

SciencTech

樂普心泰醫療科技(上海)股份有限公司

LEPU ScienTech Medical Technology (Shanghai) Co., Ltd.*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(於中華人民共和國註冊成立的股份有限公司)

Stock Code 股份代號 : 2291



2023
ANNUAL REPORT
年度報告

* For identification purposes only

* 僅供識別

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Definitions

釋義

In this annual report, the following expressions have the meanings set out below unless the context requires otherwise: 於本年報中，除非文義另有所指，下列詞彙具有下文所載涵義：

“2023 AGM”		the forthcoming annual general meeting of the Company to be held on Thursday, May 23, 2024, or any adjournment thereof
「2023年股東週年大會」	指	本公司將於2024年5月23日(星期四)舉行的應屆股東週年大會或其任何續會
“Articles of Association”		the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
「公司章程」	指	本公司之公司章程(經不時修訂、改動或以其他方式補充)
“Actual Controller”		the individual or entity that can control a company by way of investment relationship, contracts or other arrangements according to the Listing Rules of the ChiNext Board of the Shenzhen Stock Exchange 《深圳證券交易所創業板股票上市規則》 where Lepu Medical, our controlling shareholder, is listed
「實際控制人」	指	根據控股股東樂普醫療上市地的《深圳證券交易所創業板股票上市規則》，通過投資關係、協議或者其他安排能夠實際支配公司行為的個人或實體
“ASD”		atrial septal defect, a remnant opening, or a defect, between the left and right atria resulting from the abnormal development, absorption and fusion of the atrial septum during embryonic development
「房間隔缺損」	指	房間隔缺損，胚胎發育過程中，房間隔的發育、吸收和融合出現異常，導致左、右心房之間的殘留未閉或缺損
"Anhui Magete"		Anhui Magete Medical Technology Co., Ltd.# (安徽省瑪格特醫療科技有限公司), a limited liability company established in the PRC on November 22, 2016 and an indirect non-wholly owned subsidiary of Lepu Medical
「安徽瑪格特」	指	安徽省瑪格特醫療科技有限公司，一家於2016年11月22日於中國成立的有限公司，為樂普醫療的間接非全資附屬公司
“Audit Committee”		the audit committee of the Board
「審計委員會」	指	董事會審計委員會
“Board of Supervisors”		the board of supervisor(s) of our Company
「監事會」	指	本公司監事會
“Board”		the board of Directors of the Company
「董事會」	指	本公司董事會

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“CDH Supermatrix”		CDH Supermatrix D Limited, a limited liability company incorporated under the laws of Hong Kong on April 27, 2021 and a Pre-IPO Investor
「CDH Supermatrix」	指	CDH Supermatrix D Limited，一家於2021年4月27日根據香港法例註冊成立的有限責任公司及首次公開發售前投資者
“CG Code”		the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
「《企業管治守則》」	指	《上市規則》附錄C1所載《企業管治守則》
“CHD”		congenital heart disease, the formation of the heart and blood vessels during embryonic development or abnormal development or failure to close the channels that should be automatically closed after birth, resulting in abnormalities in the solid structure or function of the blood vessels in the heart or thoracic cavity
「先天性心臟病」	指	先天性心臟病，在胚胎發育時期由於心臟及血管的形成障礙或發育異常或出生後應自動關閉的通道未能閉合，導致心臟或胸腔內血管的立體結構或功能異常
“Company” or “ScienTech Medical” or “company”		LEPU ScienTech Medical Technology (Shanghai) Co., Ltd.* (樂普心泰醫療科技(上海)股份有限公司), a joint stock limited liability company established in the PRC on January 29, 2021 and whose Shares are listed on the Main Board of the Stock Exchange
「本公司」或「心泰醫療」或「公司」	指	樂普心泰醫療科技(上海)股份有限公司，一家於2021年1月29日於中國成立的股份有限公司，其股份於聯交所主板上市
“controlling shareholder(s)”		has the meaning ascribed to it under the Listing Rules
「控股股東」	指	具有《上市規則》賦予該詞的涵義
“Director(s)”		the director(s) of our Company
「董事」	指	本公司董事
“Dr. Pu”		Dr. Pu Zhongjie (蒲忠傑), one of the controlling shareholders of the Company and the Actual Controller of Lepu Medical
「蒲博士」	指	蒲忠傑博士，本公司控股股東之一及樂普醫療的實際控制人
“Entrusted Products”		the TAVR system, TMVCRS and balloon dilatation catheter for aortic valve that the Group entrusted the Retained Lepu Medical Group for its R&D, registration and production pursuant to an asset transfer agreement (including an intellectual property transfer agreement as attached thereto) entered into between Shanghai Shape Memory Alloy and Lepu Medical in January 2021
「委託產品」	指	根據上海形狀記憶合金材料與樂普醫療於2021年1月簽訂的資產轉讓協議(包括隨附知識產權轉讓協議)，本集團委託餘下樂普醫療集團進行研發、註冊及生產的經導管植入式主動脈瓣膜系統，TMVCRS及主動脈瓣膜球囊擴張導管
“EU”		the European Union
「歐盟」	指	歐洲聯盟

Definitions

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“FIM” 「FIM」	指	First in man 臨床首次人體實驗
“Global Offering” 「全球發售」	指	has the meaning ascribed to it under the Prospectus 具有招股章程賦予該詞的涵義
“Group”, “we”, “us”, or “our” 「本集團」或「我們」	指	the Company and its subsidiary from time to time 本公司及其不時的附屬公司
“HK dollar” or “HK\$” 「港元」	指	Hong Kong dollars, the lawful currency of Hong Kong 香港法定貨幣港元
“Hong Kong” 「香港」	指	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Huaihua Haozhi” 「懷化皓智」	指	Huaihua Haozhi Enterprise Management Partnership (Limited Partnership) [#] (懷化皓智企業管理合夥企業(有限合夥)), a limited liability partnership established under the laws of the PRC on February 19, 2020 and a Pre-IPO Investor 懷化皓智企業管理合夥企業(有限合夥), 一家於2020年2月19日根據中國法律成立的有限合夥企業及首次公開發售前投資者
“IFRS” 「《國際財務報告準則》」	指	refers to International Financial Reporting Standards, amendments and interpretations issued by the International Accounting Standards Board 國際會計準則理事會頒佈的《國際財務報告準則》、修訂及詮釋
“Independent Third Party(ies)” 「獨立第三方」	指	an individual(s) or a company(ies) who or which is/are not connected (within the meaning of the Listing Rules) with any Directors, chief executives or substantial shareholders (within the meaning of the Listing Rules) of our Company, its subsidiary or any of their respective associates 與本公司、其附屬公司的任何董事、主要行政人員或主要股東(定義見《上市規則》)或彼等各自的任何聯繫人概無關連(定義見《上市規則》)的任何個人或公司
“KOLs” 「業界專家」	指	key opinion leaders, who are professionals that influence their peers’ medical practice, including but not limited to prescribing behavior 業界專家, 為對同行的醫療實務(包括但不限於處方行為)產生影響的專業人士
“LAA” 「左心耳」	指	left atrial appendage, a long, narrow and curved blind-end structure extending forward and downward along the anterior wall of the left atrium, which has active diastolic and secretory functions 左心耳, 沿左心房前側壁向前下延伸的狹長、彎曲的盲端結構, 具有主動舒縮和分泌功能

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"Lepu India"		LepuCare (India) Vascular Solutions Private Limited, a company limited shares incorporated on April 30, 2016 in India and a wholly-owned subsidiary of Lepu Medical
「Lepu India」	指	LepuCare (India) Vascular Solutions Private Limited，一家於2016年4月30日在印度註冊成立的股份有限公司，為樂普醫療的全資附屬公司
"Lepu Medical"		Lepu Medical Technology (Beijing) Co., Ltd.# (樂普(北京)醫療器械股份有限公司), a company listed on the ChiNext Board of the Shenzhen Stock Exchange, stock code: 300003, one of our controlling shareholders
「樂普醫療」	指	樂普(北京)醫療器械股份有限公司，一家於深圳證券交易所創業板上市的公司(證券代碼：300003)，為控股股東之一
"Lepu Medical Group" 「樂普醫療集團」	指	Lepu Medical and its subsidiaries 樂普醫療及其附屬公司
"Lepu Shanghai"		Lepu Medical Technology (Shanghai) Co., Ltd.# (樂普(上海)醫療器械有限公司), a limited liability company established in the PRC on March 1, 2016, and a non-wholly owned subsidiary of Lepu Medical
「樂普上海」	指	樂普(上海)醫療器械有限公司，一家於2016年3月1日於中國成立的有限公司，為樂普醫療的非全資附屬公司
"Listing"		the listing of Shares on the Main Board of the Stock Exchange on November 8, 2022
「上市」	指	股份於2022年11月8日於聯交所主板上市
"Listing Date"		November 8, 2022, being the date on which the Shares of the Company were listed on the Main Board of the Stock Exchange
「上市日期」	指	2022年11月8日，即本公司股份於聯交所主板上市的日期
"Listing Rules" 「《上市規則》」	指	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券《上市規則》
"Main Board" 「主板」	指	the Main Board of the Stock Exchange 聯交所主板
"Model Code" 「《標準守則》」	指	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules 載於《上市規則》附錄C3的《上市發行人董事進行證券交易的標準守則》

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“Ningbo Jiadu”		Ningbo Jiadu Enterprise Management Partnership (Limited Partnership) (寧波嘉度企業管理合夥企業(有限合夥)), a limited liability partnership established on February 22, 2021 in the PRC and the shareholding platform for our employees
「寧波嘉度」	指	寧波嘉度企業管理合夥企業(有限合夥)，一家於2021年2月22日於中國成立的有限合夥企業，為我們僱員的持股平台
“NMPA”		the National Medical Products Administration of the PRC (國家藥品監督管理局), formerly known as the China Food and Drug Administration
「國家藥監局」	指	中國國家藥品監督管理局，前稱國家食品藥品監督管理總局
“PBOC”		the People’s Bank of China
「中國人民銀行」	指	中國人民銀行
“PDA”		patent ductus arteriosus, a remnant opening of the ductus arteriosus, which fails to close normally in one year after birth
「動脈導管未閉」	指	動脈導管未閉，出生一年後仍未能正常閉合的動脈導管的殘留未閉
“PFO”		patent foramen ovale, a remnant opening of the fetal foramen ovale, which fails to close normally in one year after birth
「卵圓孔未閉」	指	卵圓孔未閉，出生一年後仍未能正常閉合的胎兒卵圓孔的殘留未閉
“PRC” or “China”		the People’s Republic of China, excluding, for the purposes of this report, Hong Kong, the Macau Special Administrative Region and Taiwan
「中國」	指	中華人民共和國，就本報告而言，不包括香港、澳門特別行政區及台灣地區
“Pre-IPO Investors”		the pre-IPO investors, namely Vivo Capital Fund IX, Sequoia Capital China Growth, SHC, Huaihua Haozhi and CDH Supermatrix, details of which are set out in the Prospectus
「首次公開發售前投資者」	指	首次公開發售前投資者，即Vivo Capital Fund IX、Sequoia Capital China Growth、上海生物醫藥、懷化皓智及CDH Supermatrix，詳情載於招股章程
“Prospectus”		the prospectus issued by the Company on October 27, 2022 in connection with the Hong Kong public offering of the Shares
「招股章程」	指	本公司就香港公開發售股份於2022年10月27日刊發的招股章程
“Relevant Activities”		research and development, registration and manufacturing activities relating to the Entrusted Products (to the extent that the then applicable PRC laws and regulations prohibits us from carrying out such activities), details of which are set out in the Prospectus
「有關活動」	指	與委託產品有關的研發、註冊及生產活動(倘若當時適用的中國法律法規禁止我們進行該等活動則除外)，詳情載於招股章程

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“Reporting Period” 「報告期」	指	for the year ended December 31, 2023 截至2023年12月31日止年度
“Retained Lepu Medical Group” 「餘下樂普醫療集團」	指	Lepu Medical and its subsidiaries, excluding our Group 樂普醫療及其附屬公司，不包括本集團
“RMB” 「人民幣」	指	Renminbi, the lawful currency of the PRC 中國的法定貨幣人民幣
“Sequoia Capital China Growth” 「Sequoia Capital China Growth」	指	SCC Growth VI Holdco AF, Ltd., an exempted company with limited liability incorporated under the laws of the Cayman Islands on April 12, 2021 and a Pre-IPO Investor SCC Growth VI Holdco AF, Ltd.，一家於2021年4月12日根據開曼群島法律註冊成立的獲豁免有限公司及首次公開發售前投資者
“SFO” 「《證券及期貨條例》」	指	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time 香港法例第571章《證券及期貨條例》，經不時修訂、補充或以其他方式修改
“Shanghai Shape Memory Alloy” 「上海形狀記憶合金材料」	指	Shanghai Shape Memory Alloy Co., Ltd.# (上海形狀記憶合金材料有限公司), a limited liability company established under the laws of the PRC on May 5, 1994 and a wholly-owned subsidiary of the Company 上海形狀記憶合金材料有限公司，一家於1994年5月5日根據中國法律成立的有限公司，為本公司的全資附屬公司
“Shareholder(s)” 「股東」	指	holder(s) of Share(s) 股份的持有人
“Shares” 「股份」	指	ordinary share(s) in the share capital of our Company with a par value of RMB1.00 each 本公司股本中每股面值人民幣1.00元的普通股
“SHC” 「上海生物醫藥」	指	Shanghai Healthcare Capital Partnership (Limited Partnership) (上海生物醫藥產業股權投資基金合夥企業(有限合夥)), a limited liability partnership established under the laws of the PRC on October 28, 2020 and a Pre-IPO Investor 上海生物醫藥產業股權投資基金合夥企業(有限合夥)，一家於2020年10月28日根據中國法律成立的有限合夥企業及首次公開發售前投資者
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Substantial Shareholder(s)” 「主要股東」	指	has the meaning ascribed to it in the Listing Rules 具有《上市規則》賦予該詞的涵義
“Supervisor(s)” 「監事」	指	the supervisor(s) of our Company 本公司監事

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"Target Medical"		Beijing Target Medical Technologies Co., Ltd.# (北京天地和協科技有限公司), a limited liability company established in the PRC on November 18, 1999 and a wholly-owned subsidiary of Lepu Medical, one of the controlling shareholders of the Company
「天地和協」	指	北京天地和協科技有限公司，一家於1999年11月18日在中國成立的有限公司，為本公司控股股東之一樂普醫療的全資附屬公司
"TAVR"		transcatheter aortic valve replacement, a catheter-based technique to implant a new aortic valve in a minimally invasive procedure that does not involve open-chest surgery to correct severe aortic stenosis
「經導管主動脈瓣置換術」	指	經導管主動脈瓣置換術，一種基於導管的技術，通過不涉及開胸手術的微創手術植入新的主動脈瓣，以矯正嚴重的主動脈瓣狹窄
"TMVR"		transcatheter mitral valve repair, which provides a newer, minimally invasive option for treating the most common form of mitral valve leakage for people who cannot undergo open-heart surgery. It is implanted via a tri-axial transcatheter technique and involves suturing together the anterior and posterior mitral valve leaflets
「TMVR」	指	經導管二尖瓣修復術，為無法接受心臟直視手術的人治療最常見的二尖瓣滲漏提供了一種更新、微創選擇。通過三軸經導管技術進行植入，包括縫合二尖瓣前後瓣葉
"TMVr-F"		transfemoral mitral valve clip repair, a catheter-based technique to repair the mitral valve in an interventional therapy that does not involve open-chest surgery
「TMVr-F」	指	經股二尖瓣夾修復術，一種基於導管的技術，以在介入治療中修復二尖瓣而無需開胸
"TMVCRS"		transapical mitral valve repair system (chordal), a catheter-based system with two configurations, one enabling artificial mitral chordae implantation and the other enabling edge-to-edge chordae repair
「TMVCRS」	指	經心尖二尖瓣修復系統(腱索)，一種基於導管且具備兩種裝置的系統，一種實現人工二尖瓣腱索植入，另一種實現緣對緣腱索修復
"US\$" or "USD"		United States dollars, the lawful currency of the United States of America
「美元」	指	美國法定貨幣美元

Definitions 釋義

“Vivo Capital Fund IX”		Vivo Capital Fund IX, L.P., a limited partnership established under the laws of Delaware of the United States on March 12, 2018 and a Pre-IPO Investor
「Vivo Capital Fund IX」	指	Vivo Capital Fund IX, L.P.，一家於2018年3月12日根據美國特拉華州法律成立的有限合夥企業及首次公開發售前投資者
“VSD”		ventricular septal defect, a defect, or a hole, in the septum between the left and right ventricles of the heart, which may lead to abnormal blood circulation and pulmonary hypertension and other complications in severe cases
「室間隔缺損」	指	室間隔缺損，心臟左右心室的隔膜的缺損或孔洞，嚴重者可能導致血液循環異常及肺動脈高壓以及其他併發症
“%”		per cent
「%」	指	百分比
#	<i>For identification purposes only</i>	# 僅供識別
*	<i>The Company is a registered non-Hong Kong company as defined under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name “LEPU ScienTech Medical Technology (Shanghai) Co., Ltd.”.</i>	* 本公司註冊為香港法例第622章《公司條例》所定義的非香港公司，以其中文名稱及英文名稱「LEPU ScienTech Medical Technology (Shanghai) Co., Ltd.」註冊。



Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Director

Ms. Chen Juan (*Chairwoman*)

Non-Executive Directors

Ms. Zhang Yuxin (*redesignated on March 1, 2024*)

Mr. Fu Shan

Mr. Zheng Guorui

Independent Non-Executive Directors

Ms. Chan Ka Lai Vanessa

Mr. Zheng Yufeng

Mr. Liu Daozhi

SUPERVISORS

Mr. Wang Xinglin

Ms. Wang Xiaoyong

Mr. Qian Weidong

AUDIT COMMITTEE

Ms. Chan Ka Lai Vanessa (*Chairperson*)

Mr. Zheng Guorui

Mr. Zheng Yufeng

REMUNERATION COMMITTEE

Mr. Zheng Yufeng (*Chairperson*)

Ms. Chen Juan

Mr. Fu Shan

Ms. Chan Ka Lai Vanessa

Mr. Liu Daozhi

NOMINATION COMMITTEE

Ms. Chen Juan (*Chairperson*)

Mr. Zheng Guorui

Ms. Chan Ka Lai Vanessa

Mr. Zheng Yufeng

Mr. Liu Daozhi

董事會

執行董事

陳娟女士(*董事長*)

非執行董事

張昱昕女士(*於2024年3月1日調任*)

付山先生

鄭國銳先生

獨立非執行董事

陳嘉麗女士

鄭玉峰先生

劉道志先生

監事

王興林先生

王曉勇女士

錢衛東先生

審計委員會

陳嘉麗女士(*主席*)

鄭國銳先生

鄭玉峰先生

薪酬委員會

鄭玉峰先生(*主席*)

陳娟女士

付山先生

陳嘉麗女士

劉道志先生

提名委員會

陳娟女士(*主席*)

鄭國銳先生

陳嘉麗女士

鄭玉峰先生

劉道志先生

Corporate Information 公司資料

JOINT COMPANY SECRETARIES

Mr. Qin Xue
Ms. Ko Mei Ying (*appointed on July 18, 2023*)
Ms. Ng Ka Man (*resigned on July 18, 2023*)

AUTHORIZED REPRESENTATIVES

Ms. Chen Juan
Ms. Ko Mei Ying (*appointed on March 1, 2024*)
Ms. Zhang Yuxin (*resigned on March 1, 2024*)

LEGAL ADDRESS IN THE PRC

Room 201
Building 41
No. 258, Xinzhuan Road
Songjiang District
Shanghai
PRC

ADDRESS OF HEAD OFFICE IN THE PRC

1/F, 5/F
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No. 258, Xinzhuan Road
Songjiang District
Shanghai
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

5/F, Manulife Place
348 Kwun Tong Road
Kowloon
Hong Kong

AUDITORS

PricewaterhouseCoopers
Certified Public Accountants and Registered Public Interest
Entity Auditor
22/F, Prince's Building
Central
Hong Kong

聯席公司秘書

秦學先生
高美英女士 (*於2023年7月18日獲委任*)
吳嘉雯女士 (*於2023年7月18日辭任*)

授權代表

陳娟女士
高美英女士 (*於2024年3月1日獲委任*)
張昱昕女士 (*於2024年3月1日辭任*)

中國法定地址

中國
上海市
松江區
莘磚公路258號
41幢
201室

中國總部地址

中國
上海市
松江區
莘磚公路258號
41幢
1樓、5樓

香港主要營業地點

香港
九龍
觀塘道348號
宏利廣場5樓

核數師

羅兵咸永道會計師事務所
執業會計師及註冊公眾利益實體核數師
香港
中環
太子大廈22樓

Corporate Information

公司資料

LEGAL ADVISORS

As to Hong Kong law

Wilson Sonsini Goodrich & Rosati

As to PRC law

Haiwen & Partners

COMPLIANCE ADVISOR

Halcyon Capital Limited
11/F, 8 Wyndham Street
Central
Hong Kong

HONG KONG SHARE REGISTRAR

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

PRINCIPAL BANKS

Bank of Shanghai
China Merchants Bank
Industrial and Commercial Bank of China
Bank of Ningbo

COMPANY WEBSITE

<http://www.scientechmed.com/>

LISTING DATE

November 8, 2022

STOCK CODE

2291

法律顧問

有關香港法律

威爾遜•桑西尼•古奇•羅沙迪律師事務所

有關中國法律

北京市海問律師事務所

合規顧問

鎧盛資本有限公司
香港
中環
雲咸街8號11樓

香港證券登記處

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

主要往來銀行

上海銀行
招商銀行
中國工商銀行
寧波銀行

公司網站

<http://www.scientechmed.com/>

上市日期

2022年11月8日

股份代號

2291

Financial Highlights 財務摘要

- Revenue increased by 31.6% from RMB247.7 million for the year ended December 31, 2022 to RMB325.9 million for the year ended December 31, 2023.
 - Gross profit increased by 31.5% from RMB219.7 million for the year ended December 31, 2022 to RMB288.8 million for the year ended December 31, 2023.
 - Research and development expenses increased by 14.3% from RMB53.9 million for the year ended December 31, 2022 to RMB61.6 million for the year ended December 31, 2023.
 - Net other income of RMB18.4 million was recorded for the year ended December 31, 2023 as compared to net other losses of RMB69.5 million for the year ended December 31, 2022.
 - Profit attributable to owners of the Company of RMB151.5 million was recorded for the year ended December 31, 2023 as compared to a loss attributable to owners of the Company of RMB19.8 million for the year ended December 31, 2022.
 - The non-IFRS adjusted net profit⁽¹⁾ increased by 55.4% from RMB111.1 million for the year ended December 31, 2022 to RMB172.6 million for the year ended December 31, 2023.
 - The Board recommends the payment of a final dividend of RMB0.57 per Share (tax inclusive) for the year ended December 31, 2023.
- 收入由截至2022年12月31日止年度的人民幣247.7百萬元增加31.6%至截至2023年12月31日止年度的人民幣325.9百萬元。
 - 毛利由截至2022年12月31日止年度的人民幣219.7百萬元增加31.5%至截至2023年12月31日止年度的人民幣288.8百萬元。
 - 研發費用由截至2022年12月31日止年度的人民幣53.9百萬元增加14.3%至截至2023年12月31日止年度的人民幣61.6百萬元。
 - 截至2023年12月31日止年度錄得其他收入淨額人民幣18.4百萬元，而截至2022年12月31日止年度錄得其他虧損淨額人民幣69.5百萬元。
 - 截至2023年12月31日止年度錄得本公司擁有人應佔利潤人民幣151.5百萬元，而截至2022年12月31日止年度錄得本公司擁有人應佔虧損人民幣19.8百萬元。
 - 非國際財務報告準則經調整純利⁽¹⁾由截至2022年12月31日止年度的人民幣111.1百萬元增加55.4%至截至2023年12月31日止年度的人民幣172.6百萬元。
 - 董事會建議派發截至2023年12月31日止年度的末期股息每股人民幣0.57元(含稅)。

Financial Highlights

財務摘要

Notes:

- (1) Adjusted net profit which is unaudited, represents profit/(losses) for the year after adding back (i) listing expenses, net of tax; (ii) net foreign exchange losses from the retranslation of the USD-denominated redemption liabilities; (iii) interest expense on redemption liabilities; and (iv) share-based payment expenses. We eliminate the impacts of these items that our management do not consider to be indicative of our operating performance, as they are either non-cash items or non-recurring expenses.
- (2) Certain amounts and percentage figures included in this report have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

附註：

- (1) 我們的未經審計經調整純利指加回以下各項後的年內利潤／(虧損)(i)上市開支(稅後)；(ii)重新換算以美元計值的贖回負債所得外匯虧損淨額；(iii)贖回負債利息開支；及(iv)以股份為基礎的付款開支。我們撇除管理層認為對我們的經營表現不具指示性的項目的影響，原因為其為非現金項目或非經常性開支。
- (2) 本報告所載若干數額及百分比數字已約整。因此，若干表格合計一欄所列示的數字或與數字相加計算所得總數略有出入。任何表格或圖表所示總數與所列數額總和之間的差異乃約整所致。



Chairman's Statement 董事長致辭

Dear Shareholders of ScienTech Medical,

First of all, on behalf of the Board, management and staff of ScienTech Medical, I would like to extend my sincere greetings with best wishes to our Shareholders and friends from all walks of life.

Time flies, 2023 was the first full financial year of the Company since its successful listing on the Stock Exchange in November 2022. With the philosophy of creating value for Shareholders, while continuing to maintain the coordinated development of research and development, production and sales, the Company has strengthened its internal governance, refined and optimized its internal operational processes and improved its management quality, efficiency and effectiveness, which made the Company achieve a new level in overall operational management.

In 2023, against the backdrop of global economic downturn, slowdown in China's domestic economic growth, insufficient effective demand and downgrading of consumption in the post-pandemic era, the financial results of the Company still maintained a rapid and healthy growth. For the year ended December 31, 2023, the Company achieved revenue of RMB325.9 million, representing a year-on-year increase of 31.6% from the year ended December 31, 2022; profit attributable to owners of the Company of RMB151.5 million for the year ended December 31, 2023; non-IFRS adjusted net profit of RMB172.6 million for the year ended December 31, 2023, representing a year-on-year increase of 55.4% from the year ended December 31, 2022; net cash flow generated from operating activities of RMB164.3 million for the year ended December 31, 2023, representing a year-on-year increase of 150.7% from the year ended December 31, 2022. As of December 31, 2023, the total assets of the Group were RMB1,986.5 million, representing an increase of 9.8% from the beginning of the year, and the net assets were RMB1,926.7 million, representing an increase of 10.4% from the beginning of the year. These positive financial results were hard-earned, which benefited from the Company's deep reserves of product lines under research and strong commercialization capability, and demonstrated the Company's good operational capabilities and ability to combat risks.

致心泰醫療尊敬的股東：

首先，我謹代表心泰醫療公司董事會、管理層及全體員工，向公司股東和各界朋友們致以誠摯的問候和美好的祝福！

光陰荏苒，2023年是公司自2022年11月於聯交所成功上市後第一個完整的財政年度，秉持着為股東創造價值的理念，公司在繼續保持研發、生產和銷售協調發展的同時，強化內部治理工作，梳理並優化各項內部運營流程，向管理要質量，向管理要效率，向管理要效益，公司整體運營管理水平邁上了一個新的台階。

2023年度，在後疫情時代全球經濟低迷，中國國內經濟增長放緩，有效需求不足，消費降級的背景下，本公司財務業績仍保持了快速健康的增長，截至2023年12月31日止年度，本公司實現收入人民幣325.9百萬元，同比截至2022年12月31日止年度增長31.6%；截至2023年12月31日止年度，實現歸屬於本公司擁有人應佔利潤人民幣151.5百萬元；截至2023年12月31日止年度，非國際財務報告準則經調整純利為人民幣172.6百萬元，同比截至2022年12月31日止年度增長55.4%；截至2023年12月31日止年度，實現經營活動產生的現金流量淨額人民幣164.3百萬元，同比截至2022年12月31日止年度增長150.7%。截至2023年12月31日，本集團總資產為人民幣1,986.5百萬元，較年初增長9.8%；淨資產為人民幣1,926.7百萬元，較年初增長10.4%。這些積極的財務成果來之不易，既得益於公司深厚的研發產品線儲備和極強的商業化能力，也體現了公司良好的營運能力和抗風險能力。

Chairman's Statement

董事長致辭

With the spirit of “keep feet on the ground, strive for pioneering and innovation and forge ahead” and with a global vision, the Company insisted on innovation-driven direction and win-win cooperation, and continued to develop, produce and sell structural heart disease interventional medical devices with independent intellectual property rights. Meanwhile, on the basis of years of in-depth development in CHD devices, we timely and prudently researched and developed medical devices in other sub-divisions of structural heart disease, continuously strengthened, supplemented and enriched our product lines, and gradually sought development and breakthroughs in the horizontal and vertical dimensions of heart disease medical devices.

Following the MemoSorb® full-degradable occluder systems independently developed by the Company approved by the NMPA in February 2022, another innovative product independently developed by the Company, the Biodegradable MemoSorb® PFO Occluder was also approved by the NMPA in September 2023. Both of the innovative products were the world's first approved and successfully commercialized degradable occluder systems in their respective sub-areas. These products, including the degradable LAA occluder, which is under research and is expected to be certified, were the major achievements of the Company in implementing the philosophy of “No Implantation for Intervention”. We would like to maximize the application of the technologies related to biodegradable materials in the field of structural heart disease, and also achieve the best quality of products in terms of research and development technology, product design, and production process, in order to better serve the majority of patients and surgeons.

After the Company's third generation CHD occluder, the MemoCarna® oxide coating single-rivet occluder products had been gradually approved for the market in the second half of 2020, with two years of continuous marketing efforts, the annual sales of the product in 2023 represented a year-on-year increase of more than 50% from 2022, surpassed the Company's first generation CHD MemoPart® single-rivet occluder for the first time and has become the mainstay of the CHD occluders business segment, which also demonstrated the Company's superb ability to implement product iteration strategy. Since the Company's fourth generation CHD occluder, the MemoSorb® full-degradable occluder system was approved for the market in early 2022, it has successfully carried out clinical applications in various domestic hospitals, and achieved good sales results in 2023. This innovative medical solution for children with CHD was highly recognized.

公司以「腳踏實地、開拓創新、銳意進取」的精神，以全球化的視野，堅持創新驅動，堅持合作共贏，持續開發、生產和銷售具有自主知識產權的結構性心臟病介入類醫療器械。同時在先天性心臟病器械多年深耕的基礎上，適時審慎地研發結構性心臟病其他細分領域醫療器械，不斷補強、充實和豐富我們的產品線，並逐步在心臟病醫療器械的橫向和縱深兩個維度謀求發展和突破。

繼公司自主研發的MemoSorb®全降解封堵器系統於2022年2月獲得國家藥監局批准後，公司另一款自主研發的創新產品MemoSorb®可降解卵圓孔未閉封堵器亦於2023年9月獲得國家藥監局批准，兩款創新產品均為各自細分領域的全球首款獲批並成功商業化的可降解封堵器系統，包括在研並有望取證的可降解左心耳封堵器在內，這些產品都是公司貫徹「介入無植入」理念的重大成果，我們希望將生物可降解材料的相關技術在結構性心臟病領域的應用能夠做到極致，同時在研發技術、產品設計、生產工藝等方面將產品質量做到極致，以期更好地服務於廣大患者和術者。

公司第三代先天性心臟病封堵器MemoCarna®氧化膜單鉗封堵器系列產品於2020年下半年陸續獲批上市後，經過兩年多時間的持續市場推廣，2023年該產品年度銷售額同比2022年增長超過50%，並且首次超過公司第一代先天性心臟病MemoPart®單鉗封堵器，已成為先天性心臟病封堵器業務版塊的中堅力量，亦體現了公司產品迭代戰略落地的超強能力。本公司第四代先天性心臟病封堵器MemoSorb®全降解封堵器系統在2022年初獲批上市以來，已成功在國內多家醫院中心開展臨床應用，2023年度亦取得了不錯的銷售業績，這一造福兒童先天性心臟病患者的創新醫療解決方案受到了高度認可。

Chairman's Statement 董事長致辭

In the cardioembolic stroke prevention field, the Company's second generation MemoSorb® biodegradable PFO occluder product was approved for the market by the NMPA in September 2023, which enabled the Company to successfully enter the adult occluder market. The PFO surgeries have a larger market and better market prospects coupled with the Company's innovative biodegradable material technology, the product has gained widespread attention and popularity in the market upon their launch, and has achieved excellent sales results in the early stage of product commercialization, thus becoming another blockbuster product of the Group in the implementation of the philosophy of "No Implantation for Intervention". The Company's another important application of the biodegradation technology, Bio-Lefort® biodegradable LAA occluder product candidate has successfully completed its pre-clinical type inspection stage and animal test stage as planned and officially entered the stage of multi-center clinical trial enrollment. The Company has gradually developed a competitive landscape of product gradient research and development and multi-product portfolio in the cardioembolic stroke prevention field.

In the heart valve product line field, the Company's ScienCrown® TAVR system has been successfully completed its clinical trial enrolment and follow-up as planned and we have submitted a registration application to the NMPA at the end of 2023. The product has a number of clinical technical advantages, which could address the pain points of clinical demand in an optimal manner and greatly shorten the surgeon's learning curve, thus bringing a new standard of care to patients and providing a better clinical experience in valve performance and prognosis. The product is expected to be approved for marketing in the fourth quarter of 2024. After product is approved for marketing, through differentiated competition method, the Company expects that it will bring safer and better products to clinical-end and also bring better sales results to the Company. After years of dedicated research and technology accumulation, the Company has formed a number of technology platforms in the heart valve product line field and gradually completed and enriched the layout of the product line, which greatly changed the competitive layout of the Company in the field of structural heart disease.

在心源性卒中預防領域，公司的第二代MemoSorb®生物可降解卵圓孔未閉封堵器於2023年9月獲批上市，該產品的獲批使得公司成功切入成人封堵器市場，卵圓孔未閉封堵手術具有較大的市場和較好的市場前景，加之有公司創新的可降解材料技術的加持，該產品一經上市便即獲得市場的普遍關注和歡迎，在產品商業化的初期即取得優異的銷售業績，從而成為本集團踐行「介入無植入」理念的又一重磅產品。公司的另一個生物降解技術的重要應用，Bio-Lefort®生物可降解左心耳封堵器在研產品已按計劃順利完成臨床前的型式檢驗階段及動物實驗階段，目前已正式進入多中心臨床試驗入組階段。公司在心源性卒中預防領域已逐步形成產品梯度研發和多產品組合的競爭格局。

在心臟瓣膜產品線領域，公司的ScienCrown®經導管植入式主動脈瓣膜系統已按計劃順利完成臨床試驗入組及隨訪，並於2023年底向國家藥監局遞交註冊申請，該產品具有多項臨床技術優勢，能夠很好地解決臨床需求痛點，大大縮短術者學習曲線，從而為患者帶來全新的標準治療手段，在瓣膜性能和預後方面，可以提供更好的臨床體驗。該產品預計在2024年第4季度獲批上市，待本產品獲批上市後，公司將通過差異化競爭的方式，在給臨床端提供更安全、更優異產品的同時，相信該產品會給公司帶來較好的銷售業績。經過多年的潛心研究和技術積澱，公司在心臟瓣膜產品線領域已形成多個技術平台，產品線佈局亦逐漸完整和豐富，從而大為改變公司在國內結構性心臟病領域的競爭格局。

Chairman's Statement

董事長致辭

At present, the medium-to-long-term strategy of “innovation, consumption, internationalization, integration, efficiency improvement and steady development” has become a consensus among all parties of the Company. The Company has established a layout of gradient product lines of existing products, products under research and products under planning which will maintain and further enhance the Company’s technological leadership and market dominance in the field of structural heart diseases, thereby ensuring the Company’s medium and long-term sustainable and rapid development. Currently, the Company is actively exploring overseas markets for multiple products and carrying out overseas registration of innovative products. In particular, we are actively planning the overseas layout of biodegradable occluder series products to accelerate the commercialization process of our innovative products in overseas markets. As a domestic top manufacturer in the field of structural heart diseases, we will gradually participate in the competition in overseas markets. In the future, relying on its strong research and development strength and excellent capabilities of marketing and rapid commercialization, the Company will dare to be a pioneer and strive to break through to consolidate the domestic market and steadily move toward a broader global market with a view to implementing the internationalization strategy.

Finally, I would like to thank all Shareholders, investors and partners for their continued concern and support. For a grander sight, a higher level. In 2024, we will capitalize on the era, continue to move forward with determination, broaden our product line layout and accelerate the commercialization and globalization of innovative products to serve patients with better products, serve surgeons with more professional medical solutions, lead the development of the domestic industry, inject strong energy into the high-quality development of the industry and create greater value for Shareholders of the Company!

Chen Juan

Chairwoman and Executive Director

March 28, 2024

當前，堅定踐行「創新、消費、國際化，融合、提效、穩發展」的中長期戰略已成為公司上下的共識，公司已有、在研和規劃中的梯度產品線佈局，將保持和進一步加強公司在結構性心臟病領域的技術領先地位和市場主導地位，從而保障公司中長期的可持續快速發展。目前，公司正積極開展多個產品的海外市場的拓展和創新產品的海外註冊。其中，我們正在積極籌劃生物可降解封堵器系列產品的海外佈局，加速我們的創新產品在海外市場的商業化進程，作為國內結構性心臟病領域頭部廠家，我們將逐步參與到海外市場的競爭中去。未來，本公司將依託深厚的研發實力、優異的市場推廣和快速商業化能力，敢為人先、勇於突破，立足中國國內市場，穩步邁向更廣闊的全球市場，踐行國際化戰略。

最後，再次感謝所有股東、投資人以及各界合作夥伴一直以來的關注和支持。欲窮千里目，更上一層樓。2024年，我們將不負韶華，篤定前行，拓寬產品線佈局，提速創新產品商業化進程和全球化進程，以更優質的產品服務服務於患者，以更專業的醫療解決方案服務於術者，引領國內行業發展，為產業高質量發展注入強勢賦能，為公司股東創造更大價值！

陳娟

董事長兼執行董事

2024年3月28日

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

As a pioneer and domestic leading supplier in the structural heart disease interventional medical devices industry in China, we have been focusing on the research and development, manufacture and commercialization of structural heart disease interventional medical devices. We are successfully practicing degradability based on the proven operations of traditional metal medical devices, exploring the frontier fields of the atrial septal puncture, cardiac mechanical circulatory support and other medical devices, and committed to providing safe, effective, innovative and comprehensive medical solutions.

As of the date of this report, we had a total of 22 marketed occluders and accessory products, 9 products under registration review and preparation for registration, and 24 product candidates in various stages of research and development such as occluders, heart valves and procedural accessories and mechanical circulatory support. The following chart summarizes the development status of our product portfolio up to the date of this report:

業務回顧

作為中國結構性心臟病介入醫療器械行業的先行人和國內領先的供應商，我們一直專注於結構性心臟病醫療介入器械的研發、生產及商業化，我們在傳統金屬醫療器械成熟運作的基礎上，正在成功實踐可降解化，同時本公司亦在探索包括房間隔穿刺、心臟機械循環輔助等醫療器械的前沿領域，致力於提供安全、高效、創新和全面的醫療解決方案。

截至本報告日期，我們共計擁有22款已上市封堵器及配件產品，9款註冊審評及註冊準備中產品，另有24款處於不同研發階段的封堵器、心臟瓣膜及手術配件、機械循環輔助等在研產品。下圖概述我們產品組合截至本報告日期為止的發展狀態：



Management Discussion and Analysis

管理層討論與分析

Product		Pre-clinical	Clinical Trial	Registration	Commercialization
Atrial septal defect (“ASD”) occluder	MemoPart® ASD occluder (Double-rivet)	Commercialized			
	MemoPart® ASD occluder (Single-rivet)	Commercialized			
	MemoCarna® Oxide coating ASD occluder with single-rivet	Commercialized			
		Preparation of CE registration materials			
MemoSorb® Biodegradable ASD occluder ★	NMPA registration review in progress				
Ventricular septal defect (“VSD”) occluder	MemoPart® VSD Occluder (Double-rivet)	Commercialized			
	MemoPart® VSD Occluder (Single-rivet)	Commercialized			
	MemoCarna® Oxide coating VSD occluder with single-rivet	Commercialized			
		Preparation of CE registration materials			
MemoSorb® full-degradable occluder systems ★	Commercialized				
		Preparation for initiating of overseas clinical trials			

產品		臨床前	臨床試驗	註冊	商業化
房間隔缺損封堵器	MemoPart®房間隔缺損封堵器(雙鉗)	已商業化			
	MemoPart®房間隔缺損封堵器(單鉗)	已商業化			
	MemoCarna® 氧化膜單鉗房間隔缺損封堵器	已商業化			
		CE註冊資料準備			
MemoSorb® 生物可降解房間隔缺損封堵器 ★	NMPA註冊審評中				
室間隔缺損封堵器	MemoPart®室間隔缺損封堵器(雙鉗)	已商業化			
	MemoPart®室間隔缺損封堵器(單鉗)	已商業化			
	MemoCarna® 氧化膜單鉗室間隔缺損封堵器	已商業化			
		CE註冊資料準備			
MemoSorb® 全降解封堵器系統 ★	已商業化				
		海外臨床啟動準備			

Management Discussion and Analysis 管理層討論與分析

Product		Pre-clinical	Clinical Trial	Registration	Commercialization
Patent ductus arteriosus ("PDA") occluder	MemoPart® PDA occluder (Double-rivet)	Commercialized			
	MemoPart® PDA occluder (Single-rivet)	Commercialized			
	MemoCarna® Oxide coating PDA occluder	CE registration review in progress			
Patent foramen ovale ("PFO") occluder	MemoPart® PFO Occluder (Double-rivet/Single-rivet)	Commercialized			
	MemoSorb® Biodegradable PFO occluder ★	Commercialized			
	NeoSorb® Bioabsorbable PFO Occluder	Mass clinical			
Left atrial appendage ("LAA") occluder	MemoLefort® LAA occluder system	Commercialized			
	Bio-Lefort® Biodegradable LAA occluder ★	Mass clinical			
Aortic and peripheral occluders	Biodegradable aortic occluder	Design stage			
	Embolization occluder	Design stage			
	Peripheral hydrogel spring coil	Design stage			
Aortic valve products	ScienCrown® Transcatheter aortic valve replacement ("TAVR") system ★	NMPA registration review in progress			
		CE animal tests			
	ScienMelon® Artificial heart valve with polymer leaflets for transcatheter implantation ★	Animal test			
	ScienChute® Transcatheter aortic valve stenosis therapy system	Design stage			
	ScienChute® Pulsed acoustical generator	Design stage			
	Transcatheter aortic valve system (regurgitation indication TAVR)	Animal test			
Mitral valve products	MemoChord® Transapical mitral valve repair system (chordal) ("TMVCRS")	FIM			
	MemoClip-A® Transapical mitral valve clip repair ("TMVr-A") system ★	Mass clinical			
	MemoClip-F® Transfemoral mitral valve clip repair ("TMVr-F") system	Clinical preparation stage			
	Transcatheter mitral valve replacement ("TMVR") system	Animal test			

Management Discussion and Analysis

管理層討論與分析

產品		臨床前	臨床試驗	註冊	商業化
動脈導管未閉封堵器	MemoPart®動脈導管未閉封堵器(雙鉤)	已商業化			
	MemoPart®動脈導管未閉封堵器(單鉤)	已商業化			
	MemoCarna® 氧化膜動脈導管未閉封堵器	CE註冊審評中			
卵圓孔未閉封堵器	MemoPart® 卵圓孔未閉封堵器(雙鉤/單鉤)	已商業化			
	MemoSorb® 生物可降解卵圓孔未閉封堵器 ★	已商業化			
	NeoSorb®生物可吸收卵圓孔未閉封堵器	大規模臨床			
左心耳封堵器	MemoLefort®左心耳封堵器系統	已商業化			
	Bio-Lefort® 生物可降解左心耳封堵器 ★	大規模臨床			
主動脈及外周 封堵器械	可降解主動脈封堵器	設計階段			
	栓塞用封堵器	設計階段			
	外周水凝膠彈簧圈	設計階段			
主動脈瓣產品	ScienCrown® 經導管植入式主動脈瓣系統 ★	NMPA註冊審評中			
		CE動物實驗			
	ScienMelon® 經導管植入高分子瓣葉 人工心臟瓣膜 ★	動物實驗			
	ScienChute® 經導管主動脈瓣狹窄治療系統	設計階段			
	ScienChute®脈衝聲波發生設備	設計階段			
	經導管主動脈瓣系統(返流適應症TAVR)	動物實驗			
二尖瓣產品	MemoChord®經心尖二尖瓣修復 系統(腱索)(「TMVCRS」)	FIM			
	MemoClip-A®經心尖二尖瓣夾修復 系統(「TMVr-A」) ★	大規模臨床			
	MemoClip-F®經股二尖瓣夾修復系統 (「TMVr-F」)	臨床準備階段			
	經導管二尖瓣置換術(「TMVR」)系統	動物實驗			

Management Discussion and Analysis 管理層討論與分析

Product		Pre-clinical	Clinical Trial	Registration	Commercialization
Atrial septal puncture and procedural accessories	RF-Lance® Radiofrequency puncture devices ★	NMPA registration review in progress			
	RF-Lance® Disposable radiofrequency atrial septal puncture needles ★	NMPA registration review in progress			
	Disposable atrial septal puncture system	NMPA registration review in progress			
	MemoPart® Interventional delivery system	Commercialized			
	GuiBend® Integrated interventional delivery system	Commercialized			
		CE registration review in progress			
	GuiFinder® Occluder delivery system	Commercialized			
	GuiFlex® Integrated interventional delivery sheath	Commercialized			
	Gruiser® Interventional delivery system	Commercialized			
	G-Cruiser® Interventional delivery system	Commercialized			
	MemoPart® Snare	Commercialized			
	Multiple-loop Snare	Commercialized			
	SimoMelon® Balloon dilatation catheter for aortic valve ★	NMPA registration review in progress			
	Disposable introducing sheath	Commercialized			
	Thrombus protection device	Clinical preparation stage			
	StarCross® Disposable delivery sheath	Preparation for registration materials			
	Vascular closure device system	Animal test			
	Transvalvular guide wires	NMPA registration review in progress			
	Super stiff guidewire	Preparation for registration materials			

Management Discussion and Analysis

管理層討論與分析

產品		臨床前	臨床試驗	註冊	商業化
房間隔穿刺及手術配套產品	RF-Lance [®] 射頻穿刺儀 ★	NMPA 註冊審評中			
	RF-Lance [®] 一次性射頻房間隔穿刺針 ★	NMPA 註冊審評中			
	一次性房間隔穿刺系統	NMPA註冊審評中			
	MemoPart [®] 封堵器介入輸送裝置	已商業化			
	GuiBend [®] 一體式封堵器介入輸送裝置	已商業化			
		CE註冊審評中			
	GuiFinder [®] 封堵器輸送系統	已商業化			
	GuiFlex [®] 一體式介入輸送鞘管	已商業化			
	Gruiser [®] 封堵器介入輸送系統	已商業化			
	G-Cruiser [®] 封堵器介入輸送系統	已商業化			
	MemoPart [®] 圈套器	已商業化			
	多環圈套器	已商業化			
	SimoMelon [®] 主動脈瓣膜球囊擴張導管 ★	NMPA註冊審評中			
	一次性使用導引鞘	已商業化			
	血栓保護裝置	臨床準備階段			
	StarCross [®] 一次性使用輸送鞘管	註冊資料準備			
	血管閉合器系統	動物實驗			
	跨瓣導絲	NMPA 註冊審評中			
超硬導絲	註冊資料準備				

Management Discussion and Analysis

管理層討論與分析

Product		Pre-clinical	Clinical Trial	Registration	Commercialization
Interatrial shunt device	Interatrial shunt device I	FIM			
	Interatrial shunt device II (Biodegradable)	Animal test			
	FireyDeva® Interatrial shunt device III (Radiofrequency ablation shunt device)	Animal test			
	FireyDeva® Radiofrequency ablation device (Device)	Animal test			
Mechanical circulatory support products	Transcatheter left ventricular support device ★	Animal test			
	Coronary protection left ventricular support system ★	Design stage			
	Small diameter transcatheter left ventricular support system ★	Design stage			
Hypertensive device treatment products	Pulmonary artery radiofrequency ablation catheter	Design stage			
	Ultrasonic greater splanchnic nerve ablation catheter	Animal test			

產品		臨床前	臨床試驗	註冊	商業化
心房分流器	心房分流器I代	FIM			
	心房分流器II代(生物可降解)	動物實驗			
	FireyDeva®心房分流器III代(射頻消融分流器)	動物實驗			
	FireyDeva®射頻消融儀(設備)	動物實驗			
機械循環輔助產品	經導管左心室輔助裝置 ★	動物實驗			
	經導管冠脈保護左心室輔助裝置 ★	設計階段			
	小直徑經導管左心室輔助裝置 ★	設計階段			
高血壓器械治療產品	肺動脈射頻消融導管	設計階段			
	超聲內臟大神經消融導管	動物實驗			

Management Discussion and Analysis

管理層討論與分析

Note:

★: Key projects of the Company

The business segments of the Company maintained a sound development trend, achieving stable growth in its revenue. For the year ended December 31, 2023, the Company achieved revenue of RMB325.9 million, representing a year-on-year increase of 31.6% from the year ended December 31, 2022; profit attributable to owners of the Company of RMB151.5 million for the year ended December 31, 2023; non-IFRS adjusted net profit of RMB172.6 million for the year ended December 31, 2023, representing a year-on-year increase of 55.4% from the year ended December 31, 2022; net cash flow generated from operating activities of RMB164.3 million for the year ended December 31, 2023, representing a year-on-year increase of 150.7% from the year ended December 31, 2022. As of December 31, 2023, the total assets of the Group were RMB1,986.5 million, representing an increase of 9.8% from the beginning of the year, and the net assets were RMB1,926.7 million, representing an increase of 10.4% from the beginning of the year.

附註：

★: 本公司的重點項目

本公司業務板塊發展勢頭良好，實現了收入的穩定增長。截至2023年12月31日止年度，本公司實現收入人民幣325.9百萬元，同比截至2022年12月31日止年度增長31.6%；截至2023年12月31日止年度，實現歸屬於本公司擁有人應佔利潤人民幣151.5百萬元；截至2023年12月31日止年度，非國際財務報告準則經調整純利為人民幣172.6百萬元，同比截至2022年12月31日止年度增長55.4%；截至2023年12月31日止年度，實現經營活動產生的現金流量淨額人民幣164.3百萬元，同比截至2022年12月31日止年度增長150.7%。截至2023年12月31日，本集團總資產為人民幣1,986.5百萬元，較年初增長9.8%；淨資產為人民幣1,926.7百萬元，較年初增長10.4%。

Management Discussion and Analysis 管理層討論與分析

CHD Occluder Products

As at the date of this report, the Group owned 10 commercially available CHD occluder products, among which, MemoCarna® III oxide coating single-rivet occluder series products have fast become the backbone of the CHD occluder products business after its approval for marketing in 2020. The MemoSorb® IV fully-degradable occluder systems have been also rapidly commercialized and become the Group's flagship product in the CHD field upon its approval for marketing in 2022. Leveraging on the long-term technology accumulation, the rapid growth trend of the Group's business has been established through technology upgrading, products iteration and original technology. This is the cornerstone for us to maintain our leading position in the field of CHD interventional therapy and to continue to drive.

In line with our philosophy of "No Implantation for Intervention", the Group continued to promote the research and development of biodegradable technology. Our fourth generation MemoSorb® biodegradable ASD occluder product candidate has completed its clinical trial stage, registration application of which has been submitted to the NMPA for approval in June 2023 and which is expected to receive the approval from the NMPA and be commercialized in the second quarter of 2024.

先天性心臟病封堵器產品

於本報告日期，本集團共擁有10款已完成商業化的先天性心臟病封堵器產品，其中，第三代MemoCarna®氧化膜單鉚封堵器系列產品於2020年獲批上市後，迅速成為先天性心臟病封堵器產品業務的中堅力量。第四代MemoSorb®全降解封堵器系統於2022年獲批上市後，也迅速實現商業化，並成為本集團在先天性心臟病領域的旗艦產品。依靠厚積薄發的技術積澱，通過技術升級、產品迭代和獨創性技術，本集團業務快速增長的趨勢已得到確立，這也是我們在先天性心臟病介入治療領域保持領先優勢，持續引領的重要基石。

秉承着「介入無植入」的理念，本集團持續推動生物可降解技術的研發，我們的第四代MemoSorb®生物可降解房間隔缺損封堵器在研產品目前已完成臨床試驗，已經於2023年6月向國家藥監局遞交註冊申請，有望於2024年第二季度獲得國家藥監局批准並商業化。



Management Discussion and Analysis 管理層討論與分析

PFO and LAA Occluder Products

Our first generation cardioembolic stroke prevention products, being LAA and PFO occluder products, were successfully commercialized in 2020 and 2012, respectively.

