weighted average ordinary shares in issue calculated as follows:

	Six months ended 30 September	
	2022	2021
	'000	'000
Shares of the Company issued at the beginning of the period	893,686	893,686
Effect of shares held for Share Award Scheme (<i>Note 12(b)</i>)	(654)	–
	<u>893,032</u>	<u>893,686</u>

(b) Diluted earnings per share

Diluted earnings per share for the six months ended 30 September 2022 and 2021 were the same as the basic earnings per share as there were no potentially dilutive ordinary shares in existence during both periods.

9 DIVIDENDS

Dividends payable to shareholders attributable to the Reporting Period

	Six months ended 30 September	
	2022	2021
	HK\$'000	HK\$'000
Interim dividend declared and paid after the Reporting Period of HK0.5 cent per share (six months ended 30 September 2021: Nil)	<u>4,468</u>	<u>–</u>

The interim dividend has not been recognised as a liability at the end of the Reporting Period.

10 TRADE AND OTHER RECEIVABLES

	As at 30 September 2022 <i>HK\$'000</i>	As at 31 March 2022 <i>HK\$'000</i>
Trade receivables		
– third parties	119,114	126,639
– fellow subsidiaries	2,578	1,505
	<u>121,692</u>	<u>128,144</u>
Other receivables	293	417
Amounts due from joint ventures	9,005	6,505
Deposits and prepayments	11,418	9,399
	<u>142,408</u>	<u>144,465</u>

As at the end of the Reporting Period, the ageing analysis of trade receivables (which are included in trade and other receivables) based on the invoice date and net of loss allowances is as follows:

	As at 30 September 2022 <i>HK\$'000</i>	As at 31 March 2022 <i>HK\$'000</i>
Less than 1 month	83,339	50,995
1 to 6 months	22,877	30,448
Over 6 months	15,476	46,701
	<u>121,692</u>	<u>128,144</u>

11 TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

	As at 30 September 2022 <i>HK\$'000</i>	As at 31 March 2022 <i>HK\$'000</i>
Trade payables		
– third parties	33,951	22,295
Salary and bonus payables	5,420	4,810
Other payables and accruals	13,245	15,114
Amount due to a joint venture	2,000	2,000
Amounts due to fellow subsidiaries	1,213	883
Contract liabilities	2,910	2,660
	<u>58,739</u>	<u>47,762</u>

As at the end of the Reporting Period, the ageing analysis of trade payables (which are included in trade and other payables and contract liabilities) based on the invoice date, is as follows:

	As at 30 September 2022 HK\$'000	As at 31 March 2022 HK\$'000
Less than 1 month	25,590	13,682
1 to 6 months	8,217	8,536
Over 6 months	144	77
	<u>33,951</u>	<u>22,295</u>

12 CAPITAL AND RESERVES

(a) Share capital

	Number of shares '000	Amount HK\$'000
Authorised:		
Ordinary shares of HK\$0.01 each at 31 March 2022, 1 April 2022 and 30 September 2022	<u>5,000,000</u>	<u>50,000</u>
Issued:		
At 31 March 2022 and 1 April 2022	893,686	8,937
Shares held for Share Award Scheme (<i>note 12(b)</i>)	<u>(3,814)</u>	<u>(38)</u>
At 30 September 2022	<u>889,872</u>	<u>8,899</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(b) Equity Settled Share-based Transactions

Share Award Scheme

On 18 January 2021, the Share Award Scheme was adopted by the Company. Pursuant to the Share Award Scheme, the directors of the Company are authorised, at their discretion to determine individuals, including directors and employees of any companies in the Group, for granting them the Company's shares. The Share Award Scheme will be valid and effective for a period of 10 years commencing from 18 January 2021.

The Company's shares to be granted under the Share Award Scheme will be purchased and held by a trustee. The maximum of purchases by the trustee in any financial year will be fixed by the Company's board of directors but such purchases will not result the trustee holding at any time more than 5% of the total issued shares of the Company.

In addition, unless approved by the Company's board of directors, no awarded shares will be granted to any individual if the granting of such awarded shares would result in the total number of shares granted to the individual during any 12-month period exceeding 1% of the total issued shares of the Company (0.1% of the total issued shares of the Company in case for an independent non-executive director of the Company).

During the six months ended 30 September 2022, the Share Award Scheme acquired 3,814,000 shares at a total cost of HK\$3,036,000. During the six months ended 30 September 2021, the Share Award Scheme did not acquire any shares through purchases on the open market.

There was no share award granted under the Share Award Scheme during the six months ended 30 September 2022 and 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

With the stabilisation of the epidemic, the retail market in Hong Kong has shown signs of recovery since the second quarter of 2022 following the gradual easing of restrictive measures. Based on the HKSAR Government statistics, the provisional estimate of the value of total retail sales increased by 7.3% for the three months ended 31 July 2022 as compared with the preceding three-month period.

Although the economic sentiments in Hong Kong remained volatile, the Group continued to deliver a resilient performance on its branded healthcare portfolio for the six months ended 30 September 2022, due to the robust execution of strategy and cost control disciplines.

RESULTS

Despite the lingering COVID-19 impact, the Group's branded healthcare business, comprising branded medicines, proprietary Chinese medicines and health & wellness products, generated a total revenue of HK\$236.8 million, delivering a notable growth of 25.0% during the Reporting Period. The gross profit of the Group amounted to HK\$85.5 million, up 13.8%, whilst consolidated profit attributable to equity shareholders amounted to HK\$21.6 million, representing a promising growth of 116.0% against the same period of the preceding year.

The significant increase in consolidated profit was primarily attributable to the easing of social distancing policies in Hong Kong which buttressed retail spending sentiment and a gradual recovery of the Group's overall sales, resulting in a substantial increase in revenue for the Reporting Period alongside a financial subsidy from the HKSAR Government through the Employment Support Scheme.

OPERATING PERFORMANCE

During the Reporting Period, the Group sustained a resilient performance boosted by its branded healthcare portfolio, which comprises broad product offerings of notable brands in segments of branded medicines, proprietary Chinese medicines, and health and wellness products including health supplements, personal care products, and diagnostic kits. It was also bolstered by the Group's brand management capability, strong commercial execution and established sales network.

The Group has been making sound progress on its PRC cross-border e-commerce platform development with strong momentum, expanding the access of our products to a growing consumer base in Mainland China.

Branded Medicines

The revenue generated from the Group's branded medicines segment saw a decline of 10.3% in sales during the Reporting Period, mainly attributed to the decrease in sales of Ho Chai Kung brand products due to the sluggish retail sentiments in Hong Kong and Macau, despite partly offset by their robust performance on PRC cross-border e-commerce platform.

Ho Chai Kung – one of our household brands well-recognised in the analgesics OTC category, has seen encouraging performance on our PRC cross-border e-commerce platform which is supported by our dedicated operation and customer service team. The brand has been well-received by Chinese consumers and maintained a top 5 ranking during the Reporting Period (top 1 ranking for the month of July 2022) in the pain killer category at the Tmall cross-border platform.

To further promote the recognition of the brand and build consumer demand for Ho Chai Kung, the Group has launched a series of advertising and promotion activities through print, outdoor and social media to reinforce its leadership position among target consumers.

As a leading brand for children's myopia control in Hong Kong, AIM Atropine Eye Drops sustained its performance and delivered growth of 11.3% during the Reporting Period, demonstrating the Group's continued effort to fulfill the vision health need in the public segment. The prevalence of myopia in early teens and school children has evolved as a key concern amongst healthcare professionals. Helping children and parents manage myopia progression with science-backed and safety-assured products has remained a focus for AIM Atropine Eye Drops to drive growth.

With the gradual resumption of social activities in Hong Kong, we have commenced different engagement campaigns to educate the public about the latest science-based solution on myopia progression control, which garnered strong support from eye and health care professionals as reflected by the growth in our active accounts during the Reporting Period.

We also augment our education programs with online communications to advocate the importance of regular eye health checks and the clinical benefits of AIM Atropine Eye Drops on myopia progression control. Our holistic campaign is a long-term effort dedicated to build public awareness on active myopia prevention among children at the onset of school age.

Proprietary Chinese Medicines

The stabilised pandemic situation during the Reporting Period led to the gradual recovery of public demand for Chinese medicine services. As a result, the proprietary Chinese medicines segment of the Group delivered a robust growth of 53.1% during the Reporting Period, mainly driven by the solid momentum of its CCMG business, along with significant growth in sales of Po Chai Pills and certain third party products.

The CCMG business of the Group delivered robust growth of 21.7% during the Reporting Period, which was driven by the increased public demand for traditional Chinese medicines ("TCM") with the HKSAR Government's promotion for its efficacy in the prevention and treatment of COVID-19 infection, as well as in the rehabilitation from "long-COVID-19" symptoms.

Our CCMG brand enjoys a leading market position that carries and distributes more than 700 single-formula and combo-formula CCMG products to an extensive network of Chinese medicine practitioners in Hong Kong. The Group is therefore well-positioned to capture the potential demand for CCMG products buttressed by the growing public acceptance of TCM, especially for its complementary healing benefits to western medicine.

Po Chai Pills, one of our leading household heritage brands in the gastro-intestinal category, has benefited from the improvement of the retail sentiments following the gradual easing of COVID-19 measures in Hong Kong and the lift up of COVID-19 restrictions in overseas markets, delivering significant growth of 60.1% during the Reporting Period against the corresponding period of last year, thanks also to our effective execution of brand marketing and sales drive strategy.

Health & Wellness Products

The health and wellness products segment of the Group registered a decrease of 13.3% in sales during the Reporting Period, mainly attributable to the reduction of sales of certain products in the retail sector in Hong Kong, despite being offset by the growth in sales of Oncotype DX Breast Cancer Recurrence Score Test and Pantogar shampoo and tonic series.

Revenue generated from Oncotype DX delivered a robust growth of 19.7% during the Reporting Period with our continuing education program for doctors and early-stage breast cancer patients on the clinically-proven reliability of Oncotype DX in the genomic score test for susceptibility to chemotherapy treatment.

The recognition of Oncotype DX among hospitals and healthcare professionals has been well received, which was reflected by our notable growth in service accounts. We have also deepened our collaboration with the Hong Kong Breast Cancer Foundation through enhancing the financial assistance program to help patients in need. At the patient engagement level, we have extended our product education program to above-the-line media while robustly maintaining our product detailing on the online platform.

Pantogar is a well-recognised brand from Germany for the effective treatment of hair loss with clinically substantiated studies. Boosted by the launch of its new shampoo and tonic series with specialised formulations for women and men, Pantogar has gained notable success in e-commerce platforms, as well as tapping into the professional hair salon channel with well-trusted, scientifically proven hair-health products for consumers.

BUSINESS DEVELOPMENT

On the business development front, we continue to implement our growth strategies, keep pace with consumer demand and market opportunities, and further leverage our unique strengths to cement our competitive position as a forward-looking branded healthcare player in Asia.

Accelerating E-commerce Development

The development of our PRC cross-border e-commerce business continued to gather momentum as a result of our sustained efforts to drive expansion in product offerings, platform footholds, customer traffic and base.

Our two self-operated flagship stores on Tmall Global Marketplace (天貓國際賣場型旗艦店) and JD Worldwide (京東國際) have demonstrated accelerating growth with strong expansion in market share and customer base during the Reporting Period, bolstered by the robust operation and customer service support of our dedicated cross-border e-commerce team. During the Reporting Period, our flagship store has taken up a top 8 ranking at Tmall, whilst Ho Chai Kung Tji Thung San has claimed a top 5 ranking in the pain-killer category on the platform.

To further drive our e-commerce business development, we will continue collaborating with new and existing e-commerce platforms to leverage their customer pools for expanded market opportunities, which will be backed by an enhanced and dedicated e-commerce team in Mainland China and Hong Kong.