Our second generation cardioembolic stroke prevention product candidates have applied our biodegradable technology creatively, of which, the second generation MemoSorb® biodegradable PFO occluder product was approved by the NMPA in September 2023. The PFO surgeries have a larger market and better market prospects coupled with the Company's innovative biodegradable material technology, these products have gained widespread attention and popularity in the market upon their launch, and have achieved excellent sales results in the early stage of product commercialization, thus becoming another blockbuster product of the Group in the implementation of the philosophy of "No Implantation for Intervention". The Company's another important application of the biodegradation technology, Bio-Lefort® biodegradable LAA occluder product candidate has successfully completed its pre-clinical type inspection stage and animal test stage as planned and officially entered the stage of multi-center clinical trial enrollment.

卵圓孔未閉及左心耳封堵器產品

我們的第一代心源性卒中預防產品，即左心耳封堵器和卵圓孔未閉封堵器產品已分別於2020年及2012年成功商業化。

我們的第二代心源性卒中預防在研產品，均創造性地應用了生物可降解技術，其中，第二代MemoSorb®生物可降解卵圓孔未閉封堵器已於2023年9月獲批上市，卵圓孔未閉封堵手術具有較大的市場和較好的市場前景，加之有公司創新的可降解材料技術的加持，該等產品一經上市即獲得市場的普遍關注和歡迎，在產品商業化的初期即取得優異的銷售業績，從而成為本集團踐行「介入無植入」理念的又一重磅產品。公司的另一個生物降解技術的重要應用，Bio-Lefort®生物可降解左心耳封堵器在研產品已按計劃順利完成臨床前的型式檢驗階段及動物實驗階段，目前已正式進入多中心臨床試驗入組階段。

Management Discussion and Analysis 管理層討論與分析

Heart Valve Product Candidates

The Company's products in heart valve field mainly covered aortic valve and mitral valve products. Our ScienCrown® TAVR system has been successfully completed its clinical trial enrolment and follow-up as planned and we have submitted a registration application to the NMPA at the end of 2023. ScienCrown® valve has distinct structural differences from the previously marketed self-expanding valve and balloon dilation valve. As a short stent self-expanding valve, it is featured with smooth pre-bending over the arch, release coaxial, stable expansion, good support and 100% recovery under working condition of artificial valve, etc., which could address the pain points of clinical demand in an optimal manner and greatly shorten the surgeon's learning curve, thus bringing a new standard of care to patients and providing a better clinical experience in valve performance and prognosis. The product is expected to be approved for marketing in the fourth quarter of 2024. After product is approved for marketing, through differentiated competition method, the Company expects that it will bring safer and better products to clinical-end and also generate greater revenue to the Company, which will greatly change the competitive layout of the Company in the field of structural heart disease. In addition, we are developing a transcatheter implantable aortic valve system for patients with simple aortic regurgitation. The product adds a clamped positioning design to the valve based on the prototype of ScienCrown® TAVR system which is suitable for dual indications of valvular insufficiency and stenosis, and adds a bending function based on the pre-bending feature of the original delivery system to improve operational performance of clamped positioning design. The product has been tested for physical performance, hydrodynamic performance and simulation performance, and animal tests of the product are going on. It planned to carry out clinical trials in 2025. Our transapical mitral valve clip system is currently in the final stage of clinical trial enrollment with satisfactory follow-up results. We will accelerate the progress of subsequent clinical trial enrolment and we plan to submit a registration application to the NMPA in the first half of 2024. We conducted independent innovation and optimization in the product design and also drew on the extensive experience from clinicians in respect of transcatheter mitral valve clip system, enabling the design and performance of the product much more acclimated to China patients and the usage habits of China physicians. It is currently in the pre-clinical preparation stage and is about to initiate the clinical trials. Our self-developed TMVR system has completed the implantation in the animal and the follow-up of 6 months after surgery, with satisfactory results, and it is about to progress into the stage of type inspection simultaneously.

心臟瓣膜在研產品

本公司在心臟瓣膜領域的產品主要覆蓋主動脈瓣和二尖瓣等產品。我們的ScienCrown®經導管植入式主動脈瓣膜系統已按計劃順利完成臨床試驗入組及隨訪，已於2023年底向國家藥監局遞交註冊申請，ScienCrown®瓣膜與先前上市的自膨式瓣膜及球囊擴張式瓣膜均有明顯的結構性差異，作為一款短支架自膨瓣膜，具有預彎型過弓順利、釋放同軸、展開穩定、支撐力良好、能在人工瓣膜工作狀態下100%全回收等優點，能夠很好地解決臨床需求痛點，大大縮短術者學習曲線，從而為患者帶來全新的標準治療手段，在瓣膜性能和預後方面，可以提供更好的臨床體驗。該產品預計在2024年第4季度獲批上市，待本產品獲批上市後，本公司將通過差異化競爭的方式，在給臨床端提供更安全、更優異產品的同時，亦會給公司帶來較好的收益，從而大為改變公司在國內結構性心臟病領域的競爭格局。此外，我們正在研發一款用於針對單純主動脈瓣返流患者的經導管植入式主動脈瓣膜系統，該產品在借鑒ScienCrown®經導管植入式主動脈瓣膜系統原型的基礎上，對瓣膜本體增加了夾持定位設計，可以兼顧關閉不全及狹窄雙適應症；並在原有輸送系統預彎形的特徵下增加調彎功能，以提高夾持定位設置的操作性能。該產品已進行了物理性能、流體力學性能、模擬使用性能等測試，該產品目前正在開展動物實驗，計劃將於2025年開展臨床試驗。我們的經心尖二尖瓣夾系統目前已進入臨床試驗入組收尾階段，隨訪結果良好，我們將加快後續的臨床試驗入組進度，計劃將於2024年上半年向國家藥監局遞交註冊申請。我們的經導管二尖瓣夾系統在產品設計上進行了自主創新和優化，亦汲取了臨床醫生的豐富經驗，讓產品的設計和性能更符合中國患者，也更符合中國醫生的使用習慣，目前處於臨床前準備階段，即將開展臨床試驗。本公司自主研發的TMVR系統已經完成了動物體內植入及術後6個月的隨訪，結果良好，即將同步進入型式檢驗階段。

Management Discussion and Analysis 管理層討論與分析

Mechanical Circulatory Support Products

The Company has expanded into the field of mechanical circulatory support (“MCS”) devices, which are designed to provide temporary or long-term support to patients requiring cardiac assisted power. The portfolio of our MCS device product line covers both short- and long-term products, which are designed to assist or replace the pumping function of the ventricles. The portfolio of our MCS device product line includes transcatheter ventricular support system, high-risk percutaneous coronary interventions (“PCI”) ventricular support system, expandable trochanteric ventricular support system and wholeheart support system. In particular, the transcatheter left ventricular support system suitable for left ventricular support is in the pre-clinical type inspection stage, and animal tests are going on; small diameter transcatheter left ventricular support system and high-risk PCI coronary protection left ventricular support system for patients requiring low-flow support or high-risk PCI patients will progress into the stage of type inspection in the near future. The Company is an early pioneer in the field of MCS in the PRC, which is still emerging in the PRC with a bright market prospect. With the Company’s profound research and development capability and technology accumulation in active medical device field, the Company is confident that it will become one of the most core and valuable participants in the field, and will continue to provide cardiac patients with the most optimal medical solutions.

機械循環輔助產品

本公司已進軍機械循環輔助(「MCS」)設備領域，該等設備旨在為需要心臟輔助動力的患者提供臨時或長期的支持。本公司的MCS設備產品線涵蓋短期和長期兩大類產品，用於輔助或取代心室的泵血功能。我們的MCS設備產品線包括經導管心室輔助系統、高風險經皮冠狀動脈介入治療(「PCI」)心室輔助系統、可膨脹轉子心室輔助系統和全心輔助系統。其中，適用於左心室輔助的經導管左心室輔助系統處於臨床前型式檢驗階段，並正在開展動物實驗；需要低流量支持的患者或高風險PCI的小直徑經導管左心室輔助系統和高風險PCI的經導管冠脈保護左心室輔助系統將分別於近期進入型式檢驗階段。本公司為國內較早進入MCS領域的先行者，目前國內該領域方興未艾，市場前景光明，借助本公司在有源類醫療器械方面深厚的研發能力和技術積澱，本公司有信心成為該領域最核心、最有價值的參與者之一，不斷為心臟病患者提供最優的醫療解決方案。

Management Discussion and Analysis

管理層討論與分析

Pathway Products

Pathway products mainly include CHD occluder products and procedural accessories for heart valve, and also include atrial septal radiofrequency puncture product candidates and others.

The atrial septal radiofrequency puncture product has been filed for registration in the PRC in 2023 and is expected to be approved for marketing in the first half of 2024. The approval of the product will further enrich the Company's product lines, making the Company one of the major suppliers with the most comprehensive product lines in the field of structural heart disease.

Occluders and accessory products are an important component parts of occlusion surgery. As at the date of this report, the Group has owned 9 commercially available occluder related procedural accessories, and in line with the increasing commercialization level of occluder products, the accessory products have also achieved considerable revenue. Our Snare II product has obtained a registration certificate and list for sale in the second half of 2023.

The Company owned 6 types of valve related procedural accessories, including, among others, balloon dilatation catheter for aortic valve, super stiff guidewire, thrombus protection device and vascular closure device system. In particular, the balloon dilatation catheter for aortic valve has been filed for registration to the NMPA at the end of 2023, and is expected to be approved for marketing in the second half of 2024; the super stiff guidewire has obtained the type inspection and biological reports, is in the process of preparation of registration information, will be submitted for registration in the second quarter of 2024 and is expected to be approved for marketing at the end of 2024; we have completed the product's R&D design and inspection for vascular closure device system with innovative design structure, which can reduce vascular complications and provide physicians with excellent ease-to-use experience. It is currently in the stage of animal tests, and plans to be filed for registration in the second half of 2024.

通路類產品

通路類產品主要包括先心封堵器和心臟瓣膜的手術配套產品，也包括在研的房間隔射頻穿刺產品等。

房間隔射頻穿刺針產品已於2023年在國內申報註冊，有望於2024年上半年獲批上市，該產品的獲批將進一步豐富公司的產品線，使得本公司成為結構性心臟病領域產品線最為齊備的重要供應商之一。

封堵器配件產品是封堵手術的重要組成部份。於本報告日期，本集團擁有9款已完成商業化的封堵器相關手術配套產品，配合封堵器產品商業化水平的不斷提升，配件產品也取得了可觀的收益。我們的圈套器II代產品已經於2023年下半年取得註冊證並上市銷售。

本公司擁有6款瓣膜手術相關配件，包括主動脈瓣膜球囊擴張導管、超硬導絲、血栓保護裝置、血管閉合器裝置系統等產品。其中，主動脈瓣膜球囊擴張導管已於2023年底向國家藥監局遞交註冊申請，預計2024年下半年獲批上市；超硬導絲已取得型檢和生物學報告，正在進行註冊資料準備，將於2024年第2季度提交註冊申請，預計2024年年底獲批上市；血管閉合器裝置系統已完成產品研發設計和驗證，擁有創新的設計結構，能夠降低血管併發症，為醫生提供優異的易用性體驗，目前處於動物實驗階段，計劃將於2024年下半年進行註冊申報。

Management Discussion and Analysis 管理層討論與分析

Hypertensive Device Treatment Products

So far, pulmonary hypertension (“PH”) is a progressive and incurable disease caused by pulmonary vascular structural or functional changes as a result of a variety of heterogeneous diseases (etiology) and different pathogenesis which will cause the clinical and pathophysiological syndromes of pulmonary vascular resistance and higher pulmonary arterial pressure and patients who have severe consequences will develop into right heart failure and even death. PH is a common disease that seriously jeopardizes the lives and health of patients, the survival time of patients with PH can be significantly improved through standardized etiological treatments and aggressive targeted drug therapy. The Company has completed the development and design of pulmonary artery radiofrequency ablation catheter, and it is expected to carry out animal tests and type inspection in the second half of 2024. In addition, in terms of device for the treatment of refractory hypertension, we also have developed an ultrasonic greater splanchnic nerve ablation catheter product. Currently, the Company has completed R&D and design of the product and animal tests are going on. It is expected to carry out type inspection in the third quarter of 2024.

高血壓器械治療產品

肺動脈高壓(「PH」)目前來看是一種進行性、不可治癒的疾病，由多種異源性疾病(病因)和不同發病機制所致肺血管結構或功能改變，引起肺血管阻力和肺動脈壓力升高的臨床和病理生理綜合徵，症狀嚴重的患者會發展成右心衰竭甚至死亡。作為一種嚴重危害患者生命健康的常見疾病，通過規範的病因治療及積極的靶向藥物治療可以顯著提升PH患者生存時間。本公司的肺動脈射頻消融導管已完成研發設計工作，預計2024年下半年開展動物實驗和型式檢驗工作。此外，我們在治療頑固性高血壓的器械方面，還開發了超聲內臟大神經消融導管產品，該產品目前已經完成研發設計工作，正在進行動物實驗，並將於2024年第3季度開展型式檢驗工作。



Management Discussion and Analysis

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OUTLOOK

Looking forward, we will continue to be committed to provide safe, effective, innovative and comprehensive medical solutions for patients with structural heart disease and cardiac circulatory disorder by adhering to the corporate mission of “shape better lives with heartfelt care” (由心關懷, 成就新生).

We will continue to develop new technologies and focus on the core technologies and product development targeting structural heart diseases to enrich our product portfolio to cover a full range of treatment options for various field of structural heart disease. Furthermore, we will continue to promote technology in a number of aspects, including design and concept innovation, material innovation, structural design innovation, production process optimization, to further enhance the innovation, functionality and reliability of our products. Meanwhile, we firmly believe that biodegradable technology is one of the important technology applications for medical device products in the future, and will greatly drive the overall upgrade and transformation of the medical device industry as widely applied to our occluder product and other product candidates, which positions us well to capitalize on the significant market opportunities, to further explore existing market and expand into incremental market.

In the CHD interventional devices field, we will leverage our established market advantages to continue to increase the speed of iteration of our innovative products and drive rapid business growth. Meanwhile, we will also continue to promote the research and development process of our biodegradable occluder product candidates.

展望

未來，我們將秉承「由心關懷，成就新生」的企業使命，繼續致力於為廣大結構性心臟病及心臟循環障礙患者提供安全、高效、創新和全面的醫療解決方案。

我們將繼續開發新技術，並專注於針對結構性心臟病的核心技術及產品開發，從而豐富我們的產品組合，全面覆蓋結構性心臟病各領域的治療方案。此外，我們將包括設計理念創新、材料創新、結構設計創新、生產工藝優化等在內的諸多方面持續推進，以進一步強化產品的創新性、功能性及可靠性。同時，我們深信，生物可降解技術是未來醫療器械產品的重要技術應用之一，在廣泛應用於封堵器及其他在研產品後，將極大地推動醫療器械產業整體升級和轉型，並有利於我們把握重大市場機遇，深挖存量市場，拓展增量市場。

在先天性心臟病介入治療器械領域，我們將憑藉已建立的市場優勢，繼續提高創新產品的迭代速度，拉動業務高速增長。同時，我們將繼續推進生物可降解封堵器在研產品的研發進程。

Management Discussion and Analysis 管理層討論與分析

In the cardioembolic stroke prevention field, we will explore the research and development of new PFO occlude products and LAA occlude products, while we will continue to promote the commercialization of our marketed products. In particular, the biodegradable PFO product has achieved satisfactory sales results in a relatively short period after approved for marketing in 2023. The Company will further enhance interaction and communication with surgeons, strengthen marketing promotion, and endeavor to broaden its sales channels in terms of depth and breadth, with a view to further opening up the market for the product in 2024, so as to enable more patients to enjoy the quality experience and convenience brought by innovative medical device products through surgical treatments. We believe, upon application of the biodegradable technology to such field, we are well positioned to capitalize on and share the significant potential in the fast-growing and low-penetration domestic market and enable more doctors and patients to enjoy our innovative products and quality services by leveraging our early-mover advantages, excellent product features, and well-established sales channels, which will put us in a superior market competitive position in such field.

在心源性卒中預防領域，我們將探索卵圓孔未閉封堵器和左心耳封堵器新品及的研發，同時，我們將繼續推動已上市產品的商業化工作。其中，生物可降解卵圓孔未閉產品於2023年獲批上市後，在較短時間內已取得理想的銷售業績，本公司將進一步加強與臨床術者的互動與交流，加強市場宣傳，努力從深度和廣度方面拓寬銷售渠道，力爭使該產品在2024年進一步打開市場空間，讓更多患者通過手術治療，體驗到創新性醫療器械產品帶來的優質體驗與便利。我們相信，將可降解技術應用於該領域後，憑藉我們的先發優勢、優異的產品特性和完善的銷售渠道，可充分把握和分享國內高增長和低滲透率的巨大市場潛力，可使更多的醫生和患者享受到我們的創新產品和優質服務，從而使得我們在該領域處於極佳的市場競爭地位。



Management Discussion and Analysis 管理層討論與分析

In the valve stenosis and reflux therapy field, we will rely on our existing technology platform for valve products, further consolidate and strengthen our technological advantages, continue to promote concept of “Tool Box”, and focus on the development of valve products with great medical demand and promising market while covering the full product line of valves. Among them, we will accelerate the progress of R&D of the TMVr-F system and the TMVR system for the treatment of mitral valve regurgitation disease, in order to achieve full coverage of mitral valve disease treatment and address the increasing clinical demand from patients and physicians. We will accelerate the advancement of iterative new products based on ScienCrown® transcatheter aortic valve system for Conformité Européenne (“CE”) Certificate registration clinical trials, the special dry valve of such iterative products, upon processing by adopting the self-developed technology, has the advantages of stronger anti-calcification ability, better hemodynamic effect and longer service life. In addition, we will accelerate the research and development of the surgically implantable sutureless heart valve, which is already in type inspections and animal tests stage. We are also developing a transcatheter implantable aortic valve system for patients with simple aortic regurgitation. These two aortic valve products complement the ScienCrown® transcatheter aortic valve replacement system to provide optimal treatment for patients with different types of TAVR disease. Our artificial heart valve with polymer leaflets for transcatheter implantation uses durable and stable polymer materials instead of pericardium material to make leaflets to further improve the durability and biocompatibility of the artificial heart valve. Currently, we have completed the follow-ups and information collection within six months after implantation and surgery in animals, which presented promising results. In-vitro durability tests have been completed for more than 200 million times. If the testing targets of valve are in good condition, such products will progress into the stage of type inspection soon.

在瓣膜狹窄及反流治療領域，我們將依託已有的瓣膜產品相關技術平台，進一步鞏固和加強技術優勢，持續推進「工具箱」概念，在覆蓋瓣膜全產品線的同時，重點開發醫療需求大，市場前景廣闊的瓣膜產品。其中，我們將加快推進行用於治療二尖瓣返流疾病的TMVr-F系統和TMVR系統的研發進度，以實現對二尖瓣疾病治療的全面覆蓋，滿足更多患者和醫生的臨床需求。我們將加快推進行在ScienCrown®經導管植入式主動脈瓣膜系統基礎上更新迭代的新產品用於Conformité Européenne（「CE」）認證註冊的臨床試驗，該迭代產品的特制干瓣，採用自主研发技術處理後，具有抗鈣化能力更強、血流動力學效果更好、使用壽命更長等優點。此外，我們將加快推進行已經進入型式檢驗和動物實驗階段的外科植入式免縫合心臟瓣膜的研發進度。我們亦正在研發一款用於針對單純主動脈瓣返流患者的經導管植入式主動脈瓣膜系統，以上兩款主動脈瓣膜產品作為ScienCrown®經導管植入式主動脈瓣膜系統的補充，為不同類型的主動脈瓣膜疾病患者提供最優治療方案。我們的經導管植入高分子瓣葉人工心臟瓣膜，採用持久穩定的高分子材料取代代心包材料製作瓣葉，以進一步提升人工心臟瓣膜的耐用性及生物兼容性，目前已經完成了動物體內植入及術後6個月的隨訪和取材，結果良好，體外耐久性檢驗亦已經完成了超過2億次的試驗，瓣膜試驗品狀態完好，該產品很快將進入型式檢驗階段。

Management Discussion and Analysis 管理層討論與分析

Cardiac mechanical circulatory support is a life support technology, and has become an important “bridge” treatment for patients with acute cardiac event and end-stage heart failure after decades of development, which also has more extensive clinical application. It is estimated that 13.7 million patients in China and more than 64 million patients globally suffered from cardiac underpower, and about 50% of them will die within five years after diagnosis. The global market scale of MCS devices is expected to grow at a compound annual growth rate of 10% or above from 2021 to 2028, with a market value expected to reach USD3.4 billion in 2025. The Company, as a cardiovascular intervention medical devices company with strong spirit of technological innovation, has been dedicated to expanding into the blue ocean market of MCS and protective PCI. The Company is developing a series of product candidates, which may help patients, after marketing, improve their quality of life and survival rate. Meanwhile, as a multidisciplinary composite technology, such products will fully demonstrate our technological accumulation, ensure that the Company continues to seize the technological highland in medical devices field, and ensure the progressive development of the Company’s future product lines and the sustainable development of the Company’s business.

In the structural cardiology pathway products field, we are developing and producing a number of products, and two pathway products have obtained certificates during the Reporting Period. In particular, the Company is one of the early developers of our vascular closure device candidates, and there is no vascular closure device approved for marketing in the PRC. It is estimated that the market size of vascular closure devices in the PRC will have a greater growth, with aortic valve intervention technology being the most mature market development and the largest number of patients being those with mitral regurgitation. The market for mitral valve and tricuspid valve interventions will gradually expand, and the demand for large-caliber vascular closure devices will also increase in line with the technology development. The Company will accelerate the research and development of vascular occluder device products to meet and lead the market demand.

心臟機械循環輔助是一種生命支持技術，經過幾十年的發展，已經成為心臟急性事件及終末期心力衰竭等患者的重要「橋樑」治療，臨床應用也越來越廣泛。據估計，國內有1,370萬患者，全球有超過6,400萬患者存在心臟動力不足問題，更約有50%的人將在診斷後五年內死亡。預計從2021年到2028年，MCS的全球市場規模將以10%以上的複合年增長率增長，預計在2025年可達到34億美元的市場規模。作為有着強烈技術創新傳統的心血管介入醫療器械企業，本公司一直致力於拓展MCS和保護性PCI的藍海市場。本公司正在開發一系列在研產品，該等產品上市後，可以幫助患者顯著提高生活質量和存活率。同時，作為多學科複合型技術，該等產品將充分體現公司的技術積澱，確保本公司繼續搶佔醫療器械的技術高地，並保證本公司未來產品線的梯度發展，保證本公司業務的可持續發展。

在結構性心臟病通路產品領域，我們在研和生產多款產品，報告期內亦有兩款通路產品獲證。其中，本公司在研的血管閉合器為較早的研發者之一，該產品國內尚未有產品獲批上市，據估計，中國血管閉合器市場規模將有較大發展，其中市場發展最成熟的是主動脈瓣介入技術，患者最多的是二尖瓣反流患者，隨着技術發展，二尖瓣及三尖瓣介入市場將會逐漸擴大，大口徑血管閉合器的需求也會隨之增加。本公司將順應和引領市場需求，加大血管閉合器產品的研發進程。

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The transseptal procedures is one of the key techniques in cardiac intervention therapy. Compared with traditional puncture techniques, radiofrequency puncture has higher success rate and safety, and the learning curve of surgeons is short, so such products are expected to quickly complete the replacement of mechanical needles. Currently, the transseptal procedures has been used for mitral valve repair, LAA occluder, and other procedures to obtain left heart access by transfemoral access. According to the statistics, there are more than 300,000 surgeries using puncture techniques in the United States every year, and the potential treatment population in China is more than 10 million with an extra low penetration rate. The domestic market for such surgery has yet to be further developed with a considerable market prospect in the future. At present, no radiofrequency puncture products are approved for marketing in China, and the application for registration as well as research and development of our radiofrequency atrial septal puncture system of the Company are in the advanced position. It is expected to be approved for marketing in the first half of 2024, which will enable the Company to enter into the new market in the field of structural heart disease at a rapid pace. Such product is expected to win a new blue ocean market for the Company and become a pillar product in the product lines of the pathway products.

We will strengthen our marketing team building, explore potential marketing channels, continue to expand our sales network in China and continue to build our good reputation and word-of-mouth among doctors and patients. We will continue to strive to promote product brand awareness and influence in the industry and academia, to solidify and strengthen our communication, exchange and interaction with research institutions, hospitals, doctors and KOLs and obtain valuable feedback from them, and will collect and dive deep into more market data and information, continuously improve and optimize the product design and production process and enhance the service capability of the sales terminal, so as to better serve the doctors and patients with better products and more considerate sales service capability, and strive to become one of the important leaders in marketing and sales service in the PRC.

房間隔穿刺技術是心臟介入治療中的關鍵技術之一，相較於傳統穿刺技術，射頻穿刺具有更高的成功率和更好的安全性，且對於術者的學習曲線較短，該類產品有望快速形成對傳統機械針的替代。房間隔穿刺技術目前已成功應用於二尖瓣修復、左心耳封堵及其它經股入路建立左心通路的手術中。據統計，美國每年採用穿刺技術的手術量超30萬例，而我國的潛在治療人群超過1,000萬人，滲透率極低，該類手術在國內市場尚待進一步開發，未來市場前景有較好的預期。目前國內尚無射頻穿刺類產品獲批上市，本公司的射頻房間隔穿刺系統在研發和申報註冊方面均處於領先地位，有望於2024年上半年獲批上市，該產品的獲批將使得本公司快速切入結構性心臟病領域的新市場，該產品有望為本公司贏得新的藍海市場，並成為通路類產品線中的支柱產品。

我們將加強營銷團隊建設，發掘潛在營銷渠道，不斷擴大我們在中國的銷售網絡並持續在醫生和患者中建立我們的良好聲譽和口碑。我們將繼續努力提升產品品牌在業界和學術界的知名度與影響力，鞏固和加強我們與研究機構、醫院、醫生以及業界專家的溝通、交流與互動，獲取各方的寶貴意見與反饋，獲取並深入分析更多市場數據和信息，不斷改進和優化產品設計及生產工藝，優化銷售端的服務能力，從而以更好的產品及更為貼心的銷售服務能力，更好地服務於醫生和患者，努力在市場推廣和銷售服務方面成為國內重要引領者之一。

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In terms of the overseas business, we will actively expand our overseas sales channels with global insight. With a rigorous, pragmatic and sincere attitude and way of working, we will endeavor to explore the market potential of the existing products and increase the market penetration of the existing products, and build up a good international reputation of our products, to enhance recognition of Chinese brands and made in China in the global market. We will keep abreast with the development trend, clinical demand and market competition layout in overseas markets in a timely manner, and formulate a plan for overseas clinical trial and registration in a reasonable manner, to advance the commercialization process of innovative products such as biodegradable occluder series and valve series in overseas markets in due course, which is conducive to a better and sustainable development of the Company's overseas business so as to better implement the Company's internationalization strategy.

在海外業務方面，我們將以全球視野積極拓展海外銷售渠道，以嚴謹、務實和真誠的態度和工作方式，努力發掘現有產品的市場潛力，提高現有產品的市場滲透率，在國際化方面樹立本公司產品的良好口碑，增強在全球市場對中國品牌和中國製造的認可度。我們將及時跟蹤海外市場的發展方向、臨床需求及市場競爭格局，合理規劃產品的海外臨床試驗及註冊，適時推進生物可降解封堵器及瓣膜一系列等創新產品在海外市場的商業化進程，使得公司的海外業務擁有更好的可持續發展的能力，從而更好地執行本公司的國家化戰略。

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管理層討論與分析

FINANCIAL REVIEW

Revenue

Our revenue is mainly derived from the sales of medical devices through distributors and direct sales.

Our revenue increased by 31.6% from RMB247.7 million for the year ended December 31, 2022 to RMB325.9 million for the year ended December 31, 2023. The following table sets forth a breakdown of our revenues by major products for the years ended December 31, 2022 and 2023.

財務回顧

收入

我們的收入主要來源於通過經銷商銷售醫療器械及直接銷售醫療器械。

我們的收入由截至2022年12月31日止年度的人民幣247.7百萬元增加31.6%至截至2023年12月31日止年度的人民幣325.9百萬元。下表載列截至2022年及2023年12月31日止年度我們按主要產品劃分的收入明細。

		Year ended 31 December 截至12月31日止年度				Change 變化
		2023 2023年		2022 2022年		
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%	%
CHD occluder products	先天性心臟病封堵器產品	230,199	70.6	182,661	73.7	26.0
- ASD occluder products	- 房間隔缺損封堵器產品	174,303	53.5	136,169	55.0	28.0
- VSD occluder products	- 室間隔缺損封堵器產品	34,459	10.6	28,540	11.5	20.7
- PDA occluder products	- 動脈導管未閉封堵器產品	21,437	6.5	17,952	7.2	19.4
Pathway products	通路類產品	66,550	20.4	53,709	21.7	23.9
- Interventional delivery systems	- 封堵器介入輸送裝置	45,449	13.9	35,808	14.5	26.9
- Snares	- 圈套器	21,101	6.5	17,901	7.2	17.9
PFO and LAA occlude products	卵圓孔未閉及左心耳封堵器產品	28,980	8.9	11,059	4.5	162.0
- PFO occlude products	- 卵圓孔未閉封堵器產品	22,728	7.0	5,605	2.3	305.5
- LAA occlude products	- 左心耳封堵器產品	6,252	1.9	5,454	2.2	14.6
Other products	其他產品	167	0.1	241	0.1	-30.7
Total	合計	325,896	100.0	247,670	100.0	31.6

Management Discussion and Analysis 管理層討論與分析

CHD occluder products

For the years ended December 31, 2022 and 2023, a majority of our revenue was generated from sales of CHD occluder products. Revenue generated from sales of CHD occluder products increased by 26.0% from RMB182.7 million (representing 73.8% of sales revenue in the corresponding period) for the year ended December 31, 2022 to RMB230.2 million (representing 70.6% of sales revenue in the corresponding period) for the year ended December 31, 2023, as we continued to grow our business. Revenue generated from sales of CHD occluder products increased significantly, which was primarily attributable to the increased sales volume of our oxide-coated occluder products as they received broad market recognition, such products primarily include MemoCarna® ASD Occluder III, MemoCarna® PDA Occluder III and MemoCarna® VSD Occluder III. In addition, the sales revenue from fully biodegradable occluder, i.e. MemoSorb® VSD Occluder IV, also experienced substantial increase.

Among our CHD occluder products, revenue generated from sales of ASD occluder products increased by 28.0% from RMB136.2 million for the year ended December 31, 2022 to RMB174.3 million for the year ended December 31, 2023, representing 55.0% and 53.5% of our revenue in the corresponding periods, respectively. Revenue generated from sales of ASD occluder products increased, which was primarily attributable to an increase in revenue generated from sales of MemoCarna® ASD Occluder III. Revenue generated from sales of VSD occluder products increased by 20.7% from RMB28.5 million for the year ended December 31, 2022 to RMB34.5 million for the year ended December 31, 2023, representing 11.5% and 10.6% of our revenue in the corresponding periods, respectively. Revenue generated from sales of PDA occluder products increased by 19.4% from RMB18.0 million for the year ended December 31, 2022 to RMB21.4 million for the year ended December 31, 2023, representing 7.2% and 6.6% of our revenue in the corresponding periods, respectively.

先天性心臟病封堵器產品

截至2022年及2023年12月31日止年度，我們的大部分收入來自於銷售先天性心臟病封堵器產品。隨著我們業務的持續增長，先天性心臟病封堵器產品的銷售收入由截至2022年12月31日止年度的人民幣182.7百萬元（佔同期銷售收入的73.8%）增加26.0%至截至2023年12月31日止年度的人民幣230.2百萬元（佔同期銷售收入的70.6%）。先天性心臟病封堵器產品的銷售收入大幅增加，主要由於我們的氧化膜封堵器產品獲得廣泛的市場認可，其銷量增加，該等產品主要包括MemoCarna®房間隔缺損封堵器III代、MemoCarna®動脈導管未閉封堵器III代及MemoCarna®室間隔缺損封堵器III代。此外，全降解封堵器即MemoSorb®室間隔缺損封堵器IV代銷售收入也有較大增長。

在我們的先天性心臟病封堵器產品中，房間隔缺損封堵器產品的銷售收入由截至2022年12月31日止年度的人民幣136.2百萬元增加28.0%至截至2023年12月31日止年度的人民幣174.3百萬元，分別佔我們同期收入的55.0%及53.5%。房間隔缺損封堵器產品的銷售收入有所增加，這主要歸因於MemoCarna®房間隔缺損封堵器III代產生的銷售收入增加。室間隔缺損封堵器產品的銷售收入由截至2022年12月31日止年度的人民幣28.5百萬元增加20.7%至截至2023年12月31日止年度的人民幣34.5百萬元，分別佔我們同期收入的11.5%及10.6%。動脈導管未閉封堵器產品的銷售收入由截至2022年12月31日止年度的人民幣18.0百萬元增加19.4%至截至2023年12月31日止年度的人民幣21.4百萬元，分別佔我們同期收入的7.2%及6.6%。

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Pathway products

Revenue generated from sales of pathway products increased by 23.9% from RMB53.7 million for the year ended December 31, 2022 to RMB66.6 million for the year ended December 31, 2023, respectively, representing 21.7% and 20.4% of our revenue in the corresponding periods, respectively. Our pathway products primarily include interventional delivery systems and snares mainly related to CHD occluder products. Interventional delivery system is the largest source of our revenue generated from sales of pathway products. We also intend to gradually introduced other occluder related procedural accessories and heart valve related procedural accessories. The increase was primarily attributable to an increase in the sales volume of our various occluder products, and the sales volume of our related procedural accessories increased accordingly.

PFO and LAA occluder products

Revenue generated from sales of PFO and LAA occluder products increased by 162.0% from RMB11.1 million for the year ended December 31, 2022 to RMB29.0 million for the year ended December 31, 2023, representing 4.5% and 8.9% of our revenue in the corresponding periods, respectively. The significant increase in revenue of these products was primarily attributable to the successful market entry of our new product biodegradable PFO occluders, resulting in sales revenue of RMB14.6 million for the year ended December 31, 2023.

Other products

For the years ended December 31, 2022 and 2023, we generated a small portion of our revenue from sales of other products, primarily including vascular plug and products with relatively low applicability or importance. For the year ended December 31, 2022 and 2023, revenue generated from sales of other products both accounted for 0.1% of our revenue, respectively.

通路類產品

通路類產品的銷售收入由截至2022年12月31日止年度的人民幣53.7百萬元增加23.9%至截至2023年12月31日止年度的人民幣66.6百萬元，分別佔我們同期收入的21.7%及20.4%。我們的通路類產品主要包括封堵器介入輸送裝置及圈套器，主要與先天性心臟病封堵器產品有關。封堵器介入輸送裝置銷售收入為通路類產品銷售收入的最大來源。我們亦打算逐步引入其他封堵器相關手術配套產品和心臟瓣膜相關手術配套產品。該增加主要歸因於我們的各類封堵器產品銷量增加，相關手術配套產品銷量相應增加。

卵圓孔未閉及左心耳封堵器產品

我們的卵圓孔未閉及左心耳封堵器產品的銷售收入由截至2022年12月31日止年度的人民幣11.1百萬元增加162.0%至截至2023年12月31日止年度的人民幣29.0百萬元，分別佔我們同期收入的4.5%及8.9%。該品類的收入大幅增加主要歸因於我們的新產品生物可降解卵圓孔未閉封堵器成功打入市場，截至2023年12月31日止年度實現人民幣14.6百萬元的銷售收入。

其他產品

截至2022年及2023年12月31日止年度，我們的一小部分收入來自其他產品的銷售，主要包括血管塞及適用性或重要性相對較低的產品。截至2022年及2023年12月31日止年度，其他產品的銷售收入均分別佔我們收入的0.1%。

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管理層討論與分析

Cost of sales

Our cost of sales increased by 32.5% from RMB28.0 million for the year ended December 31, 2022 to RMB37.1 million for the year ended December 31, 2023. Our cost of sales primarily consisted of (i) raw materials and consumables; (ii) employee benefit expense; (iii) amortization of intangible assets; (iv) depreciation of property, plant and equipment; (v) transportation costs; (vi) utilities and office expenses; and (vii) others.

The following table sets forth our cost of sales by nature in absolute amounts and as percentages of our total cost of sales for the years ended December 31, 2023 and 2022.

銷售成本

我們的銷售成本由截至2022年12月31日止年度的人民幣28.0百萬元增加32.5%至截至2023年12月31日止年度的人民幣37.1百萬元。我們的銷售成本主要包括(i) 原材料及耗材；(ii) 僱員福利開支；(iii) 無形資產攤銷；(iv) 物業、廠房及設備折舊；(v) 運輸成本；(vi) 公用事業及辦公開支；及(vii) 其他。

下表載列截至2023年及2022年12月31日止年度按性質劃分的銷售成本(以絕對金額及佔銷售成本總額的百分比列示)。

		For the year ended December 31, 截至12月31日止年度				Change 變化
		2023 2023年		2022 2022年		
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%	%
Raw materials and consumables	原材料及耗材	14,608	39.4	8,086	28.9	80.7
Employee benefit expense	僱員福利開支	10,856	29.3	9,217	32.9	17.8
Amortization of intangible assets	無形資產攤銷	7,448	20.1	6,852	24.5	8.7
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,595	4.3	1,461	5.2	9.2
Transportation costs	運輸成本	1,220	3.3	1,336	4.8	-8.7
Utilities and office expenses	公用事業及辦公開支	994	2.7	672	2.4	47.9
Others	其他	364	1.0	360	1.3	1.1
Total	合計	37,085	100.0	27,984	100.0	32.5

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Our raw materials and consumables costs mainly represent nitinol products and sheathes and other metal and plastic components used during the manufacturing process, which increased by 80.7% from RMB8.1 million for the year ended December 31, 2022 to RMB14.6 million for the year ended December 31, 2023, which was primarily attributable to the general increase in sales volume of various products in 2023, especially the significant increase of accessories (pathway products) and oxide-coated products which have relevant high material costs and other new series products, resulting the significant increase of relevant material costs in 2023.

Our employee benefit expense increased by 17.8% from RMB9.2 million for the year ended December 31, 2022 to RMB10.9 million for the year ended December 31, 2023, which was primarily attributable to the increase in output and sales volume of various products in 2023, resulting in an increase in our production employee benefit expense.

Our amortization of intangible assets increased by 8.7% from RMB6.9 million for the year ended December 31, 2022 to RMB7.4 million for the year ended December 31, 2023, which was primarily attributable to the commencement of amortization on the patents and medical device registration certificates of certain products as they obtained their respective NMPA approvals, resulting in an increase in our amortization of intangible assets.

Our depreciation of property, plant and equipment increased by 9.2% from RMB1.5 million for the year ended December 31, 2022 to RMB1.6 million for the year ended December 31, 2023, which was primarily attributable to the fact that the Group acquired certain new equipment in line with the expansion of production and sale scale, resulting in an increase in our depreciation costs.

Our transportation costs decreased by 8.7% from RMB1.3 million for the year ended December 31, 2022 to RMB1.2 million for the year ended December 31, 2023, which was primarily attributable to a change in the Group's logistics supplier which offered lower prices.

生產過程中的原材料及耗材成本主要包括鎳鈦合金製品、鞘管、其他金屬及塑料部件，原材料及耗材成本由截至2022年12月31日止年度的人民幣8.1百萬元增加80.7%至截至2023年12月31日止年度的人民幣14.6百萬元，這主要歸因於2023年度各類產品銷量普遍增加，尤其材料成本相對較高的配件（通路類）及氧化膜等系列新產品銷量大幅增加，導致2023年相關材料成本增幅較大。

我們的僱員福利開支由截至2022年12月31日止年度的人民幣9.2百萬元增加17.8%至截至2023年12月31日止年度的人民幣10.9百萬元，這主要歸因於2023年各類產品產銷量增加，導致生產僱員福利開支增加。

我們的無形資產攤銷由截至2022年12月31日止年度的人民幣6.9百萬元增加8.7%至截至2023年12月31日止年度的人民幣7.4百萬元，這主要歸因於我們的部分產品獲得其相應的國家藥監局批准，該等產品的專利及醫療器械註冊證開始攤銷，導致無形資產攤銷增加。

我們的物業、廠房及設備折舊由截至2022年12月31日止年度的人民幣1.5百萬元增加9.2%至截至2023年12月31日止年度的人民幣1.6百萬元，這主要歸因於隨着生產銷售規模的擴大本集團購進部分新的設備，導致折舊成本增加。

我們的運輸成本由截至2022年12月31日止年度的人民幣1.3百萬元下降8.7%至截至2023年12月31日止年度的人民幣1.2百萬元，這主要歸因於本集團物流供應商更換為報價較低的物流供應商。

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Our utilities and office expenses increased by 47.9% from RMB0.7 million for the year ended December 31, 2022 to RMB1.0 million for the year ended December 31, 2023, which was primarily attributable to the concessions of certain property rents and property management fees due to the regional resurgence of COVID-19 in the first half of 2022, and no such concessions and these charges were back to normal levels in 2023.

Our other cost of sales primarily includes testing fees for production environment and fees for sterilization, which remained stable at RMB0.4 million for the years ended December 31, 2022 and 2023.

Gross profit and gross profit margin

Our gross profit increased by 31.5% from RMB219.7 million for the year ended December 31, 2022 to RMB288.8 million for the year ended December 31, 2023. The increase in our gross profit was in line with the growth in our overall revenue. Our gross profit margin remained basically stable at 88.7% and 88.6% for the year ended December 31, 2022 and 2023, respectively.

Distribution expenses

Our distribution expenses primarily consisted of (i) employee benefits expense for our sales and marketing staff; (ii) marketing fees; and (iii) travel expenses. Our distribution expenses increased by 29.6% from RMB38.7 million for the year ended December 31, 2022 to RMB50.1 million for the year ended December 31, 2023, which was primarily attributable to (i) the regional resurgence of COVID-19 in 2022, which was largely under control in 2023, and resulting an increase in marketing fees of RMB3.6 million and an increase in travel expenses of RMB2.9 million due to an increase in offline market research, marketing promotion and travel activities, and (ii) an increase of RMB2.4 million in employee benefits expense.

我們的公用事業及辦公開支由截至2022年12月31日止年度的人民幣0.7百萬元增加47.9%至截至2023年12月31日止年度的人民幣1.0百萬元，這主要歸因於COVID-19疫情在2022年上半年區域性復發，部分房租及物業費有所減免，而2023年度並無該優惠，且收費恢復正常水平。

我們的其他銷售成本主要包括生產環境測試費及滅菌費，其他銷售成本在截至2022年及2023年12月31日止年度均維持在人民幣0.4百萬元。

毛利及毛利率

我們的毛利由截至2022年12月31日止年度的人民幣219.7百萬元增加31.5%至截至2023年12月31日止年度的人民幣288.8百萬元。我們毛利的增加與我們整體收入增長相符。截至2022年及2023年12月31日止年度，我們的毛利率分別為88.7%和88.6%，基本持平。

經銷開支

我們的經銷開支主要包括(i)銷售及營銷人員的僱員福利開支；(ii)營銷費用；及(iii)差旅開支。我們的經銷開支由截至2022年12月31日止年度的人民幣38.7百萬元增加29.6%至截至2023年12月31日止年度的人民幣50.1百萬元，這主要歸因於(i)COVID-19疫情在2022年區域性復發，2023年COVID-19疫情已經基本有效控制，線下市場調研、營銷推廣及差旅活動增加導致營銷費用增加人民幣3.6百萬元及差旅開支增加人民幣2.9百萬元；及(ii)僱員福利開支增加人民幣2.4百萬元。

Management Discussion and Analysis

管理層討論與分析

General and administrative expenses

Our general and administrative expenses primarily consisted of (i) employee benefit expense for our administrative staff; (ii) depreciation and amortization; (iii) office and miscellaneous expenses; (iv) the listing expenses; and (v) professional service fee. Our general and administrative expenses decreased by 20.2% from RMB53.7 million for the year ended December 31, 2022 to RMB42.8 million for the year ended December 31, 2023, which was primarily attributable to a decrease in listing expenses of RMB20.4 million, partially offset by an increase in professional service fee of RMB8.7 million, which was mainly due to related expenses reflected in listing expenses in the corresponding period last year.

Research and development expenses

Our research and development expenses consisted of (i) employee benefit expense for our research and development staff; (ii) products testing, pre-clinical trial and animals studies fees; (iii) raw materials and consumables expenses; (iv) depreciation; (v) utilities and office expenses; and (vi) other expenses. Our research and development expenses increased by 14.3% from RMB53.9 million for the year ended December 31, 2022 to RMB61.6 million for the year ended December 31, 2023, which was primarily attributable to an increase in products testing, pre-clinical trial and animals studies fees of RMB5.7 million, which was due to the relatively large number of R&D projects for type inspection or animal studies in 2023 as compared with 2022; and an increase in other expenses of RMB3.3 million, which was mainly attributable to an increase in R&D-related travel expenses and training expenses in 2023 due to the regional resurgence of COVID-19 in 2022, which was largely under effective control in 2023, partially offset by a decrease in raw materials and consumables expenses of RMB1.5 million.

一般及行政開支

我們的一般及行政開支主要包括(i)行政人員的僱員福利開支；(ii)折舊及攤銷；(iii)辦公及雜項開支；(iv)上市開支；及(v)專業服務費。我們的一般及行政開支由截至2022年12月31日止年度的人民幣53.7百萬元減少20.2%至截至2023年12月31日止年度的人民幣42.8百萬元，這主要歸因於上市開支減少人民幣20.4百萬元，部分被專業服務費增加人民幣8.7百萬元所抵銷，主要由於上年同期相關開支體現在上市費用。

研發費用

我們的研發費用包括(i)研發人員的僱員福利開支；(ii)產品測試、臨床前試驗及動物研究費；(iii)原材料及耗材開支；(iv)折舊；(v)公用事業及辦公開支；及(vi)其他開支。我們的研發費用由截至2022年12月31日止年度的人民幣53.9百萬元增加14.3%至截至2023年12月31日止年度的人民幣61.6百萬元，這主要歸因於產品測試、臨床前試驗及動物研究費用增加人民幣5.7百萬元，乃由於與2022年度相比，2023年度型式檢驗或動物研究的研發項目相對較多；其他開支增加人民幣3.3百萬元，主要由於COVID-19疫情在2022年區域性復發，2023年COVID-19疫情已經基本有效控制，因此2023年度研發相關的差旅費培訓費增加；部分被原材料及耗材開支減少人民幣1.5百萬元所抵銷。

Management Discussion and Analysis

管理層討論與分析

Net reversal/(provision) for impairment losses on financial assets

Our net provision for impairment losses on financial assets primarily represented impairment loss provision for the period on trade receivable and other receivables. We had net reversal of impairment losses on financial assets of RMB6.0 million for the year ended December 31, 2023, and net provision for impairment losses on financial assets of RMB5.7 million for the year ended December 31, 2022, primarily due to less provision for credit losses recognised on trade receivables as a result of the significant improvement in the collection of our trade receivables in 2023 (while the collection was much impacted by the COVID-19 situation in 2022).

Net other income and losses

Our other income and losses primarily consisted of: (i) investment income on wealth management products; (ii) government grants; (iii) rental income from investment properties; (iv) exchange gains or losses; and (v) gains or losses from fair value changes of financial assets. We had net other income of RMB18.4 million for the year ended December 31, 2023, and a net other losses of RMB69.5 million for the year ended December 31, 2022, which was primarily attributable to a decrease in net foreign exchange losses recognized of RMB76.4 million (primarily in relation to the retranslation of redemption liabilities denominated in US\$ in 2022), an increase in government grants of RMB7.6 million and a decrease in fair value losses on financial assets of RMB4.9 million.

金融資產減值虧損撥回／(撥備)淨額

我們的金融資產減值虧損撥備淨額主要指期內貿易應收款項及其他應收款項的減值虧損撥備。我們截至2023年12月31日止年度的金融資產減值虧損撥回淨額為人民幣6.0百萬元，而截至2022年12月31日止年度的金融資產減值虧損撥備淨額為人民幣5.7百萬元，主要由於2023年度貿易應收款項回款情況顯著改善（而2022年度回款情況受COVID-19疫情影響較大），令就貿易應收款項確認的信貸虧損撥備減少。

其他收入及虧損淨額

我們的其他收入及虧損主要包括：(i) 理財產品的投資收入；(ii) 政府補助；(iii) 來自投資物業的租金收入；(iv) 匯兌損益；及(v) 金融資產公允價值變動損益。截至2023年12月31日止年度，我們的其他收入淨額為人民幣18.4百萬元，而截至2022年12月31日止年度，我們的其他虧損淨額為人民幣69.5百萬元，主要由於確認外匯虧損淨額減少人民幣76.4百萬元（主要與2022年度重新換算以美元計值的贖回負債有關），政府補助收入增加人民幣7.6百萬元，以及金融資產公允價值損失減少人民幣4.9百萬元。

Management Discussion and Analysis

管理層討論與分析

Net finance income/(costs)

Our net finance income/(costs) primarily consisted of (i) bank interest income; (ii) interest expense on lease liabilities; and (iii) interest expense on redemption liabilities. We have net finance costs of RMB13.3 million for the year ended December 31, 2022 and net finance income of RMB14.6 million for the year ended December 31, 2023, which was primarily attributable to the recognition of interest expense on redemption liabilities of RMB18.7 million in 2022, and no relevant interest expense on redemption liabilities for the Reporting Period as the Company was successfully listed on the Stock Exchange where the preferred rights granted to the Pre-IPO Investors were lapsed and an increase in bank interest income of RMB9.2 million primarily due to the increase in the Group's cash and cash equivalents and fixed deposits.

Income tax expenses

Our income tax expenses increased by 355.2% from RMB4.8 million for the year ended December 31, 2022 to RMB21.8 million for the year ended December 31, 2023, which was primarily attributable to the increase in taxable profit.

Net profit/(loss) for the year

As a result of the foregoing, we recorded a net profit of RMB151.5 million for the year ended December 31, 2023, as compared to a net loss of RMB19.8 million for the year ended December 31, 2022.

財務收入／(成本)淨額

我們的財務收入／(成本)淨額主要包括(i)銀行利息收入；(ii)租賃負債的利息開支；及(iii)贖回負債的利息開支。截至2022年12月31日止年度我們的財務成本淨額為人民幣13.3百萬元，截至2023年12月31日止年度我們的財務收入淨額為人民幣14.6百萬元，這主要歸因於2022年度確認贖回負債的利息開支人民幣18.7百萬元，隨著本公司成功於聯交所上市，授予首次公開發售前投資者的優先股已告失效，本報告期不存在相關贖回負債的利息開支，及銀行利息收入增加人民幣9.2百萬元，主要由於本集團的現金及現金等價物以及定期存款增加。

所得稅開支

我們的所得稅開支由截至2022年12月31日止年度的人民幣4.8百萬元增加355.2%至截至2023年12月31日止年度的人民幣21.8百萬元，這主要歸因於應課稅利潤增加。

年內純利／(虧損)淨額

由於上述原因，我們截至2023年12月31日止年度錄得純利淨額人民幣151.5百萬元，而截至2022年12月31日止年度的虧損淨額為人民幣19.8百萬元。

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管理層討論與分析

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The primary uses of cash are to fund the daily operations of the business of the Group. For the year ended December 31, 2023, the Group principally used cash generated from its operations, financing activities and net proceeds from the Global Offering to meet its demand of capital expenditures and working capital. Going forward, the Company believes that its liquidity requirements will be satisfied with a combination of cash flows generated from our operating activities, bank loans and other borrowings, and other funds raised from the capital markets from time to time. As of December 31, 2023, the Group had not used any financial instruments for hedging purposes.

Cash flows

As of December 31, 2023, our cash and cash equivalents were denominated in RMB, HK dollar, USD and Euro dollars. Our total cash and cash equivalents increased by 28.3% from RMB944.5 million as of December 31, 2022 to RMB1,212.0 million as of December 31, 2023, which was primarily attributable to the increase in net cash generated from operating activities of RMB98.7 million and the increase in net cash generated from investing activities of RMB517.3 million, partially offset by the decrease in net cash generated from financing activities of RMB579.9 million, a combination of which caused a net increase in cash and cash equivalents at the end of the Reporting Period.

Borrowings

As of December 31, 2023 and 2022, we had no outstanding balance of borrowings or unutilized banking facilities.

流動性、財務資源及資本結構

現金的主要用途是為本集團的日常業務經營提供資金。截至2023年12月31日止年度，本集團主要以其經營、融資活動所得現金及全球發售所得款項淨額滿足其資本開支及營運資金需求。展望未來，本公司相信，通過結合我們經營活動所產生的現金流量、銀行貸款及其他借款及不時從資本市場籌集的其他資金，將可滿足其流動資金需求。截至2023年12月31日，本集團並無使用任何金融工具用於對沖目的。

現金流量

截至2023年12月31日，我們的現金及現金等價物以人民幣、港元、美元及歐元計值。我們的現金及現金等價物總額由截至2022年12月31日的人民幣944.5百萬元增加28.3%至截至2023年12月31日的人民幣1,212.0百萬元，主要歸因於本公司經營活動所得現金淨額增加人民幣98.7百萬元，投資活動所得現金淨額增加人民幣517.3百萬元，部分被融資活動所得現金淨額減少人民幣579.9百萬元所抵銷，共同導致報告期末現金及現金等價物餘額增加。

借款

截至2023年及2022年12月31日，我們並無借款未償還結餘或未動用銀行融資。

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管理層討論與分析

Net current assets

As of December 31, 2022 and 2023, our net current assets amounted to RMB1,265.9 million and RMB1,356.4 million, respectively. Our net current assets position as of December 31, 2022 and 2023 was mainly attributable to our inventories, prepayments and other receivables, trade receivables, financial assets at fair value through profit or loss, short-term bank deposits, restricted cash and cash and cash equivalents, partially offset by our trade and other payables, contract liabilities, current income tax liabilities and lease liabilities due within one year. The increase in our net current assets was primarily attributable to an increase in bank deposits with initial term of over three months of RMB54.7 million and an increase in cash and cash equivalents balance of RMB267.5 million, partially offset by a decrease in financial assets at fair value through profit or loss of RMB258.1 million.