We have continued to deepen our business to business (B2B) partnership and operation with major PRC cross-border e-commerce platform customers. The strengthened collaboration witnessed a notable increase in pre-event purchase orders from our B2B partners for the “6.18” and “Double 11” promotions during the Reporting Period. Also, our orders from B2B customers were boosted by the bonded warehouse customs clearance method adopted in our collaboration, which has shortened customer delivery time to 1 to 3 days as opposed to 7 to 14 days by the individual customs clearance method used by other practitioners.

We will maintain our traffic generation strategy to continually introduce hot-selling third-party brand products in major cross-border e-commerce platforms to drive the expansion of platform sales and market share, in addition to own-brand development strategy to raise profit margin.

Apart from OTC products, we are also actively enhancing our portfolio with new potential categories. As a case in point, we currently sell our skincare and beauty products at VIP Shop (唯品會), a popular cross-border e-commerce platform for branded lifestyle products in Mainland China. These skincare and beauty products will be continually expanded to multiple cross-border e-commerce platforms, allowing us to reach a wider range of consumer groups.

Capturing Growth Potential in Chinese Medicines

Consumer demand for TCM has greatly developed over the years as a result of public acceptance of its complementary healing benefits and favorable government policies in promoting its heritage and development. Moreover, the cooperation between HKSAR Government and Mainland China authorities in promoting the use of TCM products in the Greater Bay Area is expected to pose great opportunities for manufacturers and market practitioners alike in Hong Kong.

The role of Chinese medicine has been further boosted by the advocacy of the HKSAR Government and Mainland China experts on the enhanced efficacy of the collaborative use of western and Chinese medicines in the treatment of COVID-19 patients during the hikes of local COVID-19 infected cases in the severe fifth outbreak of the epidemic. The push for Chinese medicine is also demonstrated by two ongoing flagship projects funded by the HKSAR Government for supporting TCM development in Hong Kong, namely the city's first Chinese Medicine Hospital at Tseung Kwan O and the Government Chinese Medicines Testing Institute.

To capture the foreseeable growth of the Chinese medicines market, we have been adding newly developed products to our CCMG portfolio, along with introducing registered Chinese medicine-based healthcare products, which will be progressively launched to market, leveraging our extensive distribution network of Chinese medicine practitioners. In enhancing our customer support, we have also successfully launched an online service platform to facilitate order placement around the clock for our TCM physician customers.

Our proprietary Chinese medicine business also benefits from the collaborative support of the HKSAR and Mainland China authorities in facilitating the entry of Hong Kong traditional proprietary Chinese medicines into the Greater Bay Area. Streamlined procedures have been announced that allow holders of traditional proprietary Chinese medicines for external use, registered and marketed for more than five years in Hong Kong, to apply for registration with the Guangdong Provincial Medical Products Administration (GDMPA).

Leveraging the measure with our proprietary Chinese medicines portfolio, we have successfully secured the approval for registration of our medicated oil brands Shiling Oil and Konsodona Medicated Oil in the Greater Bay Area.

OUTLOOK

There is no denying that the persistence of COVID-19 has posed an unprecedented impact on the retail business landscape. Though challenges will likely remain, we have seen positive signs of improvement. Consumer and business sentiments have been bolstered by the moderating COVID-19 situation and the gradual easing of related social and travel restrictive measures, along with the various economic boosting measures by the HKSAR Government.

Although we are optimistic about the gradual recovery from the pandemic in sight as most countries have opened up and cross-border economic activities are gaining momentum, the consumer market in Hong Kong will remain challenging with the delayed full opening of the cross-border travels between Hong Kong and Mainland China.

However, we remain positive about the promising outlook of the healthcare industry. In particular, the COVID-19 pandemic has boosted health concerns and accelerated the consumer shift towards greater proactivity in managing their health and wellness. This will further aid the growth momentum of the consumer healthcare market, which is set against the backdrop of the aging population, increased demand for better healthcare, the sedentary lifestyle, and growth in health consciousness.

COVID-19 has also helped hasten the shift in consumers' purchasing habits, driving them increasingly from shopping offline to online. We believe that the trend of the at-home economy will continue to spur rapid growth of online business across the markets, supporting the momentum of the Group's cross-border e-commerce business development.

Given the favorable policy support for the development of TCM in the region, we are excited about the emerging business opportunities opened up in the Greater Bay Area. The Group, as a key proprietary Chinese medicines and CCMG market player in Hong Kong, is well poised to tap into the potential of the burgeoning market with a sizable population of over 70 million in the Greater Bay Area.

That said, we will remain focused to build on our growth strategies with improved resilience and operational efficiency, and capitalise on market opportunities by helping consumers better manage their health with quality and well-trusted branded healthcare products – inspired by our mission of enabling better health through self-care.

Remuneration Policy

As at 30 September 2022, the Group had a total of 234 employees (compared to 231 employees as at 30 September 2021). For the Reporting Period, the total staff cost of the Group was approximately HK\$34.4 million, compared to approximately HK\$35.3 million for the six months ended 30 September 2021 due to streamlined organisation for the operation and development of the Group.

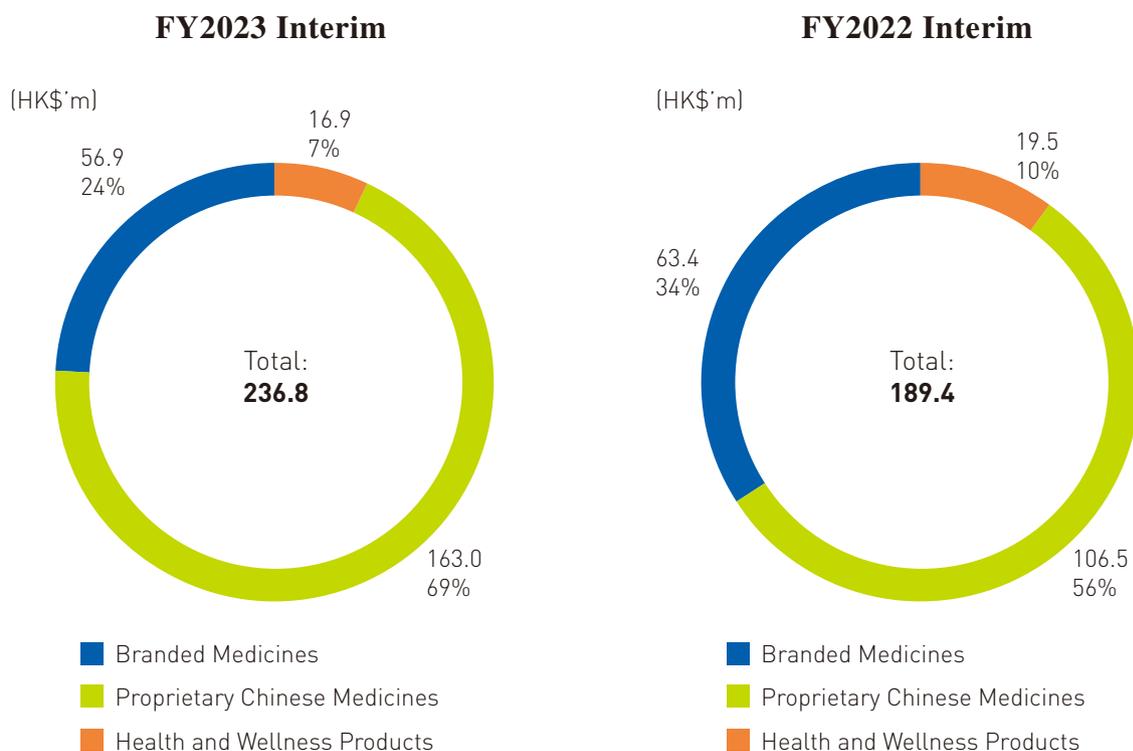
All the employees have signed the standard employment contracts with the Group. Employees' remuneration packages include one or more of the following items: basic salary, sales incentive, productivity-related incentives and discretionary performance bonus. The Group sets out performance attributes for the employees based on their positions and job functions. Performance appraisal is conducted regularly to review employees' performance against the Group's strategic objectives and targets. Management and sales related staff members have their performance measured against key performance indicators (KPIs). The result of performance appraisal will be taken into consideration when assessing salary adjustments, bonus awards, promotion, staff development plans and training needs. To maintain the competitiveness in the labour market, the Group provides different staff benefits including annual leave entitlement, mandatory provident fund, group medical insurance and group life insurance. The Group did not experience any strike or labour dispute that would have significant impact on the business during the Reporting Period.

Employees are the most valuable assets to the Group. Therefore, the Group has implemented a comprehensive recruitment procedure for selecting the right candidates, provides competitive compensation and benefit packages to attract and retain talents. The Group also emphasises on training and developing their employees. Different in-house training programs are conducted to enhance employees' job related skill and knowledge. Besides, the Group has a training sponsorship policy to encourage employees to attend external training programs for promoting their job competencies and personal development.

FINANCIAL REVIEW

Revenue

Revenue by Operating Segments



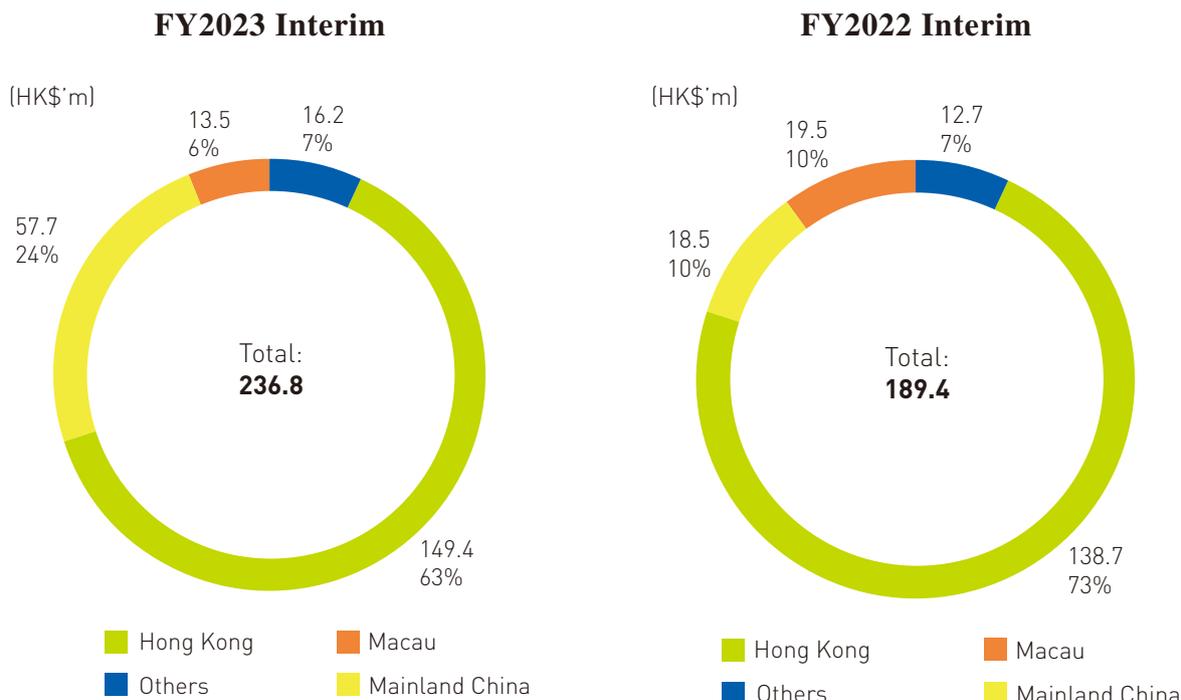
The substantial increase in the Group's total revenue of HK\$47.4 million, or 25.0% compared to FY2022 Interim, was mainly attributable to the significant increase in revenue of HK\$56.5 million in the proprietary Chinese medicines segment, which was partly offset by the decrease of HK\$6.5 million in the branded medicines segment and HK\$2.6 million in the health and wellness products segment. The revenue split of the three segments was at the ratio of 69%, 24% and 7%.