Material Acquisitions and Disposals of subsidiaries, associates and joint ventures and Significant Investments held

We did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures and significant investments during the year ended December 31, 2023.

Pledge of Assets

As of December 31, 2023, we did not pledge any of our assets.

Future Plans for Material Investments or Capital Asset

Save as disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus and “Use of Net Proceeds from Listing” in this report, we did not have detailed future plans for material investments or capital assets.

Capital Expenditure

For the year ended December 31, 2023, our total capital expenditure was approximately RMB86.7 million, compared to approximately RMB83.4 million for the year ended December 31, 2022. Our capital expenditure primarily included our purchase of equipment, purchase of intangible assets and payment for research and development expenses of capitalization. We funded these expenditures with cash generated from our operations and financing activities.

流動資產淨額

截至2022年及2023年12月31日，我們的流動資產淨額分別為人民幣1,265.9百萬元及人民幣1,356.4百萬元。我們截至2022年及2023年12月31日的流動資產淨額狀況主要歸因於我們的存貨、預付款項及其他應收款項、貿易應收款項、以公允價值計量且其變動計入當期損益的金融資產、短期銀行存款、受限資金以及現金及現金等價物，部分被我們的貿易及其他應付款項、合約負債、即期所得稅負債及一年內到期的租賃負債所抵銷。我們的流動資產淨值增加主要由於初始存款期逾三個月之銀行存款增加人民幣54.7百萬元，現金及現金等價物增加人民幣267.5百萬元，部分被以公允價值計量且其變動計入當期損益的金融資產減少人民幣258.1百萬元所抵銷。

重大收購及處置附屬公司、聯營企業或合營企業以及所持重大投資

於截至2023年12月31日止年度，我們並無任何重大收購及處置附屬公司、聯營企業或合營企業以及重大投資。

資產質押

截至2023年12月31日，我們並無質押任何資產。

重大投資或資本資產的未來計劃

除於招股章程「未來計劃及所得款項用途」及本報告「上市所得款項淨額用途」章節所披露者外，我們並無關於重大投資或資本資產的詳細未來計劃。

資本開支

截至2023年12月31日止年度，我們的資本開支總額約為人民幣86.7百萬元，而截至2022年12月31日止年度約為人民幣83.4百萬元。我們的資本開支主要包括我們購買設備、購買無形資產以及支付資本化研發費用。我們以經營及融資活動所得現金為該等開支提供資金。

Management Discussion and Analysis

管理層討論與分析

Capital Commitments

Our capital commitments decreased from RMB1.3 million as of December 31, 2022 to RMB0.2 million as of December 31, 2023, primarily in connection with purchase of equipment.

Contingent Liabilities

As of December 31, 2023, we did not have any material contingent liabilities.

Foreign Exchange Risk Management

Our functional currency is RMB. Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not our functional currency. We expose ourselves to foreign exchange risk because certain of our trade payables, trade receivables, short-term bank deposits and cash and cash equivalents are denominated in foreign currencies. We will mitigate such a risk by constantly reviewing the economic situation and foreign exchange risk, and applying hedging measures when necessary.

Employee and Remuneration Policy

As of December 31, 2023, we had 219 full-time employees (December 31, 2022: 236), all of whom were based in China. The total staff costs for the year ended December 31, 2023 (including staff remuneration, bonuses, welfare cost and social insurance fees, etc.) amounted to approximately RMB100.7 million.

We primarily recruit our employees through recruitment agencies, internal referrals and online recruiting channels, including our corporate website, job search websites and social networking platforms. We have adopted training protocols, pursuant to which we provide on-board and regular continuing trainings for our employees. As part of our human resources strategy, we offer employees competitive salaries, performance-based cash bonuses and other incentives.

資本承擔

我們擁有的資本承擔由截至2022年12月31日人民幣1.3百萬元下降至截至2023年12月31日人民幣0.2百萬元，主要與購買設備有關。

或有負債

截至2023年12月31日，我們並無任何重大或有負債。

外匯風險管理

我們的功能貨幣為人民幣。當未來的商業交易或已確認的資產及負債以並非我們功能貨幣的貨幣計值時，即會產生外匯風險。由於我們的若干貿易應付款項、貿易應收款項、短期銀行存款以及現金及現金等價物以外幣計值，因而使我們面臨外匯風險。我們將通過不斷審視經濟形勢和外匯風險，並在必要時採取對沖措施緩解風險。

僱員及薪酬政策

截至2023年12月31日，我們擁有219名全職僱員（2022年12月31日：236名），彼等均位於中國。截至2023年12月31日止年度的員工成本總額（包括員工薪酬、獎金、福利開支及社會保險費等）約為人民幣100.7百萬元。

我們主要通過招聘機構、內部推薦和在線招聘渠道，包括我們的公司網站、求職網站和社交網絡平台招聘員工。我們已採用培訓制度，根據該制度，我們為我們的員工提供入職和定期的持續培訓。作為我們人力資源戰略的一部分，我們向員工提供有競爭力的薪金、基於績效的現金獎金和其他激勵措施。

Management Discussion and Analysis

管理層討論與分析

Indebtedness

The following table sets forth the breakdown of our lease liabilities as of the dates indicated.

Lease liabilities 租賃負債

債務

下表載列截至所示日期我們的租賃負債明細。

As at 31 December
於12月31日

2023	2022
2023年	2022年
RMB'000	RMB'000
人民幣千元	人民幣千元

2,440	3,335
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Key Financial Ratios

The following table sets forth our key financial ratios for the years indicated.

主要財務比率

下表載列於所示年度我們的主要財務比率。

**For the year ended/
as at 31 December**
截至12月31日止年度 /
於12月31日

2023	2022
2023年	2022年

Profitability ratios

Gross profit margin
Net profit margin

盈利比率

毛利率
純利率

88.6%	88.7%
46.5%	-8.0%

Liquidity ratio

Current ratio

流動資金比率

流動比率

24.1 times	20.9 times
24.1倍	20.9倍

Gearing ratio

資產負債率

3.0%	3.6%
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- (1) The calculation of gross profit margin is based on gross profit for the year divided by revenue for the respective year and multiplied by 100.0%.
- (2) The calculation of net profit margin is based on profit/loss for the year divided by revenue for the respective year and multiplied by 100.0%.
- (3) The calculation of current ratio is based on current assets divided by current liabilities as of year end.
- (4) The gearing ratio is calculated based on the Group's total liabilities divided by total assets as of the end of the year and multiplied by 100.0%.

- (1) 毛利率基於年內的毛利除以相應年內的收入再乘以100.0%計算。
- (2) 純利率基於年內利潤／虧損除以相應年內的收入再乘以100.0%計算。
- (3) 流動比率基於截至年末的流動資產除以流動負債計算。
- (4) 資產負債率基於截至年末的本集團負債總額除以資產總額再乘以100.0%計算。

Management Discussion and Analysis

管理層討論與分析

Gross profit margin and net profit margin

Please refer to the section headed “Gross profit and gross profit margin” above for a discussion of the factors affecting our gross profit margin during 2022 and 2023. The significant change in the net profit margin is mainly due to the fact that the Group recorded net profit for the year ended December 31, 2023, as compared to a net loss for the year ended December 31, 2022.

Current ratio

Our current ratio was at 20.9 times and 24.1 times as of December 31, 2022 and 2023, respectively.

The increase in current ratio was primarily due to the increase in current assets and decrease in current liabilities as discussed in the section headed “Net current assets”.

Non-IFRS Measure – Adjusted net profit

To supplement our consolidated financial information which is presented in accordance with IFRS, we set forth below our adjusted net profit as an additional financial measure which is not presented in accordance with IFRS. We believe this is meaningful because potential impacts of certain items which our management do not consider closely relevant to our operating performance have been excluded, and this would be useful for our investors to compare our financial results directly with those of our peer companies.

Adjusted net profit eliminates the effect of certain non-cash or non-recurring items, namely (i) listing expenses, net of tax; (ii) net foreign exchange losses from the retranslation of the USD-denominated redemption liabilities; (iii) interest expense on redemption liabilities; and (iv) share-based payment expenses. The term “adjusted net profit” is not defined under IFRS. The use of adjusted net profit has material limitations as an analytical tool, as adjusted net profit does not include all items that impact our net profit for the year.

毛利率及純利率

有關影響我們於2022年及2023年毛利率的因素的討論，請參閱上文「毛利及毛利率」一節。純利率的大幅變動主要由於本集團截至2023年12月31日止年度錄得純利，而截至2022年12月31日止年度錄得虧損淨額。

流動比率

截至2022年及2023年12月31日，我們的流動比率分別為20.9倍及24.1倍。

流動比率上升主要由於「流動資產淨額」一節所述流動資產增加及流動負債減少。

非國際財務報告準則計量 – 經調整純利

為補充我們根據《國際財務報告準則》呈列的綜合財務資料，我們於下文載列我們的經調整純利作為並非根據《國際財務報告準則》計量的額外財務計量。我們認為此屬有意義之舉，原因為管理層認為與我們的經營表現並非密切相關的若干項目的潛在影響已獲剔除，且有利於我們的投資者將我們的財務業績直接與我們同業公司的財務業績進行比較。

經調整純利撇除若干非現金或非經常性項目的影響，即(i)上市開支(稅後)；(ii)重新換算以美元計值的贖回負債所得外匯虧損淨額；(iii)贖回負債利息開支；及(iv)以股份為基礎的付款開支。《國際財務報告準則》並無對「經調整純利」一詞作出界定。使用經調整純利作為分析工具具有重大局限性，原因為經調整純利不包含影響我們年內純利的所有項目。

Management Discussion and Analysis

管理層討論與分析

The following table reconciles our adjusted net profit for the periods indicated to the most directly comparable financial measure calculated and presented in accordance with IFRS:

下表載列於所示期間我們的經調整純利與根據《國際財務報告準則》計算及呈列的最具直接可資比較財務計量的對賬：

		Year ended 31 December	
		截至12月31日止年度	
		2023	2022
		2023年	2022年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit/(loss) for the year	年內利潤／(虧損)	151,532	(19,813)
Add: Listing expenses, net of tax	加：上市開支，扣除稅項	-	15,329
Add: Net foreign exchange losses from the retranslation of the USD-denominated redemption liabilities	加：重新換算以美元計值的贖回負債產生的外匯虧損淨額	-	76,377
Add: Interest expense on redemption liabilities	加：贖回負債利息開支	-	18,683
Add: Share-based payment expenses	加：以股份為基礎的付款開支	21,050	20,513
Non-IFRS Adjusted net profit	非國際財務報告準則經調整純利	172,582	111,089

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

DIRECTORS

Executive Director

Ms. CHEN Juan (陳娟), aged 52, has been a Director, the chairwoman of the Board and the general manager of the Company since January 29, 2021 and was re-designated as an executive Director on June 9, 2021. She joined the Group since December 2011 when she has been serving as the general manager of Shanghai Shape Memory Alloy and its executive director since March 2021. She is responsible for developing overall corporate and business strategies of our Group and making key business and operational decisions of our Group.

Ms. Chen joined the Lepu Medical Group in October 2006 and served on several management positions therein. By August 2021, she has resigned from all such positions.

Prior to joining the Lepu Medical Group, Ms. Chen served as the regional manager in the vascular instrument department of Abbott Laboratories Trading (Shanghai) Co., Ltd. (雅培醫療器械貿易(上海)有限公司) from January 2005 to September 2006. She served as the regional manager at the Beijing office of Gaiteng International Trade (Shanghai) Co., Ltd.# (概騰國際貿易(上海)有限公司) (currently known as Abbott Laboratories Trading (Shanghai) Co., Ltd. (雅培醫療器械貿易(上海)有限公司)) from October 1999 to September 2006, where she was responsible for the regional sales promotion.

Ms. Chen graduated from Si Tanka University (美國斯坦卡大學) in June 2017 with a doctor's degree in business administration, for which she received her courses in Shanghai. She obtained a master's degree in business administration from Maastricht School of Management (荷蘭馬斯特里赫特管理學院) in the Netherlands in September 1997 and a college degree from Shaanxi Foreign Language College (陝西省外國語師範專科學校) in September 1992, respectively. She was awarded the first prize of the Beijing Technology Invention Award (北京市技術發明獎一等獎) in 2023 and was recognized as the 6th Shanghai Industrial and Commercial Leader (上海市第六屆工商領軍人物) in 2022. She was awarded the Shanghai Women's Achievement Model (上海市巾幗建功標兵稱號) in March 2018, and the Silver Prize of Leading Figure in Shanghai Medical Device Industry (2013-2015 年度上海醫療器械行業領軍人物銀獎) in April 2016, respectively.

董事

執行董事

陳娟女士，52歲，自2021年1月29日起擔任本公司董事、董事長兼總經理，並於2021年6月9日獲重新委任為執行董事。其自2011年12月起加入本集團，當時一直擔任上海形狀記憶合金材料的總經理及自2021年3月起擔任其執行董事。其負責制定本集團整體公司和業務策略，作出本集團的關鍵業務和運營決策。

陳女士於2006年10月加入樂普醫療集團並擔任多個管理職位。直至2021年8月，其已辭去所有該等職位。

在加入樂普醫療集團前，自2005年1月至2006年9月，陳女士於雅培醫療器械貿易(上海)有限公司擔任血管儀器部區域經理。自1999年10月至2006年9月，其於概騰國際貿易(上海)有限公司(現稱雅培醫療器械貿易(上海)有限公司)北京辦事處擔任區域經理，負責區域銷售推廣。

陳女士於2017年6月畢業於美國斯坦卡大學，通過在上海學習課程獲得工商管理博士學位。其分別於1997年9月在荷蘭馬斯特里赫特管理學院獲得工商管理碩士學位及於1992年9月在陝西省外國語師範專科學校獲得大專學歷。其於2023年榮獲「北京市技術發明獎一等獎」及於2022年被評為「上海市第六屆工商領軍人物」。其分別於2018年3月及2016年4月榮獲「上海市巾幗建功標兵」稱號及2013-2015年度上海醫療器械行業領軍人物銀獎。

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

Non-executive Directors

Ms. ZHANG Yuxin (張昱昕), aged 45, has been a Director of the Company since January 29, 2021 and was appointed as the deputy general manager and the chief technology officer of our Company since May 28, 2021. She was re-designated as an executive Director on June 9, 2021 and was later redesignated as a non-executive Director on March 1, 2024, and has then ceased to act as the deputy general manager and the chief technology officer of the Company. She joined the Group in May 2011 where she served as a deputy general manager of Shanghai Shape Memory Alloy to August 2013. She is primarily responsible for formulating the overall development strategies and business plans and overseeing the management of the research and development projects and strategic development of our Group.

She joined the Lepu Medical Group in April 2006 and served as a project manager of research and development department of Lepu Medical until February 2008. From January 2009 to May 2011, she served as a manager of the technical quality department at Target Medical. She served as a deputy director of the marketing department of Lepu Medical from August 2013 to March 2015 and the chairman of its machinery research center from March 2015 to May 2021. She resigned from her other positions in Lepu Medical in May 2021 yet remained as a research and development project manager in Lepu Medical to oversee the research and development projects of the Entrusted Products by Lepu Medical.

Before joining the Lepu Medical Group and from December 2004 to April 2006, she served as a research and development engineer at 725th Research Institute (第七二五研究所) of China State Shipbuilding Co., Ltd. (中國船舶重工集團有限公司, “**China Shipbuilding Industry**”). From July 2004 to November 2004, she served as a research and development engineer at CMBI Construction Co., Ltd. (中材建設有限公司).

非執行董事

張昱昕女士，45歲，自2021年1月29日起一直擔任本公司董事，自2021年5月28日起獲委任為本公司副總經理兼首席技術官。其於2021年6月9日獲調任為執行董事並隨後於2024年3月1日獲調任為非執行董事，其後不再擔任本公司副總經理及首席技術官。其自2011年5月起加入本集團，至2013年8月期間擔任上海形狀記憶合金材料副總經理。其主要負責制定本集團整體發展策略和業務計劃，監督研發項目管理和策略發展。

其於2006年4月加入樂普醫療集團，並於2008年2月之前擔任樂普醫療的研發部項目經理。自2009年1月至2011年5月，其擔任天地和協技術質量部經理。其自2013年8月至2015年3月擔任樂普醫療營銷部副總監，並自2015年3月至2021年5月擔任樂普醫療器械研究中心主席。其於2021年5月辭去在樂普醫療的其他職位，但仍然擔任樂普醫療研發項目經理，監督樂普醫療委託產品的研發項目。

在加入樂普醫療集團前，自2004年12月至2006年4月，其於中國船舶重工集團有限公司(「**中國船舶重工**」)第七二五研究所擔任研發工程師。自2004年7月至2004年11月，其於中材建設有限公司擔任研發工程師。

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

Ms. Zhang graduated from Xi'an University of Architecture and Technology (西安建築科技大學) with a bachelor's degree in metallurgy in July 2001. She graduated from Xi'an Jiaotong University (西安交通大學) with a master's degree in materials science and engineering in June 2004. She obtained the qualification of Senior Engineer (高級工程師) from the 725th Research Institute of China Shipbuilding Industry in December 2010. She was awarded as the 24th Beijing Outstanding Young Engineer (北京市優秀青年工程師) by Beijing Science and Technology Association and Beijing Human Resources and Social Security Bureau (北京市科學技術協會及北京市人力資源和社會保障局) in September 2020. In 2017 and 2012, she was awarded the third prize of Beijing Invention Patent Award (北京發明專利獎三等獎) and the second prize of Beijing Science and Technology Award (北京市科學技術獎二等獎), respectively.

Mr. Fu Shan (付山) (former name as Fu Shan (傅山)), aged 56, has been serving as a non-executive Director when he joined the Group since June 9, 2021. He is responsible for providing professional opinion and judgment to the Board. Mr. Fu served as a managing partner, an associate chief executive officer and a chief executive officer of Greater China region in Vivo Capital (維梧資本) since October 2013. Prior to that, he served as senior managing director of the Blackstone Group from June 2008 to October 2013. He undertook various positions in the State Economic and Trade Commission of the PRC (中國國家經濟貿易委員會, "SETC") and the National Development and Reform Commission of the PRC (中國國家發展和改革委員會, "NDRC"), including serving as a director of the General Affairs Division of the Foreign Capital Utilization Department of the NDRC (國家發改委國外資金利用司綜合處) from August 2004 to March 2008, a director of the Policy and Regulation Division of the Foreign Capital Utilization Department of the NDRC (國家發改委國外資金利用司政策法規處) from June 2003 to August 2004, a director of the Policy and Foreign Capital Division of the Investment and Planning Department of the SETC (國家經貿委投資與規劃司政策與外資處) from January 2001 to June 2003, a deputy director of the Foreign Capital Division of the Investment and Planning Department of the SETC (國家經貿委投資與規劃司外資處) from July 1998 to January 2001, a deputy Director of the General Affairs Division of the Technological Transformation Department of the SETC (國家經貿委技術改造司綜合處) from October 1997 to July 1998, and an officer of the General Affairs Division of the Foreign Economic and Trade Department of the SETC (國家經貿委外經貿司綜合處) from August 1993 to October 1997. From May 1992 to August 1993, he served as an officer in the Economics and Trade Office of the State Council in China (中國國務院經濟貿易辦公室). From September 1991 to May 1992, he served as an officer in the Manufacture Office of the State Council in China (中國國務院生產辦公室).

張女士於2001年7月畢業於西安建築科技大學，獲得冶金學學士學位。其於2004年6月畢業於西安交通大學，獲得材料科學與工程碩士學位。其於2010年12月榮獲中國船舶重工第七二五研究所的高級工程師職稱。其於2020年9月榮獲北京市科學技術協會及北京市人力資源和社會保障局授予「第二十四屆北京市優秀青年工程師」稱號。其於2017年及2012年分別榮獲北京發明專利獎三等獎以及北京市科學技術獎二等獎。

付山先生 (原名傅山)，56歲，自2021年6月9日起加入本集團後一直擔任非執行董事。其負責向董事會提供專業意見及判斷。付先生自2013年10月起擔任維梧資本管理合夥人、聯席首席執行官兼大中華區首席執行官。在此之前，其自2008年6月至2013年10月擔任黑石集團的高級董事總經理。其於中國國家經濟貿易委員會(「**國家經貿委**」)及中國國家發展和改革委員會(「**國家發改委**」)擔任多個職位，包括自2004年8月至2008年3月擔任國家發改委國外資金利用司綜合處處長，自2003年6月至2004年8月擔任國家發改委國外資金利用司政策法規處處長，自2001年1月至2003年6月擔任國家經貿委投資與規劃司政策與外資處處長，自1998年7月至2001年1月擔任國家經貿委投資與規劃司外資處副處長，自1997年10月至1998年7月擔任國家經貿委技術改造司綜合處副處長，及自1993年8月至1997年10月擔任國家經貿委外經貿司綜合處科員。其自1992年5月至1993年8月擔任中國國務院經濟貿易辦公室科員。其自1991年9月至1992年5月擔任中國國務院生產辦公室科員。

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

Mr. Fu has also been serving as (1) an non-executive director of TOT Biopharm International Company Limited (東曜藥業股份有限公司), a company listed on the Stock Exchange (stock code: 1875), since January 19, 2016 and the chairman of its board of directors since September 28, 2018, (2) a non-executive director of InnoCare Pharma Limited (諾誠健華醫藥有限公司), a company listed on the Stock Exchange (stock code: 9969) from September 27, 2019 to March 27, 2023, (3) a non-executive director of Sinovac Biotech Co., Ltd., (科興控股生物技術有限公司) a company listed on the NASDAQ Global Market (stock code: SVA), since July 2018, and (4) a director of Genetron Holdings Limited (泛生子基因(控股)有限公司), a company listed on the NASDAQ Global Market (stock code: GTH), since June 2021.

Mr. Fu obtained both his bachelor's degree in world history and his master's degree in world ancient history from Peking University (北京大學), in July 1988 and July 1991, respectively.

Mr. ZHENG Guorui (鄭國銳), aged 41, has been serving as a non-executive Director when he joined the Group since June 9, 2021. He is responsible for providing professional opinion and judgment to the Board. He has been serving as a deputy general manager of Lepu Medical since April 2021. Mr. Zheng joined Lepu Medical in September 2006 as a sales manager and has served on various sales related and management positions at Lepu Medical including serving as a sales manager of the coronary artery sales team in Beijing, a manager in the northwestern region, and a manager in the eastern region. From January 2016 to October 2020, he served as a national sales director in the clinical first career department of Lepu Medical. Since October 2020, he served as a general manager assistant in Lepu Medical.

Prior to joining the Lepu Medical Group, Mr. Zheng served as a sales manager in Wuhan Grand Pharmaceutical Group Trading Company# (武漢遠大製藥集團銷售有限公司) from December 2004 to September 2006.

Mr. Zheng obtained a graduation certificate for self-taught higher education examinations (高等教育自學考試) with a major in engineering management from Haikou University of Economics (海口經濟學院) in December 2020.

付先生亦一直擔任以下職位(1)自2016年1月19日起擔任東曜藥業股份有限公司(一家於聯交所上市的公司,股份代號:1875)的非執行董事及自2018年9月28日起擔任其董事會主席;(2)自2019年9月27日至2023年3月27日擔任諾誠健華醫藥有限公司(一家於聯交所上市的公司,股份代號:9969)的非執行董事;(3)自2018年7月起擔任科興控股生物技術有限公司(一家於納斯達克全球市場上市的公司,證券代碼:SVA)的非執行董事;及(4)自2021年6月起擔任泛生子基因(控股)有限公司(一家於納斯達克全球市場上市的公司,證券代碼:GTH)的董事。

付先生分別於1988年7月及1991年7月獲得北京大學世界史學士學位及世界古代史碩士學位。

鄭國銳先生, 41歲, 自2021年6月9日起加入本集團後一直擔任非執行董事。其負責向董事會提供專業意見及判斷。自2021年4月起,其擔任樂普醫療副總經理。鄭先生於2006年9月加入樂普醫療,擔任銷售經理,其在樂普醫療亦擔任過多個銷售相關及管理職位,包括擔任北京冠狀動脈銷售團隊的銷售經理、西北區域經理及東部區域經理。自2016年1月至2020年10月,其擔任樂普醫療臨床第一事業部全國銷售總監。自2020年10月起,其擔任樂普醫療總經理助理。

在加入樂普醫療集團之前,自2004年12月至2006年9月,鄭先生擔任武漢遠大製藥集團銷售有限公司銷售經理。

鄭先生於2020年12月自海口經濟學院獲得高等教育自學考試(工程管理專業)的畢業證書。

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

Independent non-executive Directors

Ms. CHAN Ka Lai Vanessa (陳嘉麗), aged 51, has been appointed as an independent non-executive Director when she joined the Group since September 2, 2021. She is responsible for supervising and providing independent advice on the operation and management of the Group to the Board.

Ms. Chan has been serving as an independent non-executive director at both Tycoon Group Holdings Limited (滿貫集團控股有限公司), a company listed on the Stock Exchange (Stock Code: 3390) and Innovax Holdings Limited (創陞控股有限公司), a company listed on the Stock Exchange (Stock code: 2680), since January 2020 and August 2018, respectively. Since December 2015, she has been serving as a director at WA C&E Limited (盛華商務服務有限公司). From November 2009 to December 2018, she served as the financial controller at China Agri-Industries Holdings Limited (中國糧油控股有限公司). From August 2008 to October 2009, she served as a financial controller at Changsheng Holdings Co. Ltd. (昌盛集團有限公司) Ms. Chan also served as an accounting manager at The Kowloon Motor Bus Co. (1933) Ltd. (九龍巴士(一九三三)有限公司), a subsidiary of Transport International Holdings Limited (載通國際控股有限公司), a company listed on the Stock Exchange (Stock Code: 62) from August 2005 to February 2008. From July 1995 to August 2005, Ms. Chan worked in KPMG Hong Kong where her last position was a senior manager of the auditing department.

Ms. Chan graduated from the Hong Kong Polytechnic University in Hong Kong in October 1995 with a Bachelor of Arts degree in Accounting. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. In addition, Ms. Chan is an associate member of the Hong Kong Chartered Governance Institute and a member of the Hong Kong Institute of Directors.

獨立非執行董事

陳嘉麗女士，51歲，自2021年9月2日起加入本集團後獲委任為獨立非執行董事。其負責監督本集團運營和管理並就此向董事會提供獨立意見。

陳女士自2020年1月及2018年8月起分別擔任滿貫集團控股有限公司(一家於聯交所上市的公司，股份代號：3390)和創陞控股有限公司(一家於聯交所上市的公司，股份代號：2680)的獨立非執行董事。自2015年12月起，其擔任盛華商務服務有限公司董事。自2009年11月至2018年12月，其擔任中國糧油控股有限公司財務總監。自2008年8月至2009年10月，其擔任昌盛集團有限公司財務總監。陳女士亦自2005年8月至2008年2月擔任九龍巴士(一九三三)有限公司(載通國際控股有限公司(一家於聯交所上市的公司，股份代號：62)的附屬公司)會計經理。自1995年7月至2005年8月，陳女士就職於KPMG Hong Kong，其最後職位為審計部門高級經理。

陳女士於1995年10月畢業於香港的香港理工大學，獲得會計文學學士學位。其是香港會計師公會和特許公認會計師公會資深會員。此外，陳女士是香港公司治理公會的準會員以及香港董事學會會員。

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

Mr. ZHENG Yufeng (鄭玉峰), aged 51, has been appointed as an independent non-executive Director when he joined the Group since June 9, 2021. He is responsible for supervising and providing independent advice on the operation and management of the Group to the Board.

From September 2004, Mr. Zheng has been serving as a professor and doctoral supervisor in the Faculty of Materials Science and Engineering of Peking University. From July 1998 to August 2004, he successively served as a lecturer, an associate professor, a professor and a doctoral supervisor in Harbin Institute of Technology (哈爾濱工業大學). He served as an editor-in-chief of the Bioactive Materials Journal in Beijing Keai Senlan Culture Communication Co., Ltd (北京科愛森藍文化傳播有限公司) since May 2015.

Mr. Zheng graduated from Harbin Engineering University (哈爾濱船舶工程學院) with a bachelor's degree in metallic material and heat treatment in July 1993. He obtained his PhD degree in Materials Science from Harbin Institute of Technology (哈爾濱工業大學) in September 1998.

Mr. LIU Daozhi (劉道志), aged 60, has been appointed as an independent non-executive Director when he joined the Group since June 9, 2021. He is responsible for supervising and providing independent advice on the operation and management of the Group to the Board.

Mr. Liu founded Sunland Fund (山藍資本) in 2015 and has been serving as its executive partner since January 2015. From February 2003 to December 2013, Mr. Liu served as a senior vice president in emerging business in Shanghai MicroPort Medical (Group) Co., Ltd. (上海微創醫療器械(集團)有限公司).

Mr. Liu graduated from Nankai University (南開大學) with a Bachelor of Science degree in Physics in July 1985 and a PhD degree in Science in April 1991.

鄭玉峰先生，51歲，自2021年6月9日起加入本集團時獲委任為獨立非執行董事。其負責監督本集團運營和管理並就此向董事會提供獨立意見。

自2004年9月起，鄭先生擔任北京大學材料科學與工程學院教授及博士生導師。自1998年7月至2004年8月，其相繼擔任哈爾濱工業大學講師、副教授、教授及博士生導師。其自2015年5月起於北京科愛森藍文化傳播有限公司擔任《生物活性材料》期刊的總編。

鄭先生畢業於哈爾濱船舶工程學院，於1993年7月獲得金屬材料及熱處理學士學位。其後於1998年9月獲得哈爾濱工業大學材料學博士學位。

劉道志先生，60歲，自2021年6月9日起加入本集團時獲委任為獨立非執行董事。其負責監督本集團運營和管理並就此向董事會提供獨立意見。

劉先生於2015年創立了山藍資本並自2015年1月擔任其執行合夥人。自2003年2月至2013年12月，劉先生擔任上海微創醫療器械(集團)有限公司新興業務資深副總裁。

劉先生於1985年7月自南開大學獲授物理學理學學士學位，並於1991年4月獲授理學博士學位。

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

SUPERVISORS

Mr. WANG Xinglin (王興林), aged 62, has been serving as a supervisor since he joined the Group on January 29, 2021. He is responsible for supervising the performance of duties by our Directors and members of the senior management of the Group.

Mr. Wang served as the chairman of the board of supervisors at Lepu Medical since January 2020. He served as the general manager at Zhongxing Huatou (Beijing) Fund Management Co., Ltd.# (中興華投(北京)投資基金管理有限公司) since December 2016. He served as deputy chief accountant from July 2014 to January 2016 and director of the finance department from July 2015 to January 2016, respectively, in China Shipbuilding Industry. He served as deputy general manager in China State Shipbuilding Corporation Finance Co., Ltd. (中船重工財務有限責任公司, “China State Shipbuilding”) from December 2001, and was promoted to the director of its finance department in March 2004, a general manager in November 2005, the vice chairman of its board of directors in November 2011, and vice chairman of the board of directors and general manager in July 2014 respectively. He left China State Shipbuilding in August 2018. From July 1985 to January 2002, he successively served as an assistant accountant, accountant, vice director of the finance department, director of finance department, the vice chief accountant and the chief accountant at Xi’an Shipbuilding Industry Co., Ltd.# (西安船舶設備工業公司, currently known as China Shipbuilding Industry Corporation Xi’an Shipbuilding Industry Co., Ltd.# (中國船舶重工集團西安船舶工業有限公司)).

Mr. Wang graduated from Shaanxi Institute of Finance and Economics (陝西財經學院) in July 1985 with a bachelor’s degree in industrial accounting. He obtained qualification as a senior accountant from China State Shipbuilding Corporation (中國船舶工業總公司) in October 1997.

Ms. WANG Xiaoyong (王曉勇), aged 47, has been serving as a supervisor since she joined the Group on January 29, 2021. She is responsible for supervising the performance of duties by our Directors and members of the senior management of the Group.

監事

王興林先生，62歲，自2021年1月29日起加入本集團後一直擔任監事。其負責監督本集團董事和高級管理層成員履行職責。

王先生自2020年1月起擔任樂普醫療監事會主席。自2016年12月起，其擔任中興華投(北京)投資基金管理有限公司總經理。自2014年7月至2016年1月及自2015年7月至2016年1月，其於中國船舶重工分別擔任副總會計師及財務部主任。自2001年12月起，其於中船重工財務有限責任公司(「中船重工」)擔任副總經理，並於2004年3月、2005年11月、2011年11月及2014年7月分別晉升為財務部主任、總經理、副董事長以及副董事長兼總經理。其於2018年8月離開中船重工。自1985年7月至2002年1月，其先後在西安船舶設備工業公司(現稱中國船舶重工集團西安船舶工業有限公司)擔任助理會計師、會計師、財務處副處長、財務處處長、副總會計師和總會計師。

王先生於1985年7月畢業於陝西財經學院，獲得工業會計學士學位。其於1997年10月獲得中國船舶工業總公司頒發的高級會計師資格。

王曉勇女士，47歲，自2021年1月29日起加入本集團後一直擔任監事。其負責監督本集團董事和高級管理層成員履行職責。

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

Ms. Wang joined Lepu Medical in April 2006 as a regional manager of the marketing center and was promoted to serve as a general manager at pharmaceuticals department from June 2013 to December 2016. From January 2015 to December 2016, she also concurrently served as a marketing director at Beijing Haihetian Technology Development Co., Ltd.* (北京海合天科技開發有限公司). She served as a marketing director of the marketing department since January 2017 in Lepu Medical.

Ms. Wang graduated from Henan University of Economics and Law (河南財經政法大學) in June 2010 with a master's degree in business administration. She graduated from Southwest University (西南大學) in January 2019 with a bachelor's degree in applied psychology through online courses.

Mr. QIAN Weidong (錢衛東), aged 61, has been serving as a supervisor since June 9, 2021. He is responsible for supervising the performance of duties by our Directors and members of the senior management of the Group.

Mr. Qian joined the Group as a production technician in Shanghai Shape Memory Alloy from January 2004 to 2008, and was promoted as a production supervisor from 2008 to 2012. He has been a production manager of Shanghai Shape Memory Alloy since 2012.

Mr. Qian graduated from Jiangsu Shuxun Middle School (江蘇樹勳中學) in July 1979.

SENIOR MANAGEMENT

Ms. CHEN Juan (陳娟), aged 52, is the executive Director, chairman of the Board and general manager of the Company and was appointed as a senior management of the Group in December 2011. For further details, please refer to the paragraph headed "— Executive Director" in this section.

王女士於2006年4月加入樂普醫療，擔任營銷中心大區經理，並於2013年6月至2016年12月晉升為醫藥部總經理。自2015年1月至2016年12月，其亦同時擔任北京海合天科技開發有限公司營銷總監。自2017年1月起，其在樂普醫療擔任市場部總監。

王女士於2010年6月畢業於河南財經政法大學，獲得工商管理碩士學位。其於2019年1月畢業於西南大學，並通過在線課程獲得應用心理學學士學位。

錢衛東先生，61歲，自2021年6月9日起一直擔任監事。其負責監督本集團董事和高級管理層成員履行職責。

錢先生自2004年1月至2008年加入本集團，擔任上海形狀記憶合金材料生產技術員，並於2008年至2012年晉升為生產主管。錢先生自2012年起於上海形狀記憶合金材料擔任生產部經理。

錢先生於1979年7月畢業於江蘇樹勳中學。

高級管理層

陳娟女士，52歲，本公司執行董事、董事長兼總經理，於2011年12月獲委任為本集團高級管理人員。進一步詳情請參閱本節「— 執行董事」一段。

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

Mr. Qin Xue (秦學), aged 48, has been a deputy general manager and the chief financial officer of the Group since he joined the Group on May 28, 2021. He is responsible for overseeing the financial and accounting affairs of the Group. He is also the joint company secretary of the Company. Mr. Qin joined the Lepu Medical Group in April 2007 and served as a manager of the financial department in Lepu Medical until September 2012. Mr. Qin served as Lepu Medical's manager of the financial planning department from October 2012 to June 2015, deputy director of financial management and manager of the fund management department from July 2015 to February 2018, and internal audit director from March 2018 to April 2021, respectively.

Mr. Qin graduated from Capital University of Economics and Business in China (首都經濟貿易大學) with a bachelor's degree in Accounting in July 1999. He obtained qualifications as a senior accountant in July 2010 and certified management accountant (CMA) in October 2019.

Mr. HE Yufeng (何玉鳳), aged 43, has been a deputy general manager and the chief operating officer of the Group since May 28, 2021. He joined the Group as the financial director of Shanghai Shape Memory Alloy leading its finance department from August 2013 to May 2021, and the financial director of the Company from its inception to May 2021, during which he was responsible for overseeing the financial and accounting affairs of the Group.

Before joining Shanghai Shape Memory Alloy, Mr. He served as a financial manager at Shanghai Phoenix Medical Equipment Co., Ltd. (上海鳳凰醫療設備有限公司) from March 2011 to August 2013.

Mr. He received a bachelor's degree in financial management from Zhongnan University of Economics and Law (中南財經政法大學) in June 2003.

秦學先生，48歲，自2021年5月28日起加入本集團後擔任本集團副總經理兼首席財務官，負責監督本集團財務和會計事務。他亦為本公司聯席公司秘書。秦先生於2007年4月加入樂普醫療集團，擔任樂普醫療財務部經理至2012年9月。自2012年10月至2015年6月、自2015年7月至2018年2月及自2018年3月至2021年4月，秦先生分別擔任樂普醫療計劃財務部經理、財務管理部副總監兼資金管理部經理及內部審計總監。

秦先生於1999年7月自中國首都經濟貿易大學畢業並取得會計學學士學位。其於2010年7月取得高級會計師資格並於2019年10月取得註冊管理會計師資格。

何玉鳳先生，43歲，自2021年5月28日起擔任本集團副總經理兼首席運營官。自2013年8月至2021年5月，其加入本集團後擔任上海形狀記憶合金材料財務總監，領導財務部門，且自本公司成立至2021年5月擔任本公司財務總監，於此期間其負責監督本集團的財務和會計事務。

在加入上海形狀記憶合金材料前，自2011年3月至2013年8月，何先生擔任上海鳳凰醫療設備有限公司財務經理。

何先生於2003年6月在中南財經政法大學獲得金融管理學士學位。

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

Ms. ZHANG Xiani (張夏妮), aged 40, has been a deputy general manager of the Group since May 28, 2021. She joined the Group as a marketing manager of Shanghai Shape Memory Alloy from December 2011 to December 2014, and was promoted to serve as a marketing director since December 2014. She has also been serving as the marketing director of the Company since its inception.

She joined the Lepu Medical Group in July 2009 and served as an assistant to chief of the marketing department of Lepu Medical until December 2011. From June 2016 to May 2017, Ms. Zhang served as the marketing director and sales director in Shanghai Yocaly Health Management Co., Ltd.# (上海優加利健康管理有限公司), currently known as Shanghai Lepu Yunzhi Technology Co., Ltd.# (上海樂普雲智科技股份有限公司), and served as a sales director from June 2016 to December 2019. From July 2007 to June 2009, she served in the operations department in the Special Olympics Department of China Administration of Sport for Persons with Disabilities (中國殘疾人奧林匹克運動管理中心).

Ms. Zhang graduated from College of Education Scientific of Capital Normal University (首都師範大學教育科學學院) in China with a bachelor's degree in education in July 2006.

Mr. LIAO Zhangya (廖章亞), aged 42, has been appointed deputy general manager of the Group since March 31, 2023. He is responsible for overseeing the sales and marketing affairs of our Group. He joined the Lepu Medical Group in June 2010 and served on several positions in the international business unit therein. From 2010 to 2023, he served several positions from regional sales manager, vice manager, manger, vice director, to vice president of the international business unit.

Before joining the Lepu Medical Group and from August 2006 to August 2008, he served as an import and export officer at Asia Pacific Mandiri in Singapore.

Mr. Liao graduated from Xi'an International Studies University (西安外國語大學) with a bachelor's degree in Tourism Management (English) in July 2005. He graduated from Beihang University (北京航空航天大學) with a master's degree in MBA in January 2012.

張夏妮女士，40歲，自2021年5月28日起擔任本集團副總經理。其自2011年12月至2014年12月加入本集團後擔任上海形狀記憶合金材料的市場經理，並自2014年12月起晉升為市場總監。其亦自本公司成立以來一直擔任本公司市場總監。

其於2009年7月加入樂普醫療集團並擔任樂普醫療市場部主管助理至2011年12月。自2016年6月至2017年5月，張女士擔任上海優加利健康管理有限公司(現稱上海樂普雲智科技股份有限公司)市場總監兼銷售總監，並自2016年6月至2019年12月擔任銷售總監。自2007年7月至2009年6月，其任職於中國殘疾人奧林匹克運動管理中心運營部。

張女士於2006年7月畢業於中國的首都師範大學教育科學學院，獲得教育學學士學位。

廖章亞先生，42歲，自2023年3月31日起被任命為本集團副總經理。其負責監管本集團的銷售及營銷事務。其於2010年6月加入樂普醫療集團，並在國際業務部擔任多個職位。2010年至2023年，其擔任國際業務部的區域銷售經理、副經理、經理、副總監及副總裁等多個職位。

加入樂普醫療集團前及自2006年8月至2008年8月，其擔任新加坡Asia Pacific Mandiri的進出口負責人。

廖先生畢業於西安外國語大學，於2005年7月取得旅遊管理(英語方向)學士學位。其於2012年1月獲得北京航空航天大學工商管理碩士學位。

Biographies of Directors, Supervisors and Senior Management 董事、監事及高級管理層履歷

Ms. LUO Jiadan (羅嘉丹), aged 38, has been appointed as the deputy general manager of the Group since March 28, 2024 and is primarily responsible for the production affairs of the Group. She joined Shanghai Shape Memory Alloy in March 2014 and successively held various positions such as assistant to the general manager and executive director of operations, and is responsible for the internal operation management of the the Company's administration, supply chain and other related departments.

Prior to joining Shanghai Shape Memory Alloy, she served in the planning department of Shanghai Jingtai International Travel Co., Ltd.# (上海景泰國際旅行社有限公司).

Ms. Luo obtained her bachelor's degree in tourism management from Yunnan University (雲南大學) in 2008.

CHANGE OF INFORMATION OF DIRECTORS

On March 1, 2024, Ms. Zhang Yuxin has been re-designated from an executive Director to a non-executive Director, and ceased to act as the deputy general manager, the chief technology officer of the Company and the authorized representative of the Company.

Save as disclosed above, as of December 31, 2023, there has been no change to the information of the Directors subject to disclosure under Rule 13.51B(1) of the Listing Rules.

For identification purposes only

羅嘉丹女士，38歲，自2024年3月28日起被任命為本集團副總經理，主要負責本集團的生產事務。其於2014年3月加入上海形狀記憶合金材料，先後擔任總經理助理、運營執行總監等多個職位，負責公司行政、供應鏈等相關部門的內部運營管理。

在加入上海形狀記憶合金材料之前，其曾任職於上海景泰國際旅行社有限公司計調部。

羅女士於2008年獲得雲南大學旅遊管理學士學位。

董事資料變動

於2024年3月1日，張昱昕女士已由執行董事調任為非執行董事，並不再擔任本公司副總經理、首席技術官及本公司授權代表。

除上述披露者外，截至2023年12月31日，董事資料概無根據《上市規則》第13.51B(1)條須予披露的變動。

僅供識別

Report of the Directors 董事會報告

The Board is pleased to present the annual report (the “**Annual Report**”) together with the audited consolidated financial statements (the “**Consolidated Financial Statements**”) of the Company for the year ended December 31, 2023 (the “**Reporting Period**”).

董事會欣然提呈本公司截至2023年12月31日止年度（「**報告期**」）之年度報告（「**年報**」）及經審核綜合財務報表（「**綜合財務報表**」）。

USE OF NET PROCEEDS FROM LISTING

The Shares were listed on the Stock Exchange. The net proceeds received from the Global Offering (after deducting the estimated underwriting commissions and other fees and expenses payable by the Company in connection with the Global Offering) was approximately HK\$567.3 million.

上市所得款項用途

股份在聯交所上市。全球發售所得款項淨額（經扣除本公司就全球發售應付的估計包銷佣金及其他費用及開支）約為567.3百萬港元。

The following table sets forth the planned use and actual use of the net proceeds from the Global Offering as of December 31, 2023:

下表載列截至2023年12月31日全球發售所得款項淨額的計劃用途及實際用途：

Use of proceeds	Net proceeds from the Global Offering	Utilized amount as of December 31, 2023	Unutilized amount as of December 31, 2023	Expected timeline for fully utilizing the unutilized amount ⁽¹⁾
所得款項用途	全球發售所得款項淨額	截至2023年12月31日已動用款項	截至2023年12月31日未動用款項	悉數動用未動用款項的預期時間表 ⁽¹⁾
	(HK\$ million) (百萬港元)	(HK\$ million) (百萬港元)	(HK\$ million) (百萬港元)	
To fund our research and development activities				Before December 31, 2027
為研發活動提供資金	287.6	80.9	206.7	2027年12月31日前
For our sales and marketing activities				Before December 31, 2027
用於銷售及營銷活動	137.9	15.2	122.7	2027年12月31日前
To expand our production capacity and strengthen our manufacturing capabilities				Before December 31, 2027
用於提升產能及加強製造能力	28.4	5.6	22.8	2027年12月31日前
To fund potential strategic investments and acquisitions				Before December 31, 2027
為潛在的戰略投資及收購提供資金	56.7	–	56.7	2027年12月31日前
For our working capital and general corporate purposes				Before December 31, 2027
用於營運資金及一般公司用途	56.7	–	56.7	2027年12月31日前
Total	567.3	101.7	465.6	
合計	567.3	101.7	465.6	

Report of the Directors

董事會報告

Note:

- (1) The expected timeline for fully utilizing the unutilized amount disclosed above is based on the best estimates made by the Board pursuant to the latest information up to the date of this report.

As disclosed on pages 485 to 492 of the Prospectus, based on the current business plan, the Company intended to implement the use of proceeds from the Global Offering in the five financial years from 2023 to 2027. The net proceeds from the Global Offering (adjusted on a pro rata basis based on the actual net proceeds) have been and will be utilized in that same manner, proportion and the expected timeframe as set out in the Prospectus. The Board currently expects full utilization of the net proceeds raised from the Global Offering by December 31, 2027, subject to changes in light of the Company's evolving business needs and changing market conditions.

PRINCIPAL BUSINESS

The Company is a leading interventional medical device provider in China for CHD, a major field of application for structural heart diseases. The Company is principally engaged in the research, development, manufacture and commercialization of interventional medical devices primarily targeting structural heart diseases. An analysis of the Group's revenue and operating results for the year ended December 31, 2023 by its principal business is set out in "Management Discussion and Analysis" section of this Annual Report. Particulars of the Company's principal subsidiary as at December 31, 2023 are set out in note 34 to the Consolidated Financial Statements.

RESULTS

The results of the Group for the year ended December 31, 2023 are set out in the consolidated statement of profit or loss and other comprehensive income on page 213 of this Annual Report.

附註：

- (1) 上述披露的悉數動用未動用款項的預期時間表乃基於董事會根據直至本報告日期最新資料作出的最佳估計。

誠如招股章程第485至492頁所披露，根據目前的業務計劃，本公司擬於2023年至2027年五個財政年度內落實全球發售所得款項用途。全球發售所得款項淨額（已根據實際所得款項淨額按比例調整）已並將按招股章程所載相同方式、比例及預期時間表動用。董事會目前預計於2027年12月31日之前充分地動用全球發售的所得款項淨額，但可根據本公司不斷發展的業務需求及不斷變化的市況進行調整。

主營業務

本公司是一家中國領先的先天性心臟病（結構性心臟病的主要應用領域）介入醫療器械供應商。本公司主要從事主要針對結構性心臟病的介入醫療器械的研發、生產及商業化。本集團截至2023年12月31日止年度按主營業務劃分的收入及經營業績分析載於本年報「管理層討論與分析」一節。本公司主要附屬公司於2023年12月31日的詳情載於綜合財務報表附註34。

業績

本集團截至2023年12月31日止年度的業績載於本年報第213頁之綜合損益及其他全面收益表。

Report of the Directors 董事會報告

BUSINESS REVIEW

A fair review of the business of the Group, the outlook of future development of the business of the Group as well as a discussion and analysis of the Group's performance during the Reporting Period and the material factors underlying its financial performance and financial position as required by section 388(2) and Schedule 5 to the Companies Ordinance can be found in the section headed "Management Discussion and Analysis" of this Annual Report. The financial risk management objectives and policies of the Group are set out in note 3 "Financial Risk Management" to the Consolidated Financial Statements. Further details relating to the Group's relationships with its key stakeholders, the Group's environmental policies and performance, as well as the compliance with the relevant laws and regulations that have a significant impact on the Group can refer to the Environmental, Social and Governance Report on pages 94 to 165 of this Annual Report. The "Management Discussion and Analysis" and the "Environmental, Social and Governance Report" form part of this Annual Report.

PRINCIPAL RISKS

We face various risks involved in our daily business operations, including risks that are specific to our business as well as the industry and regulatory landscape in the PRC. In particular, the research, development and commercialization of our products are heavily regulated in all material aspects, and we may be unable to obtain, maintain or renew the regulatory filings and registration certificates required to commercialize our products in a timely manner, or at all. For details, please refer to the sections headed "Risk Factors" in the Prospectus.

業務回顧

有關本集團業務的公平回顧，對本集團業務的未來發展展望及本集團於報告期表現的論述及分析，以及《公司條例》第388(2)條和附表5所要求的有關其財務表現及財務狀況的重要因素，載於本年報「管理層討論與分析」一節。本集團財務風險管理目標及政策載於綜合財務報表附註3「財務風險管理」。有關本集團與主要持份者的關係、本集團的環境政策及表現，以及遵守對本集團有重大影響的有關法律法規的進一步詳情，請參閱本年報第94至165頁的環境、社會及管治報告。「管理層討論與分析」及「環境、社會及管治報告」構成本年報的一部分。

主要風險

我們在日常業務運營中面臨各種風險，包括我們的業務以及中國行業和監管環境特有的風險。尤其是，我們產品的研究、開發及商業化在所有重大方面受到嚴格監管，且我們可能無法及時或根本無法獲得、維持或續期我們產品商業化所需的監管備案及註冊證。詳情請參閱招股章程「風險因素」一節。

Report of the Directors 董事會報告

ENVIRONMENTAL POLICY AND PERFORMANCE

We are dedicated to lowering the environmental impact of all aspects of our business operations. We endeavour to comply with the relevant laws and regulations regarding environmental protection and implement effective measures to achieve efficient use of resources, waste reduction and energy saving. For instance, (1) we manage the use of energy and water in the office area and encourage employees to save resources; (2) we fully carry out garbage sorting and recycling to promote waste recycling; and (3) we use LED energy saving lamps to replace high-energy lamps and reduce the power consumption of electrical equipment. We have followed the comprehensive policy on environmental, social and corporate governance in accordance with the Listing Rules, which sets out how we practice corporate social responsibility in our daily operations and productions. In accordance with Rule 13.91 and the Environmental, Social and Governance Reporting Guide contained in Appendix 27 of the Listing Rules, the Company's Environmental, Social and Governance Report is set out on pages 94 to 165 of this Annual Report.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group is subject to various PRC laws and regulations in relation to its operations in the PRC, including, without limitation, in the aspects of medical devices and environmental and social protection. The Group is also subject to the relevant laws and regulations in Hong Kong that have a significant impact on the Company including, without limitation, the Companies Ordinance, SFO and the Listing Rules. As far as the Board and the management are aware, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group as of the date of this report. During the Reporting Period, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the Reporting Period, there was no material and significant dispute between the Group and its employees, customers and suppliers.