The revenue in the proprietary Chinese medicines segment delivered a robust growth of 53.1% from FY2022 Interim to FY2023 Interim, which benefitted from the strong growth of sales generated from our cross-border e-commerce platforms and the notable increase in the revenue of CCMG business due to the increased popularity of traditional Chinese medicines driven by the epidemic, on back of the growing acceptance by the public of their complementing healing benefits. It was also contributed by the rebound of revenue of Po Chai Pills locally and in some overseas countries with the resumption of social and economic activities.

The revenue in the branded medicines segment was reduced by 10.3% from FY2022 Interim to FY2023 Interim. Due to the adverse impact of the pandemic on retail consumption in Hong Kong and Macau, the revenue of Ho Chai Kung brand products was slowed down. However, category-leading brand AIM Atropine Eye Drops continued to deliver promising growth amid the potential demand among young children for control of myopia progression.

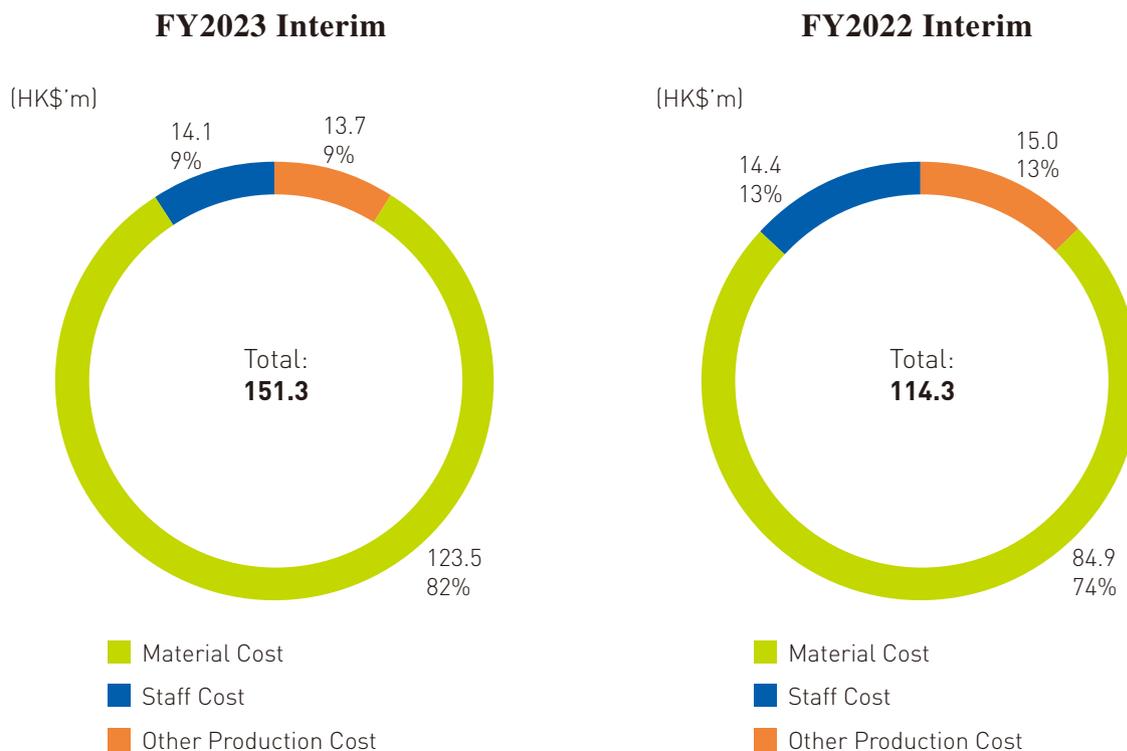
For the health and wellness products segment, a considerable decrease of 13.3% in revenue was registered in FY2023 Interim as compared to the previous period, attributed to the reduction of sales of various products in the retail sector in Hong Kong. The decrease, however, was partly compensated by the stable growth of Oncotype DX Breast Cancer Recurrence Score Test during the Reporting Period.

Revenue by Geographic Locations



Hong Kong continued to be the major revenue stream, representing 63% of the total revenue with an increase in revenue of HK\$10.7 million compared to the previous period, which was mainly due to the strong growth in sales of CCMG products and Po Chai Pills. The revenue in Mainland China increased significantly by HK\$39.2 million from FY2022 Interim to FY2023 Interim, mainly attributable to the robust sales performance via various cross-border e-commerce platforms during the Reporting Period. The reduction in revenue in Macau by HK\$6.0 million from FY2022 Interim to FY2023 Interim was mainly caused by travel restriction measures in Macau during the Reporting Period. The remarkable increase in revenue from other overseas markets by HK\$3.5 million from FY2022 Interim to FY2023 Interim was mainly due to the increase in sales in the United States and key Caribbean markets, being partly offset by the decline in sales in the United Kingdom.