環境政策及表現

我們致力於降低業務運營各方面對環境的影響。我們努力遵守有關環境保護的相關法律法規，並採取有效措施，實現資源的有效利用、減少廢物及節能。例如，(1)我們對辦公區域的用能用水情況開展管理，倡導員工注意節約資源；(2)我們全面開展垃圾分類回收，促進廢棄物循環利用；及(3)我們使用LED節能燈以替代高耗能的燈具，減少用電設備的耗電水平。我們已根據《上市規則》遵循關於環境、社會及企業管治的全面政策，其中載列了我們如何在日常運營及生產中履行企業社會責任。根據《上市規則》第13.91條及附錄二十七所載《環境、社會及管治報告指引》，本公司的環境、社會及管治報告載於本年報第94至165頁。

遵守法律及法規情況

本集團在中國運營須遵守多項中國法律及法規，包括但不限於醫療器械、環境及社會保障等方面。本集團亦須遵守對本公司有重大影響的香港相關法律及法規，包括但不限於《公司條例》、《證券及期貨條例》及《上市規則》。就董事會及管理層所知，截至本報告日期，本集團已於所有重大方面遵守對本集團業務及營運有重大影響的相關法律及法規。於報告期內，本集團並無重大違反或不遵守適用法律及法規。

與員工、客戶和供貨商的關係

本集團深知，為實現其近期及長期業務目標，與僱員、客戶及供應商保持良好關係的重要性。於報告期內，本集團與其僱員、客戶及供應商之間並無重要及重大糾紛。

Report of the Directors 董事會報告

DIVIDEND POLICY

The dividend policies of the Company are as follows:

1. the Board of the Company proposes the profit distribution plan to the general meeting for approval based on the Company's overall business status, operation results, financial results, operation capital, capital demands, future prospects, cash flows and any other factors deemed as relevant by the Board, taking full consideration to return of investors, provided that the earnings and accumulative undistributed dividends for the current year are positive and the statutory reserve fund and the surplus reserve fund are provided in full;
2. the profit distribution policy of the Company shall remain continuous and stable, and shall be in the interest of the Company in the long term, in the interests of all Shareholders as a whole and in line with the sustainable development of the Company;
3. in case of war, natural disasters and other force majeure, or where changes to the external operating environment of the Company result in material impact on the production and operation of the Company, or where there are significant changes in the Company's own operations status, proposed by the Board and passed by the shareholder's general meeting, the Company may adjust its profits distribution policy; and
4. the adjustment plan for the dividend policy shall be formulated by the Board and be considered and approved at the shareholder's general meeting. The adjusted profit distribution policy shall not violate the laws and regulations, departmental rules, normative documents and the relevant provisions of the Articles of Association.

股息政策

本公司的股息政策為：

1. 本公司充分考慮對投資者的回報，在當年盈利、累計未分配利潤為正，且足額預留法定公積金、盈餘公積金後，由董事會根據本公司的整體業務狀況、營運業績、財務業績、營運資金、資本需求、未來前景、現金流量及董事會視為相關的任何其他因素提出利潤分配方案，報股東大會批准；
2. 本公司的利潤分配政策保持連續性和穩定性，同時兼顧本公司的長遠利益、全體股東的整體利益及本公司的可持續發展；
3. 如遇到戰爭、自然災害等不可抗力，或者外部經營環境變化對本公司生產經營造成重大影響，或本公司自身經營狀況發生較大變化時，經董事會提議，股東大會審議通過，可對利潤分配政策進行調整；及
4. 股息政策的調整方案由董事會擬訂，股東大會審議通過。調整後的利潤分配政策不得違反法律法規、部門規章、規範性文件及公司章程的有關規定。

Report of the Directors 董事會報告

FINAL DIVIDEND

The Board recommends the payment of a final dividend of RMB0.57 per Share (tax inclusive) for the year ended December 31, 2023 (approximately RMB197.6 million in aggregate), which is subject to the approval by the Shareholders at the 2023 AGM, the final dividend will be paid in Hong Kong dollars. The exchange rate for the final dividend to be paid in Hong Kong dollars will be the mean of the exchange rates of Renminbi to Hong Kong dollars as announced by the PBOC during the five business days preceding the date of approval of the final dividend at the 2023 AGM. The final dividend is expected to be paid on or before Monday, September 30, 2024 to the Shareholders whose names appear on the register of members of the Company on Friday, May 31, 2024. (2022 final dividend: Nil). Further details are disclosed in note 37 to the consolidated financial statements.

In addition, in order to determine the entitlement of the Shareholders to receive the final dividend, the register of members of the Company will be closed from Thursday, May 30, 2024 to Friday, May 31, 2024, both days inclusive. In order to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Wednesday, May 29, 2024 for registration. The record date for entitlement to the proposed final dividend is Friday, May 31, 2024.

No Shareholder has waived or agreed to waive any dividends.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the prior five financial years is set out on page 344 of this Annual Report. This summary does not constitute a part of the Consolidated Financial Statements.

末期股息

董事會建議就截至2023年12月31日止年度派發末期股息每股人民幣0.57元(含稅)(合共約人民幣197.6百萬元),惟須由股東於2023年股東週年大會上批准後作實,末期股息將以港元派付。以港元發放的末期股息計算的匯率以於2023年股東週年大會批准末期股息當日之前五個工作日中國人民銀行公佈的人民幣兌換港元平均基準匯率為準。預期末期股息將於2024年9月30日(星期一)或之前派發予於2024年5月31日(星期五)名列本公司股東名冊的股東。(2022年度末期股息:無)。有關進一步詳情披露於綜合財務報表附註37。

此外,為確定股東收取末期股息的權利,本公司將自2024年5月30日(星期四)至2024年5月31日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續。為符合資格收取末期股息,所有填妥的過戶表格連同有關股票必須於不遲於2024年5月29日(星期三)下午四時三十分提交予本公司香港證券登記分處卓佳證券登記有限公司(地址為香港夏慤道16號遠東金融中心17樓),以辦理登記手續。符合資格收取末期股息的記錄日期為2024年5月31日(星期五)。

概無股東放棄或同意放棄任何股息。

財務概要

本集團過去五個財政年度之業績以及資產及負債概要載列於本年報第344頁。本概要並不構成綜合財務報表的一部份。

Report of the Directors 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

Major Customers

For the year ended December 31, 2023, total sales to the Group's five largest customers represented 12.6% of total revenue of the Group, and total sales to the Group's single largest customer accounted for 3.2% of total revenue of the Group. For the year ended December 31, 2023, we collaborated with the Retained Lepu Medical Group to distribute our products overseas and in China, and generated revenue from sales to the Retained Lepu Medical Group of RMB7.8 million. Such transactions were conducted in the ordinary course of business at arm's length with reference to normal commercial terms. For details, please refer to "Continuing Connected Transactions – Sale of Products Framework Agreement" of this Annual Report.

Major Suppliers

For the year ended December 31, 2023, total purchase from the Group's five largest suppliers represented 50.8% of total purchase of the Group for the year ended December 31, 2023, and total purchase from the Group's single largest supplier accounted for 22.9% of total purchase of the Group. For the year ended December 31, 2023, we procured certain non-core components and parts from the Retained Lepu Medical Group, and our purchases from the Retained Lepu Medical Group was RMB2.8 million. Such transactions were conducted in the ordinary course of business at arm's length with reference to normal commercial terms.

Save as disclosed above, none of the Directors, their close associates or any Shareholders (to the best of the Directors' knowledge, who holds more than 5% of the issued Shares of the Company) had any interest in the five largest customers or suppliers of the Company during the Reporting Period.

主要客戶及供貨商

主要客戶

截至2023年12月31日止年度，本集團前五名客戶的總銷售額佔本集團總收入的12.6%，而本集團之單一最大客戶的總銷售額佔本集團總收入的3.2%。截至2023年12月31日止年度，我們與餘下樂普醫療集團合作，在海外和中國經銷我們的產品，向餘下樂普醫療集團銷售產生的收入為人民幣7.8百萬元。該等交易於日常業務過程中按一般商業條款及公平原則進行。詳情請參閱本年報「持續關連交易－產品銷售框架協議」。

主要供貨商

截至2023年12月31日止年度，本集團前五名供貨商的交易額佔本集團截至2023年12月31日止年度總購貨額的50.8%，而本集團之單一最大供貨商的交易額佔本集團總購貨額的22.9%。截至2023年12月31日止年度，我們從餘下樂普醫療集團採購了若干非核心零配件，且我們自餘下樂普醫療集團的採購額為人民幣2.8百萬元。該等交易於日常業務過程中按一般商業條款及公平原則進行。

除上文所披露者外，於報告期內，概無董事、任何彼等的緊密聯繫人或任何股東（據董事所知擁有本公司的已發行股份數目的5%以上）於本集團五大客戶或供貨商中擁有權益。

Report of the Directors

董事會報告

Overlapping of Customers and Suppliers

Our Directors confirmed that none of our major customers was also our major suppliers during the year ended December 31, 2023, except for the Retained Lepu Medical Group, which was our major distributor as well as our major supplier in 2023. Negotiations of the terms of our sales to and purchases from the Retained Lepu Medical Group were conducted on an individual basis, and the sales and purchases were neither interconnected or inter-conditional with each other. Our Directors confirmed that all of our sales to and purchases from the Retained Lepu Medical Group were conducted in the ordinary course of business under normal commercial terms and on arm's length basis.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company and the Group during the year ended December 31, 2023 are set out in note 14 to Consolidated Financial Statements.

INVESTMENT PROPERTIES

During the year ended December 31, 2023, details of movements in the investment properties of the Company and the Group are set out in the note 16 to the Consolidated Financial Statements and the section headed "Particulars of Investment Properties" on page 343.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the year ended December 31, 2023 are set out in note 27 to the Consolidated Financial Statements.

RESERVE AND DISTRIBUTABLE RESERVE

Details of the movement in the reserves of the Company and the Group during the year ended December 31, 2023 are set out in note 28 to the Consolidated Financial Statements and the consolidated statement of changes in equity on pages 216 to 217 of this Annual Report, respectively, of which, the details of the reserves available for distribution to Shareholders is set out in note 28 to the Consolidated Financial Statements.

BANK LOANS AND OTHER BORROWINGS

As of December 31, 2023, we had no outstanding balance of borrowings or unutilized banking facilities.

客戶及供應商的重疊

截至2023年12月31日止年度，董事確認，除餘下樂普醫療集團（其於2023年為我們的主要經銷商及我們的主要供應商）外，我們的主要客戶均不是我們的主要供應商。我們與餘下樂普醫療集團之間的銷售及採購條款的磋商以獨立基準進行，銷售和採購並非互相關聯或互為條件。董事已確認，我們對餘下樂普醫療集團的所有銷售和採購均為在一般商業條款下以公平基準進行的日常業務。

物業、廠房及設備

於截至2023年12月31日止年度內，本公司及本集團的物業、廠房及設備變動詳情載於綜合財務報表附註14。

投資物業

於截至2023年12月31日止年度內，本公司及本集團的投資物業變動詳情載於綜合財務報表附註16及第343頁「投資物業詳情」一節。

股本

於截至2023年12月31日止年度內，本公司股本的變動詳情載於綜合財務報表附註27。

儲備及可分配儲備

本公司及本集團截至2023年12月31日止年度的儲備變動詳情分別載於本年報綜合財務報表附註28及第216頁至第217頁的綜合權益變動表，其中可供分配給股東的儲備情況載於綜合財務報表附註28。

銀行借款及其他借款

截至2023年12月31日，我們並無借款未償還結餘或未動用銀行融資。

Report of the Directors 董事會報告

ANNUAL GENERAL MEETING

It is proposed that the 2023 AGM will be held on May 23, 2024. The notice of the 2023 AGM will be published on the respective websites of the Company (<http://www.scientechmed.com>) and the HKEXnews website of the Stock Exchange (www.hkexnews.hk) in due course.

CLOSURE OF REGISTER OF MEMBERS

For ascertaining Shareholders' right to attend and vote at the 2023 AGM, the register of members of the Company will be closed from Monday, May 20, 2024 to Thursday, May 23, 2024, both days inclusive, during which period no transfer of Shares will be effected. Shareholders whose names appear on the Company's register of members on May 23, 2024 shall be entitled to attend and vote at the 2023 AGM.

In order to be eligible to attend and vote at the forthcoming 2023 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the H share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on May 17, 2024 for Registration.

DIRECTORS AND SUPERVISORS

The Directors and Supervisors of the Company who held office during the Reporting Period are:

Executive Director:

Ms. Chen Juan (*Chairwoman of the Board and General Manager*)

Non-executive Directors:

Ms. Zhang Yuxin (*redesignated on March 1, 2024*)

Mr. Fu Shan

Mr. Zheng Guorui

Independent Non-executive Directors:

Ms. Chan Ka Lai Vanessa

Mr. Zheng Yufeng

Mr. Liu Daozhi

Supervisors:

Mr. Wang Xinglin

Ms. Wang Xiaoyong

Mr. Qian Weidong

股東週年大會

本公司2023年股東週年大會擬於2024年5月23日舉行。2023年股東週年大會通告將適時分別在本公司網站(<http://www.scientechmed.com>)及聯交所披露易網站(www.hkexnews.hk)刊載。

暫停辦理股份過戶登記手續

為確定股東出席2023年股東週年大會並於會上投票的權利，本公司將自2024年5月20日(星期一)至2024年5月23日(星期四)(包括首尾兩日)暫停辦理股份過戶登記手續，期間不會辦理股份過戶登記手續。於2024年5月23日名列本公司股東名冊的股東有權出席2023年股東週年大會並於會上投票。

為符合資格出席應屆2023年股東週年大會並於會上投票，所有填妥的過戶表格連同有關股票必須於不遲於2024年5月17日下午四時三十分提交予本公司香港H股證券登記處卓佳證券登記有限公司(地址為香港夏慤道16號遠東金融中心17樓)，以辦理登記手續。

董事及監事

於報告期內，本公司董事及監事如下：

執行董事：

陳娟女士(*董事長兼總經理*)

非執行董事：

張昱昕女士(*於2024年3月1日調任*)

付山先生

鄭國銳先生

獨立非執行董事：

陳嘉麗女士

鄭玉峰先生

劉道志先生

監事：

王興林先生

王曉勇女士

錢衛東先生

Report of the Directors 董事會報告

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Biographical details of Directors, Supervisors and senior management are set out in the section headed “Biographies of Directors, Supervisors and Senior Management” on pages 54 to 64 of this Annual Report.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the independent non-executive Director has confirmed his/her independence for the Reporting Period in accordance with Rule 3.13 of the Listing Rules. The Company is of the view that all of the independent non-executive Directors are independent in accordance with Rule 3.13 of the Listing Rules.

TERM OF OFFICE AND SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

Executive Director

Ms. Chen Juan, being our executive Director, has entered into a service contract with our Company on October 20, 2022 pursuant to Rule 19A.54 of the Listing Rules. The service contract is for an initial term of three years commencing from the Listing Date. The service contracts may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations.

Non-executive Director and Independent Non-executive Directors

Each of Mr. Fu Shan and Mr. Zheng Guorui, being our non-executive Directors, Ms. Chan Ka Lai Vanessa, Mr. Zheng Yufeng and Mr. Liu Daozhi, being our independent non-executive Directors, has entered into a letter of appointment with our Company on October 20, 2022. Ms. Zhang Yuxin entered into a service agreement with the Company on March 1, 2024 regarding her appointment as non-executive Director for a term of three years. She will hold office until the next annual general meeting of the Company and be subject to the requirements for retirement by rotation and re-election pursuant to the articles of association of the Company. Each letter of appointment is for an initial term of three years commencing from the Listing Date. The letters of appointment may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations.

董事、監事及高級管理層履歷

董事、監事及高級管理層履歷的詳情載於本年報第54頁至第64頁的「董事、監事及高級管理層履歷」一節。

獨立非執行董事的獨立性

各獨立非執行董事均已根據《上市規則》第3.13條確認其於報告期內的獨立性。本公司認為所有獨立非執行董事根據《上市規則》第3.13條均為獨立人士。

董事及監事之任期及服務合約

執行董事

根據《上市規則》第19A.54條，我們的執行董事陳娟女士已於2022年10月20日與本公司訂立服務合約。服務合約的初始期限為自上市日期起三年。服務合約可根據公司章程及適用法律、規則及法規續期。

非執行董事及獨立非執行董事

我們的非執行董事付山先生及鄭國銳先生以及我們的獨立非執行董事陳嘉麗女士、鄭玉峰先生及劉道志先生分別與本公司於2022年10月20日簽訂委任函。張昱昕女士與本公司於2024年3月1日就彼獲委任為非執行董事訂立為期三年的服務協議。彼之任期將直至本公司下一屆股東週年大會，並須遵守本公司之公司章程輪值退任及膺選連任之規定。委任函初始期限分別為自上市日期起三年。委任函可根據公司章程及適用法律、規則及法規續期。

Report of the Directors 董事會報告

Supervisors

Each of Mr. Wang Xinglin, Ms. Wang Xiaoyong and Mr. Qian Weidong, being our Supervisors, has entered into a service contract with our Company on October 20, 2022 pursuant to Rule 19A.55 of the Listing Rules. Each service contract is for an initial term of three years commencing from the Listing Date. The service contracts may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations.

INTERESTS OF DIRECTORS AND SUPERVISORS IN SIGNIFICANT TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Save as disclosed in this Annual Report, during the Reporting Period, none of the Directors had directly or indirectly a material interest in a transaction, arrangement or contract, to which the Company, any of its subsidiaries or its fellow subsidiaries is a party and is significant to the business of the Group.

CONTROLLING SHAREHOLDERS' INTERESTS

Save as disclosed in this Annual Report, there were no contract of significance between the Company or any of its subsidiaries and any controlling Shareholder or any of its subsidiaries or any contracts of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

DIRECTORS' INSURANCE

The Company has maintained appropriate liability insurance for its Directors, Supervisors and senior management to cover the legal action arising out of corporate action.

MANAGEMENT CONTRACTS

During the Reporting Period, the Company had not signed or entered into any contract in respect of the management or administration of the entire or any significant part of the business.

監事

我們的監事王興林先生、王曉勇女士及錢衛東先生根據《上市規則》第19A.55條分別與本公司於2022年10月20日簽訂服務合約。服務合約初始期限分別為自上市日期起三年。服務合約可根據公司章程及適用法律、規則及法規續期。

董事及監事於重大交易、安排或合約的權益

除本年報所披露者外，於報告期內，概無董事於本公司、其任何附屬公司或同系附屬公司作為訂約方並對本集團業務而言屬重大交易、安排或合約中直接或間接擁有重大權益。

控股股東權益

除本年報所披露者外，本公司或其任何附屬公司與任何控股股東或其任何附屬公司之間並無任何重大合約或控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務的任何重大合約。

董事保險

本公司已為其董事、監事及高級管理層安排適當的責任保險以涵蓋於企業活動中產生的法律訴訟。

管理合約

於報告期內，本公司並無就有關整體全部或任何重要部份業務的管理及行政工作簽訂或訂有任何合約。

Report of the Directors 董事會報告

REMUNERATION POLICY

In accordance with the Group's remuneration policy, in assessing the amount of remuneration payable to Directors and senior management, the Nomination Committee and the Remuneration Committee will take into account factors such as the salaries paid by comparable companies, their tenure, time commitment, level of responsibilities and personal performance (as the case may be). Details of the emoluments of the Director and five highest paid individuals of the Company are set out in the note 8 and note 35(e) to the Consolidated Financial Statements.

RETIREMENT AND EMPLOYEE BENEFIT SCHEME

Details of the retirement and employee benefit scheme of the Company are set out in the note 8 to the Consolidated Financial Statements.

INTERESTS OF DIRECTORS IN COMPETING BUSINESS

None of the Directors is interested in any business, apart from our business, which competes or is likely to compete, either directly or indirectly, with our business under Rule 8.10(2) of the Listing Rules during the Reporting Period.

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES OR DEBENTURES

As at December 31, 2023, none of the Directors, Supervisors or chief executives of our Company had interests or short positions in the Shares, underlying Shares or debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to our Company and the Stock Exchange.

薪酬政策

根據本集團的薪酬政策，於評估應付予董事及高級管理人員的薪酬金額時，提名委員會及薪酬委員會將要考慮的因素包括同類公司所支付的薪金、董事及高級管理人員的任期、投入度、職責及個人表現（視情況而定）等。本公司董事及五位最高薪酬人士的薪酬詳情載於綜合財務報表附註8及附註35(e)。

退休及僱員福利計劃

本公司退休及僱員福利計劃詳情載於綜合財務報表附註8。

董事於競爭業務的權益

根據《上市規則》第8.10(2)條，於報告期內，概無董事於直接或間接與我們的業務競爭或可能競爭的任何業務（我們的業務除外）中擁有權益。

董事、監事及最高行政人員於股份、相關股份或債權證之權益及淡倉

於2023年12月31日，概無董事、監事或本公司最高行政人員於本公司或本公司任何相聯法團（定義見《證券及期貨條例》第XV部）的股份、相關股份或債權證中，擁有根據《證券及期貨條例》第XV部第7及8分部須知會本公司及聯交所的股份、相關股份或債權證的權益及淡倉，或根據《證券及期貨條例》第352條須於該條例所指登記冊內登記的權益或淡倉，或根據載於《上市規則》附錄C3的《上市發行人董事進行證券交易的標準守則》須知會本公司及聯交所的任何權益或淡倉。

Report of the Directors 董事會報告

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Reporting Period was the Company or its subsidiaries a party to any arrangement that would enable the Directors or Supervisors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporates, and none of the Directors, Supervisors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporates or had exercised any such right.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

So far as the Directors are aware, as at December 31, 2023, the following persons (other than the Directors, Supervisors and chief executive of the Company) had interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

董事及監事購買股份或債權證的權利

本公司或其附屬公司於報告期內的任何時間概無訂立任何安排，致使董事或監事可藉購買本公司或任何其他法人團體股份或債權證而獲益，且並無董事、監事或彼等之配偶或18歲以下的子女獲授予任何權利以認購本公司或任何其他法人團體的股本或債務證券，或已行使任何該等權利。

主要股東於股份及相關股份之權益及淡倉

於2023年12月31日，就董事所知，下列人士（並非董事、監事及本公司最高行政人員）根據《證券及期貨條例》第336條規定本公司存置的登記冊所記錄於股份或相關股份中擁有根據《證券及期貨條例》第XV部第2及第3分部的條文須向本公司披露的權益或淡倉：

Name of Shareholders 股東名稱	Nature of interests 權益性質	Class of Shares 股份類別	Number of Shares 股份數目	Long position/ short position ⁽²⁾ 好倉／淡倉 ⁽²⁾	Approximate percentage in the total issued share capital of the Company ⁽¹⁾ 佔本公司發行股本總額之概約百分比 ⁽¹⁾
Dr. Pu ^(note 3) 蒲博士 ^(附註3)	Interest in a controlled corporation 於受控法團的權益	H Shares H股	280,000,000	Long position (L) 好倉(L)	80.75%
Lepu Medical ^(note 3) 樂普醫療 ^(附註3)	Beneficial owner 實益擁有人	H Shares H股	277,200,000	Long position (L) 好倉(L)	79.94%
	Interest in a controlled corporation 於受控法團的權益	H Shares H股	2,800,000	Long position (L) 好倉(L)	0.81%
		Total: 合計：	280,000,000	Long position (L) 好倉(L)	80.75%

Report of the Directors

董事會報告

Notes:

1. As at December 31, 2023, the total number of issued shares of the Company was 346,749,997 shares.
2. The letter (L) denotes a long position in shares of the Company.
3. Lepu Medical held approximately 80.75% of the shareholding interest of our Company, including approximately 0.81% indirect shareholding interest through Target Medical and approximately 79.94% direct shareholding interest. Lepu Medical held the entire share interest in Target Medical and was therefore deemed to be interested in the Shares held by Target Medical under the SFO. Dr. Pu is the actual controller of Lepu Medical and was therefore deemed to be interested in the H shares held by Lepu Medical under the SFO.

Save as disclosed above, as at December 31, 2023, the Directors were not aware of any other person (other than the Directors, Supervisors and chief executive of the Company) who had any interests or short positions in the Shares or underlying Shares which were required to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or to be entered in the register required to be kept pursuant to Section 336 of the SFO.

EQUITY-LINKED AGREEMENTS

During the Reporting Period, the Company had not entered into or maintained any equity-linked agreements.

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

Neither the Company nor its subsidiary had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

SHARE SCHEME

The Company did not adopt any share scheme under Chapter 17 of the Listing Rules in the year ended December 31, 2023.

附註：

1. 於2023年12月31日，本公司已發行股份總數為346,749,997股股份。
2. 「L」指於本公司股份的好倉。
3. 樂普醫療持有本公司約80.75%的持股權益，包括通過天地和協持有約0.81%的間接持股權益，及持有約79.94%的直接持股權益。樂普醫療持有天地和協全部股權，因此根據《證券及期貨條例》被視為於天地和協持有的股份中擁有權益。蒲博士為樂普醫療的實際控制人，因此，根據《證券及期貨條例》被視為於樂普醫療持有的H股股份中擁有權益。

除上文所披露者外，於2023年12月31日，就董事所知，概無任何其他人士（並非董事、監事及本公司最高行政人員）於股份或相關股份中擁有根據《證券及期貨條例》第XV部第2及3分部須予披露，或須登記於《證券及期貨條例》第336條所述的登記冊內之權益或淡倉。

股票掛鈎協議

於報告期內，本公司未訂立或存續任何股票掛鈎協議。

購買、出售或贖回本公司上市證券

本公司或其附屬公司於報告期內概無購買、出售或贖回本公司上市證券。

股份計劃

截至2023年12月31日止年度，本公司並未採納《上市規則》第十七章下的任何股份計劃。

Report of the Directors 董事會報告

PRE-EMPTIVE RIGHTS

There is no provision for the pre-emptive rights in the Articles of Association, which would oblige the Company to offer new Shares on a pro-rata basis to its existing shareholders.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

RELATED PARTY TRANSACTIONS

Details of the related party transactions were set out in note 35 "Related Party Transactions" to the Consolidated Financial Statements. Details of any related party transaction which constitute continuing connected transaction not exempted under Chapter 14A of the Listing Rules are disclosed below.

CONTINUING CONNECTED TRANSACTIONS

As disclosed in the Prospectus, the following transactions of our Group constitute the continuing connected transactions of the Company for the year ended December 31, 2023.

Connected Persons

Lepu Medical is one of our Substantial Shareholders, directly and indirectly holding approximately 80.75% of total issued share capital of the Company as of December 31, 2023. Accordingly, Lepu Medical and its subsidiaries (other than the Group) are our connected persons for the purposes of connected transactions under Chapter 14A of the Listing Rules.

優先購買權

公司章程下，概無優先購股權之條文，規定本公司須按比例基準向現有股東發售新股。

稅項寬免及豁免

董事並不知悉股東因持有本公司證券而可享有任何稅項寬免及豁免。

關聯方交易

關聯方交易詳情載於綜合財務報表附註35「關聯方交易」。任何構成《上市規則》第14A章項下不獲豁免的持續關連交易的關聯方交易詳情披露於下文。

持續關連交易

如招股章程所披露，本集團的以下交易構成本公司截至2023年12月31日止年度的持續關連交易。

關連人士

樂普醫療為我們的其中一名主要股東，於2023年12月31日直接及間接持有本公司全部已發行股本的約80.75%。因此，根據《上市規則》第14A章，就關連交易而言，樂普醫療及其附屬公司(本集團除外)為我們的關連人士。

Report of the Directors

董事會報告

1. Clinical Trial Service Framework Agreement

On October 18, 2022, our Company entered into a clinical trial service framework agreement with Lepu Medical (the “**Clinical Trial Service Framework Agreement**”), pursuant to which the Retained Lepu Medical Group agreed to provide clinical trial services on our products that enter into clinical trial stage from time to time for our Group. We may enter into individual agreements separately with the Retained Lepu Medical Group with respect to different transactions which provide for specific terms and conditions including products, price, payment and other terms in accordance with the Clinical Trial Service Framework Agreement and applicable laws. The term of the Clinical Trial Service Framework Agreement commenced from November 8, 2022 and expire on December 31, 2024. For details, please refer to the Prospectus.

The reasons and benefits of entering into the transaction are that we are a developer and manufacturer of occluders and occluder-related products and a developer of heart valve products. Clinical trial services are vital to our clinical studies for occluders and heart valve products as part of our development process. Hefei Hospital, a member of the Retained Lepu Medical Group, is a cardiovascular hospital equipped with the requisite qualification for providing clinical trial services and has a track record of having the capability of providing efficient clinical trial services since our cooperation with them in 2019. As such, we engage Hefei Hospital as one of the hospitals that provide clinical trial services for us.

The annual caps in respect of the transactions contemplated under the Clinical Trial Service Framework Agreement are RMB9.0 million, RMB9.5 million and RMB9.5 million for the three years ending December 31, 2022, 2023 and 2024, respectively. During the Reporting Period, the actual transaction amount was RMB3.6 million.

1. 臨床試驗服務框架協議

本公司與樂普醫療於2022年10月18日訂立了臨床試驗服務框架協議(「**臨床試驗服務框架協議**」)。根據該協議，餘下樂普醫療集團同意向本集團提供與我們不時進入臨床試驗階段的產品相關的臨床試驗服務。我們可依據臨床試驗服務框架協議及適用法律就不同交易與餘下樂普醫療集團分別訂立單獨協議，對特定條款和條件(包括產品、價格、付款和其他條款)作出規定。臨床試驗服務框架協議自2022年11月8日生效，有效期至2024年12月31日止。有關詳情請參見招股章程。

進行交易的原因及裨益為我們是封堵器及封堵器相關產品的開發商及製造商，亦是心臟瓣膜產品的開發商。作為我們開發過程的一環，臨床試驗服務對於我們封堵器及心臟瓣膜產品的臨床研究至關重要。合肥醫院是餘下樂普醫療集團的成員公司，為一家具備提供臨床試驗服務必要資質的心血管病醫院，並擁有自2019年合作以來具備提供高效臨床試驗服務能力的往績記錄。因此，我們委聘合肥醫院作為向我們提供臨床試驗服務的醫院之一。

截至2022年、2023年及2024年12月31日止三個年度，臨床試驗服務框架協議項下計劃進行之交易的年度上限分別為人民幣9.0百萬元、人民幣9.5百萬元及人民幣9.5百萬元。報告期內發生的實際金額為人民幣3.6百萬元。

Report of the Directors 董事會報告

2. Sale of Products Framework Agreement

On October 18, 2022, our Company entered into a sale of products framework agreement with Lepu Medical (the “**Sale of Products Framework Agreement**”), pursuant to which our Group may sell to (1) Lepu (Shanghai) and Anhui Magete certain products manufactured by our Group, namely, congenital heart disease occluders, congenital heart disease occluder delivery systems, LAA occluder systems, and snares, for distribution within the PRC; and (2) Lepu India congenital heart disease occluders, congenital heart disease occluder delivery systems and snares, for distribution in India. We may enter into individual agreements separately with Lepu (Shanghai), Anhui Magete and Lepu India with respect to different transactions which provide for specific terms and conditions including products, price, payment and other terms in accordance with the Sale of Products Framework Agreement and applicable laws. The term of the Sale of Products Framework Agreement commenced from November 8, 2022 and expire on December 31, 2024. For details, please refer to the Prospectus.

The reasons and benefits of entering into the transaction are that: (a) Our principal business is the production and sales of occluder and occluder-related devices and it is in our ordinary and usual course of business to sell occluder delivery systems to other parties for distribution; (b) Since 2012, we have been distributing our occluders through the Retained Lepu Medical Group with its wide and developed distribution network. We have been steadily ramping up our distribution qualification and capability by means including applying for our own distribution licenses. While we have established our own sales capability, a portion of the sales of our products will be conducted through members of the Retained Lepu Medical Group as our distributors; and (c) Certain of the requisite certificates for conducting sales in India were registered by Lepu India. We will continue to engage them as our distribution channel in India, where the Medical Devices Rules, which were published by the central government of India in 2016 and became effective in 2017, forbid the application by a foreign entity from applying for a license for importing medical devices. It is not practicably feasible and unduly burdensome for us to establish an Indian entity within the near future to carry out as efficiently the role currently undertaken by Lepu India, due to our unfamiliarity with the local regulatory environment and the current pandemic situation caused by COVID-19.

2. 產品銷售框架協議

本公司與樂普醫療於2022年10月18日訂立了一份產品銷售框架協議（「**產品銷售框架協議**」）。根據該協議，本集團可向(1)樂普(上海)及安徽瑪格特出售本集團製造的若干產品，即先天性心臟病封堵器、先天性心臟病封堵器輸送系統、左心耳封堵器系統和圈套器，以便在中國境內經銷；及(2) Lepu India先天性心臟病封堵器、先天性心臟病封堵器輸送系統和圈套器，以便在印度經銷。我們可依據產品銷售框架協議及適用法律就不同交易與樂普(上海)、安徽瑪格特及Lepu India分別訂立單獨協議，對特定條款和條件（包括產品、價格、付款和其他條款）作出規定。產品銷售框架協議自2022年11月8日生效，有效期至2024年12月31日止。有關詳情請參見招股章程。

進行交易的原因及裨益為：(a) 我們的主營業務是生產及銷售封堵器及封堵器相關的設備，並在一般及日常業務過程中向其他方出售封堵器輸送系統以供經銷；(b) 自2012年起，我們一直通過餘下樂普醫療集團及其廣泛而完善的經銷網路經銷封堵器。我們一直在穩步提升經銷資質及能力，包括申請自有經銷許可證。雖然我們已建立自身的銷售能力，但我們部分產品仍將通過餘下樂普醫療集團的成員公司（作為我們的經銷商）進行銷售；及(c) 在印度進行銷售的若干必要許可證由Lepu India註冊。鑒於《醫療器械規則》（印度中央政府於2016年發佈並於2017年生效）禁止外國實體申請進口醫療器械許可證，我們將繼續委聘他們作為我們在印度的經銷渠道。由於我們不熟悉當地監管環境及當前COVID-19疫情形勢，因此對我們而言於不久將來成立一家印度實體以高效履行Lepu India目前承擔的角色不切實際可行，且負擔過於繁重。

Report of the Directors

董事會報告

The annual caps in respect of the transactions contemplated under the Sale of Products Framework Agreement are RMB14.3 million, RMB17.9 million and RMB20.4 million for the three years ending December 31, 2022, 2023 and 2024, respectively. During the Reporting Period, the actual transaction amount was RMB7.8 million.

3. *Entrusted Products Related Framework Agreement*

On October 18, 2022, our Company entered into a entrusted products related framework agreement with Lepu Medical (the “**Entrusted Products Related Framework Agreement**”), pursuant to which our Group agreed to engage the Retained Lepu Medical Group to conduct the Relevant Activities legally according to the directions of our Group. We will reimburse Lepu Medical of its costs and fees actually incurred for the R&D and registration related activities associated with the Entrusted Products. Upon commercialization of the Entrusted Products, the Group may purchase the TAVR system and TMVCRS to be manufactured by Lepu Medical for sales and distribution onwards as authorized by Lepu Medical irrevocably and exclusively pursuant to the asset transfer agreement. The Group may enter into individual agreements separately with the Retained Lepu Medical Group with respect to different transactions which provide for specific terms and conditions including target, price, payment and other terms in accordance with the Entrusted Products Related Framework Agreement and applicable laws. The term of the Entrusted Products Related Framework Agreement commenced from November 8, 2022 and expire on December 31, 2024. For details, please refer to the Prospectus.

截至2022年、2023年及2024年12月31日止三個年度，產品銷售框架協議項下計劃進行之交易的年度上限分別為人民幣14.3百萬元、人民幣17.9百萬元及人民幣20.4百萬元。報告期內發生的實際金額為人民幣7.8百萬元。

3. 委託產品相關框架協議

本公司與樂普醫療於2022年10月18日訂立委託產品相關框架協議（「**委託產品相關框架協議**」）。根據該協議，本集團同意聘用餘下樂普醫療集團依照本集團指示合法進行有關活動。我們將為樂普醫療報銷其因進行有關委託產品的研發及註冊相關活動而實際產生的成本及費用。並於委託產品商業化後，本集團或會購買樂普醫療生產的經導管植入式主動脈瓣膜系統及TMVCRS，用以根據資產轉讓協議獲得樂普醫療不可撤銷地獨家授權進行日後銷售及經銷。本集團可依據委託產品相關框架協議及適用法律就不同交易與餘下樂普醫療集團分別訂立單獨協議，對特定條款和條件（包括目標、價格、付款和其他條款）作出規定。委託產品相關框架協議自2022年11月8日生效，有效期至2024年12月31日止。有關詳情請參見招股章程。

Report of the Directors 董事會報告

The reasons and benefits of entering into the transaction are that historically the type inspections and animal tests of the Entrusted Products were conducted under the name of Lepu Medical. Due to the PRC regulatory restrictions in connection with the Entrusted Products at the time of entering into the transaction, it was not feasible for us to directly take over and continue with the Relevant Activities including conducting the clinical trials. Entrusting the Retained Lepu Medical Group with the subsequent R&D, registration and manufacturing of the Entrusted Products is crucial to the realization of their commercialization and subsequent monetization. The Entrustment Arrangements under this transaction, which are integral to the injection of interventional heart valve business from Lepu Medical to our Group, strategically complemented our existing product portfolio and enabled us to have a product portfolio covering all three major fields of application in the interventional medical device market targeting structural heart diseases.

The annual caps in respect of the transactions contemplated under the Entrusted Products Related Framework Agreement are RMB28.0 million, RMB18.0 million and RMB11.0 million for the three years ending December 31, 2022, 2023 and 2024 respectively. During the Reporting Period, the actual transaction amount was RMB18.0 million.

During the Reporting Period, pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that such transactions were:

- (i) entered into in the ordinary and usual course of business of the Group;
- (ii) conducted on terms no less favourable to the Group than terms available to or from independent third parties and either on normal commercial terms or better; and
- (iii) conducted in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

進行交易的原因及裨益為委託產品的型式檢驗及動物試驗過往是以樂普醫療的名義進行。由於在進行交易時中國針對委託產品的監管限制，我們無法直接接管並繼續開展有關活動，包括進行臨床試驗。委託餘下樂普醫療集團進行委託產品的後續研發、註冊及製造，對於實現其商業化及後續變現至關重要。該交易下的委託安排是樂普醫療向本集團注入介入心臟瓣膜業務的組成部分，從戰略上補充了我們現有的產品組合，並使我們擁有涵蓋介入醫療器械市場針對結構性心臟病的所有三大應用領域的產品組合。

截至2022年、2023年及2024年12月31日止三個年度，委託產品相關框架協議項下計劃進行之交易的年度上限分別為人民幣28.0百萬元、人民幣18.0百萬元及人民幣11.0百萬元。報告期內發生的實際金額為人民幣18.0百萬元。

於報告期內，根據《上市規則》第14A.55條，獨立非執行董事已審核上述持續關連交易，並確認該等交易已：

- (i) 在本集團之一般及日常業務中訂立；
- (ii) 按照對本集團而言，屬不遜於獨立第三方可獲得或提供之條款及一般或更佳商業條款進行；及
- (iii) 根據有關交易的協議進行，條款公平合理，並符合股東的整體利益。

Report of the Directors

董事會報告

PricewaterhouseCoopers, the auditor of the Company, has performed certain agreed-upon audit procedures for the above continuing connected transactions entered into by the Group during the year ended December 31, 2023 according to the Rule 14A.56 to the Listing Rule and issued written confirmation letter therefor, which contained its results and conclusion.

Letter from the independent auditor confirmed with the Board that they are not aware of anything that may enable them to believe the above continuing connected transactions:

- (i) have not been approved by the Company's Board of directors;
- (ii) were not, in all material respects, in accordance with the pricing policies of the Group for transactions involving the provision of goods or services by the Group;
- (iii) were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (iv) have exceeded the annual cap disclosed in Prospectus.

Save as disclosed above, the "related party transactions" mentioned in note 35 to the Consolidated Financial Statements do not constitute the connected transactions or continuing connected transactions of the Company as defined in Chapter 14A of the Listing Rules.

Save as disclosed in this Annual Report, there were no connected transactions or continuing connected transactions which are required to be disclosed by the Company during the Reporting Period in accordance with the provisions concerning the disclosure of connected transactions under Chapter 14A of the Listing Rules. The Directors confirmed that the Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules in relation to the relevant connected transactions.

羅兵咸永道會計師事務所，本公司之核數師，已根據《上市規則》第14A.56條，就以上本集團截至2023年12月31日止年度持續關連交易執行若干預定審核程序並對此發出書面確認函件，當中載有其結果和結論。

獨立核數師的函件向董事會確認其並未注意到任何事情可使他們相信上述持續關連交易：

- (i) 該等交易並未獲得本公司董事會批准；
- (ii) 若該等交易涉及有本集團提供貨品或服務，在各重大方面沒有按照本集團之定價政策進行；
- (iii) 該等交易在各重大方面沒有根據有關該等交易的協議進行；及
- (iv) 該等交易超過於招股章程內所披露之年度上限。

除上文所披露者外，綜合財務報表附註35所述「關聯方交易」，並不構成《上市規則》第14A章所界定的本公司關連交易或持續關連交易。

除本年報所披露者外，於報告期內，本公司概無根據《上市規則》第14A章項下有關關連交易披露的條文而須予披露的關連交易或持續關連交易。董事確認本公司相關關連交易已符合《上市規則》第14A章的披露規定。

Report of the Directors 董事會報告

COMPLIANCE WITH NON-COMPETITION AGREEMENT

Each of Lepu Medical Technology (Beijing) Co., Ltd. (“**Lepu Medical**”) and Dr. Pu Zhongjie (蒲忠傑) (“**Dr. Pu**”) entered into a non-competition agreement with the Company dated January 27, 2022 (the “**Non-Competition Agreement**”), pursuant to which, Lepu Medical and Dr. Pu have irrevocably undertaken to the Company (for the interests of the Company itself and other members of the Group) that Lepu Medical and Dr. Pu shall not, and shall procure that its associates (excluding the Group) will not, directly or indirectly, whether on their own or jointly with another person or company, acquire interest in, participate in, develop, operate or engage in any business or company which directly or indirectly competes or may compete with any business of the Company. Please refer to the Prospectus for details of the Non-Competition Agreement.

The Company has received the annual confirmation that Lepu Medical and Dr. Pu have complied with the Non-Competition Agreement during the Reporting Period.

The independent non-executive Directors have reviewed the performance of the Non-Competition Agreement during the Reporting Period, according to the information and confirmation provided or given by Lepu Medical and Dr. Pu, and are satisfied that Lepu Medical and Dr. Pu have complied with the Non-Competition Agreement.

PERMITTED INDEMNITY PROVISION

For the year ended December 31, 2023, the Group has no permitted indemnity provision.

SHARE CAPITAL AND SHARES ISSUED

Details of movements in the share capital of the Company for the Reporting Period and details of the Shares issued during the Reporting Period are set out in note 27 “Share Capital” to the Consolidated Financial Statements.

DONATIONS

The Company did not make charitable and other donations during the Reporting Period.

遵守不競爭協議

樂普(北京)醫療器械股份有限公司(「**樂普醫療**」)及蒲忠傑博士(「**蒲博士**」)已分別與本公司訂立日期為2022年1月27日的不競爭協議(「**不競爭協議**」)。據此，樂普醫療及蒲博士不可撤銷地向本公司承諾(為本公司本身及本集團其他成員公司的利益)，樂普醫療及蒲博士均不會並將促使其連絡人(本集團除外)不會直接或間接(無論單獨或聯同其他人士或公司)參股、參與、發展、經營或從事直接或間接與本公司任何業務競爭或可能競爭的任何業務或公司。關於不競爭協議的詳情，請參見招股章程。

本公司已收到樂普醫療及蒲博士就彼等於報告期內已遵守不競爭協議的年度確認書。

獨立非執行董事已根據樂普醫療及蒲博士所提供或彼等給予的資料及確認，審閱不競爭協議於報告期內之履行情況，並滿意樂普醫療及蒲博士已遵守不競爭協議。

獲准許的彌償條文

截至2023年12月31日止年度，本集團並無獲准許的彌償條文。

股本及已發行股份

本公司報告期內股本的變動詳情及報告期內的已發行股份詳情載於綜合財務報表附註27「股本」。

捐款

本公司於報告期內並無作出慈善及其他捐款。

Report of the Directors 董事會報告

DEBENTURE ISSUED

The Group did not issue any debenture during the Reporting Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company's corporate governance practices are based on the principles and code provisions as set out in the CG Code contained in Appendix C1 to the Listing Rules and the Company has adopted the CG Code as its own code of corporate governance.

During the Reporting Period, the Company has complied with the code provisions as set out in the CG Code, except for the deviation as disclosed in the "Corporate Governance Report" section of this Annual Report.

Information on the corporate governance practices and compliance with the CG Code of the Company, please refer to the Corporate Governance Report on pages 166 to 200 of this Annual Report for details.

PUBLIC FLOAT

The Company has applied for and the Stock Exchange has approved waiver from strict compliance with Rule 8.08(1) of the Listing Rules. Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained the required public float under the Listing Rules and the public float waiver at any time during the Reporting Period.

MATERIAL LEGAL PROCEEDINGS AND COMPLIANCE

For the year ended December 31, 2023, the Company was not involved in any material legal proceedings or arbitrations. To the best knowledge of the Directors, there is no material legal proceeding or claim which is pending or threatening against the Company.

已發行債券

本集團於報告期內並無發行任何債券。

遵守《企業管治守則》

本公司的企業管治常規乃基於載於《上市規則》附錄C1的《企業管治守則》所載原則及守則條文，本公司已採納《企業管治守則》作為其本身之企業管治守則。

於報告期內，本公司一直遵守《企業管治守則》所載守則條文，惟偏離本年度「企業管治報告」章節下守則條文的情況除外。

有關本公司企業管治常規及遵守《企業管治守則》的資料，詳情請參閱本年報第166頁至第200頁的企業管治報告。

公眾持股量

本公司已申請且聯交所已批准豁免嚴格遵守《上市規則》第8.08(1)條的規定。根據本公司可公開獲得的資料及就董事所深知，於報告期內的任何時間，本公司已根據《上市規則》及按公眾持股量豁免的規定，維持規定的公眾持股量。

重大法律訴訟及合規情況

截至2023年12月31日止年度，本公司不存在涉及任何重大法律訴訟或仲裁。就董事所知，也不存在任何尚未完結或對本公司存在威脅性的重大法律訴訟或索賠。

Report of the Directors 董事會報告

AUDIT COMMITTEE

The Audit Committee comprises two independent non-executive Directors, namely Ms. Chan Ka Lai Vanessa and Mr. Zheng Yufeng, and one non-executive Director, namely Mr. Zheng Guorui. The Audit Committee has reviewed the Consolidated Financial Statements and this Annual Report, reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters.

AUDITOR

PricewaterhouseCoopers was appointed as the auditor of the Company for the year ended December 31, 2023. PricewaterhouseCoopers has audited the accompanying consolidated financial statements in the Annual Report, which have been prepared in accordance with the IFRS Accounting Standards. PricewaterhouseCoopers will retire as the auditor of the Company upon the conclusion of the forthcoming 2023 AGM and will not be standing for re-appointment.

On April 7, 2024, the Board proposed to appoint BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所(特殊普通合夥)) as the new auditor of the Company. The proposed change of auditors is subject to the Shareholders' approval at the AGM. For details, please refer to the announcement of the Company dated April 7, 2024.

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

On March 28, 2024, the Board proposed a declaration and payment of a final dividend for the year ended December 31, 2023. Further details are disclosed in “ - Final Dividend” in this annual report and Note 37 to the consolidated financial statements.

On April 7, 2024, the Board considered and approved to prepare the Company's financial statements and disclose relevant financial information in accordance with the CASBE starting from the interim report for the six months ending June 30, 2024, proposed to amend the Articles of Association and appoint BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所(特殊普通合夥)) as the new auditor of the Company. The proposed amendments to the Articles of Association and the change of auditors are subject to the Shareholders' approval at the AGM. For details, please refer to the announcement of the Company dated April 7, 2024.

審計委員會

審計委員會由兩名獨立非執行董事(即陳嘉麗女士及鄭玉峰先生)及一名非執行董事(即鄭國銳先生)組成。

審計委員會已審閱綜合財務報表及本年報，審閱本集團採納的會計原則及常規，並討論審計、內部控制及財務報告事宜。

核數師

羅兵咸永道會計師事務所獲委任為截至2023年12月31日止年度的本公司核數師。羅兵咸永道會計師事務所已審核隨附本年報的綜合財務報表，該等報表已按《國際財務報告會計準則》編製。羅兵咸永道會計師事務所將於即將舉行的2023年股東週年大會結束時退任本公司核數師，並將不會膺選續聘。

於2024年4月7日，董事會建議委任立信會計師事務所(特殊普通合夥)為本公司新任核數師。建議變更核數師須待股東於股東週年大會上批准後，方告作實。有關詳情，請參閱本公司日期為2024年4月7日的公告。

報告期後的事項

於2024年3月28日，董事會建議宣派及派發截至2023年12月31日止年度的末期股息。有關進一步詳情披露於本年報「末期股息」及綜合財務報表附註37。

於2024年4月7日，董事會審議並通過自截至2024年6月30日止六個月的中期報告起根據中國企業會計準則編製本公司的財務報表及披露相關財務資料，建議修訂公司章程及委任立信會計師事務所(特殊普通合夥)為本公司新任核數師。建議修訂公司章程及變更核數師須待股東於股東週年大會上批准後，方告作實。有關詳情，請參閱本公司日期為2024年4月7日的公告。

Report of the Directors 董事會報告

Save as disclosed above, there are no material subsequent events undertaken by the Group after December 31, 2023 and up to the date of this Annual Report.

By order of the Board

Chen Juan

Chairwoman and Executive Director

Shanghai, the People's Republic of China
March 28, 2024

除上文所披露者外，於2023年12月31日之後及直至本年報日期，本集團概無進行任何重大期後事項。

承董事會命

陳娟

董事長兼執行董事

中華人民共和國·上海
2024年3月28日

Report of the Board of Supervisors 監事會報告

In 2023, all members of the Board of Supervisors, adhering to an attitude of responsibility to all Shareholders, earnestly performed their supervisory duties and positively conducted their works in accordance with the principle of honesty by participating meetings of the Board of Supervisors, attending Board meetings and shareholder's general meetings and effectively supervised on the legality of operations, financial conditions as well as the duty performance of the Directors and management of the Company, in strict accordance with the Company Law and other relevant laws, the Listing Rules and the relevant requirements of the Articles of Association, which promoted the standardized operation of the Company.

BASIC COMPOSITION OF THE BOARD OF SUPERVISORS

The Board of Supervisors shall comprise three supervisors. The appointment and dismissal of the chairman of the Board of Supervisors shall be passed by the votes of more than two-thirds of the members of the Board of Supervisors. Each term of office of a Supervisor is three years and he/she may serve consecutive terms if re-elected.

The Board of Supervisors shall be composed of representatives of the Shareholders and representatives of the Company's employees. Shareholder representatives shall be elected and removed at shareholders' general meetings, and employee representatives shall be elected and removed democratically by the employees of the company. The number of employee representative supervisors of the Company shall not be less than one-third of the Supervisors. Directors and senior management members shall not act concurrently as Supervisors.

The Board of Supervisors consists of three supervisors which are as follows:

Shareholder Representative Supervisors:

Mr. Wang Xinglin (*chairman*)
Ms. Wang Xiaoyong

Employee Representative Supervisors:

Mr. Qian Weidong

2023年，監事會全體成員嚴格按照《公司法》等有關法律、《上市規則》及公司章程的有關規定，遵守誠信原則，本着對全體股東負責的態度，認真履行監督職責，積極開展工作，出席監事會會議，列席董事會會議和股東大會，對本公司的依法運作、財務狀況及董事、管理層履職情況等方面進行有效監督，促進了本公司的規範運作。

監事會基本構成

監事會由3名監事組成。監事會主席的任免，應當經三分之二以上監事會成員表決通過。監事每屆任期三年，可以連選連任。

監事會成員由股東代表和公司職工代表組成。股東代表由股東大會選舉和罷免，職工代表由公司職工民主選舉和罷免，公司職工代表擔任的監事不得少於監事人數的三分之一。公司董事、高級管理人員不得兼任監事。

監事會由三名監事組成，具體如下：

股東代表監事：

王興林先生(主席)
王曉勇女士

職工代表監事：

錢衛東先生

Report of the Board of Supervisors 監事會報告

OVERALL RESPONSIBILITIES OF THE BOARD OF SUPERVISORS

The Board of Supervisors serve as the supervision institution of the Company which shall strictly perform their duties in compliance with the Company Law, the Listing Rules and the Articles of Association. The Board of Supervisors is responsible for supervising the performance of the Board and senior management, the Company's financial operations, internal control and risk management.

PERFORMANCE OF THE BOARD OF SUPERVISORS

During the Reporting Period and up to the date of this annual report, the Board of Supervisors convened one meeting, eight resolutions were considered. All supervisors attended the following meetings in person to discuss and consider the following matters on, among others, the audited Consolidated Financial Statements of the Company for the year ended December 31, 2023, the Independent Auditor's Report and the Audit Report, the financial budget plan for 2024 of the Company, the 2023 Working Report of Board of Supervisors of the Company, the 2023 Annual Results Announcement and the 2023 Annual Report of the Company, the 2023 Internal Control and Self-assessment Report of the Company, the remuneration matters on Directors for 2023 and 2024, the remuneration matters on Supervisors for 2023 and 2024, the proposed re-election of supervisors for the forthcoming session, the proposed profit distribution plan, as well as the proposed appointment of auditor of the Company for 2024.

The attendance of each supervisor at the Board of Supervisors meeting is set out in the table below:

Name of supervisors

Mr. Wang Xinglin (*chairman*)
Ms. Wang Xiaoyong
Mr. Qian Weidong

監事姓名

王興林先生(主席)
王曉勇女士
錢衛東先生

During the Reporting Period, the members of the Board of Supervisors attended the shareholder's general meeting and the Board meeting of the Company, put forward relevant opinions and suggestions with a serious and responsible attitude, conducted supervision on the procedures and content of the meetings, and effectively supervised the decision-making procedures, legal operations and financial conditions of the Company's business, as well as the duty performance of the Directors and management in the daily operations of the Company, which well-safeguarded the legal interests of the Company and the Shareholders.

監事會總體職責

監事會是本公司的監督機構，嚴格依照《公司法》、《上市規則》及公司章程履行職責，監事會負責監督董事會及高級管理層的表現、本公司的財務運作、內部控制及風險管理。

監事會工作情況

於報告期內及直至本年報日期，監事會共召開了一次會議，審議了八項議案。全體監事均親自出席下述會議以討論及審議以下內容，其中包括關於公司截至2023年12月31日止年度經審核綜合財務報表、獨立核數師報告及審計報告、公司2024年度財務預算方案、公司《監事會2023年度工作報告》、公司《2023年年度業績公告》及《2023年年度報告》、公司《2023年度內部控制自我評價報告》、公司董事2023年度及2024年度薪酬事宜、公司監事2023年度及2024年度薪酬事宜、建議重選應屆監事、建議利潤分配計劃及擬委任公司2024年核數師。

各監事會成員出席該等會議的情況載於下表：

Number of attendance/ required attendance 已出席次數／應出席次數

1/1
1/1
1/1

報告期內，監事會成員列席本公司的股東大會和董事會會議，以認真負責的態度提出了相關意見和建議，對會議的程序和內容實施監督，並有效監督本公司經營的決策程序、依法運作情況、財務狀況以及董事、管理層於本公司日常經營中的職務行為，較好地維護了本公司和股東的合法利益。

Report of the Board of Supervisors 監事會報告

THE BOARD OF SUPERVISORS' BASIC EVALUATION ON THE OPERATIONS CONDUCTED BY THE BOARD AND THE SENIOR MANAGEMENT

For the year ended December 31, 2023, through supervising the Directors and senior management, the Board of Supervisors believed that the Company's major business decision-making procedures were legal and effective; when performing their duties, the Directors and senior management earnestly implemented the laws and regulations of the PRC, the Articles of Association and the resolutions of the shareholder's general meetings and the Board meetings, and there was no behavior that harmed the interests of the Company and the Shareholders and no violations committed by the Directors or senior management were found during operations.

INDEPENDENT OPINION ON THE RELEVANT MATTERS OF THE COMPANY DURING THE REPORTING PERIOD

Independent Opinion of the Board of Supervisors on Compliance of the Company's Operations with Legal Requirements

In 2023, the Board of Supervisors supervised the convening procedures and resolutions of the shareholder's general meetings and the Board meetings of the Company, the implementation of resolutions of the shareholder's general meetings by the Board, and the duty performance of senior management in accordance with the rights granted under the Company Law of the PRC and the Articles of Association.

The Board of Supervisors believed that the Company's decision-making procedures complied with the relevant provisions of the Company Law of the PRC, the Articles of Association and the Listing Rules, and the Board has standardized operations, legal procedures, reasonable decisions, and earnestly implemented each resolution of the shareholder's general meetings. The Directors and senior management were loyal and diligent when they dedicated to their duties, with no violation of laws, regulations, the Articles of Association or damage to the interests of the Company. Each resolution of the shareholder's general meetings has been implemented.

監事會對董事會、高級管理人員經營行為的基本評價

截至2023年12月31日止年度，通過對董事及高級管理人員的監督，監事會認為：本公司重大經營決策程序合法有效；董事及高級管理人員在執行本公司職務時，均能認真貫徹執行中國法律法規、公司章程和股東大會、董事會決議，未出現損害本公司及股東利益的行為，經營中未發現董事及高級管理人員存在違規操作行為。

對本公司報告期內的有關事項的獨立意見

監事會對本公司依法運作情況的獨立意見

2023年，監事會依據《中國公司法》公司章程等賦予的權利，對本公司股東大會、董事會會議的召開程序、決議事項、董事會對股東大會的決議執行情況及高級管理人員執行職務的情況等進行監督。

監事會認為，本公司決策程序遵守了《中國公司法》、公司章程和《上市規則》等相關規定，董事會運作規範、程序合法、決策合理、認真執行股東大會的各項決議；董事及高級管理人員執行本公司職務時忠於職守、勤勉盡責，恪盡職守，並無發現任何違反法律、法規、公司章程或損害本公司利益的情況；股東大會的各項決議均得到了落實。

Report of the Board of Supervisors 監事會報告

Independent Opinion of the Board of Supervisors on the Company's Financial Position

The Board of Supervisors supervised the Company's finance, and believed that the Company's financial system was sound, its financial operations were in good condition, and considered that the Company strictly met the requirements of the accounting system and accounting standards for business enterprises and other relevant financial regulations. Meanwhile, after the Board of Supervisor carefully reviewed 2023 Financial Statements and other relevant documents proposed to be submitted by the Board to the shareholder's general meeting, which was audited and issued an unqualified opinion by the independent auditor, it believed that such financial report has followed the principle of consistency, objectively, truly and fairly reflected the financial position and operation results of the Company.

Independent Opinion of the Board of Supervisors on the Company's Connected Transactions

The Board of Supervisors reviewed the relevant information of the connected transactions of the Company during this year and believed that the Company's relevant connected transactions were implemented in strict accordance with the relevant systems and agreements of connected transactions and were in line with the principles of fairness and reasonableness, without prejudice to the interests of the Company and the Shareholders.

2024 ANNUAL WORK PLAN

In 2024, the Board of Supervisors will continue to fully perform its supervisory duties and strictly comply with the Company Law and other relevant laws, the Listing Rules and the relevant requirements of the Articles of Association, exercise its supervisory authority independently in accordance with laws and perform its fiduciary duty, effectively safeguard the interests of the Company and the Shareholders and ensure the standardized and healthy operation of the Company.

1. The Board of Supervisors will carry out its daily work to convene meetings of the Board of Supervisors according to the actual situation of the Company and make its best efforts to review and consider various proposals;

監事會對本公司財務情況的獨立意見

監事會對本公司財務進行了監督，認為本公司的財務制度健全，財務運行狀況良好，並認為本公司嚴格遵守了企業會計制度和會計準則及其他相關財務規定的要求。同時，監事會認真審核了董事會擬提交股東大會的經獨立核數師審計並出具無保留意見的2023年財務報表等相關材料，認為財務報告遵循了一貫性原則、客觀、準確、真實地反映了本公司的財務狀況和經營成果。

監事會對本公司關連交易情況的獨立意見

監事會審閱了本年度內本公司發生的關連交易的相關資料，監事會認為，本公司有關關連交易嚴格按照關連交易的相關制度及協議執行，符合公平、合理的原則，未損害本公司及股東利益。

2024年度工作計劃

2024年度，監事會將繼續發揮好監督職能，嚴格按照《公司法》等有關法律、《上市規則》和公司章程等相關規定，依法獨立行使監督權，履行忠實勤勉義務，切實維護本公司及廣大股東的利益，確保本公司規範健康運作。

1. 開展日常議事活動。根據本公司實際情況召開監事會會議，做好各項議案的審議工作；

Report of the Board of Supervisors 監事會報告

2. The Board of Supervisors will strengthen the implementation of its supervisory functions. The Board of Supervisors will enhance the supervision of the Directors and senior management in the discharge of their duties and responsibilities, the execution of resolutions and compliance with regulations, improve the supervision and correction of violations, misconduct and omissions of senior management, and promote the standardization and legality of their decision-making and operating activities; conduct focused supervision on the implementation of the Company's major operating decisions, major asset acquisitions and external investments, and regularly review and audit the Company's financial reports to effectively prevent business risks;
2. 加強落實監督職能。強化對董事和高級管理人員在履行職責、執行決議和遵守法規等方面的監督，加強對高級管理人員違規、失職、不作為的監督與糾正，促使其決策和經營活動更加規範、合法；並對本公司重大經營決策、重大資產收購、對外投資等事項的貫徹執行情況開展重點監督，定期了解和審核本公司財務報告，有效防範經營風險；
3. The Board of Supervisors will learn about laws, regulations and relevant policies in a timely manner. The Board of Supervisors will seriously study the laws, regulations and relevant policies amended from time to time, continuously urge the construction and operation of the internal control system, promote a long-term effective mechanism of standardizing corporate governance of the Company and facilitate the sustainable and healthy development of the Company; and
3. 及時學習法律法規及相關政策。認真學習不時更新的法律法規和相關政策，不斷推動本公司完善內部控制體系建設，促使本公司健全規範治理的長效機制，保障本公司持續、健康發展；及
4. The members of the Board of Supervisors will diligently and responsibly pay close attention to the production, operation and management as well as important measures of the Company on a daily basis, participate in the Board meetings, shareholder's general meetings and other important meetings of the Company, and actively provide their opinions or advice.
4. 監事會成員勤勉盡職。日常密切關注本公司的生產、經營、管理情況和重大舉措，參加董事會會議、股東大會等本公司重要會議並積極提出意見或建議。

By Order of the Board of Supervisors
Wang Xinglin
Chairman

Shanghai, the People's Republic of China
March 28, 2024

承監事會命
王興林
主席

中華人民共和國·上海
2024年3月28日

Environmental, Social and Governance Report

環境、社會及管治報告

I. ABOUT THE REPORT

This is the second Environmental, Social and Governance Report (the “**Report**”) issued by LEPU ScienTech Medical Technology (Shanghai) Co., Ltd. (the “**Company**” or “**us**” or “**our**”). It aims to disclose the performance and outcomes in respect of environmental, social and governance (the “**ESG**”) areas of the Company during 2023 to the stakeholders. In order to fully understand the ESG practices and measures of the Company, the Report should be read in conjunction with the section headed *Corporate Governance Report* in the Annual Report and “Corporate Governance” on the website of the Company.

Reporting Boundary

In accordance with the corporate and shareholding structure for FY2023, the Report covers the scope of the Company and its subsidiaries. The Reporting Period of the Report is from January 1, 2023 to December 31, 2023.

Reporting Principles

In the preparation of the Report, the principles of “materiality”, “quantitative”, “balance” and “consistency” are used to define the content of the report and the presentation of information.

Materiality: The Report has identified key stakeholders and their ESG concerns in the preparation hereof, and accordingly disclosed the same based on the relative importance of their concerns. For details of the materiality assessment work, please refer to the sub-sections headed “Communication with Stakeholders” and “Material ESG Issues Assessment” below.

一、關於本報告

本環境、社會及管治報告（「**本報告**」）是由樂普心泰醫療科技（上海）股份有限公司（「**心泰醫療**」「**本公司**」「**公司**」或「**我們**」）發布的第二份環境、社會和管治報告，旨在向各利益相關方披露本公司2023年在環境、社會和管治（以下簡稱「**ESG**」）領域開展的工作及取得的成果。本報告應當與年報中的《企業管治報告》及公司網站的「企業管治」等章節一併閱讀，以增強讀者對於本公司在環境、社會及管治方面實踐與舉措的全面理解。

報告範圍

依照2023財年的公司及股權架構，本報告披露範圍為本公司及其附屬子公司。本報告時間範圍為2023年1月1日至2023年12月31日。

匯報原則

在本報告編製過程中，依據「重要性」、「量化」、「平衡」及「一致性」原則，以界定報告的內容及資訊的呈列方式。

重要性：本報告已在編製過程中識別主要利益相關方及其關注的ESG議題，並根據其關注議題的相對重要性水平，在報告中做有針對性的披露。有關重要性評估工作的詳情參見後文「利益相關方溝通」與「重要ESG議題評估」小節。

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Quantitative: The Report uses quantitative information to present key performance indicators in environmental and social areas, and explains the quantitative standards, methods, assumptions and/or computation, as well as the sources of conversion factors used herein in the appropriate places.

Balance: The purpose of the Report is to present a balanced account of the Company's efforts in four aspects of ESG, including prudent management, responsible operation, value of talents, and green operation.

Consistency: The data disclosed in the Report are based on statistical methods consistent with previous public disclosures. Individual changes have been explained to ensure consistency.

Basis of Report

The Report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* (the "**ESG Reporting Guide**") set forth in Appendix C2 to the *Listing Rules*.

Information Source

The information, data and cases used in the Report are derived from the Company's official documents, statistical reports, financial reports or public documents, as well as ESG practice information collected and summarized by various functional departments of the Company. The Board is responsible for the authenticity, accuracy and completeness of the Report. This Report is published in both Chinese and English. In case of any discrepancy, the Chinese version shall prevail.

量化：本報告採用量化資料的方式展現環境與社會層面的關鍵績效指標，有關本報告中關鍵績效指標的計量標準、方法、假設及／或計算工具以及使用的轉換系數來源，均已在相應位置做出說明。

平衡：本報告旨在平衡地陳述本公司在ESG各方面的努力，包括穩健經營、責任運營、珍視人才、綠色運營四大方面。

一致性：本報告所披露的數據採取與過往公開披露的信息所一致的統計方法，個別變動之處已做出解釋說明以確保一致性。

編製標準

本報告依據《上市規則》附錄C2所載之《環境、社會及管治報告指引》(以下簡稱《**ESG報告指引**》)編製。

信息來源

本報告所使用的信息、數據和案例，均來自本公司的正式文件、統計報告、財務報告或公開文件，以及經本公司各職能部門收集與匯總的ESG實踐信息。董事會對報告內容的真實性、準確性和完整性負責。本報告以中英文兩種語言發布，如文本間存在差異，以中文版為準。

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II. ESG MANAGEMENT

The Company fully implements ESG concept into business activities and management, and is committed to optimizing ESG management strategy and governance structure, leading the Company's daily business decisions, and constantly improving the Company's ESG management level.

1. ESG Strategy

The Company adheres to the corporate philosophy of "shape better lives with heartfelt care", and is committed to the creation and research of advanced technology to provide safer, effective and innovative medical solutions for the majority of patients with CHD. In this way, we do our best to promote the long-term development of human health. The Company has incorporated the ESG concept into its daily operation and management process, ensuring the business operations align harmoniously with ESG considerations. We always actively pay attention to the demands from stakeholders and strive to create maximum value for shareholders, customers and employees. Besides, we work to improve the corporate governance ability, and fulfill environmental responsibilities, aiming to become a responsible corporate citizen.

Driven by innovation, the Company remains steadfast in its commitment to providing customers with high quality and responsible products. We continue to optimize our supplier management system and adhere to the principles of integrity and honesty. We protect the legitimate rights and interests of employees and support their healthy development. Besides, we actively address ESG-related risks. We formulate feasible action targets and plans to address the risks and seize the opportunities of climate change. We gradually reduce the negative impact of business operations on the environment, and shoulder social responsibilities as always to promote the common development of the enterprise and each stakeholder.

二、ESG管理

心泰醫療將ESG理念全面融入至業務活動及管理，致力於優化ESG管理策略和管治架構，引領公司日常經營決策，並不斷提升公司ESG管理水平。

1. ESG策略

心泰醫療秉持「由心關懷，成就新生」的企業使命，致力於創研先進技術為廣大先天性心臟病患者提供更安全、有效、創新的醫療解決方案，造福更多的結構性心臟病患者，為人類健康事業貢獻力量。本公司將ESG理念融入日常經營管理過程，始終積極回應利益相關方的訴求，將企業經營與ESG進行有機融合，努力為股東、客戶、員工創造最大價值，同時提升企業管治能力，履行環境責任，成為負責任的企業公民。

本公司以創新為核心驅動力，致力於為客戶提供高品質、負責任的產品。我們持續優化供應商管理體系，堅守誠信廉潔原則，保障員工合法權益及支持員工健康發展。同時，我們積極應對ESG風險，制定切實可行的行動目標和方案，以應對氣候變化帶來的風險和機遇，並逐步減少業務運營對環境帶來的負面影響，持續承擔社會責任，推動企業與各利益相關方的共同發展。

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2. ESG Governance Structure

Board Statement

The Board of the Company is responsible for ESG strategy and reporting, and for overseeing the Company's ESG matters. The Board decides and reviews ESG matters, responsible for making decisions on ESG-related strategic planning and reviewing ESG performance.

The Company regularly assesses the materiality of ESG issues. The specific evaluation process and results are detailed in the sub-sections headed "Communication with Stakeholders" and "Material ESG Issues Assessment" in the ESG Report and are reviewed by the Board. The Board has comprehensively identified key ESG risks related to the Company, including business ethics, information security and privacy protection, intellectual property rights, employee growth and development and climate change etc., and developed relevant response measures. We also require relevant departments to implement relevant response measures in the operations and management.

We also pay close attention to the setting of environmental targets associated with our business operations, i.e., targets to reduce emissions and resource consumption from our day-to-day operations. As the Company continues to expand, we will explore and develop feasible environmental targets to help the Company fully realize green operations.

The Report also discloses the above-mentioned ESG related matters in detail, which has been reviewed and approved by the Board on March 28, 2024.

2. ESG管治架構

董事會聲明

心泰醫療董事會對ESG的策略和匯報負責，負責監督本公司ESG事宜。董事會決策和審閱ESG事宜，負責決策ESG相關戰略規劃及審閱ESG績效表現。

心泰醫療定期對ESG議題重要性進行評估，具體評估過程和結果在年度環境、社會及管治報告「利益相關方溝通」及「重要ESG議題評估」小節詳述並由董事會審閱。董事會全面識別了與公司相關的重大ESG風險，包含商業道德、信息安全與隱私保護、知識產權、員工成長與發展及氣候變化等，並制定了相關應對措施，我們亦要求相關部門在運營管理中落實相關應對措施。

我們亦高度關注與業務運營相關連的環境目標的設定情況，即減少日常運營產生的排放與資源消耗的目標。隨着公司規模的不斷擴大，我們將深入研討並制定切實可行的環境目標，助力公司全面實現綠色運營。

本報告亦詳盡披露了上述ESG相關事宜，已經由董事會於二零二四年三月二十八日審閱批准。

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3. Sustainable Actions

UN Sustainable Development Goals (UN SDGs) aim to promote the global realization of sustainable development in three dimensions: social, economic and environmental, and to ensure the sustainable development. We actively support the UN SDGs and *China's National Plan on Implementation of the 2030 Agenda for Sustainable Development*. Based on the characteristics of the Company's business, we identified priorities under the UN SDGs framework and took the following actions.

Prudent Management

- The Company attaches great importance to the social value of the enterprise and regards prudent management as the key to the Company development. We strive to maintain a high level governance, actively foster a diverse culture, adhere to business ethics, and strictly protect information security and customer privacy. We continue to strengthen all dimensions of management capabilities, committed to becoming the industry benchmark.



Responsible Operation

- We adhere to the corporate philosophy of "shape better lives with heartfelt care", continuously improves product quality, and actively assumes social responsibility. We attach great importance to product innovation, strictly guarantee product quality, clarify marketing responsibilities, and standardize supplier management with the concept of synergy and win-win. We are also committed to public welfare to help build a harmonious and beautiful community.



3. 可持續發展行動

聯合國可持續發展目標(UN SDGs)旨在推動全球積極解決在社會、經濟和環境三個維度上存在的發展問題，實現可持續發展。心泰醫療積極支持SDGs及《中國落實2030年可持續發展議程國別方案》，基於公司業務特點識別了聯合國可持續發展目標優先事項，並採取了以下行動。

穩健經營

- 心泰醫療重視企業社會價值，將穩健經營作為企業發展的關鍵。我們着力維持高水平企業管治，積極打造多元文化，恪守商業道德，嚴格保護信息安全與客戶隱私。我們不斷強化各維度經營能力，致力於成為行業標桿。



責任運營

- 心泰醫療秉持「由心關懷，成就新生」的企業使命，持續提升產品質量，並積極承擔社會責任。我們重視產品研發創新，嚴格保障產品質量，明確營銷責任，以協同共贏的理念規範供應商管理。我們亦投身公益事業，助力構建和諧美好社區。



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Value of Talents

- We pay attention to talent training, always adhere to the people-oriented concept, stick to the principle of diversity and inclusiveness, and constantly expand the channels for talent introduction. We respect the legitimate rights and interests of employees, focus on the occupational health and safety of employees, continue to improve employee compensation and benefits, performance evaluation, promotion channels and training management, provide employees with fair and diversified development space, and strive to achieve the common growth of employees and the Company.



Green Operation

- We value environmental protection responsibility, actively respond to the national call for energy conservation and emission reduction, and are committed to achieving green operation. We continue to concern environmental and resource utilization issues, save energy use, and reduce pollutant emissions in production and daily office processes. At the same time, we are deeply aware of the risks and opportunities brought by climate change, and constantly improve our operating system and further promote the sustainable development of the Company.



珍視人才

- 我們關注人才培養，始終秉承以人為本的理念，堅持多元包容的原則，不斷拓寬人才引進渠道。我們尊重員工合法權益，重視員工職業健康與安全，持續完善員工薪酬福利、績效評估、晉升通道及培訓管理，為員工提供公平、多元的發展空間，致力於實現員工與公司的共同成長。



綠色運營

- 心泰醫療高度重視環境保護責任，積極響應國家節能減排號召，致力於實現綠色運營。我們持續關注環境及資源利用問題，節約能源使用，減少生產及日常辦公環節中的污染物排放。同時，我們深刻認識到氣候變化帶來的風險和機遇，不斷完善運營體系，進一步推動公司可持續發展。



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4. Communication with Stakeholders

The Company actively maintains a good cooperative and reciprocal relationship with stakeholders. In order to timely and comprehensively understand the expectations and demands of stakeholders, we communicate effectively with stakeholders through various channels.

Based on our business scope and nature of production and operation, we identify stakeholders closely related to the development of the Company. And those ESG issues of concern to stakeholders serve as an important reference for the Company's ESG management direction and report disclosure. During the Reporting Period, we maintained close communication with stakeholders, and identified key stakeholders in the Company's business operations along with communication and response methods with reference to the Stock Exchange's *ESG Reporting Guide* as follows:

Key Stakeholders 主要利益相關方

Governments and regulatory authorities 政府及監管機構

Shareholders and investors 股東及投資者

ESG Issues of key concern 主要關注的ESG議題

Employment
僱傭
Supply chain management
供應鏈管理
Product responsibility
產品責任
Anti-corruption
反貪污
Community investment
社區投資

Employment
僱傭
Product responsibility
產品責任
Anti-corruption
反貪污

4. 利益相關方溝通

心泰醫療積極與利益相關方維護良好的合作互惠關係，為及時且全面地了解利益相關方的期望和訴求，我們重視與利益相關方通過多種渠道展開充分的溝通。

我們基於自身業務範圍、生產經營性質，對與本公司發展有密切聯繫的利益相關方進行識別，並將其重點關注的ESG議題作為公司的ESG管理方向和報告披露的重要參考。報告期內，我們與利益相關方保持緊密溝通，參考聯交所《ESG報告指引》梳理對本公司業務運營重要的利益相關方及溝通與回應方式，具體情況如下：

Main Communication Channels 主要溝通與反饋渠道

Policy consultations
政策諮詢
Incident reporting
事件匯報
Information disclosures
信息披露

Shareholders' meetings
股東大會
Results announcements
業績公告
Interim and annual reports
中期及年度報告
Announcements of significant events
重大事項公告
Online and offline communication
線上及線下溝通
Company website
公司網站

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Key Stakeholders 主要利益相關方	ESG Issues of key concern 主要關注的ESG議題	Main Communication Channels 主要溝通與反饋渠道
Employees 員工	Employment 僱傭 Health and safety 健康與安全 Development and training 發展及培訓 Labor standards 勞工準則	Employee performance appraisal and feedback 員工績效考核與反饋 Employee internal meetings 員工內部溝通會議 Corporate internal announcements and emails 企業內部公告、郵件 Employee activities 員工活動
Patients 客戶	Product responsibility 產品責任 Anti-corruption 反貪污	Information disclosures 信息披露 Daily business communication 日常業務溝通交流
Suppliers 供應商	Supply chain management 供應鏈管理 Anti-corruption 反貪污	Tender invitation for and assessment of suppliers 供應商招標、評審 Regular meetings with suppliers 供應商定期溝通會議 Onsite inspection on suppliers 供應商實地考察
Media and non-governmental organizations 媒體及非政府組織	Emissions 排放物 Use of resources 資源使用 Environmental and natural resources 環境及天然資源 Employment 僱傭 Supply chain management 供應鏈管理 Product responsibility 產品責任	Press conferences 新聞發布會 News interviews 新聞採訪 Advertising and promotion 廣告宣傳 Social media 社交媒體 Industry seminars 行業交流會
Communities 社區	Community investment 社區投資	Community engagement and communication 保持社區聯絡及對話 Identification of community demands 識別社區需求

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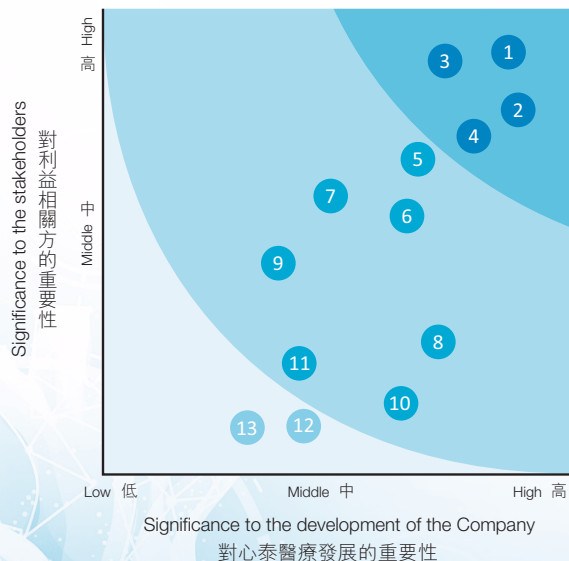
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5. Material ESG Issues Assessment

During the assessment of material ESG issues, based on the requirements of the Stock Exchange's *ESG Reporting Guide*, we analyzed industry characteristics and the Company's business, and communicated with key stakeholders through the above-mentioned communication feedback channels. In the end, we identified and summarized 13 material ESG issues.

We evaluated and ranked the importance of each ESG concerns from the two dimensions of the impact on the Company's operation and the impact on stakeholders, and the evaluation results were divided into three levels: high, moderate and general. Among them, there are 4 items of high importance, 7 items of moderate importance and 2 items of general importance. This Report will provide targeted disclosure responses to each issue according to its importance.

ScienTech Medical 2023 ESG Materiality Matrix
心泰醫療2023年ESG重要性議題矩陣



5. 重要ESG議題評估

在重要ESG議題評估階段，我們依照聯交所《ESG報告指引》，結合行業特點及公司業務，並通過上述溝通反饋渠道與主要利益相關方溝通後，識別並總結出13項ESG重要性議題。

我們從對本公司經營影響程度以及對利益相關方影響程度兩個維度，評估各項ESG議題的重要程度並進行排序，評估結果分為高度、中度和一般三個等級。其中，高度重要性議題4項，中度重要性議題7項以及一般重要性議題2項。本報告將根據重要程度對各項議題進行有針對性的披露回應。

- | | | | |
|----|--|----|---|
| 1 | Continuous R&D and Innovation
持續研發創新 | 2 | Product Quality Initiatives
注重產品品質 |
| 3 | Company Governance
公司管治 | 4 | Comply with Business Ethics
恪守商業道德 |
| 5 | Employee Rights and Interests Protection
員工權益保障 | 6 | Occupational Health and Safety
職業健康與安全 |
| 7 | Pollutant Discharge Reduction
減少污染物排放 | 8 | Employee Growth and Development
員工成長與發展 |
| 9 | Information Security and Privacy Protection
信息安全與隱私保護 | 10 | Standardization in Supplier Management
規範供應商管理 |
| 11 | Resource Utilization Conservation
資源使用和節約 | 12 | Response to Climate Change
應對氣候變化 |
| 13 | Social Responsibilities
踐行社會責任 | | |

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III. PRUDENT MANAGEMENT

In the current complex and changeable market, prudent management has become the key to the development of enterprises. The Company continues to explore and innovate to create more value for shareholders, customers, employees and society, and providing strong support and guarantee for the sustainable development of the Company.

1. Corporate Governance

We are committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Board of the Company consists of seven Directors, including one executive Director, three non-executive Directors and three independent non-executive Directors. The Board has established three Board committees, including the Audit Committee, the Nomination Committee and the Remuneration Committee. The Board has delegated to such Board Committees responsibilities as set out in their respective terms of reference.

We are committed to promoting a diverse culture in the Company. We have adopted the Board Diversity Policy, which considers the benefits of diversity in all aspects, including professional experience, skills, knowledge, educational background, age, gender, culture and ethnicity and length of service, to maintain an appropriate scope and balance for the talents, skills, experience and diversified perspectives of the Board. The Board has a wide range of age, ranging from 41 years old to 60 years old. Three of our directors are female. In terms of diversity of professional skills, our Directors have a balanced mix of knowledge and skills, including but not limited to various professional skills such as overall business management, finance and accounting and material science.

三、穩健經營

在當前複雜多變的市場環境下，穩健經營已成為企業發展的關鍵所在。本公司持續探索和創新，為股東、客戶、員工和社會創造更多價值，以期為公司的可持續發展提供有力的支撐和保障。

1. 公司管治

我們致力維持高水平的企業管治，以保障股東權益並提升企業價值及問責性。心泰醫療董事會由7名成員組成，包括1名執行董事，3名非執行董事及3名獨立非執行董事。董事會已成立三個董事會委員會，包括審計委員會、提名委員會及薪酬委員會。董事會已向該等董事會委員會授予各級職權範圍所載的責任。

心泰醫療致力於促進公司的多元文化，公司已採納董事會多元化政策，充分考慮董事會專業經驗、技能、知識、教育背景、年齡、性別、文化、種族、服務年期等多元化要素，保持董事會的才能、技能、經驗及多元化觀點有恰當的範圍及權衡。董事會成員的年齡分布廣泛，介於41歲至60歲之間。我們有三名董事為女性。在專業技能多樣性方面，我們的董事會成員擁有均衡的知識和技能組合，包括但不限於整體業務管理、財務和會計以及材料科學等多項專業技能。

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2. Comply with Business Ethics

The Company strictly abides by business ethics and strives to create a clean and positive business environment. We strictly comply with a series of anti-corruption and anti-bribery laws and regulations such as the *Criminal Law of the People's Republic of China*, the *Company Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Interim Provisions on Banning Commercial Bribery*. We also adopt a "Zero Tolerance" attitude towards any corruption or bribery, extortion, fraud and money laundering. In this way, we continuously optimize the supervision system and closely integrate it with business operations to achieve effective and comprehensive regulation.

The Company implements the *Integrity and Self-Discipline System* and signs the *Commitment to Integrity* with all employees to regulate their behavior. We require all of our employees to strictly observe the ethical standards of honesty and integrity, which are outlined in our *Employee Manual*. We also impose anti-corruption responsibilities on our distributors, who are explicitly obligated in our distributorship agreement to comply with and require their employees and affiliates to comply with all applicable anti-bribery and anti-unfair competition laws and regulations, and they are prohibited from offering or promising to offer money or anything of value to our employees or entities as required by laws or regulations.

2. 恪守商業道德

心泰醫療恪守商業道德，努力營造風清氣正的商業環境。我們嚴格遵守《中華人民共和國刑法》《中華人民共和國公司法》《中華人民共和國反洗錢法》《中華人民共和國反不正當競爭法》《關於禁止商業賄賂行為的暫行規定》等一系列反貪污賄賂法律法規，對任何貪污腐敗或賄賂、勒索、欺詐及洗錢等不法行為採取零容忍態度，持續優化監督體系，並將其與業務緊密結合，實現全方位的有效監管。

公司實施《廉潔自律制度》，與所有員工簽署《廉潔從業承諾書》，以規範員工行為。我們要求全體員工嚴格遵守誠信廉潔的道德標準，並將相關要求列明於《員工手冊》。我們亦規定了經銷商須履行的反貪腐義務，我們在經銷協議中明確要求經銷商須遵守並要求其員工及關聯方遵守適用的反賄賂及反不正當競爭法律法規，並根據法律法規要求不得向我們的員工或實體提供或承諾提供金錢或任何有價物。

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The Company actively conducts business ethics training. All new employees are required to receive orientation training related to business ethics. Additionally, we invite third-party professional organizations to regularly conduct legal and regulatory training related to business ethics for all employees to enhance their integrity in practice. During the year, the Company conducted training for all employees on the contract management process, employee confidentiality obligations and non-competition restrictions, and popularized the relevant legal provisions and punishment standards for embezzlement to employees, so as to improve employees' ability to prevent business ethics and legal risks. We also focus on strengthening the training and supervision of anti-corruption and integrity promotion in medical institutions, organizing employees to study in depth the *Guidance on Strengthening the Handling of Bribery Crime Cases*, the *Nine Principles for the Integrity of Medical Institution Staff* and the *National Action Plan for the Integrity of Medical Institutions and Their Staff (2021-2024)*, improve the anti-corruption consciousness, resolutely avoid the occurrence of medical corruption and commercial bribery in pharmaceutical purchasing and marketing medical services. During the Reporting Period, the data on anti-corruption training was included in employee training statistics.

To better supervise the fulfillment of business ethics, we have set up supervision and reporting channels such as reporting hotline, e-mail and letter to encourage all stakeholders to actively report actual or suspected violations of ethical standards or employee professional ethics. Our internal audit department is responsible for investigating the reports and allegations, keeping written records, and reporting the investigation results to management and the Board. If our employees are confirmed to have committed fraud, corruption, bribery, or other misconducts, the Company will carry out serious accountability and strict investigation in accordance with relevant internal policies, and those suspected of illegal or criminal activities will be transferred to judicial authorities for handling. For the identity information of the whistleblowers, we will keep it strictly confidential to ensure their privacy and security.

There were no concluded legal cases regarding corrupt practices brought against the Company or its employees during the Reporting Period.

公司積極開展商業道德培訓，所有新員工入職時均需接受商業道德相關專業知識培訓，同時，我們邀請第三方專業機構定期面向全體員工開展商業道德相關法律法規培訓，以提升全體員工的廉潔從業意識。本年度，公司針對合同管理流程、員工保密義務及競業限制對全體員工進行了培訓，並向員工普及職務侵佔的相關法律規定及處罰標準，提高員工防範商業道德法律風險的能力。我們亦重點加強醫療反腐倡廉培訓及督導，組織員工深入學習《關於加強行賄犯罪案件辦理工作的指導意見》《醫療機構工作人員廉潔從業九項準則》《全國醫療機構及其工作人員廉潔從業行動計劃(2021-2024年)》，全面提升員工在醫療反腐敗方面的意識，遏制醫藥購銷領域和醫療服務中的不正之風。報告期內，反貪污培訓數據包含在員工培訓統計數據中。

為更好地監督商業道德的履行情況，我們設立了專門的電話熱線、電子郵件、信函等監察舉報渠道，鼓勵所有利益相關方積極舉報實際或疑似違反道德標準或員工職業道德等行為。我們的內部審計部門會對有關報告及指控進行調查，保留書面記錄，並向管理層及董事會報告調查結果。若我們的員工被查實犯有欺詐、腐敗、賄賂或其他不當行為，公司會根據相關內部政策進行嚴肅問責和嚴厲查處，涉嫌違法犯罪的移送司法機關處理。針對舉報人的身份信息，我們將嚴格保密，保證其隱私安全不受侵犯。

報告期內，未發生對本公司或員工提出並已審結的貪污訴訟案件。

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3. Information Security and Privacy Protection

The Company strictly abides by the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Civil Code of the People's Republic of China* and other applicable laws and regulations. Meanwhile, the Company follows relevant implementation guidance, industry standards and legal regulations such as the *Norms on the Quality Management for the Clinical Trials of Medical Devices* and the *Interim Measures for the Administration of Human Genetic Resources*. We have also formulated and implemented a series of information security and privacy protection management systems such as the *File Server Use and Management Specification* to protect the medical data processing records and other personal sensitive information of clinical trials and patients enrolled in clinical trials after commercialization of relevant products.

To ensure network information security, we have clarified the principles and methods of personal data protection in the *File Server Use and Management Specification*, set different permissions for file access and modification, and strengthened internal security management through different means, including disaster-tolerant backup, anti-virus software, and password policies. Meanwhile, we conduct 24/7 uninterrupted monitoring of the network and system operating environment to prevent network risks and vulnerabilities. During the Reporting Period, the Company's scanning rate of all server security vulnerabilities was 100%, reached 100% completion rate of annual review of business important system permissions, constructed no less than 100 security monitoring scenarios.

3. 信息安全與隱私保護

心泰醫療嚴格遵守《中華人民共和國網絡安全法》《中華人民共和國數據安全法》《中華人民共和國民法典》等法律法規，遵循《醫療器械臨床試驗質量管理規範》《人類遺傳資源管理暫行辦法》及實施指引等行業法律法規，制定並實施《文件服務器使用與管理規範》等一系列信息安全與隱私保護的管理制度，保護臨床試驗及相關產品商業化後臨床試驗入組患者的醫療數據處理記錄和其他個人敏感信息。

為確保網絡信息安全，我們在《文件服務器使用與管理規範》中明確了個人資料的保護原則及方法，針對文件的訪問和修改設置了不同權限，通過容災備份、防病毒軟件、密碼政策等手段，加強內部安全管理。同時，我們7*24小時不間斷監視網絡和系統的運行環境，以防範網絡風險和漏洞。報告期內，公司服務器安全漏洞掃描率達到100%，業務重要系統權限年度審查完成率達到100%，完成安全監控場景建設不少於100個。

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We respect the privacy of patients, customers and employees and have a number of safeguards in place to protect their personal data from improper disclosure or use. Being fully aware of the high sensitivity of personal information of patients or subjects in clinical trials, we strictly comply with the requirements in the *Norms on the Quality Management for the Clinical Trials of Medical Devices* to conduct product clinical trials and have taken a number of safeguards to protect the legitimate rights and privacy of subjects.

- We sign confidentiality agreements with all employees, suppliers, and partners involved in confidential information, and require each employee and managerial staff to fulfill their confidentiality obligations.
- Our clinical trials are strictly carried out in accordance with the *Norms on the Quality Management for the Clinical Trials of Medical Devices*, reviewed by the Medical Ethics Committee, and completed with the help of cooperative clinical trial centers (hospitals), sample testing units, etc. We have also signed the *Informed Consent* with the subjects to protect their legal rights and interests as well as the safety of their privacy.
- We demand our partners conduct clinical trials in accordance with the requirements for protecting subjects' privacy stipulated in the *Good Clinical Practice*, and closely monitor and manage the clinical trial process.

We also focus on enhancing employees' awareness of information security and privacy protection. During the Reporting Period, the coverage rates for employee information security training and personal information protection training were both 100%. The compliance rate for personal information protection control was 100%, and there were zero incidents of personal information leakage.

我們尊重患者、客戶和員工的隱私，採取了一系列措施保障其個人資料不被洩露或濫用。我們深刻認識到患者或臨床試驗受試者的個人信息具有高度敏感性，嚴格遵守《醫療器械臨床試驗質量管理規範》中的要求進行產品臨床試驗，並採取一系列措施以保障受試者的合法權益與隱私：

- 我們與所有涉及保密信息的員工、供應商及合作夥伴簽訂保密協議，並要求每一位員工、管理人員履行保密義務；
- 我們開展的臨床試驗均嚴格按照《醫療器械臨床試驗質量管理規範》執行，經過醫學倫理委員會審查，由合作的臨床試驗中心（醫院）、樣本監測單位等配合完成，並與受試者簽訂《知情同意書》，確保受試者合法權益及個人隱私安全；
- 我們要求合作方均按照《藥物臨床試驗質量管理規範》規定的受試者隱私保護要求開展臨床試驗，並密切監控和管理臨床試驗過程。

我們亦着力提升員工的信息安全與隱私保護意識，報告期內，信息安全培訓全員覆蓋率100%，個人信息保護培訓全員覆蓋率100%，個人信息保護控制符合率100%，個人信息洩露事件為0宗。

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IV. RESPONSIBLE OPERATION

Adhering to the corporate philosophy of “shape better lives with heartfelt care”, the Company holds the “quality-first” principle, actively builds and continuously optimizes the quality management system covering the entire process of research and development, production sales, etc., and standardizes the management of suppliers. Moreover, we enhance technological innovation and product development, and respond to patients’ needs with innovative medical products and services, so as to lay a solid foundation for the Company’s long-term development.

1. Continuous R&D and Innovation

The Company believes that R&D innovation is the core driver for the Company’s sustainable development. We continue to increase R&D input, build a talent team for scientific research and innovation, and actively carry out joint research in the industry. We also respect and protect intellectual property rights, and develop structural heart diseases (SHD) and interventional heart valve medical devices with independent intellectual property rights for the global market, so as to meet the needs of doctors and patients with technological innovation, and to provide the market with safe, effective, and innovative medical products and services.

四、責任運營

心泰醫療秉持「由心關懷，成就新生」的企業使命，始終堅守品質至上的原則，積極打造並不斷優化覆蓋研發、生產、銷售等全流程的質量管理體系，規範供應商管理，加強技術創新和產品研發，以創新的醫療產品和服務響應患者需求，為公司的長遠發展奠定堅實基礎。

1. 持續研發創新

心泰醫療將研發創新視為公司可持續發展的核心動力，持續增加研發投入，打造科研創新人才隊伍，積極開展行業聯合研究，尊重並保護知識產權，面向全球市場研發具有自主知識產權的結構性心臟病及瓣膜介入醫療器械產品，以科技創新滿足醫患需求，為市場提供安全、有效、創新的醫療產品和服務。

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1.1 Abiding by the Principles of R&D

The Company has made continuous efforts to establish a sound safety compliance R&D innovation system. In strict accordance with the *Biosecurity Law of the People's Republic of China*, the *Regulation on the Supervision and Administration of Medical Devices* and the *Measures for the Administration of Registration and Recordation of Medical Devices* and other laws and regulations, the Company has formulated the control document *Design and Development Control Procedure* with reference to ISO14971:2019. This document provides comprehensive and detailed regulations on project initiation planning, research and development, design and development conversion, project identification and confirmation, registration stage and mass production stage, thus making the whole process management of design and development more standardized.

1.2 Advocating Innovation

The Company always believes that innovation is the source power of the development of the Company. We have set up a high-quality R&D team and built a high-quality R&D center to promote the high-quality development of the Company. We have established research and development centers in Beijing and Shanghai, which lays a solid foundation for the innovative research and development of our products and services, the cultivation of talents and the establishment of industry standards.

1.1 恪守研發原則

心泰醫療不斷建立健全安全合規的研發創新體系，嚴格遵守《中華人民共和國生物安全法》《醫療器械監督管理條例》及《醫療器械註冊與備案管理辦法》等法律法規，並參照ISO14971:2019制定了控制文件《設計和開發控制程序》，對立項策劃、研製研究、設計開發轉換、項目鑑定確認、註冊階段和量產各階段均做出了全面詳細的規定，使設計和開發的全過程管理更加規範化。

1.2 激發創新活力

心泰醫療始終相信創新是公司發展的源動力，我們組建了高素質的研發團隊，建設了高品質的研發中心以推動公司高質量發展。我們在北京及上海均建立了研發中心，為公司產品及服務的創新研發、培育人才、打造行業標準奠定了堅實基礎。

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We have built our R&D team with technological expertise in various areas, primarily including nitinol shape memory cutting and braiding techniques, animal source material processing techniques, biodegradable material controlled release techniques, suturing techniques, and structure design and processing techniques. Our R&D team has a total of 52 members from the fields of biomaterials, biomedical science, material science, and mechanical engineering, with approximately 40% holding a master's or higher degree in relevant fields. The Company's R&D team has extensive expertise, which allows it to develop products with unique designs and notable pre-clinical research results.

我們已組建一支主要在鎳鈦形狀記憶合金切割及編織技術、動物源材料處理技術、生物可降解材料控釋技術、縫合技術及結構設計及加工技術等多個領域具備技術專業知識的研發團隊，由來自生物材料、生物醫學、材料科學及機械工程等領域的52名研發成員組成，其中約40%的成員均持有碩士或更高學位。公司研發團隊憑藉豐富的專業知識，開發了具有獨特設計和出色臨床前研究成果的產品。

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At the same time, we maintain continuous collaboration with hospitals, research institutions and experts in the field to ensure that our R&D progress is capable of addressing the evolving needs of patients and doctors. We have collaborated with a prominent medical institution in China in the research and development of our TAVR system, which is expected to be 100% deployable, retrievable and repositionable before decoupling from the delivery system. We have also collaborated with the National Engineering Research Center for Biomaterials (國家生物醫學材料工程技術研究中心), Fuwai Hospital (阜外醫院), Changhai Hospital (長海醫院), Hefei High-tech Cardiovascular Hospital (合肥高新醫院), Shanghai Medical Devices Testing Institute (上海市醫療器械檢驗研究院), and Shandong Institute of Medical Device and Pharmaceutical Packaging Inspection (山東省醫療器械和藥品包裝檢驗研究院). Together, we conduct research on biodegradable occluder materials for cardioembolic stroke prevention and treatment and to optimize the processing techniques and testing methods. By doing so, we have formed a holistic professional cooperation chain of basic research – clinical application – translational medicine – industrial application. The cooperation represents an all-round integration of enterprises, research institutes and hospitals, and has gained the national support as a major project. Relying on the project, we aim to optimize biodegradable product design and strengthen our techniques in degradation rate control, which plays a key role in the development of our biodegradable occluder product and product candidates.

同時，我們與醫院、研究機構及業界專家保持持續合作，以確保我們的研發進展能夠滿足患者及醫生不斷演變的需求。我們與國內知名醫療機構合作研發經導管植入式主動脈瓣膜系統，其有望實現從輸送系統分離前100%可展開、可回收及可重新定位；我們亦與國家生物醫學材料工程技術研究中心合作，聯合阜外醫院、長海醫院、合肥高新醫院，上海市醫療器械檢驗研究院、山東省醫療器械和藥品包裝檢驗研究院開展心源性卒中防治全降解心臟封堵材料研究及優化加工技術和測試方法，形成了基礎研究－臨床應用－轉化醫學－產業轉化全鏈條的專業合作，是企業、科研機構、醫院深度融合產學研醫檢全方位的合作攻關，並獲得了國家重大項目的支持。研究成果會優化生物可降解產品設計並加強降解速率控制技術，這將為結構性心臟病患者提供更多優異選擇。

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1.3 R&D Achievements

As a leader and pioneer in the field of SHD, we always embrace innovation in the development of new materials and new structural design. We are committed to exploring the frontier of cardiac medical devices, so as to develop more safe, effective, diversified products and solutions for the treatment of SHD. We pay close attention to technological progress and industry trends, and actively promote our technology and product iteration and value exploration. Our key solutions include: CHD Treatment Solutions, Cardioembolic Stroke Prevention Solutions, Valvular Disease Treatment Solutions, and Pressure Regulation Treatment Solutions. Except the occluder series products, we continue to research biodegradable technology and interatrial shunt device, vascular plug and other procedural accessories related to invasive heart procedure, of which we have achieved industry-leading achievements in biodegradable technology. During the Reporting Period, Our fourth generation MemoSorb® biodegradable ASD occluder product candidate has completed its clinical trial stage, registration application of which has been submitted to the NMPA for approval in June 2023; the second generation MemoSorb® biodegradable PFO occluder product was approved by the NMPA in September 2023; Bio-Lefort® biodegradable LAA occlude product candidate has successfully completed its pre-clinical type inspection stage and animal test stage as planned and officially entered the stage of multi-center clinical trial enrollment.

1.3 創新研發成果

作為結構性心臟病領域的領導者和開拓者，我們在新材料開發和新結構設計方面始終秉承進取的創新精神，致力於探索心臟醫療器械領域前沿技術，為結構性心臟病的治療開拓更安全、有效、多元的產品和解決方案。我們密切關注行業動態及技術發展趨勢，積極促進自身技術及產品迭代，深度挖掘產品價值。我們的主要解決方案包括：先天性心臟病治療解決方案、心源性卒中預防解決方案、瓣膜病治療解決方案、壓力調節治療解決方案。除封堵器系列產品外，我們還不斷鑽研生物可降解技術以及心臟分流器、血管塞和其他與心臟手術相關的手術配套產品，其中我們在生物可降解技術方面取得行業領先的成就。報告期內，我們的第四代MemoSorb®生物可降解房間隔缺損封堵器在研產品目前已完成臨床試驗，已經於2023年6月向國家藥監局遞交註冊申請；第二代MemoSorb®生物可降解卵圓孔未閉封堵器已於2023年9月獲批上市；Bio-Lefort®生物可降解左心耳封堵器在研產品已按計劃順利完成臨床前的型式檢驗階段及動物實驗階段，目前已正式進入多中心臨床試驗入組階段。

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From the concept of green medicine and sustainable development, biodegradable occluders have significant advantages. From the social perspective, compared with traditional metal occluders, the biodegradable occluder will play the role of a temporary bridge to facilitate the completion of autologous tissue repair after implantation in the human body. When the endothelialization of the occluder surface is complete, the occluder will be gradually degraded and eventually become carbon dioxide and water and be discharged from the body, leaving no foreign matter, thus avoiding the risk of long-term complications and the possibility of reoperation caused by the traditional metal occluder permanently remaining in the body after implantation, providing patients with more optimized surgical treatment plans, and also helping to reduce the burden on the social medical system. From the environmental perspective, the biodegradable occluder can be naturally degraded in the body without additional intervention or surgical removal, which reduces the pollution of medical waste to the environment and promotes the development of the concept of green medicine care.

從綠色醫療和可持續發展的理念出發，生物可降解封堵器具有顯著的優勢。從社會層面來看，與傳統的金屬封堵器相比，生物可降解封堵器在植入人體後將起到臨時橋樑作用，促進完成自體組織修復。當封堵器表面內皮化完全後，封堵器逐漸降解，最終成為二氧化碳和水排出體外，無異物留存，從而避免了傳統金屬封堵器植入後永久留存於體內所帶來的遠期併發症風險和再次手術的可能性，為患者帶來更多更優化的手術治療方案的同時，也有助於減輕對社會醫療系統的負擔。從環境層面來看，生物可降解封堵器能夠在體內自然降解，不需要額外的干預或手術移除，避免傳統金屬封堵器可能帶來的長期環境負擔，減少醫療廢物對環境的污染，大大促進了綠色醫療理念的發展。



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By the end of the Reporting Period, we had achieved the following key advances in R&D:

截至報告期末，我們在研發領域取得以下主要進展：

Product Name

產品名稱

Progress

進展

Cardioembolic Stroke Prevention Product – Biodegradable LAA Closure Occluder II
心源性卒中預防產品——生物可降解左心耳封堵器(II代)

The first implantation was completed in China in February 2023, with multiple 6-month postoperative follow-ups completed to date, and the product is in the pre-commercialization clinical trial stage. 2023年2月在中國完成首例植入，截至目前已完成多例6個月隨訪，產品處於上市前臨床入組階段。

G-Cruiser® Biodegradable Occluder Intervention Delivery System
G-Cruiser®可降解封堵器介入輸送系統

Approved by the NMPA in June 2023, it helps promote the application of biodegradable occluders. 2023年6月獲國家藥監局批准，為可降解封堵器的推廣應用提供助力。

Disposable Introducing Sheath
一次性導引鞘

Approved by the NMPA in June 2023, it has completed the CHD interventional medical consumable product line. 2023年6月獲國家藥監局批准，填補先心介入耗材產品線空缺。

Cardioembolic Stroke Prevention Product – Biodegradable MemoSorb® PFO Occluder IV
心源性卒中預防產品——生物可降解MemoSorb®卵圓孔未閉封堵器IV代

Approved by the NMPA for commercialization in September 2023, it is the world's first biodegradable PFO occluder. To date, more than 600 Biodegradable MemoSorb® PFO Occluder IV have been successfully implanted following commercialization. 2023年9月獲國家藥監局批准上市，為全球首個可降解的卵圓孔未閉封堵器。截至目前已完成600餘例上市後植入。

ExtraSnare® Multiple-loop Snare
ExtraSnare®多環圈套器

It is approved by the NMPA in October 2023. 2023年10月獲國家藥監局批准。

ScienCrown® Transcatheter Aortic Valve Replacement (“TAVR”) System
ScienCrown®瓣膜系統TAVR

The one-year postoperative follow-up results of the clinical research were announced in December 2023, and the product is currently in the registration and approval stage with the NMPA.

2023年12月公布了臨床研究一年期隨訪結果，產品目前處於國家藥監局註冊審批階段。

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Product Name 產品名稱

MemoSorb® Biodegradable ASD Occluder, RF-Lance® Disposable Radiofrequency Atrial Septal Puncture Needle, RF-Lance® Radiofrequency Puncture Instrument, and Ceniper® Disposable Atrial Septal Puncture System
MemoSorb®生物可降解房間隔缺損封堵器、RF-Lance®一次性射頻房間隔穿刺針、RF-Lance®射頻穿刺儀、Ceniper®一次性房間隔穿刺系統等

Progress 進展

Currently in the registration and approval stage with the NMPA.
目前處於國家藥監局註冊審批階段。

Case: Biodegradable MemoSorb® PFO Occluder approved by the NMPA 案例：MemoSorb®生物可降解卵圓孔未閉封堵器獲國家藥監局批准

On September 11, 2023, the Biodegradable MemoSorb® PFO Occluder independently developed by LEPU ScienTech was approved by the National Medical Products Administration (NMPA), making it the world's first approved biodegradable PFO occluder. Unlike the traditional metal occluders, biodegradable occluders can be degraded over time into carbon dioxide and water upon the completion of endothelial repair, they would not be permanent implants in the human body, and this will lead to more optimal surgical treatment options for patients. The NMPA approval of our MemoSorb® PFO Occluder marks the entry into the biodegradable era for the prevention and treatment of cardioembolic stroke. In the same month, the Biodegradable MemoSorb® PFO Occluder was used for the purpose of compassionate use for the first time in the world after its commercialization.