Cost of Sales

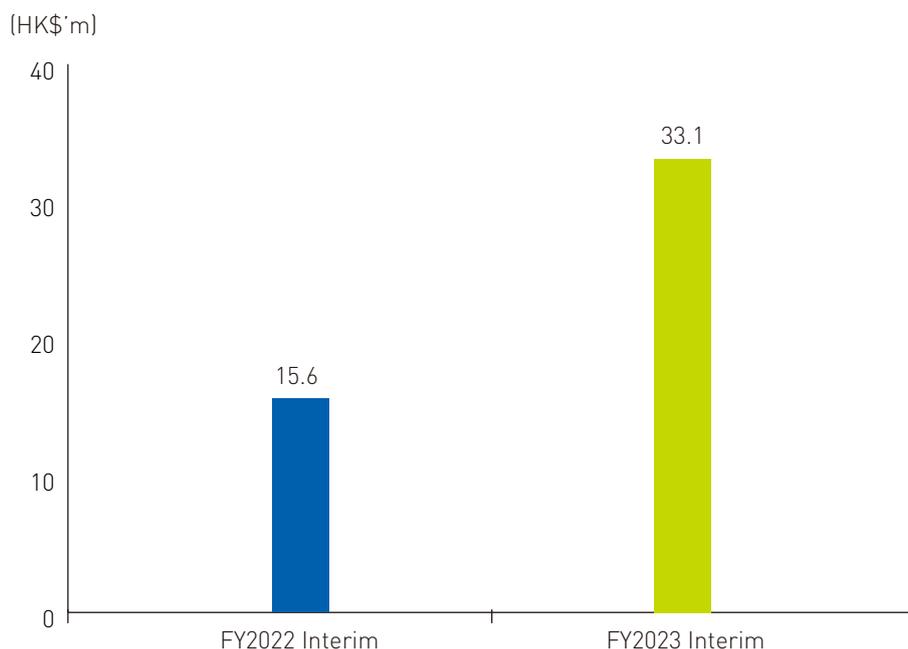


Material cost continued to be the major component which constituted approximately 82% of the total cost of sales for the FY2023 Interim. The increase in material cost of HK\$38.6 million or 45.5% from FY2022 Interim to FY2023 Interim was primarily due to procurement of third party brand products for sale to various cross-border e-commerce platforms with relatively low margin compared to the existing products of the Group.

The slight decrease in staff cost of HK\$0.3 million or 2.1% from FY2022 Interim to FY2023 Interim was mainly attributed to the implementation of optimisation program and cost control measures by the Group.

The decrease in other production cost of HK\$1.3 million or 8.7% from FY2022 Interim to FY2023 Interim was contributed by effective cost control measures.

Profit from Operations



The profit from operations increased significantly by HK\$17.5 million or 112.2% to HK\$33.1 million from FY2022 Interim to FY2023 Interim, which was mainly attributable to the increase in gross profit and recognition of the one-off Employment Support Scheme subsidy from the HKSAR Government during the Reporting Period.

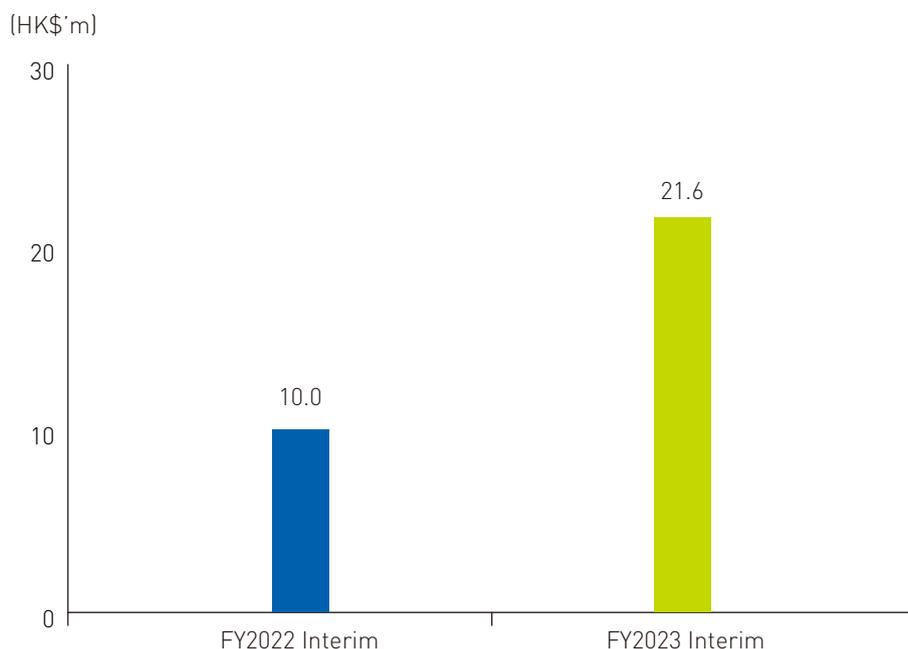
Finance Costs

During the Reporting Period, the finance costs maintained at a similar level as compared with FY2022 Interim as a result of the net effect of the increase in interest rate, repayment of bank loans and drawdown of loan from a fellow subsidiary.

Income Tax

The increase in income tax from FY2022 Interim to FY2023 Interim primarily reflected the higher profit before taxation generated during the Reporting Period. The decrease in effective income tax rate from FY2022 Interim to FY2023 Interim was mainly attributable to the increase in non-taxable income.

Profit Attributable to Equity Shareholders



The significant increase in profit attributable to equity shareholders of HK\$11.6 million or 116.0% from FY2022 Interim to FY2023 Interim was mainly contributed by rebound of profit from operations.

Assets

Property, Plant and Equipment

The decrease in the value of property, plant and equipment as at 30 September 2022, compared with 31 March 2022, principally reflected the depreciation of HK\$13.3 million, which was partly offset by the additions of HK\$3.8 million during the Reporting Period.

Intangible Assets

The decrease in intangible assets as at 30 September 2022, compared with 31 March 2022, was primarily attributable to amortisation of HK\$10.3 million.

Inventories

The inventory level as at 30 September 2022 increased by HK\$5.4 million for satisfying the demand in the various cross-border e-commerce platforms in the fourth quarter of 2022.

Cash and Cash Equivalents

Approximately 89.5% of cash and cash equivalents as at 30 September 2022 were denominated in Hong Kong dollars (as at 31 March 2022: 90.1%), while the remaining balances were mainly denominated in Euros, United States dollars, Renminbi and Singapore dollars.

Liabilities

Bank Loans and Other Borrowings

The decrease in bank loans and other borrowings from HK\$175.0 million as at 31 March 2022 to HK\$160.0 million as at 30 September 2022 represented the net effect of repayment of bank loans of HK\$75.0 million and drawdown of loan of HK\$60.0 million from a fellow subsidiary. As at 30 September 2022, the bank loans and other borrowings of the Group were denominated in Hong Kong dollars.