2023年9月11日，心泰醫療自主研發的MemoSorb®生物可降解卵圓孔未閉封堵器獲國家藥監局(NMPA)批准，成為全球首個獲批的可降解的卵圓孔未閉封堵器。與傳統金屬封堵器不同，生物可降解封堵器在內皮修復完成後可隨時間降解為二氧化碳和水，不會在人體中長久殘留，這將為患者帶來更多更優化的手術治療方案，也標誌着心源性卒中防治器械進入可降解時代。同月，MemoSorb®生物可降解卵圓孔未閉封堵器完成上市後全球首例國際同情使用。

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During the Reporting Period, the Company obtained multiple certifications and industry honors and awards in the field of technology research and development:

- In March 2023, Shanghai Shape Memory Alloy Co., Ltd. was accredited as the “Shanghai Enterprise Technology Center”.
- In October 2023, Shanghai Shape Memory Alloy Co., Ltd. won the “First Prize of Beijing Science and Technology Invention Award”.
- In November 2023, as the leading unit, Shanghai Shape Memory Alloy Co., Ltd. undertook the “National Key R&D Project in the 14th Five-Year Plan” of the Ministry of Science and Technology of the People’s Republic of China - “Research and Development of Fully Biodegradable Occluder Products for the Prevention and Treatment of Cardiogenic Stroke”.
- The “Fully Biodegradable Occluder System” independently developed by Shanghai Shape Memory Alloy was successfully recognized by Science and Technology Commission of Shanghai Municipality as 2023 Accreditation of a project in transforming high-tech achievements in Shanghai. (Project No. 202301063)
- The “Interventional Delivery System for Occluder” independently developed by Shanghai Shape Memory Alloy was successfully recognized by Science and Technology Commission of Shanghai Municipality as 2023 Accreditation of a model project in transforming high-tech achievements in Shanghai. (Project No. 202301064)

報告期內，公司在技術研發領域獲得多項認證及行業認可：

- 2023年3月，上海形狀記憶合金材料有限公司榮獲「上海市企業技術中心」授牌。
- 2023年10月，上海形狀記憶合金材料有限公司榮獲「北京市科學技術發明一等獎」。
- 2023年11月，上海形狀記憶合金材料有限公司作為牽頭單位承接國家科技部「十四五國家重點專項研發項目」——「心源性卒中防治全降解心臟封堵器產品研製與開發」。
- 由上海形狀記憶合金材料自主研發的「全降解封堵器系統」，成功獲得上海市科學技術委員會2023年度上海市高新技術成果轉化項目認定(項目編號：202301063)。
- 由上海形狀記憶合金材料自主研發的「封堵器介入輸送系統」，成功獲得上海市科學技術委員會2023年度上海市高新技術成果轉化項目認定(項目編號：202301064)。

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1.4 Protection of Intellectual Property Rights

The Company is deeply aware that the protection of intellectual property rights is important for the long-term stable development of the Company. In strict compliance with the *Patent Law of the People's Republic of China*, *Copyright Law of the People's Republic of China*, *Trademark Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China* and other laws and regulations, we have formulated the *Measures for the Administration of Intellectual Property Rights* to strengthen the management of the Company's trademarks and patents and maintain the advantages of independent innovation.

The Company has established a professional intellectual property team responsible for patent applications, protection and operations, which reports directly to the chairman on intellectual property-related matters. Additionally, we have established stable partnership with multiple patent agencies and law firms, which provide professional legal services for the application and maintenance of Company's patents. Furthermore, we cooperate with external professional institutions to advance patent navigation decision-making projects. Based on the results of patent navigation analysis, we refine the Company's development strategy and avoid patent risks in product launches from various aspects, such as the Company's development direction, competitive strategy and patent operation. This also enables us to identify the key new products, keep optimizing the product structure, and promote technology integration and patent integration based on products.

1.4 維護知識產權

心泰醫療深刻認識到知識產權的保護工作對於公司的長期穩定發展至關重要。我們嚴格遵循《中華人民共和國專利法》《中華人民共和國著作權法》《中華人民共和國商標法》《中華人民共和國反不正當競爭法》等法律法規，制定了《知識產權管理辦法》，加強對公司的商標、專利的管理，維護自主創新優勢。

公司建立了專業化的知識產權專職團隊，負責專利申請、保護和運營，直接向董事長匯報知識產權相關工作情況。同時，我們與多家專利代理機構和律師事務所建立了穩定合作關係，為公司專利的申請和維護提供專業法律服務。此外，我們與外部專業機構合作，共同推進專利導航決策項目，我們結合專利導航分析結果，從企業的發展方向、競爭策略、專利運營等方面，完善企業發展戰略規劃，規避產品上市專利風險，明確重點發展的新產品，不斷優化產品結構，推動基於產品的技術集成和專利集成。

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We have a number of innovative products with independent proprietary intellectual property rights and continue to expand and develop a broader portfolio of intellectual property rights. The Company carries out standardized management of intellectual property rights, and regularly organizes third-party professional institutions and project teams composed of company managers, R&D personnel and intellectual property personnel to jointly carry out standardization supervision and audit work and correct any existing problems. Finally, we invite independent third-party professional institutions to conduct re-certification of standards implementation.

The Company attaches great importance to the use and protection of patents, and has formulated the *Patent Dispute Management Procedures* to deal with intellectual property disputes. We have purchased patent and trademark insurance to ensure that high-value patents continue to bring benefits to the Company. Throughout new product and technology development, we have taken strict preventive measures:

- During the R&D phase, we conduct patent early warning analysis, and track and retrieve technology in similar fields to ensure there are no conflicting applications.
- During the application phase, we focus on the quality of documents for patent applications and the scope of rights protection.
- During the practical application phase, we focus on the maintenance of patent validity and the continuous assessment of the value of patents, thus preparing for their implementation in various ways.

我們擁有多項具有自主知識產權的創新產品，並持續開拓和發展更廣泛的知識產權組合。公司開展知識產權標準化管理，定期組織第三方專業機構和公司管理人員、研發人員、知識產權人員組成的項目組共同開展貫標監督審核工作並對存在的問題予以改正，最後我們邀請獨立第三方專業機構予以貫標再認證。

公司高度重視對於專利的運用和保護，制定《專利糾紛應對管理辦法》以應對知識產權糾紛。為確保高價值專利能夠持續為公司帶來實際收益，我們投保專利保險和商標保險。在新產品、技術研發的整個過程中，我們採取了嚴密的預防措施：

- 在研發階段，進行專利預警分析，跟蹤檢索相近領域技術，以確保未有衝突專利申請；
- 在申請階段，注重專利申請文件的質量與權利保護範圍；
- 在實際應用階段，重視專利有效性的維護，並持續評估專利價值，為其實施做好多種準備。

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The Company invests more than RMB600,000 annually in patent applications. By the end of reporting period, the Company had obtained 243 registered patents, including 39 invention patents, 200 utility patents and 4 design patents. 60 domestic patents were pending, including 57 invention patents and 3 utility patents. We also had 2 PCT patents granted by the European Patent Office authorized, with 17 applications pending. In addition, the Company has 54 registered trademarks. During the Reporting Period, the Company obtained the Intellectual Property Management System Certification (Certificate No.: ZJLH21IP0009ROM) and was rated as a National Intellectual Property Advantage Enterprise.

2. Product Quality Initiatives

The Company believes that good product quality is crucial to patient health and safety. We attach great importance to quality control of products and strictly abide by applicable laws and regulations of the countries and regions where we operate, such as the *Product Quality Law of the People's Republic of China*, the *Regulation on the Supervision and Administration of Medical Devices*, the *Measures for the Administration of Registration and Recordation Medical Devices* and the *Measures for the Supervision and Administration of Medical Device Production*. Based on these laws and regulations, we have established a sound product quality control system.

公司每年在專利申請方面的投入超過60萬，截至報告期末，公司已獲得243項專利，其中發明專利39項，實用新型專利200項，外觀設計專利4項；在申請中的國內專利60項，其中發明專利57項，實用新型專利3項；海外PCT專利已獲得歐洲專利局授權2項，申請中17項。此外公司擁有註冊商標54件。報告期內，公司獲得知識產權管理體系認證證書（編號：ZJLH21IP0009ROM），同時獲評為國家知識產權優勢企業。

2. 注重產品品質

心泰醫療堅信良好的產品質量對患者的健康與安全至關重要。我們高度重視對產品質量的管控，嚴格遵循《中華人民共和國產品質量法》《醫療器械監督管理條例》《醫療器械註冊與備案管理辦法》《醫療器械生產監督管理辦法》等運營所在國家和地區所適用的法律法規，在此基礎上，建立健全產品質量管控體系。

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2.1 Strengthening Quality Management

The Company has developed a series of related standard operating procedures (SOPs), including the *Working Environment Control Procedure*, the *Design and Development Control Procedure*, the *Production and Service Control Procedure*, the *Clinical Evaluation Control Procedure* and the *Adverse Event Monitoring and Re-evaluation Control Procedure*. In this way, we have formed a comprehensive quality management system that covers pre-development and planning, clinical trials safety, manufacturing and post-marketing supervision. The Company's quality management system complies with a variety of legal and regulatory requirements and international standards, including registration certificates from numerous countries, such as Mexico, Brazil, Ukraine, Argentina, Pakistan, Russia, Colombia, Kazakhstan, Peru, Saudi Arabia and Sri Lanka, ISO 13485 Quality Management System Certification and EU Medical Device Directive (MDD) CE Mark Certification. As of the end of the Reporting Period, the Company has accumulated 18 products that have obtained the NMPA Medical Device Registration Certificate.

2.1 加強質量管理

公司制定了《工作環境控制程序》《設計開發控制程序》《生產和服務控制程序》《臨床評價控制程序》《不良事件監測和再評價控制程序》等一系列相關標準操作流程(SOPs)，構建覆蓋前期研發策劃、臨床試驗安全、生產以及產品上市後監督等環節的全面質量管理體系。公司質量管理體系符合多種法律法規要求及國際標準，包括墨西哥、巴西、烏克蘭、阿根廷、巴基斯坦、俄羅斯、哥倫比亞、哈薩克斯坦、秘魯、沙特阿拉伯、斯里蘭卡等數十個國家的註冊證、ISO 13485質量管理體系認證及歐盟醫療器械法規(MDD)CE認證標誌。截至報告期末，公司已累計有18款產品獲得國家藥監局醫療器械產品註冊證書。



ISO 13485 System Certification
ISO 13485 體系證書



EU CE Certification
歐盟CE證書

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We constantly strengthen and solidify our product manufacturing capabilities. For this purpose, we employ experienced production personnel and a quality control team, purchase advanced production facilities, and formulate strict quality control standards to assure the production of high-quality products. The Company's quality control team primarily follows up on quality management status concerning product design and development, raw materials supply and procurement, product manufacturing and delivery as well as after-sales services, to ensure compliant manufacturing of qualified products.

With years of expertise and management experience, we have established a three-tier quality control system with reference to international quality authentication standards. The system provides solid assurance for product quality management throughout the whole product lifecycle, from product design and development, procurement, production and sales and customer service.

- Tier 1: Programmatic guidelines for a comprehensive quality system with the Company's Quality Manual as the core.
- Tier 2: Detailed procedural requirements for each section that may affect final product quality.
- Tier 3: Defined the SOPs applied for each task based on the two preceding tiers.

我們不斷增強扎實的產品製造能力，並聘用經驗豐富的生產人員及質量控制團隊、購置先進的生產設施、制定嚴格的質量控制標準為優質產品的生產保駕護航。公司質量控制團隊主要對產品設計及開發、原材料供應及採購、產品生產及交付以及售後等階段予以質量管理情況的跟進，以保障產品的合格合規生產。

通過多年積累的專業知識和管理經驗，我們參照國際質量認證標準建立了三級質量控制體系，體系貫穿產品設計開發、採購、生產、銷售及用戶服務等產品生命全周期，有力保障了公司產品質量管理。

- 第一級：以公司質量手冊為核心，建立全方面的質量體系綱領性的準則；
- 第二級：對每一個可能對最終產品質量造成影響的環節，做出詳細的程序要求；
- 第三級：在前兩級的基礎上，界定各項作業達成所使用的標準操作流程。

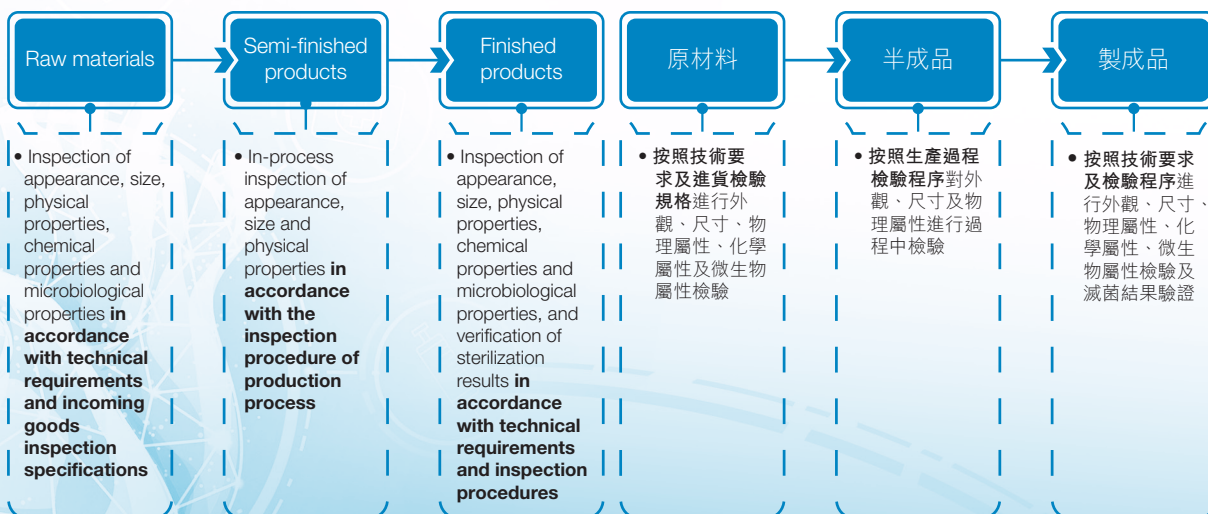
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With regard to the production phase, we strictly follow the *Production and Service Provision Control Procedure* to standardize the production and service procedures and guarantee the precision, efficiency and safety of the production process. In terms of product quality inspection, we strictly follow the *Product Monitoring and Measurement Control Procedure*, the *Inspection Standard Operating Procedure*, the *Identification and Traceability Control Procedure*, the *Non-conforming Product Control Procedure*, etc. By doing so, we can monitor the calibration of devices and equipment, standardize product quality inspection work, and avoid the occurrence of non-conforming events. With a focus on product performance testing, product measurement and product label verification, our quality control inspectors will inspect products, keep inspection records for each batch of products, check and verify records, and dispose of or destroy unqualified products. The aforementioned measures can effectively ensure that all non-conformities event throughout the product lifecycle, from raw material procurement through the production process to product delivery, can be properly identified and managed, providing a firm guarantee for the product quality.

在生產階段，我們嚴格遵循《生產和服務提供控制程序》，以規範的標準生產和服務流程，保障生產過程的精度、效率和安全性。在產品質檢環節，我們嚴格按照《產品監視和測量控制程序》《檢驗標準操作規程》《標識和可追溯性控制程序》《不合格品控制程序》等制度以監控裝置和設備的校准，規範開展產品質檢工作，規避不合格事件的發生。圍繞產品性能測試、產品測量、產品標籤驗證等內容，我們的質量控制檢驗員會對產品予以檢驗，保留並驗證及核實每批產品的檢驗記錄，不合格品將被處理或銷毀。上述措施有效地保障了產品從原材料採購、生產過程到產品交付使用的全產品生命週期內所有不合格事件均可得到有效識別及管理，大大保障了產品質量。

• Strict quality control and inspection procedure:



• 嚴格的質量控制檢驗程序

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We attach great importance to the cultivation of quality awareness of employees, and actively carry out various quality training activities to ensure the steady improvement of product quality. We organize training for production personnel, including industry quality management regulations, quality awareness, etc., and assess the participating employees through questions, practical operations and written answers, etc., to further implement the training content, provide fundamental guarantee for product quality.

我們重視對於員工質量意識的培養，積極組織各類質量培訓活動，確保產品質量穩步提升。我們面向生產人員開展包括行業質量管理法規、質量意識等方面的培訓，並通過提問、實操和書面作答等形式對參訓員工進行考核，進一步落實培訓內容，為產品質量提供根本保障。



Quality Special Training of the Company
心泰醫療質量專項培訓

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2.2 Responsible Marketing and Feedback

The Company strictly complies with the *Trademark Law of the People's Republic of China*, the *Regulation on the Implementation of the Trademark Law of the People's Republic of China*, the *Advertising Law of the People's Republic of China*, the *Criteria for the Examination and Publication of Medical Apparatus Advertisements*, the *Regulation on the Supervision and Administration of Medical Devices*, the *Measures for the Administration of Medical Device Adverse Event Monitoring and Re-evaluation*, the *Measures for the Administration of Medical Device Recalls* and other relevant laws and regulations in China, the EU and other countries and regions where we operate, continuously standardizing marketing activities. On this basis, we have established the *Product Recall Control Procedure*, the *Quality Information Feedback Control Procedure*, the *Adverse Event Monitoring and Re-evaluation Control Procedure*, the *Administrative Provisions on Customer Complaints*, etc. to clarify product after-sales management standards and customer complaint handling procedures. This is to ensure that sales and marketing activities in China and overseas are carried out in compliance with relevant laws and regulations.

We have commercialized 14 and 11 products respectively in China and Overseas. We are committed to the proper use of trademarks, images and other materials and rigorously manage the authenticity, accuracy and compliance of marketing materials during the marketing process.

2.2 責任營銷與反饋

心泰醫療嚴格遵守《中華人民共和國商標法》《中華人民共和國商標法實施條例》《中華人民共和國廣告法》《醫療器械廣告審查發布標準》《醫療器械監督管理條例》《醫療器械不良事件監測和再評價管理辦法》《醫療器械召回管理辦法》等中國、歐盟等運營所在國家和地區的相關法規要求，不斷規範市場推廣行為。我們在此基礎上建立《產品召回控制程序》《質量信息反饋控制程序》《不良事件監測和再評價控制程序》《客戶抱怨管理規定》等制度，明確產品售後管理標準和客戶投訴處理程序，充分保障中國及海外各類銷售及營銷活動的合規開展。

我們在中國和海外已經分別實現了14款及11款產品的商業化。我們致力於以適當的方式使用商標、圖像及其他資料，並嚴格管理營銷過程中所用營銷資料的真實性、準確性及合規性。

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We continue to strengthen our staff's awareness of legal compliance. This year, we carried out special training on advertising laws and regulations, popularized to our staff the background and content of the *Advertising Law*, the *Interim Measures for the Examination and Administration of Advertisements for Drugs, Medical Devices, Health Food and Formula Foods for Special Medical Purposes*, the *Interim Provisions for the Administration of Language and Writing in Advertisements*, the extreme wording in advertisements and the basis of punishment for advertising violations. We also carefully interpreted the important provisions of the advertising law for staff to understand and learn.

The Company focuses on fostering employees' awareness of responsible marketing. This year, we have provided comprehensive training for our internal marketing team and external partners. For our internal marketing staff, we have offered training covering company policies, integrity and self-discipline, quality control, compliance operations, information security, and legal knowledge to ensure that team members adhere to the code of conduct in work and professional ethics. Furthermore, to enhance the professional competence of the marketing team, we have also conducted in-depth training in the areas of academic clinical basics, product knowledge, and operation support skills. This training not only strengthens the professional skills of the marketing team members but also further reinforces their concept of responsible marketing. In terms of training for external partners, we have conducted department meetings for product training in several hospitals to enhance external partners' understanding and application capabilities of our products. Through these efforts, we also aim to convey our responsible marketing concept, and jointly promote the healthy development of the industry.

我們持續加強員工的合法合規意識。本年度，我們繼續開展廣告法律法規專項培訓，向員工普及了《廣告法》《藥品、醫療器械、保健食品、特殊醫學用途配方食品廣告審查管理暫行辦法》《廣告語言文字管理暫行規定》的背景和內容，以及廣告中的極限用詞和廣告違法違規的處罰依據，並仔細解讀了廣告法的重要條款供員工理解和學習。

公司着重培養員工的責任營銷意識，本年度，我們為內部營銷團隊及外部合作夥伴提供了全面的培訓。針對公司內部營銷員工，我們提供了涵蓋公司制度、廉潔自律、質量控制、合規操作與信息安全，以及法律知識的全面培訓，以確保團隊成員在工作中的行為規範和職業道德。此外，為提升營銷團隊的專業素養，我們還舉辦了涉及學術臨床基礎、產品專業知識和跟台技能等領域的深度培訓，不僅增強營銷團隊成員的專業技能，還進一步強化其責任營銷理念。在外部合作夥伴培訓方面，我們在多家醫院開展產品科室會培訓，提升外部合作夥伴對公司產品的了解和應用能力，同時傳遞公司的責任營銷理念，共同促進行業的健康發展。

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We have established various feedback channels for our customers, including product labels and instructions, the Company's official website and an adverse event monitoring system. In line with the requirements of the *Quality Information Feedback Control Procedure*, we receive and handle customer complaints to protect their legitimate rights and interests from being infringed. While having a reporting system in place for adverse events to proactively investigate the situation of adverse events, we also firmly adhere to the policy of "prompt report of any suspicious event". Besides, we undertake special self-inspection and investigation on adverse events regarding feedback information, product returns, and internal traceability of products to analyze and correct misconducts.

According to the *Advisory Notices and Recalls Control Procedure*, we continuously refine the product recall management and formulate a detailed recall program to enable us to complete the recall process within the required deadline. Once a product is recalled, we take a series of measures to replace or destroy the recalled product and report the recall situation to the regulatory authorities. During the Reporting Period, the Company had no product recall event.

In accordance with the *Quality Information Feedback Control Procedure*, the Company actively handles customer complaints. For product quality issues and quality complaints received, the Company will handle them in accordance with relevant policies and provide timely feedback. After completing the investigation within the stipulated time frame, quality complaints are closed to ensure that every product complaint is addressed promptly and followed up with continuous quality improvement.

我們為客戶建立了多種反饋途徑，包括產品標籤及說明書、公司官網、不良事件監控系統等。根據公司制定的《質量信息反饋控制程序》要求，我們接收並處理客戶投訴，保障客戶的正當權益不受侵害。我們建立不良事件報告制度，主動調查不良事件情況，嚴格遵循可疑即報的原則進行上報。此外，我們亦從反饋信息、返還實物、產品內部追溯等方面，對不良事件開展專項自查與調查以分析並糾正不當行為。

依照《忠告性通知和召回控制程序》的規定，我們持續完善產品召回管理並制定詳細的召回計劃，並在被要求的限期內完成召回流程。待產品召回後，我們採取一系列措施替換或銷毀被召回的產品，並向監管機構報告有關召回情況。報告期內，公司未發生產品召回事件。

公司按照《質量信息反饋控制程序》積極處理客戶投訴，針對收到的產品質量問題及質量投訴，公司將規範處理並及時給予回饋，在規定期限內完成調查後關閉質量投訴，確保每個產品的投訴都能在第一時間得到專業的處置和後續的持續質量改進。

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During the Reporting Period, the Company received 3 complaints¹ about products and services and 15 medical device adverse events², all of which were resolved. In addition, our customer complaint response rate, customer complaint resolution rate, and overall satisfaction rate of complaint handling were all 100%³.

3. Standardization in Supplier Management

The Company is committed to harmonious cooperation with high-quality suppliers to create a transparent, safe and stable high-quality supply chain. We adhere to the principle of win-win cooperation in the selection, access and evaluation of suppliers during cooperation, and incorporate environmental and social risks into supplier performance evaluation indicators. By strictly implementing policies such as the *Procurement Control Procedure* and the *Supplier Evaluation Control*, we continuously standardize the purchasing process and refine management requirements to ensure that the procured products and services meet high-quality standards.

報告期內，公司接獲有關產品及服務的投訴共3起¹，醫療器械不良事件共15起²，均已100%解決。此外，我們的客戶投訴回應率、客戶投訴解決率、投訴處理綜合滿意度均為100%³。

3. 規範供應商管理

心泰醫療致力於與優質供應商建立和諧合作關係，共同打造透明、安全、穩定的高質量供應鏈。我們秉持協同共贏的理念，管理供應商的遴選、准入以及合作期間供應商的考核，並將環境及社會風險的考量納入供應商績效考核指標，我們嚴格執行《採購控制程序》和《供方評定控制》等政策，不斷規範採購流程，細化管理要求，確保所採購的產品和服務始終達到高質量標準。

¹ Complaints about products and services include feedback and suggestions for improvement on product and service quality provided by hospitals, doctors, and patients we work with.

² A medical device adverse event refers to any harmful event occurred while using marketed medical devices under their normal usage that causes, or is likely to cause, harm to human body.

³ The statistics of comprehensive satisfaction rate of complaint handling include satisfaction with our customer service related "service items" and product quality related "non-service items".

¹ 有關產品及服務的投訴包含與我們合作的醫院、醫生及患者對產品及服務質量等提出的反饋及改進建議等行為。

² 醫療器械不良事件是指已上市的醫療器械，在正常使用情況下發生的，導致或者可能導致人體傷害的各種有害事件。

³ 投訴處理綜合滿意度統計口徑包含對我們的客戶服務相關「服務項」與產品質量相關「非服務項」滿意度。

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In the supplier selection and access section, the Company has set up an evaluation team through collaboration and cooperation involving the Procurement Department, Quality Department and other departments with procurement needs to evaluate all potential suppliers according to the technical requirements of the products based on the requirements of the *Procurement Control Procedure* and the *Supplier Evaluation Control*. After a review of the qualification documents submitted by the suppliers, we will conduct an on-site specific inspection for suppliers of critical materials. Ultimately, we comprehensively review the sample results, business qualifications, production and quality assurance capabilities, quality system certification status, etc., to include top suppliers in our qualified supplier list. This year, 191 suppliers met the relevant employment requirements of our *Procurement Control Procedure* and *Supplier Evaluation Control*.

While focusing on the suppliers' ability to deliver high-quality goods and services, we also consider environmental and social risks in supplier selection. Under the premise of compliance with laws and regulations related to environmental protection, work safety, and labor management, we try our best to employ suppliers who have environmental protection or other related green credentials.

The Company continuously optimizes the list of qualified suppliers and strictly reviews and evaluates such suppliers on a yearly basis. For suppliers failing to meet the qualification rate for products supplied, we will urge them to make corrections. If suppliers cannot effectively improve, we will initiate the exit procedure according to relevant rules to ensure the continuous quality and stability of the supply chain.

在供應商的遴選及准入環節，公司根據《採購控制程序》和《供方評定控制》的規定，組織採購部、質量部和需求部門協同合作，成立評審小組根據產品技術需求對所有潛在供應商予以評審。待供應商的資質文件通過審核後，我們針對重要物料的供應商開展專門的現場考察。最終，我們綜合樣品的評審結果、營業資格、生產和質量保證能力、質量體系認證情況等因素，擇優納入合格供應商名錄。本年度，191家供應商通過了我們制定的《採購控制程序》和《供方評定控制》的相關聘用要求。

我們在關注供應商所提供產品及服務的質量的同時，也將環境及社會風險納入供應商遴選的考量之中。在遵守與環境保護、安全生產、勞工管理等有關法律法規的前提下，我們盡可能聘用持有環保及綠色相關資質的供應商。

公司持續優化合格供應商名錄，並每年對供應商進行嚴格的覆審評價。對於到貨合格率不達標的供應商，我們會及時督促其進行整改。若供應商無法有效改進，我們將依據相關規定啟動退出程序，以確保供應鏈的持續優質和穩定。

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During the Reporting Period, we primarily cooperated with suppliers with a sound reputation in the domestic or international industry. In addition, some suppliers have obtained qualifications such as ISO 9001, ISO 13485, and Environmental Impact Assessment report.

報告期內，我們主要與國內外行業內口碑有保障的供貨商進行合作，部分供應商已取得ISO9001、ISO13485及環評報告等資質。

Indicator 指標名稱		Number 數目
Total number of suppliers 供應商總數		191
Number of suppliers by geographical region 按地區劃分的供應商數目	Domestic suppliers 境內供應商數目	180
	Overseas suppliers (including Hong Kong, Macao and Taiwan) 境外(包括港澳台地區)供應商數目	11

4. Social Responsibilities

The Company actively gives back to society, striving to fulfill its corporate social responsibility while developing. Deeply engaging in the field of interventional medical devices targeting heart diseases, we actively promote cooperation in the industry, share experience and discuss technical problems with domestic and foreign experts by holding and participating in various academic conferences and seminars, and jointly promote the development of the field of interventional medical devices targeting heart diseases and benefit more patients.

4. 踐行社會責任

心泰醫療堅守真誠之心，在穩健發展的同時，積極投身公益事業，以實際行動書寫企業責任與擔當。我們深耕心臟病介入醫療器械領域，積極增進行業內的交流與合作，通過舉辦、參加各類學術會議及研討會等活動，與國內外同行專家分享經驗、探討技術難題，共同推動心臟病介入醫療器械領域的發展，造福更多患者。



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Case: Successfully Held MemoSorb Degradable Roundtable to Help Children with a Healthy Future 案例：心泰醫療成功舉行MemoSorb可降解圓桌會，助力兒童患者健康未來

In December 2023, the Company successfully held MemoSorb degradable Roundtable meeting during CPCS2023 11th Children's Heart Disease Congress. This roundtable attracted industry experts from Shanghai Children's Medical Center, the First Affiliated Hospital of Guangxi Medical University and many other medical institutions together to conduct in-depth discussion and exchange ideas on the clinical application of MemoSorb degradable series occluder, laying a solid foundation for promoting the clinical application and standardized development of innovative degradable occluder.

2023年12月，心泰醫療在CPCS2023第十一屆兒童心臟病大會期間，成功舉辦了MemoSorb可降解圓桌會。本次圓桌會吸引了來自上海兒童醫學中心、廣西醫科大學第一附屬醫院等眾多醫療機構的業內專家齊聚一堂，共同就MemoSorb可降解系列封堵器的臨床應用進行深入研討與交流，為推動創新可降解封堵器的臨床應用和規範化發展奠定了堅實的基礎。



MemoSorb Degradable Roundtable
MemoSorb可降解圓桌會

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Case: Convene MemoSorb Biodegradable Series Theme Satellite Meeting to Explore New Directions in Structural Heart Disease Prevention and Treatment 案例：心泰醫療召開MemoSorb可降解系列主題衛星會，共探結構性心臟病防治新方向

In December 2023, LEPU ScienTech held MemoSorb degradable satellite meeting themed as “From the Heart, to the Brain’s Peace”. The meeting gathered experts and professors from Jiangsu Provincial People’s Hospital, Hefei High-tech Cardiovascular Disease Hospital and other authoritative medical institutions to jointly discuss the innovation achievements in the field of cardiogenic stroke prevention and treatment of structural heart disease and the new direction of future development. It has injected new vitality into the development of interventional therapy of heart disease.

2023年12月，心泰醫療召開「從心而降，於腦而安」MemoSorb可降解系列主題衛星會，會議集結江蘇省人民醫院、合肥高新心血管病醫院等多家權威醫療機構的專家教授，共同就結構性心臟病心源性卒中防治領域的創新成果及未來發展新方向進行深入探討，為心臟病介入治療領域的發展注入了新的活力。



MemoSorb Degradable Series Theme Satellite Meetings
MemoSorb可降解系列主題衛星會

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Case: Set Up the Full Degradation Occlusion Technology Training Center to Help Talent Training

案例：心泰醫療成立全降解封堵技術培訓中心，助力行業人才培養

In May 2023, the training center for degradation occlusion technology of LEPU College was officially unveiled. The training center aims to provide high-quality technical training and academic exchanges for more clinicians by uniting a group of clinical experts with mature technology and norms as teachers, so as to promote the level of interventional therapy in the field of structural heart to a new height of development and benefit more patients.

2023年5月，樂普學院全降解封堵技術培訓中心正式揭牌。該培訓中心作為全降解封堵技術的技術培訓平台，旨在通過聯合一批技術成熟規範的臨床專家作為帶教，為更多臨床醫生提供高質量的技術培訓和學術交流，從而推動結構心領域介入治療水平邁向新的發展高度，惠及更多患者。



Opening ceremony of the LEPU College training center
樂普學院全降解封堵技術培訓中心揭牌儀式

V. VALUE OF TALENTS

Putting our people first, we stick to the principle of diversity and inclusion, and actively expand channels for talent introduction to create a fair and diversified development space for employees. We fully respect the rights and interests of all employees. We have formulated strict regulations on compensation and benefits, performance evaluation and rewards and punishments, and provide reasonable promotion channels for employees. We also attach great importance to the occupational health and safety of our employees and work together with them to realize sustainable development.

五、珍視人才

本公司始終秉持以人為本的理念，堅持多元包容的原則，積極拓寬人才引進渠道，致力於為員工打造公平、多元的發展空間。我們充分尊重各項員工權益，對薪酬及福利、績效評估及獎懲等方面進行嚴格規範，積極為員工提供合理晉升渠道，重視員工職業健康與安全，攜手員工共同實現可持續發展。

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1. Employee Rights and Interests Protection

We strictly comply with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labor* and other relevant laws and regulations, as well as the ten principles of the United Nations Global Compact, the core conventions of the International Labor Organization, and other requirements related to the protection of human rights, and have established and implemented internal policies such as the *Employee Manual* and the *Recruitment Management System* to protect the legitimate rights and interests of our employees.

1.1 Employment and Labor Standards

The Company conducts recruitment based on the principles of open recruitment, equal competition and merit-based selection to ensure equal employment. We carry out recruitment through a variety of channels, including recruitment agency promotion, internal recommendations, online job boards and offline job fairs, to attract a wide range of talents. We provide equal employment opportunities for candidates and forbid discrimination against candidates based on their ethnicity, race, age, gender, marital status or religious beliefs. Additionally, we adopt a "zero tolerance" attitude towards any form of discrimination, harassment, or violation of the dignity of others.

1. 員工權益保障

本公司嚴格遵守《中華人民共和國勞動法》《中華人民共和國勞動合同法》《禁止使用童工規定》等相關法律法規，同時遵守《聯合國全球契約》十項原則、國際勞工組織核心公約以及其他與人權保護相關的要求，制定並貫徹落實《員工手冊》《招聘管理制度》等制度規範，保障員工合法權益。

1.1 員工招聘與勞工準則

本公司以公開招聘、平等競爭、擇優錄取為原則開展招聘工作，保障平等僱傭。我們通過多種渠道開展招聘工作，包括招聘機構宣傳、內部推薦、線上招聘網站和線下招聘會等，以廣泛吸引各類人才。我們為應聘者提供平等就業機會，杜絕因民族、種族、年齡、性別、婚姻狀況及宗教信仰等對應聘者進行區別對待。同時，我們亦對任何形式的歧視、騷擾或侵害他人尊嚴的行為持零容忍態度。

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We sign labor contracts with candidates on a voluntary basis and strictly follow the legal requirements in the process of signing, renewing, or terminating labor contracts. We abide by legal requirements such as the *Regulations on the Prohibition of Child Labor* and resolutely eliminate violations such as the use of child labor and forced labor. We ensure that applicants meet the minimum legal working age requirements by requesting identity documents during the recruitment process. In case of any employment of child labor or forced labor, we will conduct investigation according to relevant procedures. If the violation is verified, we will deal with it in accordance with national laws and regulations as well as the internal company policies, promptly rectify the situation and compensate the employees concerned. In serious violations, the relevant liable unit shall be held accountable.

本公司本着自願的原則與應聘者簽訂勞動合同，嚴格按照相關法律要求與員工簽訂合同、續訂、解除勞動關係。我們遵守《禁止使用童工規定》等法律要求，堅決杜絕童工與強制勞工等違規情況，通過在招聘過程中要求應聘者提供身份證件等方式，確保其符合法律規定的最低工作年齡要求。如若發現使用童工或強制勞工的行為，我們將按照相關程序展開調查。一旦查明違規情況屬實，我們會依照國家法律法規和公司內部制度予以處理，及時糾正相關情況，並對員工進行補償。若出現嚴重違規情況，我們將向負責單位追究相關責任。

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1.2 Compensation and Benefits

Adhering to the principle of “igniting employees’ enthusiasm”, we have formulated and implemented internal norms such as the *Human Resource Administrative Manual*, the *Compensation and Performance Management System*, and the *Collection of Administrative Incentive Policies*. We have designed a compensation and performance system to attract, retain and motivate talents. We provide competitive compensation and performance-based cash rewards to employees, optimize and adjust compensation on an annual basis according to the employee’s career development plan. At the beginning of 2024, the Company introduced a mechanism that links employees’ compensation to performance, and implemented a non-threshold bonus policy for the marketing teams to further stimulate the potential of employees. Meanwhile, we provide long-term share-based remuneration incentives to R&D staff, encouraging them to continuously carry out research and development work and constantly enhance the Company’s R&D competitiveness.

Strictly abiding by the *Social Insurance Law of the People’s Republic of China*, the *Regulation on Paid Annual Leave for Employees*, the *Regulations Concerning the Labor Protection of Female Staff and Workers* and other relevant laws and regulations, we keep improving non-monetary benefits. For example, we pay statutory social insurances and housing fund and supplementary commercial insurance for employees in a timely manner, and offer perks such as sickness benefits, annual physical examinations, as well as gifts for special occasions like festivals, marriages and birthdays.

1.2 薪酬保障與福利

我們秉持「提高員工工作積極性」原則，制定並落實《人力資源行政管理手冊》《薪酬績效管理制度》《行政序列激勵政策匯編》等內部規範，建立健全吸引人才、留任人才、激勵員工的薪酬績效體系。我們向員工提供有競爭力的薪酬，基於績效給予員工現金獎勵，並依據員工職業發展規劃每年對薪酬進行優化及調整。2024年初，公司增設全員績效與業績掛鉤機制，同時面向營銷團隊實施無門檻的獎金制度，以進一步激發員工潛力。同時，我們特別為研發人員提供以股份為基礎的長期薪酬激勵，鼓勵其持續開展研發工作，不斷提升公司的科研競爭力。

我們嚴格遵守《中華人民共和國社會保險法》《職工帶薪年休假條例》及《女職工勞動保護規定》等法律法規，持續完善非薪酬福利體系，按時為員工繳納五險一金和補充商業保險，並為員工提供疾病撫恤金、年度健康檢查以及節日、結婚和生日禮品禮金等員工福利。

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We are committed to building a diverse and fair working environment. We also fully respect the rights and interests of all employees, and treat minority employees, employees with disabilities and retired-and-rehired employees equally. In addition, the Company pays special attention to the rights and interests of female employees, and fully guarantees the equal treatment of them. Specifically, we actively provide exclusive benefits and care, and hold training sessions, sharing sessions and other activities for female employees. Moreover, as a “Civilized Women’s Post” unit in Songjiang District, Shanghai, the percentage of female employees in the Company has long been maintained at over 50%. This year, 55% of employees are female, with more than 60% of management and 56% of the R&D team being female.

我們致力於構建一個多元、公平的工作環境，充分尊重每一位員工的權益，為少數民族員工、殘疾員工、退休返聘員工提供相同的待遇。此外，公司特別關注女性員工權益，充分保障女性員工的平等待遇，並積極為其提供專屬福利及關懷，舉辦培訓會、分享會等活動。作為上海市松江區巾幗文明崗單位，公司女性員工佔比長期維持在50%以上，本年度公司女性員工佔比為55%，其中管理層中女員工佔比達60%以上，研發團隊女員工佔比為56%。



Organize special training courses for female employees
公司組織開展女性員工專項培訓課程

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2023 Employment Overview

Category of employees 員工類型			2023年員工僱傭情況 Number of employees 員工數量	Proportion of employees 員工佔比
Overall 整體情況			219	100%
By gender 按性別劃分	Male employees	男性員工	99	45.21%
	Female employees	女性員工	120	54.79%
By age 按年齡劃分	Employees aged under 30	30歲以下員工	52	23.74%
	Employees aged 31 to 50	31至50歲員工	158	72.15%
	Employees aged over 51	51歲以上員工	9	4.11%
By position 按職級劃分	Senior management employees	高級管理層員工	5	2.28%
	Middle management employees	中級管理層員工	21	9.59%
	Ordinary employees	普通員工	193	88.13%
By geographical region 按地區劃分	Mainland China	中國境內地區員工	219	100%
	Hong Kong, Macau, Taiwan and overseas	境外地區 (含港澳台)員工	0	0
By employment category 按僱傭類別劃分	Full-time employees	正式員工	219	100%
	Interns	實習生	0	0

2023 Employee Turnover Overview

Category of employees 員工類型			2023年員工流失情況 Employees turnover rate ⁴ 員工流失率 ⁴
Overall 整體情況			12.75%
By gender 按性別劃分	Male employees	男性員工	13.95%
	Female employees	女性員工	11.67%
By age 按年齡劃分	Employees aged under 30	30歲以下員工流失率	18.80%
	Employees aged 31 to 50	31至50歲員工流失率	5.06%
	Employees aged over 51	51歲以上員工流失率	0
By geographical region 按地區劃分	Mainland China	中國內地員工流失率	12.75%
	Hong Kong, Macau, Taiwan and overseas	港澳台以及海外員工 流失率	0

⁴ The Company's turnover statistics include resignation, retirement and even deaths.

⁴ 本公司流失人數統計範圍包括自願離職、退休和身故的員工。

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1.3 Working Hour and Leave

In strict accordance with laws and regulations, the Company implements a legal standard working hour system and standardizes the management of working hours. The daily working hours of each employee should not exceed 8 hours in principle. Employees who work overtime for a specific reason shall fill in and submit overtime application forms to the heads of respective departments and the HR Department for review and approval. We provide employees with overtime allowances according to the statutory standard. Meanwhile, employees are entitled to statutory leaves and other kinds of leaves such as annual leave, personal leave, sick leave, marriage leave, maternity leave, bereavement leave and work-related injury leave.

1.4 Employee Communication and Activities

We attach great importance to communication with employees to keep up with their concerns and complaints. To strengthen internal communication and exchange, the Company has implemented flat management and set up a variety of unimpeded feedback channels, such as a special email box, to receive helpful comments and suggestions from employees.

We advocate that work alternated with rest, encouraging employees to actively participate in various activities after work as their work and life balance are also our concerns. This year, the Company organized diversified activities, such as team-building activities, birthday parties, department and grooming classes, tea courses, sharing sessions and competitions, to enrich employees' leisure time and enhance team cohesion.

1.3 工作時長與假期

本公司嚴格遵循法律法規要求，實施合法的標準工時制度，規範管理員工工作時長。每位員工每日工作時長原則上不超過8小時，如因特殊原因加班，員工需填寫加班申請表，並交由主管部門領導及人力資源部門審核，我們將按照法定標準為其支付加班津貼。同時，員工享有法定假期以及其他各類假期，如年假、事假、病假、婚假、產假、喪假及工傷假等。

1.4 員工溝通與活動

我們高度重視員工溝通，時刻關注員工的關切和訴求。為加強公司內部溝通與交流，公司實行扁平化管理，並為員工提供多種暢通的反饋渠道，特別設立專用郵箱以接收員工的寶貴意見和建議。

我們亦重視員工工作與生活的平衡，倡導勞逸結合，鼓勵員工在工作之餘積極參與各類集體活動。本年度，公司策劃組織了一系列多元化活動，包括團隊建設活動、慶生派對、儀態儀表和茶藝課程、分享會和競賽等，豐富了員工的業餘生活，增強了團隊的凝聚力和向心力。

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2. Occupational Health and Safety

The occupational health and safety of employees is always the focus of the Company. In this respect, the Company strictly abides by the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Regulation on Work-Related Injury Insurance*, the *Work Safety Law of the People's Republic of China* and other laws and regulations. The Company attaches great importance to the occupational health and safety of laboratory and front-line employees. The Company has formulated a series of policy documents regarding workplace safety management and fire control guidelines, including the *Production Safety Management System*, to effectively ensure production safety and the health of front-line employees. This year, the Company revised the *Collection of Work Safety Management Policies (2023)* and *Contingency Response Plan (2023)*. In addition, we carried out training and publicity to improve employees' awareness of risk prevention and the emphasis on work safety.

In addition, to fully promote the occupational health and safety management, the Company has set up a safety management team comprising team members mainly from the Production Department and the Administrative Department. The general manager serves as the team leader, the executive director of operations and the heads of the Production Department as the deputy team leaders, and personnel from production, administrative and quality departments as team members.

2. 職業健康與安全

本公司始終關注員工的職業健康與安全，嚴格遵循《中華人民共和國職業病防治法》《工傷保險條例》《中華人民共和國安全生產法》等法律法規，重視實驗室及一線員工的職業健康安全。公司制定了《生產安全管理制度》等制度在內的一系列工作場所安全管理及火災控制指引等安全體系文件，為保障生產安全及一線員工健康提供充分依據。本年度，公司重新整理修訂了《安全生產管理制度匯編(2023)》和《應急預案(2023)》，並對員工輔以培訓和宣導，提高全員的風險防範意識及對於安全生產的重視程度。

此外，為全面推動公司職業健康與安全的管理工作，公司亦搭建了以生產部、行政部為中心的安全管理小組，由總經理擔任組長，運營執行總監和生產部負責人擔任副組長，並組織生產、行政、質量相關部門人員擔任組員。

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The Company is dedicated to providing a safe and healthy workplace for front-line employees. We have specified safety practices and accident prevention and reporting procedures, and also inspected office premises, production facilities and sites on a regular basis to investigate safety hazards and prevent emergencies. Furthermore, employees responsible for production and quality control must hold relevant qualifications, and front-line employees are provided with necessary personal protective equipment, including cleanroom suits, protective caps, masks, goggles, safety shoes, anti-burn gloves and hand sanitizers, and are required to wear appropriate safety equipment at work. Additionally, we install safety protection devices and put up safety warning signs for positions with potential safety hazards to remind and prevent employees from safety accidents.

To protect the employees against occupational diseases, we provide employees with pre-employment health check-ups and periodic health check-ups. Employees' health records are properly kept to monitor their health status. Besides, before starting production work, new employees are required to receive induction training on contents including equipment operation standards and production safety regulations. In addition, we hold safety training every year and invite third parties to help the Company conduct fire drills at intervals to improve the safety awareness and skills of front-line employees.

In 2023, the number of lost days due to work injuries of the Company was 0. In the past three years, the Company did not have any work-related fatalities. The number of work-related fatalities and the work-related fatality rate were 0.

公司致力於為一線員工提供安全健康的工作場所。我們規定了安全實務、事故預防和事故報告程序，並定期檢查辦公場所、生產設施及場地，排查安全隱患，防範緊急情況的發生。我們亦要求負責生產和質量控制的員工持有相關資質證明，並為一線員工提供必要的安防用品，包括潔淨服、防護帽、口罩、護目鏡、安全鞋、防燙傷手套、消毒洗手液等，要求一線員工在工作時佩戴適當的安全裝備。同時我們在有安全隱患的崗位安裝安全防護裝置和安全警示標識，提醒並防止員工出現安全事故。

為保障員工免受職業病侵害，在員工入職時，我們為員工提供健康檢查並定期組織全體員工開展年度健康體檢，為所有員工保存健康記錄，及時掌握員工的健康狀況。同時，公司要求新員工在開展生產工作前，需接受入職培訓，內容包括設備操作規範及生產安全規定等。此外，我們還每年舉辦安全培訓，不定期邀請第三方協助公司開展消防演練，提高一線員工的安全意識和技能。

本年度，公司因工傷損失工作日數為0天，過去三年，公司未發生任何工亡事故，因工亡故人數及比率均為0。

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3. Employee Growth and Development

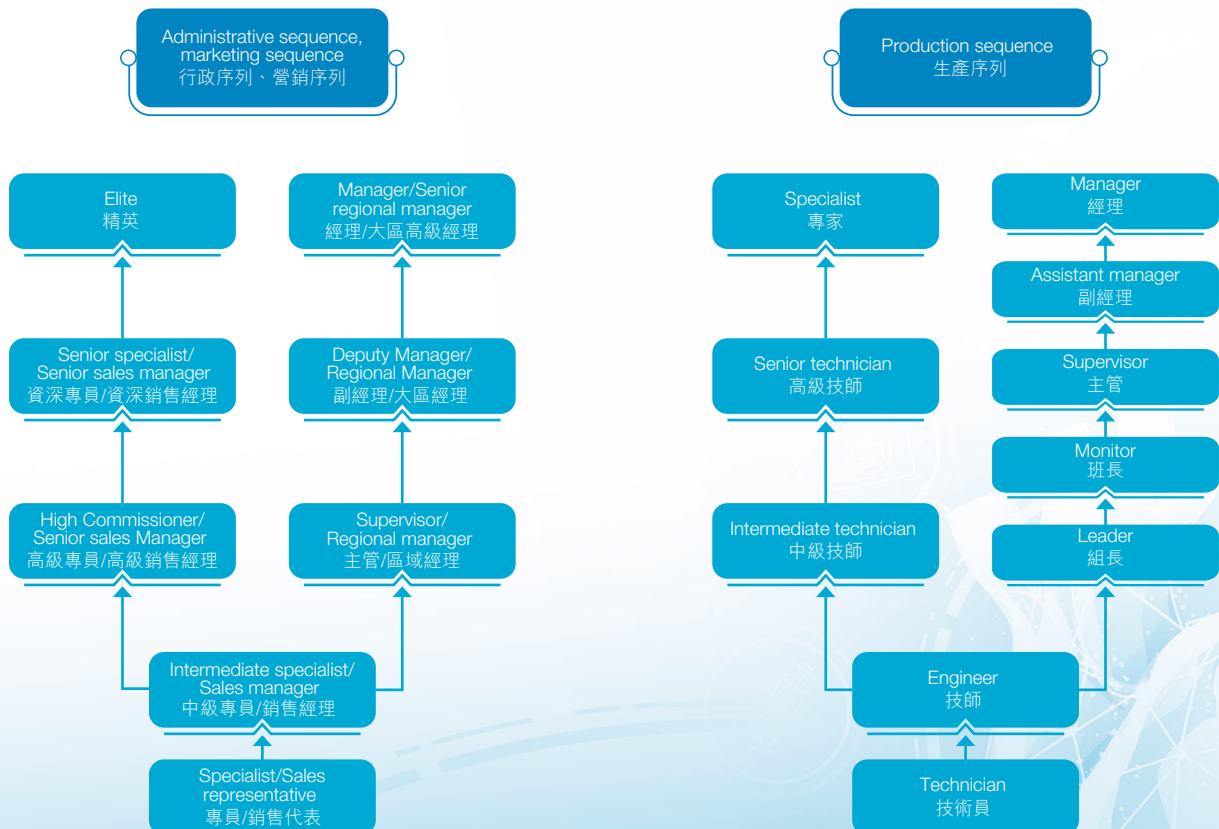
3.1 Clear Career Paths

We have established performance assessment mechanisms and promotion channels under a fair, reasonable and transparent principle to expand the talent pool. We have set up a “dual-channel” promotion mechanism, aiming to provide opportunities regarding promotion and career advancement for administrative talents, marketing talents and production and technical talents. As for production and technical talents, the technical channel and management channel are further set up to fully explore their potential and provide targeted career advancement training for them.

3. 員工成長與發展

3.1 明確晉升路徑

公司持續加強人才梯隊建設，基於公平、合理且透明的原則設立績效考核機制和晉升渠道。我們設立了「雙通道」晉升機制，分別面向行政、營銷類人才和生產技術類人才，為其提供崗位晉升和職業進步的機會。在生產技術類人才的晉升通道下，我們又分別針對技術型人才和管理型人才設置了不同的晉升渠道，以充分發掘員工的自身潛力，有針對性地培養和激勵員工發展。



Employee Promotion Channels
心泰醫療員工晉升通道

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3.2 Employee Training

Committed to building an excellent talent team, the Company aims to establish a training system that covers all employees guided by the corporate culture and philosophy. We have developed a year-round training program based on the training needs of our employees. Employees can enrich their professional knowledge and improve their practical ability through diversified ways such as internal training, external training and vocational certificate training. The Company supports employees to obtain all kinds of professional certificates and qualifications to continuously improve their personal professionalism and career competitiveness. In this process, we hope to achieve mutual growth with employees.

- **New employee training:** The Company provides induction training on its development history, corporate culture and philosophy for new employees, helping them understand and learn its rules and regulations and adapt to new roles more easily.
- **Professional competence training:** We carry out training on skill and qualification according to the career development needs of employees in different positions. Specifically, we conduct technological process training, new product training, inspection standards training and quality system regulations training to enhance employees' professional competence.

3.2 強化員工培訓

本公司致力於打造優秀的人才隊伍，以公司文化和理念為導向，構建覆蓋全員的心泰醫療員工培訓體系。我們根據員工培訓需求制定全年培訓計劃，員工可通過內部培訓、外部培訓及職業證書培訓等多元化的方式豐富專業知識、提升實踐能力。為鼓勵員工不斷提升個人專業素養和職業競爭力，公司鼓勵員工考取各類專業證書，並支持員工獲得資質認證，實現人才成長與公司發展的同頻共振。

- **新員工培訓：**針對新員工，我們對其進行入職培訓，通過介紹公司的發展歷史、企業文化和理念，幫助新員工快速了解和學習公司的規章制度，縮短職場適應期。
- **專業能力培訓：**我們根據不同崗位員工的職業發展需求，針對性開展技能類及資質類培訓，如工藝流程培訓、新產品培訓、檢驗標準培訓、質量體系法規培訓等，以提升員工專業能力。

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- Leadership training:** The Company has set up a “LEPU Eyas Business School”, which provides special training for backbone and core managers from time to time. These special training sessions cover product knowledge, sales skills, corporate development strategy and other areas, that fully enhance the leadership skills and comprehensive quality of the middle management. We also invite external professionals to train our management so as to broaden their horizons.
- 領導力培訓：**公司成立「樂普鵝鷹商學院」，面向骨幹及核心管理者開展不定期專項培訓，內容涵蓋產品知識、銷售技巧、公司發展戰略等領域，充分提升公司中級管理人員的領導能力及綜合素質。我們還特別聘請外部專業人士對公司管理層進行培訓，以拓展管理人員視野。

New employee training 新員工培訓

Job specific mandatory training 崗位固定培訓

Corporate development history 公司發展歷史

Skills, qualifications and on-the-job training
技能類、資質類以及上崗類的培訓

Corporate culture and philosophy 企業文化和理念

Laws and regulations training
法律法規培訓

Corporate rules and regulations 公司規章制度

Academic training
學術培訓

Training method 培訓方式

Internal training and external training
內部培訓、外部培訓

New Employee Training System 心泰醫療新員工培訓體系

In addition to routine training, we make great efforts to foster the comprehensive quality of employees. This year, we carried out legal and compliance training such as anti-corruption training to enhance employees' moral and legal awareness. Besides, we organize industry sharing sessions, technical exchange meetings, brainstorming and other academic training, helping employees stay abreast of industry trends and stimulating their innovative thinking.

除常規培訓外，我們還注重培養員工的綜合素質。本年度，我們開展反腐倡廉培訓等合法合規培訓，提升全體員工的道德意識和法律意識。同時，我們積極組織行業動態分享會、技術交流會、頭腦風暴等學術類培訓，幫助員工了解行業前沿動態，激發創新思維。

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Product Training for New Employees
心泰醫療開展新員工產品培訓

2023 Employee Training Overview

2023年員工培訓情況

Category of employees 員工類型			Average training time (hours) 培訓平均時長 (小時)	Percentage of employees trained (%) 員工培訓佔比 (%)
Overall 整體情況			2.13	77.17%
By gender 按性別劃分	Male employees 男性員工	2.13	79.80%	
	Female employees 女性員工	2.13	75.00%	
By position 按職級劃分	Senior management employees 高級管理層員工	0.40	20.00%	
	Middle management employees 中級管理層員工	1.81	90.47%	
	Ordinary employees 普通員工	1.50	75.13%	

VI. GREEN OPERATION

In response to the national call for energy conservation and emission reduction, the Company takes active measures to fulfil its responsibility for environmental protection to achieve green operation. We strictly abide by the laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, and the environmental protection rules of the regions and industries where we operate. We have also formulated the *Working Environment Control Procedure* and other management regulations to facilitate the certification of ISO 14001 Environmental Management System. Focusing on the efficient utilization of energy and the circular use of resources, we have made steady progress in our environmental management level to practice green operation with our concrete actions.

六、綠色運營

心泰醫療積極響應國家節能減排號召，承擔環境保護責任，致力於實現綠色運營。我們嚴格遵守《中華人民共和國環境保護法》等法律法規，以及運營所在地區和行業的環境保護規定，制定《工作環境控制程序》等管理規定，積極推動ISO 14001環境管理體系認證。我們持續關注能源高效利用和資源循環利用，不斷提升自身的環境管理水平，以實際行動踐行綠色運營的理念。

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Committed to continuously improving environmental management performance and creating a corporate image with a high sense of social responsibility, the Company integrates environmental protection into organizational activities, products and services. We adopt a top-down approach to pollution control, and strengthen the management of pollution treatment facilities and environmental monitoring and management. We carry out systematic environmental risk assessment to ensure that all factors that have or may have a significant impact on the environment are promptly identified and effectively controlled. Besides, we implement pollution control throughout the production process to minimize pollution and damage to the environment. In addition, to enhance all the employees' awareness of environmental protection, we carry out regular environmental protection training and formulate practical and feasible environment goals and plans in four aspects: energy conservation, emission reduction, water conservation, and waste reduction. These efforts aim to help the Company implement green operation in all aspects.

1. Resource Utilization and Conservation

We stringently abide by relevant laws and regulations such as the *Energy Conservation Law of the People's Republic of China* and the *Water Law of the People's Republic of China*. Upholding the environmental protection concept of conserving natural and social resources, we pay constant attention to the utilization of the environment and resources. For electricity, water resources and office paper consumed in our daily operation, we work to improve the resource use efficiency and constantly optimize the resource use strategy and method. In this way, we reduce the consumption of electricity, water resource and office paper in the daily operation.

公司將環境保護融入到各項組織活動、產品和服務中，致力於提升環境管理效能，塑造具有高度社會責任感的企業形象。我們自上而下地落實公司污染物排放的管理工作，強化對污染處理設施的有效監管，着力增強環境檢測與管理水平。我們系統性地開展環境風險評估工作，確保對環境具有或可能具有重大影響的所有因素得到及時識別和有效控制。同時，我們實行生產全過程污染控制，最大限度地減少對環境的污染和破壞。此外，為深化全體員工的環保意識，我們定期開展環境保護培訓，並圍繞節能、減排、節水及減廢四個關鍵領域制定切實可行的環境目標計劃，助力公司全方位落實綠色運營。

1. 資源使用和節約

我們嚴格遵守《中華人民共和國節約能源法》《中華人民共和國水法》等相關法律法規，秉持節約自然及社會資源的環保理念，持續關注環境及資源利用問題。針對公司日常運營消耗的電力、水資源及辦公紙張，我們致力於提升資源利用效率，不斷優化資源使用策略和方法，以減少公司運營過程中的電力消耗、水資源用量以及辦公紙張的使用量。

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The Company manages the energy and water use in the office area in accordance with the provisions of the *Employee Manual*, giving instructions to employees to standardize water and electricity use.

Water conservation: We encourage employees to save water and actively collect water use data in the daily operation to identify and control waste. We also reduce water waste through daily inspection to improve the resource use efficiency.

Energy conservation: We use LED energy-saving lamps instead of high energy-consuming lamps as daily office lighting equipment. We also require each employee to develop an energy-saving habit, making sure lights are out when nobody is in the office, and cutting the power consumption level of air conditioners, central ventilation system, exhaust system and other power equipment. Furthermore, we encourage employees to share cars for business travel, aiming to reduce the consumption of fossil energy.

Paperless office: We advocate paperless office. To reduce the consumption of office paper, employees go through various approval processes electronically on OA system instead of via paper documents. We also take measures such as teleconference and Internet office to achieve cross-regional communication.

公司依照《員工手冊》相關規定對辦公區域的用能用水情況進行管理，並對員工規範用水和用電行為予以提示。

節約用水：我們倡導員工節約用水，並積極收集日常運營中的用水數據，識別並處理浪費現象，通過每日值班巡檢的方式減少用水浪費，提高資源利用效率。

節約能源：我們使用LED節能燈作為日常辦公照明設備，減少高耗能燈具的使用，並要求每位員工養成節約能源的良好習慣，做到人走燈滅。我們對每年的用電情況進行考察，不斷減少空調、新風、排風系統等用電設備的耗電水平。同時，我們倡導員工外出辦公盡量合併用車，減少對化石能源的消耗。

無紙化辦公：我們倡導無紙化辦公，通過OA系統操作替代審批流程中使用的紙質文件，並採取電話會議、互聯網辦公等形式實現跨地區溝通，減少辦公紙張的消耗。

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2. Pollutant Discharge Reduction

The Company strictly abides by the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise* and other laws and regulations relating to environmental protection. By formulating and implementing *Measures for the Management of Wastewater, Waste Gas, Solid Waste and Noise* and other internal standard documents, we strictly control the pollutants produced in the course of operation process to minimize the impact on the ecology and the load on the environment.

2.1 Experiment and Production

Based on the internal management regulations such as the *Measures for the Management of Wastewater, Waste Gas, Solid Waste and Noise*, the Company standardizes the management of waste gas, solid waste, waste water and noise generated in the experiment and production process, ensures that the pollutants are treated and discharged in compliance, effectively controls noise pollution, and minimizes the negative impact on the environment caused by the Company's experiments and production.

2. 減少污染物排放

本公司嚴格遵守《中華人民共和國大氣污染防治法》《中華人民共和國固體廢物污染環境防治法》《中華人民共和國水污染防治法》《中華人民共和國環境噪聲污染防治法》等環保相關的法律法規，制定並實施《廢水、廢氣、固體廢物和噪音管理辦法》等內部規範文件。我們對運營過程中產生的各類污染物採取嚴格的管控措施，最大程度地減少對生態的影響，減輕環境負荷。

2.1 實驗及生產環節

公司基於《廢水、廢氣、固體廢物和噪音管理辦法》等內部管理制度，對實驗及生產環節所產生的廢氣、廢棄物、廢水、噪聲進行規範管理，確保各項污染物合規處理且達標排放，有效控制噪聲污染，盡最大可能減少因公司實驗及生產對環境產生的負面影響。

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Waste gas treatment

The Company uses the gas collector to collect the dust, soot and waste gas generated from EO treatment⁵, and discharge them after being treated by a cartridge dust collector and welding dust purifier in strict accordance with relevant environmental protection standards. After treatment, emissions of each waste gas pollutant fall below the limit of the *Integrated Emission Standard of Air Pollutants* (DB31/933-2015). Meanwhile, we entrust qualified third-party institutions to carry out exhaust gas testing and issue test reports every year to ensure compliant emissions. This aims to implement relevant environmental protection standards.

廢氣處理方面

公司採用集氣罩集中收集產生的粉塵、煙塵及EO解析廢氣⁵，並通過濾筒除塵器和焊接煙塵淨化器對廢氣進行嚴格處理，確保在達到相關環保標準後進行排放。所有經過處理後的廢氣排放物均符合《大氣污染物綜合排放標準》(DB31/933-2015)的排放限值要求。同時，為保障合規排放，我們每年都會委託具有資質的第三方機構開展廢氣檢測並出具專業的檢測報告，落實環境保護相關規範。



Waste gas treatment facility
廢氣處理設施

⁵ EO waste gas refers to the exhaust gas produced during the aeration process of ethylene oxide.

⁵ 指環氧乙烷解析過程中所產生的廢氣。

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Waste disposal

The hazardous wastes produced in the course of our production and operation process are mainly medical wastes, chemical waste liquids and non-hazardous wastes. The Company standardizes the disposal method and process of hazardous and non-hazardous waste in accordance with the internal regulations. We entrust that qualified third parties conduct compliant disposal of different types of waste in strict accordance with relevant regulations to minimize its generation.

Wastewater disposal

The wastewater produced in the course of our operation mainly includes domestic sewage, purified water, water for injection and tail water for pure water preparation. The Company keeps improving the disposal level of wastewater pollutants on the basis of ensuring compliant discharge, in an effort to reduce the impact of production and operating activities on the ecological environment. We conduct analysis and detection on the wastewater produced on a regular basis. After detection, the concentration of pollutants in the main outlet of the sewage falls within the compliance range of the *Integrated Sewage Discharge Standard* (DB/31/199-2018). We discharge the qualified wastewater into the designated sewage pipe network system in the park. The laboratory waste liquid that has small volume and no toxicity, which is discharged into the municipal pipe network in compliance after unified treatment.

廢棄物處理方面

我們日常生產運營過程中所產生的有害廢棄物主要包括醫療廢棄物、化學廢液和無害廢棄物。公司遵照內部管理規定，對各類有害及無害廢棄物的處置方式及流程進行標準化管理。針對不同類型的廢棄物，我們嚴格執行相關規定，選擇具有資質的第三方進行合規處置，盡可能減少廢棄物的產生。

廢水處理方面

公司運營過程中所產生的廢水主要包括生活污水、純化水清洗水、注射用水清洗水及純水製備尾水。在確保廢水合規排放的基礎上，公司不斷提高對廢水污染物的處理水平，以降低生產經營活動對生態環境的影響。我們對這些產生的廢水開展定期分析檢測，確保處理後的污水在總排口處的污染物濃度滿足《污水綜合排放標準》(DB/31/199-2018)的要求。我們將檢測合格後的廢水排入所在園區指定的污水管網系統，實驗室廢液量較小且無毒性，經統一處理後合規排放至市政管網中。

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Noise management

The noise in the operation of the Company is mainly generated from equipment operation. To effectively control noise pollution, we use low-noise equipment to reduce the basic vibration of the equipment. Furthermore, we make reasonable arrangement for the equipment and facilities, putting the mechanical equipment in the production workshop to keep a further distance from the plant boundary and adopting wall soundproofing measures to further reduce noise transmission. During the operation of equipment, we will close doors and windows to minimize the impact of noise on the external environment. In 2023, the noise contribution value at 1-meter of the plant boundary of the Company fell within the compliance range for daytime regarding 3 types of Environmental Noise Function under the *Emission Standard for Industrial Enterprises Environmental Noise at Plant Boundary* (GB12348-2008). We also entrust qualified third-party institutions to carry out noise detection and issue test reports every year to ensure compliant operation.

2.2 Daily Office Operations

The non-hazardous wastes generated by our daily office operations are mainly electronic waste and domestic waste. We fully carry out garbage sorting and recycling to promote cyclic utilization of wastes. Specially, we hand over wastes with recycling value to qualified third parties for compliant disposal.

噪音管理方面

公司運營過程中的噪聲主要來源於設備的運行活動。為有效控制噪聲污染，我們積極採用低噪聲設備，並對設備進行基礎減振處理。同時，我們合理布局設備設施，將機械設備置於生產車間內，確保噪音設備遠離廠界，並利用牆體隔音的方式進一步減少噪聲傳播。在設備運行期間，我們會採取關閉門窗等措施，最大程度地減少噪音對外界環境的影響。本年度，公司廠界1米處噪聲貢獻值符合《工業企業廠界環境噪聲排放標準》(GB12348-2008)3類環境噪聲功能區晝間排放的標準。此外，我們每年委託具有資質的第三方機構開展噪聲檢測並出具檢測報告，確保合規運營。

2.2 日常辦公環節

在日常辦公環節，公司產生的無害廢棄物主要包括電子垃圾及生活垃圾。為促進廢棄物的循環利用，我們全面開展垃圾分類回收，對於有回收利用價值的廢棄物，我們統一交由具有資質的第三方進行合規處置。

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3. Response to Climate Change

We are deeply aware of the potential impact of climate change on corporate production and operation and the upstream and downstream value chain. During the Reporting Period, we further optimized identification and management process of climate change related risks and opportunities. Against major physical risks relating to climate change identified and transition risk, we actively took more response measures and strengthen our management. To seize potential climate change related opportunities identified, we continuously evaluated and tapped potential of our products and services to keep up with the market trend.

Climate change related risks

Risk type 風險類型

Transition risk 轉型風險

Policy and
legal risks
政策和法律風險

Reputation risk
聲譽風險

Potential risk 潛在風險

As policies and regulations relating to climate change are increasingly perfected and information disclosure and compliance requirements are becoming more stringent, more rigorous energy consumption or information disclosure standards will be introduced, which will increase the potential compliance cost of the Company.
國家氣候變化相關的政策法規日益完善，信息披露和合規要求趨嚴，公司所在運營地政府或將出台更高的用能或信息披露標準，將增加本公司潛在的合規成本。

As the concept of green development is widely recognized, it may damage the company's reputation and brand image if our operation exerts damaging impacts on the climate and environment, for example, by discharging waste gas, wastewater or disposing of solid waste in a substandard manner during production and operations, resulting in loss of customers.
隨着綠色發展理念的深入實施，本公司若在運營過程中對氣候和環境造成破壞性影響，如：生產經營過程中的廢氣、廢水或廢棄物處置不達標，可能會損害公司的聲譽和品牌形象，導致客戶流失等影響。

3. 應對氣候變化

我們深刻認識到氣候變化會對企業生產運營和價值鏈上下游產生潛在影響。報告期內，我們進一步優化氣候變化風險和機遇的識別和管理過程。針對識別出的重點氣候變化相關的物理風險和轉型風險，我們積極部署應對措施並配套提升相應的管理，針對識別出的潛在氣候變化相關機遇，我們持續評估並挖掘產品與服務潛力，以期更好地把握市場走向。

氣候變化風險

Responses 應對措施

We keep abreast of policies and regulations relating to climate change in the regions where we operate and strengthen our compliance disclosure or operational capability to effectively respond to new external regulatory requirements.

及時追蹤並了解公司所在運營地的最新氣候變化相關政策法規，提升並儲備合規披露或運營的能力，有效應對新的外部監管趨勢。

We implement the concept of environmental protection in the course of operation and strictly control all segments of production and operation that may affect the bottom line of environmental compliance.
在運營過程中貫徹環保理念，嚴守生產經營中各項可能涉及環保合規底線的環節。

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Risk type 風險類型

Physical risk 實體風險

Acute risk
急性風險

Potential risk 潛在風險

Extreme weather events such as typhoons, droughts and floods caused by climate change may lead to power shortage, increase energy consumption and environmental compliance costs, etc., thereby increasing operating costs, resulting in lower operating revenue.
氣候變化導致的極端天氣(如：颱風、乾旱、洪水等)可能導致電力短缺、能耗上升、環保合規成本上升等，從而增加運營成本，造成營業收入下降。

Responses 應對措施

We keep a close eye on extreme weather forecasts provided by the meteorological authorities, release relevant reminders and establish emergency plans and rapid and effective emergency response mechanisms. These efforts aim to ensure physical safety of employees.
密切關注氣候部門提供的極端天氣事件預報，發布相關提醒並做好應急預案，建立快速、有效的搶險、救援和應急處理機制，努力保證員工的人身安全。

- We have formulated *Environmental Emergency Event Contingency Response Plan* and other internal policies to deal with property and human losses caused by extreme weather.
- 制定《突發環境事件應急預案》等內部政策，以應對極端天氣導致的財產和人員損失。
- We have insured our research and production facilities, machinery, equipment, inventory and other fixed assets on site to mitigate the risk of losses due to extreme weather.
- 為研究和生產設施、場地內的機器、設備、存貨及其他固定資產投購保單，減緩其因極端天氣而遭受損失的風險。

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Climate change related opportunities		氣候變化機遇
Opportunity type 機遇類型	Description 機遇描述	Responses 應對措施
Resource efficiency 資源效率	<p>Relying on green electricity substitution and energy-saving management, the company can improve its operational resilience, reduce operating costs and greenhouse gas emission risks, and thus reduce the company's sensitivity to changes in carbon trading prices.</p> <p>公司可通過綠色電力替代及節能管理，提高企業的運營韌性，降低運營成本及溫室氣體排放風險，從而降低公司對碳交易價格變化的敏感度。</p>	<ul style="list-style-type: none"> • Continue to take integrated energy saving measures in production and office. • 持續開展生產和辦公過程中的綜合節能措施。 • Explore the use of green electricity to improve the reliability of energy supply. • 積極探索使用綠色電力，以提高能源供應的可靠性。
Products and services 產品與服務	<p>The Company can meet climate adaptation needs and increase revenue by developing environmentally friendly, green medical products and services.</p> <p>公司可通過研發環境友好，符合綠色醫療屬性的產品與服務滿足氣候適應性需求，提高收入。</p>	<ul style="list-style-type: none"> • Actively develop new products (such as degradable occluder) to enhance the competitiveness of products in the market and increase product sales. • 積極開發新產品（如可降解封堵器），提升產品在市場上的競爭力，提升產品銷售量。

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4. Environmental Key Performance Indicators (KPIs)^{6,7}

In 2023, the environmental KPIs of the Company are listed below.

2023 Energy and Use of Resources KPIs

Indicator	指標	Unit	單位	Data
Energy consumption⁸	綜合能源消耗⁸	MWh	兆瓦時	1,452.03
Direct energy consumption	直接能源消耗	MWh	兆瓦時	95.83
Gasoline	汽油	MWh	兆瓦時	95.83
Indirect energy consumption	間接能源消耗	MWh	兆瓦時	1,356.20
Purchased electricity	外購電力	MWh	兆瓦時	1,356.20
Energy consumption per capita	人均能源消耗	MWh/person	兆瓦時／人	6.63
Total water consumption⁹	耗水總量⁹	Tonnes	噸	7,442.00
Water consumption per capita	人均耗水量	Tonnes/person	噸／人	33.98

4. 環境關鍵績效指標^{6,7}

2023年，心泰醫療環境類關鍵績效指標列示如下。

2023年能源及資源消耗關鍵績效指標

⁶ In 2023, we consumed 12 tonne(s) of packaging materials. Packaging materials mainly include paper boxes, cartons, labels, instructions, glass, foam and blister boxes.

⁷ Unless otherwise stated, the scope of environmental data statistics in the Report covers LEPU ScienTech Medical Technology (Shanghai) Co., Ltd., and Shanghai Shape Memory Alloy Co.,Ltd.

⁸ During the Reporting Period, our main operation was daily operation of office, plant and laboratory. The direct energy consumption mainly included gasoline and the indirect energy consumption mainly included electricity.

⁹ Since the water resources used by the Company are from municipal water supply, we do not have any problem in obtaining suitable water resources.

⁶ 2023年度，我們所耗用的包裝材料12噸。包裝材料主要包括紙盒、紙箱、標籤、說明書、玻璃、泡沫及吸塑盒。

⁷ 除另有說明外，本報告涵蓋的環境類數據統計範圍包括：樂普心泰醫療科技(上海)股份有限公司、上海形狀記憶合金材料有限公司。

⁸ 報告期內，我們的主要運營模式為日常辦公、工廠及實驗室運營，主要涉及的直接能源為汽油，間接能源消耗為電力。

⁹ 我們的用水來自市政自來水管網供水，本公司求取適用水源上未發現有任何問題。

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2023 Emissions KPIs¹⁰2023年排放物關鍵績效指標¹⁰

Indicator	指標	Unit	單位	Data 數據
Total greenhouse gas (GHG) emissions¹¹ (Scope 1 and Scope 2)¹²	溫室氣體排放總量¹¹ (範圍1及範圍2)¹²	Tonnes	噸	809.13
Direct GHG emissions (Scope 1)	直接溫室氣體排放 (範圍1)	Tonnes	噸	23.46
Gasoline	汽油	Tonnes	噸	23.46
Indirect GHG emissions (Scope 2)	間接溫室氣體排放 (範圍2)	Tonnes	噸	785.67
Purchased electricity	外購電力	Tonnes	噸	785.67
GHG emissions per capita (Scope 1 and Scope 2)	人均溫室氣體排放量 (範圍1及範圍2)	Tonnes/person	噸/人	3.69

¹⁰ The Company has not been listed as a key pollutant discharge unit. According to the relevant provisions of the *Water Pollution Prevention and Control Law of the People's Republic of China* and the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the installation and networking of automatic monitoring equipment for non-key pollutant discharge units are not mandatory provisions. With the rapid expansion of the Company's scale, we will progressively monitor waste gas and waste water, and sort out data statistics.

¹¹ The GHG calculation covers carbon dioxide, methane and nitrous oxide. GHG emissions are presented in carbon dioxide equivalents and calculated based on the *2021 Baseline Emission Factors for Regional Power Grids in China* issued by the Ministry of Ecology and Environment of the People's Republic of China.

¹² GHG Scope 1 covers "direct energy" GHG emissions caused by the business owned or controlled by the Company, Scope 2 covers "indirect energy" GHG emissions caused by the Company's internal consumption (purchased or acquired) of electricity. During the Reporting Period, the Company's total GHG emissions were "direct energy" GHG emissions caused by gasoline and "indirect energy" GHG emissions caused by electricity.

¹⁰ 心泰醫療未被列入重點排污單位，根據《中華人民共和國水污染防治法》《中華人民共和國大氣污染防治法》有關規定，未對非重點排污單位自動監測設備的安裝和聯網作強制性規定。隨着公司規模的快速擴大，我們將逐步開展廢氣、廢水的監測並梳理統計該數據。

¹¹ 溫室氣體核算範圍主要涵蓋二氧化碳、甲烷及氧化亞氮。溫室氣體排放核算按二氧化碳當量呈列，並根據中華人民共和國生態環境部刊發的《2021減排項目中國區域電網基準線排放因子》規定計算。

¹² 溫室氣體範圍1涵蓋由公司擁有或控制的業務直接產生的溫室氣體排放，範圍2涵蓋來自公司內部消耗(購買或取得的)電力所伴隨的「間接能源」溫室氣體排放。報告期內，公司的溫室氣體排放總量為汽油消耗所導致的「直接能源」溫室氣體排放，以及電力所引致的「間接能源」溫室氣體排放。

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2023 Wastes KPIs

2023年廢棄物關鍵績效指標

Indicator	指標	Unit	單位	Data
Total hazardous waste¹³	有害廢棄物總量¹³	Tonnes	噸	0.38
Hazardous medical waste	有害醫療廢棄物	Tonnes	噸	0.10
Hazardous waste consumables	有害廢棄耗材	Tonnes	噸	0.28
Hazardous waste per capita	人均有害廢棄物	Tonnes/person	噸/人	0.002
Total non-hazardous waste¹⁴	無害廢棄物總量¹⁴	Tonnes	噸	4.16
Domestic waste	生活廢棄物	Tonnes	噸	4.15
Electronic waste	電子廢棄物	Tonnes	噸	0.01
Non-hazardous waste per capita	人均無害廢棄物	Tonnes/person	噸/人	0.02

¹³ Hazardous waste includes hazardous waste consumables and hazardous medical waste. Hazardous waste consumables include toner cartridges and ink cartridge procured by the Company, which are calculated based on the data in the procurement breakdown provided by suppliers. Hazardous medical waste includes infectious waste and injurious waste, etc., which are calculated through medical waste treatment slips and ledger registration.

¹⁴ Non-hazardous waste includes domestic waste and electronic waste, of which domestic waste includes copy paper, bulbs etc., electronic waste includes computers, printers and hard disks.

¹³ 有害廢棄物包括有害廢棄耗材及有害醫療廢物，其中有害廢棄耗材包括本公司採購的硒鼓、墨盒等，根據供應商提供的採購明細表中的數據進行核算；有害醫療廢物包括感染性廢物和損傷性廢物等，通過醫療廢物處理聯單及台賬登記核算。

¹⁴ 無害廢棄物包括生活廢棄物及電子廢棄物，其中生活廢棄物包括複印紙、燈泡等；電子廢棄物包括電腦、打印機、硬盤等。

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APPENDIX: ESG REPORTING GUIDE INDEX TABLE

附錄：《環境、社會及管治報告指引》索引表

Requirements, Subject Area, Aspects, General Disclosures and KPIs 規定、主要範疇、層面、一般披露及關鍵績效指標(指標)		Disclosure location or remarks 披露位置或備註
Mandatory Disclosure Requirements 強制披露規定		
Governance Structure 管治架構	<p>A statement from the board containing the following elements: 由董事會發出的聲明，當中載有下列內容：</p> <ul style="list-style-type: none"> (i) a disclosure of the board's oversight of ESG issues; 披露董事會對環境、社會及管治事宜的監管； (i) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's businesses); and 董事會的環境、社會及管治管理方針及策略，包括評估、優次排列及管理重要的環境、社會及管治相關事宜(包括對發行人業務的風險)的過程；及 (ii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses. 董事會如何按環境、社會及管治相關目標檢討進度、並解釋它們如何與發行人業務有關連。 	ESG Management – ESG Governance Structure ESG管理-ESG管治架構
Reporting Principles 匯報原則	<p>A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG Report: 描述或解釋在編備環境、社會及管治報告時如何應用下列匯報原則：</p> <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. 重要性：環境、社會及管治報告應披露：(i)識別重要環境、社會及管治因素的過程及選擇這些因素的準則；(ii)如發行人已進行持份者參與，已識別的重要持份者的描述及發行人持份者參與的過程及結果。</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. 量化：有關匯報排放量／能源耗用(如適用)所用的標準、方法、假設及／或計算工具的資料，以及所使用的轉換因素的來源應予披露。</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison. 一致性：發行人應在環境、社會及管治報告中披露統計方法或關鍵績效指標的變更(如有)或任何其他影響有意義比較的相關因素。</p>	About the Report 關於本報告

Environmental, Social and Governance Report

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Requirements, Subject Area, Aspects, General Disclosures and KPIs

規定、主要範疇、層面、一般披露及關鍵績效指標(指標)

Disclosure location or remarks

披露位置或備註

Reporting Boundary
匯報範圍

A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.

解釋環境、社會及管治報告的匯報範圍，及描述挑選哪些實體或業務納入環境、社會及管治報告的過程。若匯報範圍有所改變，發行人應解釋不同之處及變動原因。

About the Report
關於本報告

“Comply or Explain” Provisions

不遵守就解釋條文

A. Environmental

A. 環境

Aspect A1: Emissions

層面A1：排放物

General Disclosure
一般披露

Information on:

有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：

- (a) the policies; and
- (a) 政策；及
- (b) compliance with relevant laws and regulations that have a significant impact on the issuer
- (b) 遵守對發行人有重大影響的相關法律及規例的資料。

relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Green Operation – Pollutant
Discharge Reduction
綠色運營 – 減少污染物排放

KPI A1.1
關鍵績效指標A1.1

The types of emissions and respective emissions data.
排放物種類及相關排放數據。

Green Operation – Environmental
KPIs
綠色運營 – 環境關鍵績效指標

KPI A1.2
關鍵績效指標A1.2

Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
直接(範圍1)及能源間接(範圍2)溫室氣體排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。

Green Operation – Environmental
KPIs
綠色運營 – 環境關鍵績效指標

KPI A1.3
關鍵績效指標A1.3

Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。

Green Operation – Environmental
KPIs
綠色運營 – 環境關鍵績效指標

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Disclosure location or remarks 披露位置或備註

KPI A1.4 關鍵績效指標A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Green Operation – Environmental KPIs 綠色運營 – 環境關鍵績效指標
KPI A1.5 關鍵績效指標A1.5	Description of emission target(s) set and steps taken to achieve them. 描述所訂立的排放量目標及為達到這些目標所採取的步驟。	As the Company continues to expand, we will explore and develop feasible environmental targets to help the Company fully realize green operations 隨着公司規模的不斷擴大，我們將深入研討並制定切實可行的環境目標，助力公司全面實現綠色運營
KPI A1.6 關鍵績效指標A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. 描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。	Green Operation – Pollutant Discharge Reduction 綠色運營 – 減少污染物排放 As the Company continues to expand, we will explore and develop feasible environmental targets to help the Company fully realize green operations 隨着公司規模的不斷擴大，我們將深入研討並制定切實可行的環境目標，助力公司全面實現綠色運營

Aspect A2: Use of Resources

層面A2：資源使用

General Disclosure 一般披露	Policies on the efficient use of resources including energy, water, and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	Green Operation – Resource Utilization and Conservation 綠色運營 – 資源使用和節約
KPI A2.1 關鍵績效指標A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及/或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	Green Operation – Environmental KPIs 綠色運營 – 環境關鍵績效指標
KPI A2.2 關鍵績效指標A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	Green Operation – Environmental KPIs 綠色運營 – 環境關鍵績效指標

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規定、主要範疇、層面、一般披露及關鍵績效指標(指標)

Disclosure location or remarks

披露位置或備註

KPI A2.3 關鍵績效指標A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them. 描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。	As the Company continues to expand, we will explore and develop feasible environmental targets to help the Company fully realize green operations 隨着公司規模的不斷擴大，我們將深入研討並制定切實可行的環境目標，助力公司全面實現綠色運營
KPI A2.4 關鍵績效指標A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them. 描述求取適用水源可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟。	Green Operation – Environmental KPIs 綠色運營 – 環境關鍵績效指標 As the Company continues to expand, we will explore and develop feasible environmental targets to help the Company fully realize green operations 隨着公司規模的不斷擴大，我們將深入研討並制定切實可行的環境目標，助力公司全面實現綠色運營
KPI A2.5 關鍵績效指標A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	Green Operation – Environmental KPIs 綠色運營 – 環境關鍵績效指標

Aspect A3: The Environment and Natural Resources

層面A3：環境及自然資源

General Disclosure 一般披露	Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及自然資源造成重大影響的政策。	Green Operation 綠色運營
KPI A3.1 關鍵績效指標A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them. 描述業務活動對環境及自然資源的重大影響及已採取管理有關影響的行動。	Green Operation 綠色運營

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Disclosure location or remarks 披露位置或備註

Aspect A4: Climate Change

層面A4：氣候變化

General Disclosure
一般披露

Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.
識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。

Green Operation – Response to Climate Change
綠色運營 – 應對氣候變化

KPI A4.1
關鍵績效指標A4.1

Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.
描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。

Green Operation – Response to Climate Change
綠色運營 – 應對氣候變化

B. Social

B. 社會

Employment and Labor Practices

僱傭及勞動常規

Aspect B1: Employment

層面B1：僱傭

General Disclosure
一般披露

Information on:
有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：
(a) the policies; and
(a) 政策；及
(b) compliance with relevant laws and regulations that have a significant impact on the issuer
(b) 遵守對發行人有重大影響的相關法律及規例的資料。
relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

Value of Talents -Employee Rights and Interests Protection
珍視人才 – 員工權益保障

KPI B1.1
關鍵績效指標B1.1

Total workforce by gender, employment type, age group and geographical region.
按性別、僱傭類型、年齡組別及地區劃分的僱員總數。

Value of Talents – Employee Rights and Interests Protection
珍視人才 – 員工權益保障

KPI B1.2
關鍵績效指標B1.2

Employee turnover rate by gender, age group and geographical region.
按性別、年齡組別及地區劃分的員工流失比率。

Value of Talents – Employee Rights and Interests Protection
珍視人才 – 員工權益保障

Environmental, Social and Governance Report

環境、社會及管治報告

Requirements, Subject Area, Aspects, General Disclosures and KPIs 規定、主要範疇、層面、一般披露及關鍵績效指標(指標)		Disclosure location or remarks 披露位置或備註
Aspect B2: Health and Safety 層面B2：健康與安全		
General Disclosure 一般披露	Information on: 有關提供安全工作環境及保障員工避免職業性危害的： <ul style="list-style-type: none"> (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例的資料。 relating to providing a safe working environment and protecting employees from occupational hazards.	Value of Talents – Occupational Health and Safety 珍視人才 – 職業健康與安全
KPI B2.1 關鍵績效指標B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 過去三年(包括匯報年度)每年因工亡故的人數及比率。	Value of Talents – Occupational Health and Safety 珍視人才 – 職業健康與安全
KPI B2.2 關鍵績效指標B2.2	Lost days due to work injury. 因工傷損失工作日數。	Value of Talents – Occupational Health and Safety 珍視人才 – 職業健康與安全
KPI B2.3 關鍵績效指標B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Value of Talents – Occupational Health and Safety 珍視人才 – 職業健康與安全
Aspect B3: Development and Training 層面B3：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Value of Talents – Employee Growth and Development 珍視人才 – 員工成長與發展
KPI B3.1 關鍵績效指標B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱傭類別(如高級管理層、中級管理層)劃分的受訓員工百分比。	Value of Talents – Employee Growth and Development 珍視人才 – 員工成長與發展
KPI B3.2 關鍵績效指標B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	Value of Talents – Employee Growth and Development 珍視人才 – 員工成長與發展

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Disclosure location or remarks 披露位置或備註

Aspect B4: Labor Standards

層面B4：勞工準則

General Disclosure 一般披露	Information on: 有關防止童工或強制勞工的： (a) the policies; and (a) 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer (b) 遵守對發行人有重大影響的相關法律及規例的資料。 relating to preventing child and forced labor.	Value of Talents – Employee Rights and Interests Protection 珍視人才 – 員工權益保障
KPI B4.1 關鍵績效指標B4.1	Description of measures to review employment practices to avoid child and forced labor. 描述檢討招聘慣例的措施及避免童工及強制勞工。	Value of Talents – Employee Rights and Interests Protection 珍視人才 – 員工權益保障
KPI B4.2 關鍵績效指標B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	Value of Talents – Employee Rights and Interests Protection 珍視人才 – 員工權益保障

Operating Practices

營運慣例

Aspect B5: Supply Chain Management

層面B5：供應鏈管理

General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險的政策。	Responsible Operation – Standardization in Supplier Management 責任運營 – 規範供應商管理
KPI B5.1 關鍵績效指標B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	Responsible Operation – Standardization in Supplier Management 責任運營 – 規範供應商管理
KPI B5.2 關鍵績效指標B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關執行及監察方法。	Responsible Operation – Standardization in Supplier Management 責任運營 – 規範供應商管理
KPI B5.3 關鍵績效指標B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	Responsible Operation – Standardization in Supplier Management 責任運營 – 規範供應商管理

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Disclosure location or remarks 披露位置或備註

KPI B5.4 關鍵績效指標B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在揀選供貨商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。	Responsible Operation – Standardization in Supplier Management 責任運營 – 規範供應商管理
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Aspect B6: Product Responsibility 層面B6：產品責任

General Disclosure 一般披露	Information on: 有關所提供產品和服務的健康與安全、廣告、標籤及隱私事宜以及補救方法的： (a) the policies; and (a) 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer (b) 遵守對發行人有重大影響的相關法律及規例的資料。 relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Responsible Operation – Product Quality Initiatives 責任運營 – 注重產品品質
KPI B6.1 關鍵績效指標B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	Responsible Operation – Product Quality Initiatives 責任運營 – 注重產品品質
KPI B6.2 關鍵績效指標B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	Responsible Operation – Product Quality Initiatives 責任運營 – 注重產品品質
KPI B6.3 關鍵績效指標B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	Responsible Operation – Continuous R&D and Innovation 責任運營 – 持續研發創新
KPI B6.4 關鍵績效指標B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	Responsible Operation – Product Quality Initiatives 責任運營 – 注重產品品質
KPI B6.5 關鍵績效指標B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored. 描述消費者資料保障及隱私政策，以及相關執行及監察方法。	Prudent Management – Information Security and Privacy Protection 穩健經營 – 信息安全與隱私保護

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Disclosure location or remarks 披露位置或備註

Aspect B7: Anti-corruption

層面B7：反貪腐

General Disclosure 一般披露	Information on: 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) the policies; and (a) 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer (b) 遵守對發行人有重大影響的相關法律及規例的資料。 relating to bribery, extortion, fraud and money laundering.	Prudent Management – Comply with Business Ethics 穩健經營 – 恪守商業道德
KPI B7.1 關鍵績效指標B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	Prudent Management – Comply with Business Ethics 穩健經營 – 恪守商業道德
KPI B7.2 關鍵績效指標B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	Prudent Management – Comply with Business Ethics 穩健經營 – 恪守商業道德
KPI B7.3 關鍵績效指標B7.3	Description of anti-corruption training provided to directors and staff. 描述向董事及員工提供的反貪污培訓。	Prudent Management – Comply with Business Ethics 穩健經營 – 恪守商業道德

Aspect B8: Community Investment

層面B8：社區投資

General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Responsible Operation – Social Responsibilities 責任運營 – 踐行社會責任
KPI B8.1 關鍵績效指標B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	Responsible Operation – Social Responsibilities 責任運營 – 踐行社會責任
KPI B8.2 關鍵績效指標B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。	Responsible Operation – Social Responsibilities 責任運營 – 踐行社會責任

Corporate Governance Report

企業管治報告

The Board is pleased to present the Corporate Governance Report set out in the Annual Report of the Company for the year ended December 31, 2023.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code set out in Appendix C1 to the Listing Rules as its own code of corporate governance, and the procedures to enable the Shareholders to evaluate how the principles of corporate governance have been applied. Other than deviation from the code provision C.2.1 of the CG Code as disclosed in this Annual Report, the Company has complied with all applicable code provisions under the CG Code during the period from the Listing Date and up to the date of this Annual Report. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

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

董事會欣然呈列本公司截至2023年12月31日止年度之年報所載之企業管治報告。

企業管治常規

本集團致力維持高水平的企業管治，以保障股東權益並提升企業價值及問責性。本公司已採納《企業管治守則》作為其本身之企業管治守則，及讓股東評估企業管治原則之應用方式。除偏離本年報所披露《企業管治守則》守則條文第C.2.1條外，自上市日期至本年報日期止期間，本公司一直遵守《企業管治守則》項下之所有適用守則條文。本公司將繼續檢討並監察其企業管治常規，以確保遵守《企業管治守則》。

董事會相信，高標準的企業管治乃為本公司提供框架以保障股東權益、提升企業價值、制定其業務策略及政策以及提高其透明度及問責性所必需。

Corporate Governance Report 企業管治報告

Save for the above, the Board is of the view that during the Reporting Period, the Company has complied with all the applicable code provisions as set out in the CG Code. The Board shall nevertheless review the structure and composition of the Board in light of prevailing circumstances and monitor the code of corporate governance practices of the Company from time to time, in order to maintain a high standard of corporate governance practices of the Company.

VALUES AND CULTURE

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, the Company believes that Shareholder wealth will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

The Group will continuously review and adjust, if necessary, its business strategies and keep track of the changing market conditions to ensure prompt and proactive measures will be taken to respond to the changes and meet the market needs to foster the sustainability of the Group.

除上文所述者外，董事會認為，於報告期內，本公司已遵守《企業管治守則》所載的所有適用守則條文。然而，董事會將根據現況檢討董事會架構及組成並不時監察本公司的企業管治常規守則，以保持本公司的高標準企業管治常規。

價值觀及文化

本公司致力確保其業務營運乃按照崇高的道德標準進行，反映本公司堅信如要達到長遠的業務目標，必須以誠信、透明和負責的態度行事。本公司相信恪守此理念長遠可為股東帶來最大財富，而僱員、業務夥伴及其營運業務的社區亦可受惠。

本集團將持續檢討其業務策略並在有必要時加以調整，並緊貼瞬息萬變的市場狀況，以確保迅速及主動採取措施應對變化及滿足市場需求，從而推動本集團的可持續發展。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

The Company is headed by an effective Board which assumes responsibility for its leadership and control and be collectively responsible for promoting the Company's success by directing and supervising the Company's affairs. Directors take decisions objectively in the best interests of the Company.

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business and regularly reviews the contribution required from each Director to perform his/her responsibilities to the Company and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of executive Director and non-executive Directors (including independent non-executive directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board is responsible for the overall leadership of the Group, oversees the Group's strategic decisions and monitors business and performance. The Board has delegated the authority and responsibility for daily management and operation to the senior management of the Group. To oversee specific aspects of the Company's affairs, the Board has established three Board committees, including the Audit Committee, the Nomination Committee and the Remuneration Committee. The Board has delegated to such Board Committees responsibilities as set out in their respective terms of reference. The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound corporate governance, internal control and risk management systems are in place.

董事會

本公司由有效的董事會領導，董事會履行領導及監控責任，並透過帶領及監督本公司事務共同負責促進本公司的成功。董事應客觀地作出符合本公司最佳利益的決策。

本公司董事會成員於切合本公司業務所需的技能、經驗及多元觀點中取得平衡，並定期檢討董事就履行其對本公司的職責而須作出的貢獻以及董事是否付出足夠時間履行與其角色及董事會職責相稱的職責。董事會的執行董事及非執行董事(包括獨立非執行董事)組成均衡，使董事會可具備有力的獨立元素，有效作出獨立判斷。

董事會及管理層各自的職責、責任及貢獻

董事會負責本集團的整體領導，並監察本集團的策略性決定以及監察業務及表現。董事會已向本集團的高級管理層授予日常管理及營運的權力及責任。為監察本公司事務的特定範疇，董事會已成立三個董事會委員會，包括審計委員會、提名委員會及薪酬委員會。董事會已向該等董事會委員會授予各職權範圍所載的責任。董事會直接及間接透過其委員會，帶領並提供指導予管理層，制定策略及監察其實施、監察本集團的營運及財務表現，以及確保設有良好的企業管治、內部監控及風險管理系統。

Corporate Governance Report 企業管治報告

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its Shareholders at all times.

All Directors have full and timely access to all relevant information as well as the advice and services of the independent professional advisers and its joint company secretaries in appropriate circumstances, as and when required, with a view to ensuring that Board procedures and all applicable rules and regulations are followed, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

The Company has arranged appropriate liability insurance for the legal proceedings against the Directors, and will review the insurance coverage on an annual basis.

全體董事（包括非執行董事及獨立非執行董事）擁有廣泛的寶貴業務經驗、知識及專業精神，有助於董事會高效及有效運作。獨立非執行董事負責確保本公司的高標準監管報告，並在董事會中提供平衡，以就企業行動和營運提出有效的獨立判斷。

全體董事須確保彼等本着真誠、遵守適用法律及法規，無論何時均以符合本公司及股東利益的方式履行職責。

全體董事均可全面並及時取得所有相關資料，以及於有需要時在適當情況下獲取獨立專業顧問及其聯席公司秘書的意見及服務，以確保董事會程序以及所有適用規則及規例獲遵守，以向本公司履行其職責，費用由本公司承擔。

董事須向本公司披露彼等擔任的其他職務的詳情。

董事會保留有關政策事宜、策略及預算、內部監控及風險管理、重大交易（特別是可能涉及利益衝突者）、財務資料、委任董事及本公司其他重大營運事宜的所有重要事項的決定權。有關執行董事會決策、指導及協調本公司日常營運及管理的職責轉授予管理層。

本公司已就針對董事的法律訴訟安排適當責任保險，並將每年審視該保險之保障範圍。

Corporate Governance Report

企業管治報告

COMPOSITION OF THE BOARD

As at the date of this Annual Report, the Board consists of seven Directors, including one executive Director, three non-executive Directors and three independent non-executive Directors. The list of current members of the Board of the Company is as follows:

Name	姓名	Position	職位
Ms. Chen Juan	陳娟女士	Executive Director (<i>Chairwoman of the Board</i>)	執行董事 (<i>董事長</i>)
Ms. Zhang Yuxin	張昱昕女士	Non-executive Director (<i>re-designated on March 1, 2024</i>)	非執行董事 (<i>於2024年 3月1日調任</i>)
Mr. Fu Shan	付山先生	Non-executive Director	非執行董事
Mr. Zheng Guorui	鄭國銳先生	Non-executive Director	非執行董事
Ms. Chan Ka Lai Vanessa	陳嘉麗女士	Independent non-executive Director	獨立非執行董事
Mr. Zheng Yufeng	鄭玉峰先生	Independent non-executive Director	獨立非執行董事
Mr. Liu Daozhi	劉道志先生	Independent non-executive Director	獨立非執行董事

The biographies of the Directors are set out in the section headed “Biographies of Directors, Supervisors and Senior Management” on page 54 to page 64 in this Annual Report. Save as disclosed in the biographies of the Directors as set out in the section headed “Biographies of Directors, Supervisors and Senior Management” of this Annual Report, none of the Directors has any personal relationships (including financial, business, family or other material or relevant relationships) with Chairwoman, any other Director or chief executive.

Independent non-executive Directors

The Board at all times met the requirements of the Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors, among which at least one independent non-executive Director possesses appropriate professional qualifications or accounting or related financial management expertise during the Reporting Period.

董事會的組成

於本年報日期，董事會由7名董事組成，包括1名執行董事，3名非執行董事及3名獨立非執行董事。本公司董事會現任成員列表如下：

董事履歷載於本年報第54頁至第64頁「董事、監事及高級管理層履歷」一節。除本年報之「董事、監事及高級管理層履歷」一節所載董事履歷中所披露者外，概無董事與董事長、任何其他董事或最高行政人員有任何個人關係（包括財務、業務、家族或其他重大／相關關係）。

獨立非執行董事

於報告期內，董事會在任何時間均遵守《上市規則》第3.10(1)及3.10(2)條有關委任至少三名獨立非執行董事（其中至少一名獨立非執行董事須擁有適當的專業資格或會計或相關財務管理專業知識）的規定。

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The Company has also complied with the requirements of the Rule 3.10A of the Listing Rules relating to appointment of independent non-executive Directors, representing one-third of the members of the Board. Each of the independent non-executive Director has confirmed their independence during the Reporting Period, based on the Rule 3.13 to the Listing Rules, thus the Company considers they are independent persons.

The Company has adopted the Terms of Reference of the Independent Non-executive Directors 《獨立非執行董事工作制度》, which was formulated on a specific basis to stipulate the qualifications, selection procedures, powers and obligations of independent non-executive Directors and will review such policy on an annual basis. The independent non-executive Directors provide independent and objective advice and opinions on the Company's development strategies, results issues and other matters with taking account of interests of all Shareholders, and maintain their independence required as independent non-executive Directors. The independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee. The Audit Committee, the Nomination Committee and the Remuneration Committee of the Company have a majority of independent non-executive Directors, and the Audit Committee and the Nomination Committee both are chaired by independent non-executive Directors.

According to the Terms of Reference of the Independent Non-executive Directors 《獨立非執行董事工作制度》 of the Company, in order to give full play to the independent non-executive Directors and ensure the Board could obtain independent views and advice, the Company has delegated the special authorities to the independent non-executive Directors, including (but not limited to) the material connected transactions resolutions shall be submitted to the Board for discussing after reviewed and recognized by the independent non-executive Directors; before the independent non-executive Directors make a judgement, they may engage intermediary agents to issue independent financial advisor report as the basis of their judgements. The independent non-executive Directors shall obtain consents from more than half of all independent non-executive Directors when they make judgements by exercising relevant special authorities. The Company shall disclose the circumstances if the relevant proposals not been adopted or the relevant authorities cannot be exercised in a normal manner. The Chairman at least annually holds a meeting with the independent non-executive Directors without the presence of other Directors. The Board has reviewed this mechanism during the Reporting Period and considered it has been implemented effectively.

本公司亦已遵守《上市規則》3.10A條有關委任相當於董事會成員三分之一的獨立非執行董事的規定。各獨立非執行董事均已根據《上市規則》3.13條確認其於報告期內的獨立性，故本公司認為彼等均為獨立人士。

本公司通過專門制定的《獨立非執行董事工作制度》，對獨立非執行董事的任職資格、選聘程序、職權義務等進行規定，並將每年對該政策進行審閱。獨立非執行董事對本公司的發展策略、業績事項等提供獨立客觀的建議和意見，並顧及全體股東的利益，保持彼等作為獨立非執行董事需具備的獨立性。獨立非執行董事應邀於審計委員會、薪酬委員會及提名委員會任職。公司審計委員會、提名委員會和薪酬委員會中，獨立非執行董事均佔多數且審計委員會、提名委員會由獨立非執行董事擔任主席。

根據本公司《獨立非執行董事工作制度》，為充分發揮獨立非執行董事的作用，確保董事會可獲得獨立的觀點和意見，公司賦予獨立非執行董事特別的職權，包括但不限於重大關連交易議案應由獨立非執行董事審閱及認可後，提交董事會討論；獨立非執行董事作出判斷前，可以聘請中介機構出具獨立財務顧問報告，作為其判斷的依據。獨立非執行董事行使有關特別的職權進行判斷時，應當取得全體獨立非執行董事的1/2以上同意。如有關提議未被採納或有關職權不能正常行使，公司應當將有關情況予以披露。董事長至少每年與獨立非執行董事舉行一次沒有其他董事出席的會議。董事會於報告期內對該機制進行了審查，並認為其得到了有效實施。

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BOARD DIVERSITY POLICY

We are committed to promoting a diverse culture in the Company. Taking into consideration of various factors of our corporate governance structure, we promote diversity with great efforts wherever practicable.

We have adopted the Board Diversity Policy, which sets out the objectives and stipulates that all appointments of members of the Board shall be made based on the talents, skills and experience level required by the overall operation of the Board. Our Nomination Committee will review and evaluate the composition of the Board, and make recommendations to the Board in connection with the appointment of members of the Board. At the same time, our Nomination Committee will consider the benefits of diversity in all aspects, including but not limited to professional experience, skills, knowledge, educational background, age, gender, culture and ethnicity and length of service, to maintain an appropriate scope and balance for the talents, skills, experience and diversified perspectives of the Board.

The summary of the Board Diversity Policy is set out as follows:

The effective Board Diversity Policy facilitates to enhance the effectiveness of our Board and to maintain high standard of corporate governance. The Board Diversity Policy sets out the criteria in selecting candidates to the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to our Board.

The Directors have a balanced mix of knowledge and skills, including but not limited to overall business management, finance and accounting and material science.

They obtained degrees in diversified majors including finance, accounting science, physics and history. The Board is of the view that it satisfied the Board Diversity Policy and has achieved overall diversity. In addition, the Board has a wide range of age, ranging from 41 years old to 60 years old. Three of our directors are female. The Board will also ensure that appropriate balance of gender diversity is achieved with reference to investors' expectation, and international and local recommended best practices and is of the view that the nomination policy of the Company can ensure there will be potential successors to the Board to maintain the diversity of the Board.