Use of Proceeds

Use of IPO proceeds

Net proceeds of HK\$10,523,000 were raised from the initial public offering of the Company (after the deduction of underwriting fees, commissions and expenses paid by the Company in connection with the initial public offering) (the “**IPO Proceeds**”). As at the date of this interim results announcement, there has not been any change to the intended use of the IPO Proceeds or the allocated amount as disclosed in the Prospectus whereas the expected timeline of the use of the unutilised IPO Proceeds has been extended from 31 March 2022 to 31 March 2024, as disclosed in the announcement of the Company dated 9 March 2022.

The table below sets forth the status of utilisation of the IPO Proceeds as at 30 September 2022:

Use of IPO Proceeds as set out in the Prospectus	Proposed Application <i>HK\$'000</i>	As at 31 March 2022		As at 30 September 2022		Expected timeline for utilising the remaining IPO proceeds
		Actual utilised amount <i>HK\$'000</i>	Unutilised amount <i>HK\$'000</i>	Actual utilised amount <i>HK\$'000</i>	Unutilised amount <i>HK\$'000</i>	
Portfolio development and brand management of proprietary Chinese medicines	5,000	3,104	1,896	1,896	-	N/A
Payments for obtaining additional distribution rights from third-party brand owners	4,523	4,523	-	-	-	N/A
General working capital	1,000	1,000	-	-	-	N/A
Total	<u>10,523</u>	<u>8,627</u>	<u>1,896</u>	<u>1,896</u>	<u>-</u>	

The IPO Proceeds were used according to the plans disclosed in the Prospectus and supplemented by the announcement of the Company dated 9 March 2022 as shown above.

Liquidity, Capital Resources and Capital Structure

The Group consistently adheres to conservative fund management. The solid capital structure and financial strength continue to provide a solid foundation for the Group's future business development as well as mergers and acquisitions.

The Group's primary uses of cash are to fund working capital and capital expenditures. During the Reporting Period, the Group funded its cash requirements principally from cash generated from operations, bank loans and other borrowings.

Charge on Group Assets

The carrying value of assets pledged against bank loans was HK\$75.2 million as at 30 September 2022 (as at 31 March 2022: HK\$76.5 million).

Net Gearing Ratio

The net gearing ratio of the Group (bank loans and loan from a fellow subsidiary less cash and cash equivalents, divided by total equity multiplied by 100%) decreased from 10.9% as at 31 March 2022 to 6.6% as at 30 September 2022. The decrease in net gearing ratio was mainly attributable to repayment of bank loans during the Reporting Period.

Financial Risk Analysis

Management considered that the Group did not have significant exposure to fluctuation in exchange rates and any related hedges.

Contingent Liabilities

As at 30 September 2022, the Group did not have any significant contingent liabilities.

Significant Events After the Reporting Period

No significant event has taken place subsequent to 30 September 2022 and up to the date of this interim results announcement.

Significant Investment Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period. The Group had no significant investments held during the Reporting Period.

Future Plans for Material Investment or Capital Assets

As at the date of this announcement, the Group did not have any plans for material investment and capital assets in the coming year.

PRINCIPAL RISKS AND UNCERTAINTIES

The following is a summary of the principal risks and uncertainties identified by the Company which may have material and adverse impact on its business or operation, and how the Company endeavours to manage the risks involved. There may be other principal risks and uncertainties in addition to those shown below which are not known to the Company or which may not be material now but could turn out to be material in the future.

- The outbreak of COVID-19 has weakened consumer sentiment and adversely impacted retail spending in Hong Kong as local economic activities and the number of visitors declined as a result of various social distancing measures and travel restrictions implemented from time to time. As we sell the majority of our products through retail channels, such as major modern trade chain stores, registered pharmacies and drug stores, the COVID-19 outbreak has negatively affected the sales of many of our branded healthcare products. Any further prolonged outbreak of COVID-19 may materially and adversely impact on our business and financial performance going forward.
- Our success is attributable to the well-established brands of our products and our ability to manage the brands effectively. We devoted significant resources in brand marketing, promotion and management to enhance their appeal and recognition. However, the marketing and promotional initiatives may not always be successful. Furthermore, our business could be negatively impacted if any of our products suffers substantial harm to its brand reputation due to product recall, defects, product misuse, negative or inaccurate reports, postings on social media etc.
- Our branded healthcare products typically compete in three market segments, namely the branded medicines, health and wellness and proprietary Chinese medicine markets, which are highly competitive and rapidly evolving with frequent introduction of new brands and products and high consumer expectations on quality and value. We face intense competition from existing competitors and new entrants, including multinational companies, as well as domestic manufacturers and distributors of products that have competing market positioning or similar efficacies that can be used as substitutes for our products.
- The nature of our business exposes us to the risk of product liability, personal injury or wrongful death claims that are inherent in the development, manufacture and sales of consumer products. Manufacturers or vendors of defective products could be subject to civil liability for loss or physical injury to any affected person. In Hong Kong, manufacturers of defective products could also be subject to criminal liability and have their business licenses revoked. In the event a lawsuit is brought against us, we may have to incur substantial costs to defend the lawsuit or be held liable for significant damages, and we may be unable to seek full indemnification from our suppliers, third-party manufacturers or third-party brand owners or be fully covered by our insurance for our liability and costs.

The Company believes that risk management is essential to the Group's efficient and effective operation. The Company's management assists the Board in evaluating material risk exposure in the Group's business, participating in formulating appropriate risk management and internal control measures, and ensuring its implementation in the daily operational management.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is primarily engaged in production, sales and distribution of branded healthcare products and proprietary Chinese medicines which does not have any material impact on the environment. The key environmental impacts from the Group's operation are related to electricity, water and paper consumption. The Group is fully aware of the importance of sustainable environmental development, and has implemented a number of measures to encourage environmental protection and energy conservation.

During the Reporting Period, there was no significant regulatory non-compliance with applicable environmental laws and regulations.

COMPLIANCE WITH LAWS AND REGULATIONS

During the Reporting Period, the Group is in compliance with the applicable laws and regulations which have significant impacts on the Group in all material respects.

CORPORATE GOVERNANCE HIGHLIGHTS

The Board is committed to maintaining high corporate governance standards.

The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has applied the code provisions as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Listing Rules as its own code of corporate governance.

The Company has complied with all the code provisions of the CG Code and adopted most of the recommended best practices set out therein throughout the six months ended 30 September 2022.

AMENDMENTS TO MEMORANDUM AND ARTICLES OF ASSOCIATION

At the annual general meeting of the Company held on 23 September 2022, the shareholders of the Company passed a special resolution approving the proposed amendments to the amended and restated memorandum and articles of association of the Company and the adoption of the second amended and restated memorandum and articles of association of the Company. For further details, please refer to the Company's circular dated 28 July 2022.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions of the Directors. All Directors confirmed that they have complied with the required standard as set out in the Model Code throughout the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities throughout the Reporting Period.

AUDIT COMMITTEE

The Audit Committee currently consists of all three independent non-executive Directors, namely Mr. Chan Kam Chiu, Simon (chairman of the Audit Committee), Mr. Luk Ting Lung, Alan and Mr. Lau Shut Lee, Tony. The primary duties of the Audit Committee shall be to assist the Board in its oversight of the completeness, accuracy and fairness of the financial statements of the Company, of the effectiveness and adequacy of risk management and internal control systems, of the independence of the external auditor and of the performance of the Company's internal audit and compliance function.

REVIEW OF INTERIM RESULTS

The interim results for the six months ended 30 September 2022 are unaudited, but have been reviewed by KPMG, 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 HKICPA, whose unmodified review report is included in the 2022 Interim Report to be sent to shareholders of the Company. The Audit Committee, together with management of the Company, has also reviewed the interim results for the six months ended 30 September 2022.

INTERIM DIVIDEND

The Board declared the payment of an interim dividend per ordinary share for the six months ended 30 September 2022 of HK0.5 cent for the total amount of approximately HK\$4.5 million (six months ended 30 September 2021: Nil). The interim dividend will be paid on 29 December 2022 (Thursday) to shareholders whose names appear on the register of members of the Company on 13 December 2022 (Tuesday), the record date. The details of interim dividend of the Group are set out in note 9 to this interim results announcement.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement of shareholders of the Company to receive the interim dividend, the register of members of the Company will be closed from 12 December 2022 (Monday) to 13 December 2022 (Tuesday), both days inclusive, during which period no transfer of shares of the Company will be registered. All transfer documents, accompanied by the relevant share certificates, shall be lodged with the Company's Hong Kong Branch Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on 9 December 2022 (Friday).

PUBLICATION OF THIS INTERIM RESULTS ANNOUNCEMENT AND THE 2022 INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.jbmhealthcare.com.hk). The 2022 Interim Report containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company and will be dispatched to the shareholders of the Company in due course.

By order of the Board
JBM (Healthcare) Limited
Wong Yat Wai, Patrick
Executive Director and Chief Executive Officer

Hong Kong, 25 November 2022

As at the date of this announcement, the Board comprises Mr. Sum Kwong Yip, Derek as the Chairman and non-executive Director, Mr. Wong Yat Wai, Patrick (also as Chief Executive Officer) as executive Director, Mr. Yim Chun Leung and Mr. Yeung Kwok Chun, Harry as non-executive Directors, and Mr. Chan Kam Chiu, Simon, Mr. Luk Ting Lung, Alan and Mr. Lau Shut Lee, Tony as independent non-executive Directors.

GLOSSARY

In this announcement, unless otherwise specified, the following glossary applies:

“2022 Interim Report”	the interim report of the Company for the six months ended 30 September 2022
“AIM Atropine Eye Drops”	refers to AIM Atropine 0.01% Eye Drops and AIM Atropine 0.125% Eye Drops procured from Aseptic Innovative Medicine Co. Ltd., an anticholinergic agent as a sterile topical preservative-free ophthalmic solution that is commonly used in the treatment of myopia, mydriasis and cycloplegia
“Audit Committee”	the audit committee of the Company
“Board”	the board of directors of the Company
“CCMG”	concentrated Chinese medicine granule, traditional Chinese herbal medicines processed through modern extraction and concentration technologies to arrive at a granular form for easy dispensary and administration
“China”, “Mainland China”, “PRC” or “the PRC”	the People’s Republic of China excluding, for the purpose of this interim results announcement, Hong Kong, Macau and Taiwan
“Company” or “the Company”	JBM (Healthcare) Limited, an exempted company incorporated in the Cayman Islands with limited liability on 7 January 2020
“COVID-19”	Coronavirus disease 2019
“Director(s)”	the director(s) of the Company
“Employment Support Scheme”	the scheme launched by the HKSAR Government in 2022 to provide wage subsidies
“FY2022”	the year ended 31 March 2022
“FY2022 Interim”	the six months ended 30 September 2021
“FY2023 Interim” or “Reporting Period”	the six months ended 30 September 2022

“Greater Bay Area”	the “Guangdong-Hong Kong-Macau Greater Bay Area”, referring to the region linking two special administrative regions, namely Hong Kong and Macau, and the nine cities in Guangdong Province, namely Guangzhou, Shenzhen, Zhuhai, Foshan, Zhongshan, Dongguan, Huizhou, Jiangmen and Zhaoqing and forming an integrated economic and business hub under PRC government’s scheme
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of the PRC
“HKSAR Government”	Government of Hong Kong
“JBM”, “Group”, “our Group”, “the Group”, “we”, “us” or “our”	the Company and its subsidiaries and, in respect of the period before we became the holding company of our present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Macau”	the Macau Special Administrative Region of the PRC
“Main Board”	Main Board of the Stock Exchange
“OTC”	a term used to describe medicines that can be sold directly to a consumer without a prescription from a healthcare professional, as compared to prescription drugs, which are sold only to consumers possessing a valid prescription
“Prospectus”	the prospectus issued by the Company dated 26 January 2021
“Share(s)”	ordinary share(s) in the capital of the Company with nominal value of HK\$0.01 each
“Share Award Scheme”	the share award scheme adopted by our Company on 18 January 2021, a summary of the principal terms of which is set forth in the Prospectus
“Stock Exchange”	The Stock Exchange of Hong Kong Limited