董事會成員多元化政策

我們致力於促進本公司的多元文化。我們考慮企業管治架構的多項因素，在切實可行的情況下努力促進多元化。

我們已採納董事會多元化政策，其載有目標及規定董事會成員的所有委任均按董事會整體運作所需要的才能、技能及經驗水平而作出。我們的提名委員會將審閱及評估董事會組成，並就委任董事會成員向董事會作出推薦建議。同時，我們的提名委員會將考慮多元化的各方面裨益，包括但不限於專業經驗、技能、知識、教育背景、年齡、性別、文化及種族以及服務年期，以保持董事會的才能、技能、經驗及多元化觀點有恰當的範圍及權衡。

董事會成員多元化政策的概要載列如下：

有效的董事會多元化政策有助提高董事會效率及維持高水平的企業管治。董事會多元化政策載列甄選董事會候選人的標準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年限。最終將按選定候選人的優點及可為董事會作出的貢獻作決定。

董事擁有均衡的知識和技能組合，包括但不限於整體業務管理、財務和會計以及材料科學。

彼等獲得各類專業學位，包括金融、會計學、物理及歷史。董事會認為，董事會符合董事會多元化政策並已實現整體多元化。此外，董事會成員的年齡分佈廣泛，介乎41歲至60歲之間。我們有三名董事為女性。董事會亦將參考投資者的期望以及國際及地方建議最佳慣例，確保實現性別多元化的適當平衡，且董事會認為本公司提名政策可確保董事會潛在繼任人，令董事會多元化得以持續。

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The Company's hiring process is merit-based and no discriminatory.

The Board is satisfied that the Company has achieved gender diversity in its workforce (including senior management).

The Nomination Committee is responsible for reviewing the diversity of the Board, and will monitor and evaluate the implementation of the Board Diversity Policy from time to time and at least on an annual basis, to ensure its continued effectiveness.

As of December 31, 2023, the proportion of the Group's male employees were approximately 45.21% and female employees were approximately 54.79%, respectively. The Company has also taken and continues to take steps to promote gender diversity at all levels of its workforce. Opportunities for recruitment, promotion, training and career development are equally opened to all eligible employees without discrimination.

All Directors (including the independent non-executive Directors) will bring various valuable business experience, knowledge and professional skills to the Board, to enable it to operate efficiently and effectively. The independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee and other Board Committees.

Taking consideration of our current business mode and specific requirements, as well as different backgrounds and capacities of the Directors, the Directors are in the opinion of the composition of the Board is consistent with the Board Diversity Policy and effectively implemented.

本公司的招聘流程以用人唯賢為基準且概無區別對待。

董事會信納本公司員工（包括高級管理層）已實現性別多樣化。

提名委員會負責檢討董事會多元化。並不時及至少每年監察及評估董事會多元化政策的實施情況，確保其持續有效。

截至2023年12月31日，本集團男性員工佔比約45.21%，女性員工佔比約54.79%。本公司亦已採取並將繼續採取措施，以促進各級員工的性別多元化。所有僱員均一視同仁地享有平等的招聘、晉升、培訓及職業發展機會。

全體董事（包括獨立非執行董事）均為董事會帶來各種不同的寶貴營商經驗、知識及專門技能，使其有效率及有效地運作。獨立非執行董事應邀於審計委員會、薪酬委員會及提名委員會等董事委員會任職。

經考慮我們當前的業務模式及特定需求，以及董事的不同背景及能力，董事認為董事會的組成符合我們的董事會多元化政策且行之有效。

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INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

All newly appointed Directors will be provided necessary induction training and information, to ensure appropriate understanding of the operation and business of the Company and full awareness of, to an appropriate extent, Directors' responsibilities under the relevant laws and regulations, rules and provisions. The Company also arranges regular seminars for Directors to provide them with updates on the latest developments and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time. The Directors are also provided with updated information on the Company's performance, status and prospects on a regular basis to enable the Board as a whole and each Director to discharge their duties.

Pursuant to code provision C.1.4, all Directors are required to participate in continuous professional development, thereby to develop and update their knowledge and skills. The joint company secretaries of the Company from time to time will update and provide written training materials relating to the roles, functions and duties of a Director.

入職及持續專業發展

所有新委任的董事均獲提供必要的入職培訓及資料，以確保其對本公司的營運及業務以及其於相關法律法規、規則及條例下對彼等的責任有適當程度的了解。本公司亦定期為董事安排研討會，以不時為彼等提供《上市規則》及其他相關法律及監管規定最新發展及變動的更新資料。董事亦定期獲提供有關本公司表現、狀況及前景的更新資料，使董事會全體及各董事得以履行彼等的職責。

根據守則條文第C.1.4條，全體董事須進行持續專業發展，藉此發展及更新其知識及技能。本公司聯席公司秘書將不時更新及提供有關董事角色、職能及職責的書面培訓材料。

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All Directors have participated in appropriate continuous professional development and provided the Company with records of training attended during the Reporting Period. According to the information provided by the Directors, the training records of all Directors for the year ended December 31, 2023 are as follows:

全體董事已進行合適的持續專業發展，並向本公司提供報告期內所出席培訓的記錄。根據董事提供的資料，截至2023年12月31日止年度，全體董事接受的培訓之記錄如下：

Name of Directors	董事姓名	Types of training/education 培訓／教育類別	
		Attending training on regulatory development, directors' duties or other relevant topics 參加有關監管發展、董事職責或其他相關主題的培訓	Reading regulatory updates or corporate governance related materials or materials relevant to directors' duties 閱讀監管方面的最新資料或企業管治相關材料或有關董事職責的材料
Executive Director Ms. Chen Juan	執行董事 陳娟女士	✓	✓
Non-executive Director Ms. Zhang Yuxin	非執行董事 張昱昕女士	✓	✓
Mr. Fu Shan	付山先生	✓	✓
Mr. Zheng Guorui	鄭國銳先生	✓	✓
Independent non-executive Director	獨立非執行董事		
Ms. Chan Ka Lai Vanessa	陳嘉麗女士	✓	✓
Mr. Zheng Yufeng	鄭玉峰先生	✓	✓
Mr. Liu Daozhi	劉道志先生	✓	✓

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CHAIRMAN OF THE BOARD AND GENERAL MANAGER

Pursuant to code provision C.2.1 in the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Ms. Chen Juan is currently serving as the chairman of the Board as well as the general manager of the Company. She has been primarily involved in developing overall corporate and business strategies of the Group and making significant business and operational decisions of the Group. The Directors consider that vesting the roles of both the chairman of the Board and the general manager of the Company in Ms. Chen is beneficial to the business prospects of the Group by ensuring consistent leadership to the Group as well as prompt and effective decision making and implementation. In addition, our Directors believe that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (1) decision to be made by our Board requires approval by at least a majority of our Directors; (2) Ms. Chen and the other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that she acts for the benefit and in the best interests of the Company and will make decisions for the Company accordingly; (3) the balance of power and authority was ensured by the operations of the Board, which consisted of two executive Directors, two non-executive Directors and three independent non-executive Directors, and had a fairly strong independence element; and (4) the overall strategic and other key business, financial, and operational policies of the Company are made collectively after thorough discussion at both Board and senior management levels.

The Board will continue to review the effectiveness of the corporate governance practices and its structure of the Group, in order to assess whether separation of the roles of chairman and general manager is necessary.

董事長及總經理

根據《企業管治守則》的守則條文第C.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。

陳娟女士目前擔任本公司董事長兼總經理。其主要參與制定本集團整體公司和業務策略，作出本集團的重大業務和運營決策。董事認為，由陳女士兼任本公司董事長及總經理兩職，可通過確保對本集團的一致領導以及作出及時有效的決策並予以實施而有利於本集團的業務前景。此外，鑒於：(1)董事會作出的決策至少須經過半數董事批准；(2)陳女士及其他董事知悉並承諾履行其作為董事的受信責任，這要求(其中包括)其應為本公司的利益及以符合本公司最佳利益的方式行事，並基於此為本公司作出決策；(3)董事會(由兩名執行董事、兩名非執行董事和三名獨立非執行董事組成並具有頗強的獨立元素)的運作可確保權力與權限的平衡；及(4)本公司的整體策略及其他主要業務、財務及運營政策均於董事會及高級管理層層面進行全面討論後共同制定，故董事認為，該結構不會損害本公司董事會與管理層之間權力與權限的平衡。

董事會將繼續審視本集團企業管治常規及其架構的有效性，以評估是否需要使董事長及總經理的職務作區分。

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BOARD INDEPENDENCE EVALUATION

The Company has established a Board Independence Evaluation Mechanism which sets out the processes and procedures to ensure a strong independent element on the Board, and allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests.

The objectives of the evaluation are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions of the Company need to be taken to maintain and improve the Board performance, for instance, addressing individual training and development needs of each Director.

Pursuant to the Board Independence Evaluation Mechanism, the Board will conduct annual review on its independence.

During the Reporting Period, the Board reviewed the implementation and effectiveness of the Board Independence Evaluation Mechanism and the results were satisfactory.

董事會獨立性評估

本公司已制定董事會獨立性評估機制（其中載列確保董事會具有強大的獨立元素的過程及程序），使董事會能夠有效地行使獨立判斷力，更好地維護股東權益。

評估旨在提升董事會效率、最大限度地發揮優勢，並確定需要改進或進一步發展的領域。評估過程亦澄清本公司須採取以維持並提升董事會表現的行動，如針對各董事的個人培訓及發展需求。

根據董事會獨立性評估機制，董事會將對其獨立性進行年度審核。

於報告期內，董事會已檢討董事會獨立性評估機制的實施情況及有效性，檢討結果令人滿意。

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APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each Director (except for Ms. Zhang Yuxin) has entered into service contracts with the Company on October 20, 2022 with a term of three years, each of them may serve consecutive terms if re-elected subject to the agreements of both parties. Ms. Zhang Yuxin has entered into a new service agreement with the Company on March 1, 2024 regarding her re-designation as a non-executive Director for a term of three years.

None of the Directors has entered into a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

The procedures and process for appointment, re-election and removal of Directors are set out in the Articles of Association. The Nomination Committee is responsible for reviewing the composition forms of the Board, and provide recommendations to the Board on the appointment, re-election and succession plans of Directors.

BOARD MEETINGS

The Company will adopt the practices of holding Board meetings regularly, at least four Board meetings a year, and at approximately quarterly intervals. A notice will be sent to all the Directors at least 14 days before the convening of a regular Board meeting, so that all the Directors have the opportunity to attend regular meetings and discuss the matters on the agenda.

For other Board meetings and Board Committee meetings, the Company shall give reasonable notice thereof. Notices of meetings have included the agenda and accompanying relevant Board documents, and shall be dispatched at least three days before the date of Board meetings or Board Committee meetings. The chairman ensures that the Directors have sufficient time to review relevant documents and be adequately prepared and briefed for attending the Board meetings or Board Committee meetings. When Directors or Board Committee members are unable to attend the meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the chairman prior to the meeting. Minutes of meetings shall be kept by the joint company secretaries with copies thereof circulated to all Directors for reference and record.

董事的委任及重選連任

各董事(除張昱昕女士外)已於2022年10月20日與本公司簽立為期三年之服務合同, 可待雙方同意後予以連選連任。張昱昕女士就彼調任為非執行董事於2024年3月1日已與本公司訂立為期三年的新服務協議。

概無董事與本公司訂立本公司不可於一年內不付賠償(法定賠償除外)而終止的服務合約。

董事的委任、重選連任及罷免程序及過程載於公司章程。提名委員會負責檢討董事會的組成方式, 並就董事的委任、重選連任及接任計劃向董事會提供推薦建議。

董事會會議

本公司將採納定期舉行董事會會議之慣例, 每年召開至少四次董事會會議, 大約每季一次。全體董事將獲發不少於十四天之通知以召開定期董事會會議, 使全體董事均獲機會出席定期會議並討論議程事項。

就其他董事會及董事會委員會會議而言, 本公司會發出合理通知。會議通知中已包括會議議程及相關董事會文件, 並至少在舉行董事會或董事會委員會會議日期的三天前送出。主席確保董事有充足時間審閱有關文件及充分準備及作簡要概述出席董事會會議或董事會委員會會議。倘董事或委員會成員未能出席會議, 則彼等會獲悉將予討論的事宜及於會議召開前有機會知會主席有關彼等的意見。聯席公司秘書應備存會議紀錄, 並提供該等會議紀錄副本予所有董事作其參閱及紀錄之用。

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Minutes of the Board meetings and Board Committee meetings are recorded in sufficient details about the matters considered by the Board and the Board Committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and Board Committee meetings are/will be sent to the Directors for their consideration within a reasonable time after the meeting is held. Minutes of the Board meetings are open for inspection by all Directors.

During the Reporting Period, four Board meetings were held by the Company. The Company convened one shareholder's general meeting during the Reporting Period. The attendance of each Director at the Board meetings is set out below:

董事會會議及董事會委員會會議的會議紀錄會詳盡記錄董事會及董事會委員會所考慮的事宜及所達致的決定，包括董事提出的任何問題。各董事會會議及董事會委員會會議的會議紀錄草擬本會／將會於會議舉行後的合理時間內寄送至各董事，以供彼等考慮。董事會會議的會議紀錄公開供所有董事查閱。

本公司於報告期內舉行了四次董事會會議。本公司於報告期內舉行一次股東大會。各董事於董事會會議的出席記錄如下：

Name of Director	董事姓名	Number of Board meetings attended/ required to be attended 已出席董事會次數/ 應出席董事會次數	Number of general meetings attended/ required to be attended 已出席股東大會次數/ 應出席股東大會次數
Executive Director	執行董事		
Ms. Chen Juan	陳娟女士	4/4	1/1
Non-executive Director	非執行董事		
Ms. Zhang Yuxin	張昱昕女士	4/4	1/1
Mr. Fu Shan	付山先生	4/4	1/1
Mr. Zheng Guorui	鄭國銳先生	4/4	1/1
Independent non-executive Director	獨立非執行董事		
Ms. Chan Ka Lai Vanessa	陳嘉麗女士	4/4	1/1
Mr. Zheng Yufeng	鄭玉峰先生	4/4	1/1
Mr. Liu Daozhi	劉道志先生	4/4	1/1

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding the transactions of securities of the Company by its Directors, the Supervisors and the relevant employees who would likely possess inside information of the Company. Specific enquiries have been made to all Directors and Supervisors and all of them have confirmed that they have complied with the Model Code during the Reporting Period.

遵守《董事及監事進行證券交易的標準守則》

本公司已採納《上市規則》附錄C3所載《標準守則》作為其自身有關董事、監事及相關僱員（可能掌握本公司內幕消息的人士）進行本公司證券交易的行為守則。經向本公司全體董事及監事作出具體查詢後，各董事及監事已確認，彼等於報告期內一直遵守《標準守則》。

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No incident of non-compliance of the Model Code by the Directors, the Supervisors and the relevant employees was noted by the Company for the Relevant Period.

DELEGATION BY THE BOARD

The Board reserves for its decision on all major matters of the Company, including: approval and supervision of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. The Directors may seek independent professional advice in performing their duties at the Company's expense and are encouraged to consult with the Company's senior management independently. The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approvals need to be obtained from the Board prior to any significant transactions entered into by the management.

CORPORATE GOVERNANCE FUNCTIONS

The Board confirms that corporate governance should be the collective responsibility of the Directors, and the corporate governance functions of them includes: (a) to review and monitor the Company's policies and practices on compliance with laws and regulatory requirements; (b) to review and monitor the training and continuous professional development of the Directors and senior management; (c) to develop, review and monitor the codes of conduct and compliance manuals applicable to employees and the Directors; (d) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board and report relevant matters; (e) to review the Company's compliance with the CG code and the disclosure in the corporate governance report; and (f) to review and monitor the Company's compliance with its whistleblowing policy. During the Reporting Period, the Board has reviewed the annual corporate governance report of the Company, and has performed the above corporate governance functions.

於相關期間，本公司概無知悉董事、監事及相關僱員違反《標準守則》的事件。

董事會的授權

董事會對本公司所有重大事宜保留決策權，包括：批准及監督一切政策事宜、整體策略及預算、內部監控及風險管理系統、重大交易（特別是可能牽涉利益衝突者）、財務數據、委任董事及其他主要財務及營運事宜。董事於履行彼等職責時可尋求獨立專業意見，費用由本公司承擔。彼等亦被鼓勵向本公司高級管理層進行獨立諮詢。本集團的日常管理、行政及營運交予高級管理層負責。董事會定期檢討所授權職能及職責。管理層訂立任何重大交易前須取得董事會批准。

企業管治職能

董事會確認，企業管治應屬董事的共同責任，彼等的企業管治職能包括：(a) 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；(b) 檢討及監察董事及高級管理層之培訓及持續專業發展；(c) 制定、檢討及監察適用於僱員及董事之操守守則及合規手冊；(d) 制定及檢討本公司之企業管治政策及常規，並向董事會推薦其意見及報告相關事宜；(e) 檢討本公司對企業管治守則之遵守情況及在企業管治報告之披露；及(f) 檢討及監察本公司對其舉報政策的遵守情況。於報告期內，董事會已審閱本公司年度企業管治報告，並已履行上述企業管治職能。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES

Audit Committee

The Audit Committee consists of three members, namely Ms. Chan Ka Lai Vanessa (Chairperson), Mr. Zheng Yufeng, both being independent non-executive Directors and Mr. Zheng Guorui, being a non-executive Director. Ms. Chan Ka Lai Vanessa has the appropriate professional qualification and experiences as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The principal duties of the Audit Committee are as follows:

1. to deal with matters relating to the relationship with the Company's auditor;
2. to review the Company's financial information;
3. to regulate the Company's financial reporting system and internal control system;
4. to review the arrangements established by the Company to allow employees of the Company to confidentially raise concerns regarding to possible misconduct in financial reporting, internal control or other matters. The Audit Committee shall ensure the appropriate arrangements are in place to allow the Company to investigate such matters in a fair and independent manner and take appropriate actions;
5. to act as the key representative for overseeing the Company's relationship with the external auditor;
6. to supervise and evaluate the internal and external audit work of the Company, and be responsible for the coordination of internal audit and external audit; and
7. to exercise other duties and powers as specified in the applicable laws and regulations, the Listing Rules, rules and systems of the Company or authorized by the Board.

The written terms of reference of the Audit Committee are available for inspection on the websites of the Stock Exchange and the Company.

The Audit Committee has convened 2 meetings during the Reporting Period.

董事會委員會

審計委員會

審計委員會由三名成員組成，包括獨立非執行董事陳嘉麗女士（主席）及鄭玉峰先生以及非執行董事鄭國銳先生。陳嘉麗女士已具備《上市規則》第3.10(2)和3.21條所規定的適當專業資格和經驗。

審計委員會的主要職責如下：

1. 與本公司核數師的關係有關事宜；
2. 審閱本公司的財務資料；
3. 監管本公司財務匯報制度及內部監控系統；
4. 檢討本公司設定的以下安排：本公司僱員可暗中就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注。審計委員會應確保有適當安排，讓本公司對此等事宜作出公平獨立的調查及採取適當行動；
5. 擔任本公司與外聘核數師之間的主要代表，負責監察二者之間的關係；
6. 監督及評估本公司內部與外部審計工作，負責內部審計與外部審計的協調；及
7. 適用法律法規、《上市規則》及本公司規章制度規定的或董事會授予的其他職權。

審計委員會的書面職權範圍於聯交所及本公司網站可供查閱。

於報告期內，審計委員會舉行了兩次會議。

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During the Reporting Period, two meetings of the Audit Committee were held to discuss and consider the following matters:

- to review the final results of the Company and its subsidiaries for the year ended December 31, 2022 as well as the report prepared by the Auditor relating to auditing and accounting issues and any significant findings during the audit;
- to review the interim results of the Company and its subsidiaries for the six months ended June 30, 2023 as well as the report prepared by the Auditor relating to auditing and accounting issues and any significant findings during the review; and
- to review the financial reporting systems, compliance procedures, internal control systems (including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function), risk management systems and processes and the re-appointment of the Auditor; the Board had not breached any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of the Auditor.

The table below sets forth the attendance of each Audit Committee member at the Audit Committee meetings during the Reporting Period:

Name of Directors	董事姓名	Number of attendance/ required attendance 已出席次數 / 應出席次數
Ms. Chan Ka Lai Vanessa (<i>Chairperson</i>)	陳嘉麗女士 (主席)	2/2
Mr. Zheng Yufeng	鄭玉峰先生	2/2
Mr. Zheng Guorui	鄭國銳先生	2/2

Nomination Committee

The Nomination Committee consists of five Directors, namely Ms. Chen Juan (Chairperson), being an executive Director, Mr. Zheng Guorui, being a non-executive Director, Ms. Chan Ka Lai Vanessa, Mr. Zheng Yufeng and Mr. Liu Daozhi, all being independent non-executive Directors.

於報告期內，審計委員會舉行了兩次會議，以討論及考慮以下事項：

- 審閱本公司及其附屬公司截至2022年12月31日止年度的末期業績及由核數師所編製有關審計及會計事項及於審計過程中任何重大發現的報告；
- 審閱本公司及其附屬公司截至2023年6月30日止六個月的中期業績及由核數師所編製有關審計及會計事項及於審閱過程中任何重大發現的報告；及
- 審閱財務匯報制度、合規程序、內部監控系統(包括本公司在會計及財務匯報職能方面的資源、員工資歷及經驗、培訓課程及有關預算是否充足)、風險管理制度及程序以及核數師的重新委任；董事會並無違背審計委員會就甄選、委任、辭任或罷免核數師提出之任何推薦建議。

下表載列於報告期內，審計委員會各成員出席審計委員會會議的情況：

Name of Directors	董事姓名	Number of attendance/ required attendance 已出席次數 / 應出席次數
Ms. Chan Ka Lai Vanessa (<i>Chairperson</i>)	陳嘉麗女士 (主席)	2/2
Mr. Zheng Yufeng	鄭玉峰先生	2/2
Mr. Zheng Guorui	鄭國銳先生	2/2

提名委員會

提名委員會現時由五名成員組成，包括執行董事陳娟女士(主席)，非執行董事鄭國銳先生及獨立非執行董事陳嘉麗女士、鄭玉峰先生及劉道志先生。

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The primary responsibilities of the Nomination Committee include:

1. to review the structure, size and composition (including skills, knowledge and experience) of the Board at least once annually, and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
2. to identify individuals suitably qualified to become Directors and make recommendations to the Board on the selection of individuals nominated for directorships;
3. to assess the independence of the independent non-executive Directors;
4. to make recommendations to the Board on the appointment or re-appointment of Directors and the succession plans for Directors, in particular the chairman of the Board and the general manager; and
5. to perform other duties as required by the Board from time to time.

POLICY ON DIRECTOR NOMINATION

The Nomination Committee assesses the candidate or incumbent based on criteria such as integrity, experience, skill and ability to commit time and effort to carry out the duties and responsibilities. The recommendations of the Nomination Committee will then be put to the Board for decision.

According to the nomination policy, the Directors are selected as per the following procedures:

1. conduct comprehensive evaluation and analysis of the existing Directors, fully communicate with relevant departments of the Company, study the Company's demand for new Directors;
2. extensively search for candidates for Directors within the Company and its subsidiaries and in the job market according to the position demand and the board diversity policy of the Company;

提名委員會的主要職責如下：

1. 至少每年檢討董事會的架構、人數及組成（包括技能、知識及經驗方面），並就任何為配合本公司的策略而擬對董事會作出的變動提出建議；
2. 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
3. 評核獨立非執行董事的獨立性；
4. 就董事委任或重新委任以及董事（尤其是主席及總經理）繼任計劃向董事會提出建議；及
5. 履行董事會不時分配的任務。

董事提名政策

提名委員會按誠信、經驗、技能以及為履行職責所付出之時間及努力等標準評估候選人或在任人。提名委員會之建議將於其後提交董事會以作決定。

根據提名政策，董事選任程序如下：

1. 對現有董事進行綜合評估與分析，與本公司相關部門進行充分交流，研究本公司對新董事的需求情況；
2. 根據職位需求及董事會成員多元化政策，通過本公司、附屬公司內部以及人才市場等多種渠道廣泛搜尋董事人選；

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| <p>3. gather information of each preliminary candidate, including his/her occupation, education, professional title, detailed work experience and all part-time work record, and prepare relevant written materials;</p> | <p>3. 收集初選人員的職業、學歷、職稱、詳細工作經歷、全部兼職等情況，並形成書面材料；</p> |
| <p>4. seek the consent of candidates nominated for Directors by relevant departments or personnel for their nomination in accordance with relevant laws and regulations and the Articles of Association, otherwise they may not be the candidates for Directors;</p> | <p>4. 根據相關法律法規和公司章程的規定，就相關機構或人員對董事的提名，徵求候選人對提名的同意，否則不能將其作為董事人選；</p> |
| <p>5. convene a Nomination Committee meeting to review the qualifications of the candidates according to the job requirements for Directors;</p> | <p>5. 召開提名委員會會議，根據董事的任職條件，對候選人進行資格審查；</p> |
| <p>6. form a resolution of the Nomination Committee meeting, and make recommendations for candidates and submit relevant materials to the Board; and</p> | <p>6. 形成提名委員會會議決議，向董事會提出人選建議和相關材料；及</p> |
| <p>7. conduct other work subsequently according to the decisions or feedback of the Board.</p> | <p>7. 根據董事會決定或反饋意見進行其他後續工作。</p> |

The nomination policy of the Company is available for inspection on the website of the Company.

本公司的提名政策於本公司網站可供查閱。

The written terms of reference of the Nomination Committee are available for inspection on the websites of the Stock Exchange and the Company.

提名委員會的書面職權範圍於聯交所及本公司網站可供查閱。

During the Reporting Period, one meeting of the Nomination Committee was held to discuss and consider the following matters:

於報告期內，提名委員會舉行了一次會議，以討論及考慮以下事項：

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| <ul style="list-style-type: none"> • to review the structure, size and composition of the Board; | <ul style="list-style-type: none"> • 審閱董事會的架構規模及組成； |
| <ul style="list-style-type: none"> • to assess the independence of the independent non-executive Directors; | <ul style="list-style-type: none"> • 評估獨立非執行董事的獨立性； |
| <ul style="list-style-type: none"> • to review the nomination policy; and | <ul style="list-style-type: none"> • 審閱提名政策；及 |
| <ul style="list-style-type: none"> • to review the Board diversity policy. | <ul style="list-style-type: none"> • 審閱董事會多元化政策。 |

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The table sets forth the attendance of each Nomination Committee member at the Nomination Committee meeting during the Reporting Period:

下表載列於報告期內，提名委員會各成員出席提名委員會會議的情況：

Name of Directors	董事姓名	Number of attendance/ required attendance 已出席次數／應出席次數
Ms. Chen Juan (<i>Chairperson</i>)	陳娟女士 (<i>主席</i>)	1/1
Mr. Zheng Guorui	鄭國銳先生	1/1
Ms. Chan Ka Lai Vanessa	陳嘉麗女士	1/1
Mr. Zheng Yufeng	鄭玉峰先生	1/1
Mr. Liu Daozhi	劉道志先生	1/1

Remuneration Committee

薪酬委員會

The Remuneration Committee consists of five Directors, namely Mr. Zheng Yufeng (Chairman), being an independent non-executive Director, Ms. Chen Juan, being an executive Director, Mr. Fu Shan, being a non-executive Director, Ms. Chan Ka Lai Vanessa and Mr. Liu Daozhi, both being independent non-executive Directors.

薪酬委員會由五名成員組成，包括獨立非執行董事鄭玉峰先生(主席)、執行董事陳娟女士、非執行董事付山先生以及獨立非執行董事陳嘉麗女士以及劉道志先生。

The primary responsibilities of the Remuneration Committee of the Company include:

薪酬委員會的主要職責如下：

- to review on an annual basis and make recommendations to the Board regarding the general remuneration policy and structure for Directors and senior management of the Company and on the establishment of formal and transparent procedures for developing the remuneration policy;
 - to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives resolved from time to time;
 - to make recommendations to the Board on the remuneration portfolios of individual executive Director and senior management which include benefits in kind, pension rights, compensation payments and share scheme (if any), including any compensation payables for loss or termination of their office or appointment;
- 就有關本公司董事及高級管理層薪酬的整體政策及架構，以及就制訂薪酬政策訂立正式及透明的程序每年作審閱及檢討，並向董事會作出推薦意見；
 - 參考董事會不時議決的企業目標及宗旨，以審閱及批准管理層的薪酬建議；
 - 就執行董事及高級管理層個人的薪酬組合(包括實物利益、退休金權利、補償款項及股份計劃(如有)(包括就彼等失去職位或終止委任而應付的任何補償款項))向董事會作出推薦意見；

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| <p>4. to make recommendations to the Board on the remuneration of non-executive Directors;</p> <p>5. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions of the Group in other regions;</p> <p>6. to review and approve the compensation payables to the executive Directors and senior management for their loss or termination of office or appointment to ensure that such compensation is consistent with the contractual terms and is otherwise fair and not excessive;</p> <p>7. to review and approve the compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are consistent with the contractual terms and are otherwise reasonable and appropriate; and</p> <p>8. to ensure that no Directors or any of his/her associates (as defined in the Listing Rules) is involved in deciding his/her own remuneration; and review and/or approve matters in respect of the Company's share scheme in accordance with Chapter 17 of the Listing Rules.</p> | <p>4. 就非執行董事的薪酬向董事會作出推薦意見；</p> <p>5. 考慮可資比較公司給予的薪酬水平、時間投入及責任，以及本集團在異地的僱傭條件；</p> <p>6. 審閱及批准就執行董事及高級管理層因喪失或終止職務或終止委任而應付的補償款項，以確保其與相關合約條款相符或就其他方面而言屬公平且不致過多；</p> <p>7. 審閱及批准因董事行為失當而遭解僱或罷免所涉及的賠償安排，以確保該等安排與合約條款一致且就其他方面而言屬合理適當；及</p> <p>8. 確保概無董事或其任何聯繫人(定義見《上市規則》)參與釐定其本身的薪酬；及根據《上市規則》第17章檢討及／或批准有關本公司股份計劃之事宜。</p> |
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The written terms of reference of the Remuneration Committee are available for inspection on the websites of the Stock Exchange and the Company.

薪酬委員會的書面職權範圍於聯交所及本公司網站可供查閱。

During the Reporting Period, one meeting of the Remuneration Committee was held to discuss and consider the following matters:

於報告期內，薪酬委員會舉行了一次會議，以討論及考慮以下事項：

- | | |
|--|---|
| <ul style="list-style-type: none"> • to review remuneration of Directors and senior management of the Company for 2022; • to review the remuneration policy and structure for Directors and senior management of the Company for 2023; and • to make recommendations to the Board regarding the remuneration policy and structure for all Directors and senior management of the Company. | <ul style="list-style-type: none"> • 審閱本公司2022年度董事及高級管理層的薪酬； • 審閱本公司2023年度董事及高級管理層的薪酬政策及架構；及 • 就本公司全體董事及高級管理層的薪酬政策及架構向董事會提出建議。 |
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Corporate Governance Report 企業管治報告

The table sets forth the attendance of each Remuneration Committee member at the Remuneration Committee meeting during the Reporting Period:

下表載列於報告期內，薪酬委員會各成員出席薪酬委員會會議的情況：

Name of Directors	董事姓名	Number of attendance/ required attendance 已出席次數／應出席次數
Mr. Zheng Yufeng (<i>Chairperson</i>)	鄭玉峰先生 (主席)	1/1
Ms. Chen Juan	陳娟女士	1/1
Mr. Fu Shan	付山先生	1/1
Ms. Chan Ka Lai Vanessa	陳嘉麗女士	1/1
Mr. Liu Daozhi	劉道志先生	1/1

Board of Supervisors

監事會

The Board of Supervisors consists of three supervisors, including Mr. Wang Xinglin, Ms. Wang Xiaoyong and Mr. Qian Weidong. Mr. Wang Xinglin is currently served as the chairman of the Board of Supervisors.

監事會由三名監事組成，包括王興林先生、王曉勇女士及錢衛東先生。現由王興林先生擔任監事會主席。

The power and responsibilities of the Board of Supervisors include, but not limited to, review the Company's financial report; supervise the Directors and senior management in their performance of their duties and to propose the removal of Directors and senior management who have violated laws and regulations, the Articles of Association or resolutions of the shareholder's general meeting; when the acts of Directors, general manager or other senior management personnel are detrimental to the Company's interests, to require them to correct these acts; propose the convening of the extraordinary general meetings and to convene and preside over the shareholders' general meetings when the Board fails to perform the duty of convening and presiding over the shareholders' general meetings under the Articles of Association; and exercise any other authority stipulated in the Articles of Association.

監事會的職能及職責包括但不限於，審閱本公司財務報告，對董事及高級管理人員執行本公司職務的行為進行監督並對違反法律法規、公司章程或股東大會決議的董事及高級管理人員提出罷免的建議，當董事、總經理和其他高級管理人員的行為損害本公司的利益時要求其予以糾正，提議召開臨時股東大會，在董事會不履行公司章程規定的召集和主持股東大會職責時召集和主持股東大會，及行使公司章程規定的任何其他職權。

Each term of office of a Supervisor is three years and he/she may serve consecutive terms if re-elected. A Supervisor shall continue to perform his/her duties in accordance with the laws, administrative regulations and the Articles of Association until a duly appointed Supervisor takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office or if the resignation of Supervisors results in the number of Supervisors being less than the quorum.

監事每屆任期為三年，可獲膺選連任。倘監事任期屆滿後未能及時進行重選，或監事辭任導致監事人數少於法定人數，則監事須按法律、行政法規和公司章程的規定繼續履行其職責，直至正式獲委任的監事上任為止。

The biographical information of the Supervisors is set out in the section headed "Biographical Details of Directors, Supervisors and Senior Management" on page 54 and page 64 of this annual report.

監事的履歷詳情載於本年報第54頁至第64頁「董事、監事及高級管理層履歷」一節。

Corporate Governance Report

企業管治報告

REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Details of the remuneration by band of Directors, Supervisors and senior management of the Company (whose biographical details are included in section headed “Biographies of Directors and Senior Management” of this Annual Report), for the year ended December 31, 2023 are set out below and in note 35(e) “Directors’ emoluments” to the Consolidated Financial Statements.

Band of remuneration (in RMB)	酬金等級(人民幣)	Number of individuals 人數
RMB1 – RMB1,000,000	人民幣1元至人民幣1,000,000元	5
RMB1,000,001 – RMB2,000,000	人民幣1,000,001元至人民幣2,000,000元	2
RMB2,000,001 – RMB3,000,000	人民幣2,000,001元至人民幣3,000,000元	1
RMB3,000,001 – RMB4,000,000	人民幣3,000,001元至人民幣4,000,000元	1
RMB4,000,001 – RMB5,000,000	人民幣4,000,001元至人民幣5,000,000元	1

None of the Directors waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the Directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

DIRECTORS’ RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended December 31, 2023 which give a true and fair view of the affairs of the Company and the Group and of the Group’s results and cash flows. The management has provided to the Board such interpretation and information as necessary to enable the Board to carry out an informed assessment of the Company’s financial statements, which are put to the Board for approval. The Company has provided all members of the Board with monthly updates on the Company’s performance, positions and prospects. The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group’s ability to continue as a going concern. The statement made by the Auditor regarding its reporting responsibilities on the Financial Statements of the Company is set out in the Independent Auditor’s Report on page 201 to page 212 of this Annual Report.

董事、監事及高級管理人員的薪酬

截至2023年12月31日止年度，董事、監事及本公司高級管理人員(彼等的履歷詳情載於本年報「董事、監事及高級管理層履歷」一節)的酬金等級載列如下及載於綜合財務報表附註35(e)「董事酬金」。

概無董事放棄或同意放棄任何薪酬，且本集團概無向任何董事支付酬金作為加入或加入本集團時的獎勵或作為離職補償。

董事有關財務報表的財務申報責任

董事知悉彼等對編製本公司截至2023年12月31日止年度真實而中肯地反映本公司及本集團事務以及本集團業績及現金流量的財務報表的責任。管理層已向董事會提供必要的闡釋及資料，使董事會能對提呈予董事會批准的本公司財務報表進行知情的評估。本公司已向董事會全體成員提供有關本公司表現狀況及前景的每月更新資料。董事並不知悉與可能對本集團持續經營構成重大疑問的事件或狀況有關的任何重大不確定因素。核數師就彼等有關本公司財務報表的申報責任作出的聲明載於本年報第201頁至第212頁的獨立核數師報告。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for maintaining solid and effective risk management and internal control systems to safeguard investments of Shareholders and the Company's assets. The risk management and internal control systems are designed to identify, assess and report on potential risks and implement control measures, to mitigate rather than to completely eliminate the risks associated with achieving our business objectives. These systems provide a reasonable but not absolute assurance against material misstatement or loss.

The key features of the Group's risk management and internal control systems include the following:

- An organized structure with clearly defined and distinct scope of authority and responsibilities;
- A comprehensive financial accounting system to provide for various performance measurement indicators and to ensure compliance with relevant rules;
- Annual plans prepared by senior management of the Company on ESG, financial reporting, operations and compliance with reference to significant potential risks;
- Strict prohibition of unauthorised expenditures;
- Guidelines on the dissemination of confidential and sensitive information;
- Specific approval from executive Director/responsible senior executive of the Company prior to commitment in all material matters;
- Appropriate policy to ensure the effective use of resources, the qualifications and experiences possessed by our staff members who are responsible for the Group's accounting and financial reporting functions, and sufficient training provided to our staff members;
- Management's review and evaluation on the internal control procedures and monitoring of risk factors on a regular basis; and
- Report to the Audit Committee about the findings on identified risks and measures to address such risks.

風險管理及內部監控

董事會負責維持穩健妥善且有效的風險管理及內部監控系統，以保障股東的投資及本公司的資產。風險管理及內部監控系統乃為識別、評估及報告潛在風險以及實施控制措施而設計，以減緩而非完全消除與實現業務目標有關的風險。此等系統針對重大錯誤陳述或損失提供合理但非絕對的保證。

本集團風險管理及內部監控系統的主要特徵包括以下各項：

- 具有明確界定及明顯的權限及責任範圍的組織架構；
- 全面財務會計系統，以提供各種績效計量指標並確保有關規則得以遵守；
- 本公司高級管理層經參考重大潛在風險後就ESG、財務申報、營運及合規編製的年度計劃；
- 嚴禁未經授權的開支；
- 有關發佈機密及敏感資料的指引；
- 於就所有重大事項作出承諾前須獲得執行董事／本公司負責的資深行政人員的特定批准；
- 適當的政策以確保善用資源、負責本集團會計及財務申報職能的員工所具備的資格及經驗，以及向員工提供充足培訓；
- 管理層定期就內部監控程序及監控風險因素進行的檢討及評估；及
- 向審計委員會報告有關所識別風險及解決該等風險的措施的調查結果。

Corporate Governance Report

企業管治報告

The main procedures used to identify, evaluate and manage significant potential risks are as follows:

- Identify – We identify current and emerging risks in our business operations and categorize those risks into a reasonable profile based on timeframe, likelihood, intensity and impact severity. We establish four risk categories, including strategic risks, financial risks, operating risks and legal risks. The Audit Committee has established and oversaw the whistleblowing policy. In line with that commitment, the Company expects and encourages the employees, customers, suppliers and other stakeholders who have concerns about any suspected misconduct or malpractice within the Company to voice their concerns. All whistleblowing reports are investigated to the fullest extent possible and reported to the Audit Committee.
- Assess – We assess and prioritize risks so that the most important risks can be identified and dealt with. Based on both qualitative and quantitative analyses, we prioritize risks in terms of likelihood and impact severity.
- Mitigate – Based on our assessment of (i) the probability and impact severity of the risks; (ii) cost and benefit of the mitigation plans, we choose the appropriate option for dealing with risks, including risk elimination by suspending the associated business activities, risk reduction by adopting appropriate control measures, risk transfer by outsourcing or purchasing insurance policies, and risk acceptance by choosing to accept risks of low priority.
- Measure – We measure our risk management system by determining if changes have been implemented and if changes are effective. In the event of any weakness in control, we follow up by adjusting our risk management measures and report material issues to the Board.

The Audit Committee assists the Board to at least annually review and monitor the scope, issues, results and action plans in relation to or arising from the internal and external audits. The Audit Committee also assists with the Board's corporate governance role in the Group, particularly in overseeing the risk management and internal control systems, and managing the finance and internal audit functions.

用於識別、評估及管理重大潛在風險的主要程序如下：

- 識別 – 我們識別業務營運中的現時及新興風險，並根據時間範圍、可能性、程度及影響嚴重性將該風險分類為合理概況。我們建立四個風險類別，包括戰略風險、財務風險、經營風險及法律風險。審計委員會已建立並監督舉報政策。為配合該承諾本公司預期並鼓勵本公司內任何對失當行為或舞弊行為提出質疑的僱員、客戶、供應商及其他利益相關者表達其關注事項。所有舉報報告均將盡可能進行詳盡調查，並向審計委員會報告。
- 評估 – 我們評估風險並考慮優先次序，以便識別並處理最重要的風險。基於定性及定量分析，我們就可能性及影響嚴重性方面優先考慮風險。
- 減緩 – 根據我們就(i)風險的可能性及影響嚴重性；(ii)減緩計劃的成本及利益進行的評估，我們就應風險選擇適當方案，包括透過暫停相關業務活動除風險、透過採取適當的控制措施降低風險、透過外判或投購保單轉移風險及透過選擇接受重要性較低的風險等方式接納風險。
- 計量 – 我們透過釐定變動是否已實施以及變動是否有效的方式來計量風險管理系統。於控制不力的情況下，我們透過調整風險管理措施作出跟進及向董事會報告重大問題。

審計委員會協助董事會至少每年檢討一次及監督與內部及外部審核相或由此引起的範圍、問題、結果及執行計劃。審計委員會亦協助董事會履行本集團的企業管治職能，特別是監督風險管理及內部監控系統，以及管理財務及內部審核職能。

Corporate Governance Report 企業管治報告

During the Reporting Period, the Board, through the Audit Committee, conducted a review of the effectiveness of the risk management and internal control systems of the Company, including the adequacy of resources, staff qualifications and experiences, training programs and budget of the Company in relation to the accounting and financial reporting functions and those relating to the Company's ESG performance and reporting, and will further review and assess such systems at least once each year. The Audit Committee and the Board were not aware of any areas of concern that would have a material impact on the Group's financial position or results of operations and considered the risk management and internal control systems to be generally effective and adequate to govern the adequacy of resources, staff qualifications and experiences, training programs and budget of the accounting, internal audit and financial reporting functions.

ANTI-CORRUPTION POLICY

The Company has maintained its anti-corruption policy, code of ethics and business conduct among all employees. The Audit Committee is the main responsible body to supervise the anti-fraud and anti-corruption work conducted by our internal audit department, including organizing the annual fraud risk assessment of all departments and subsidiaries of the Company, carrying out the consequences and prevention of anti-fraud and corruption training sessions and activities, handling anti-fraud and anti-corruption reports, organizing the relevant case investigation, offering rectification suggestion and reporting to our management and the Board on such matters.

We have set up telephone reporting hotline and email address for our employees and business partners to report violation of professional ethics by our employees, including suspected fraud, corruption or bribery misconducts. Our internal audit department conducts investigation for such reports and allegations, keeps written records, and reports the investigation results to our management and the Board. Specifically, our internal audit department will establish special investigation teams comprised of employees from our internal audit department and other relevant departments to conduct joint investigations. Our internal audit department may also engage external experts to participate in the investigation as necessary. The special investigation teams shall assess the relevant internal controls and produce written reports to make recommendations for improvement. In the meantime, employees who are confirmed to commit fraud, corruption, bribery or other misconducts shall receive internal economic and administrative disciplinary punishments in accordance with the relevant internal policies. If the misconducts violate relevant laws, such employees may also subject to civil or criminal penalties in accordance with relevant laws.

於報告期內，董事會透過審計委員會對本公司風險管理內部監控系統的成效進行檢討，包括資源是否充足、員工資格及經驗、培訓計劃及本公司有關會計及財務申報職能的預算以及該等與本公司ESG表現及報告有關的內容，並將最少每年一次進一步檢討及評估該系統。審計委員會及董事會並無發現任何有關事項會對本集團的財務狀況或經營業績產生重大影響，並認為風險管理及內部監控系統整體有效及足以規管資源、員工資格及經驗、培訓計劃及會計、內部審核及財務申報職能的預算。

反腐敗政策

本公司已在全體僱員中推行其反腐敗政策、道德規範及商業行為準則。其中審計委員會是監督內部審計部門開展反欺詐及反腐敗工作的主要負責機構，包括組織本公司各部門及附屬公司的年度欺詐風險評估、開展反欺詐及反腐敗行為後果及預防的培訓課程及活動、處理反欺詐及反腐敗報告、組織相關案件調查、提出整改意見並向管理層及董事會報告有關事項。

我們設有電話舉報熱線及電子郵箱地址，供僱員及業務合作夥伴舉報僱員違反職業道德的行為，包括涉嫌欺詐、腐敗或賄賂等不當行為。我們的內部審計部門會對有關報告及指控進行調查，保留書面記錄，並向管理層及董事會報告調查結果。具體而言，我們的內部審計部門將建立由內部審計部門及其他相關部門僱員組成的特別調查小組，進行聯合調查。我們的內部審計部門在必要時亦可聘請外部專家參與調查。特別調查小組應評估相關的內部控制，並出具書面報告以提出改進建議。同時，被確認犯有欺詐、腐敗、賄賂或其他不當行為的僱員應根據相關內部政策接受內部經濟及行政紀律處罰。倘不當行為違反了相關法律，有關僱員亦可能面臨相關法律規定的民事或刑事處罰。

Corporate Governance Report

企業管治報告

WHISTLEBLOWING POLICY

The Company has in place the Whistleblowing Policy for employees of the Company and those who deal with the Company to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matters related to the Company.

DISCLOSURE OF INSIDE INFORMATION POLICY

The Company has developed its disclosure policy which provides a general guide to the Company's Directors, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited.

Handling of inside information

The Company has adopted policies in respect of the confidentiality management of the Company's information and the disclosure of inside information, sensitive information or confidential information in accordance with the SFO and the Listing Rules to ensure confidentiality when handling inside information and the publication of relevant disclosures to the public as soon as practicable. Under this policy, the Company disseminates information to specified persons on a need-to-know basis, and requires all employees who have access to the inside information to maintain strict confidentiality of the inside information until it is announced. The policy also sets out the procedures for identifying, handling and monitoring inside information or sensitive or confidential information, the scope of inside information and the procedures and precautionary measures for reporting or leakage of inside information of the Group.

AUDITOR' REMUNERATION

Approximate remuneration paid or payable in respect of audit and non-audit services provided to the Company by the Auditor for the year ended 31 December, 2023 were set out as follows:

Types of service	服務類別	Amount (RMB) 金額(人民幣)
Audit service	核數服務	2,600
Non-audit service of ESG Report	關於環境、社會和管治報告的非核數服務	113
Total	總計	2,713

舉報政策

本公司已制定舉報政策，讓本公司僱員及其他與本集團有往來者可以保密及不具名方式向審計委員會提出其對任何可能關於本公司的不當事宜的關注。

內幕消息披露政策

本公司已制定其披露政策，為本公司董事、高級管理層及相關僱員提供有關處理機密資料、監察消息披露及回應查詢的一般指引。本公司已實施監控程序，以確保嚴格禁止未經授權獲取及使用內幕消息。

處理內幕消息

本公司已根據證券及期貨條例及《上市規則》採納有關本公司信息保密管理及內幕消息、敏感信息或機密資料披露的政策，以確保處理內幕消息時的保密性，並在切實可行情況下盡快向公眾刊發相關披露。根據此政策，本公司會按「需要知道」基準向指定人士發佈資訊，及要求所有可接觸內幕消息的員工對內幕消息嚴格保密，直至內幕消息公佈。政策亦列出識別、處理及監察內幕消息或敏感信息或機密資料的程序、內幕消息的範圍以及報告或洩露本集團內幕消息的處理程序及預防措施。

核數師酬金

核數師於截至2023年12月31日止年度向本公司提供的核數及非核數服務之已付或應付概約酬金載列如下：

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JOINT COMPANY SECRETARIES

Mr. Qin Xue (“**Mr. Qin**”) serves as the joint company secretary of the Company, who is responsible for advising the Board on corporate governance matters and ensuring that the Board policies and procedures, as well as the applicable laws, rules and regulations are followed. Mr. Qin has extensive experience in accounting and finance matters, but presently does not possess any of the qualification required under Rules 3.28 and 8.17 of the Listing Rules, the Company has applied to the Stock Exchange and was exempted by the Stock Exchange from strict compliance with the Listing Rules, such that Mr. Qin may be appointed as a joint company secretary of the Company.

In addition, to maintain good corporate governance and in compliance with the Listing Rules and applicable Hong Kong laws, the Company has appointed Ms. Ko Mei Ying (“**Ms. Ko**”) of Tricor Services Limited (a company secretarial service provider) as another joint company secretary of the Company, that provides general corporate and secretarial support services to assist Mr. Qin in discharging the duties and responsibilities of a company secretary of the Company. Ms. Ko is an associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, and therefore meets the qualification requirements under Note 1 to Rule 3.28 of the Listing Rules and is in compliance with Rule 8.17 of the Listing Rules. The main contact person of Ms. Ko in the Company is Mr. Qin.

Prior to the engagement of Ms. Ko effective from July 18, 2023, Ms. Ng Ka Man (“**Ms. Ng**”) served as the company secretary of the Company. Ms. Ng was a delegate of TMF Hong Kong Limited, a company secretarial service provider.

Mr. Qin, Ms. Ko and Ms. Ng have attended no less than 15 hours relevant professional trainings to follow the requirements under Rule 3.29 of the Listing Rules.

聯席公司秘書

秦學先生(「**秦先生**」)為本公司的聯席公司秘書，負責就企業管治事宜向董事會提出建議，並確保遵循董事會的政策及程序、適用法律、規則及法規。秦先生在會計及財務事宜方面具備豐富經驗，然而其目前並不具備《上市規則》第3.28條及第8.17條規定的任何資格，本公司已向聯交所申請並獲聯交所豁免嚴格遵守該等《上市規則》，因而秦先生可獲委任為本公司聯席公司秘書。

此外，為維持良好的企業管治並確保符合《上市規則》及適用香港法律，本公司已委聘卓佳專業商務有限公司(一家提供一般企業及秘書支持服務的公司秘書服務提供商)高美英女士(「**高女士**」)為本公司的另一位聯席公司秘書，協助秦先生履行彼作為本公司的公司秘書的職責。高女士為香港公司治理公會、英國特許公司治理公會的準會員，因此符合《上市規則》第3.28條附註1的資格要求，並符合《上市規則》第8.17條的規定。其於本公司的主要聯絡人為秦先生。

於高女士自2023年7月18日起獲委任為本公司的公司秘書前，吳嘉雯女士(「**吳女士**」)擔任本公司的公司秘書。吳女士為公司秘書服務提供商達盟香港有限公司的代表。

秦先生、高女士及吳女士已參與不少於15小時的相關專業培訓，以遵守《上市規則》第3.29條的規定。

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COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONSHIP

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and understanding the Group's business, performance and strategies. The Company also deeply convinced of the importance of timely and non-selective disclosure of information, which enables shareholders and investors to make the informed investment decisions. The Board reviewed the implementation and effectiveness of the Shareholders' Communication Policy and the results were satisfactory.

The annual general meeting of the Company provides an opportunity for the Shareholders to communicate directly with the Directors. The chairperson and the chairmen of the Board Committees of the Company will attend the AGM to answer Shareholders' questions. The Auditor will also attend the AGM to answer questions about the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies and Auditor's independence.

To promote effective communication, the Company adopts a Shareholders' communication policy which aims at establishing a two-way relationship and communication between the Company and the Shareholders and maintains a website (<https://www.scientechmed.com/>), where latest information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access.

與股東的溝通及投資者關係

本公司認為，與股東的有效溝通對加強投資者關係及使投資者了解本集團的業務、表現及策略非常重要。本公司亦深信及時與非選擇性地披露本公司資料以供股東及投資者作出知情投資決策的重要性。董事會已檢討股東通訊政策的實施情況及有效性，檢討結果令人滿意。

本公司股東週年大會提供股東與董事直接溝通的機會。本公司主席及本公司各董事會委員會主席將出席股東週年大會解答股東提問。核數師亦將出席股東週年大會，並解答有關審計工作、核數師報告的編製及內容、會計政策及核數師獨立性的提問。

為促進有效的溝通，本公司採納股東通訊政策，旨在建立本公司與股東的相互關係及溝通，並設有網站 (<https://www.scientechmed.com/>)，本公司會於網站刊登有關其業務營運及發展的最新資料、財務數據、企業管治常規及其他數據，以供公眾人士讀取。

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Summary of Shareholders' Communication Policy

General Policy

- 1.1 The Board shall maintain an on-going dialogue with Shareholders and investors, and will regularly review this Policy to ensure its effectiveness.
- 1.2 Information shall be communicated to Shareholders and investors mainly through the Company's financial reports (quarterly, interim and annual reports), annual general meetings and other general meetings that may be convened, all the disclosures submitted to the Stock Exchange and its corporate communications and other corporate publications on the website of the Company.
- 1.3 Effective and timely dissemination of information to Shareholders and investors shall be ensured at all times. Any question regarding this Policy shall be directed to the joint company secretaries.

Communication Strategies

Shareholders' enquiries

- 2.1 Shareholders should direct their questions about their shareholdings to the Company's Share Registrar.
- 2.2 Shareholders and investors may at any time make a request for the Company's information to the extent such information is publicly available.
- 2.3 Shareholders and investors shall be provided with designated contacts and email addresses and enquiry channels of the Company in order to enable them to make any query in respect of the Company.

Corporate Communication

- 3.1 Corporate communication will be provided to Shareholders in plain language and in both English and Chinese versions to facilitate Shareholders' understanding. Shareholders have the right to choose the language (either English or Chinese) or means of receipt of the corporate communications (in hard copy or through electronic means).
- 3.2 Shareholders are encouraged to provide, amongst other things, in particular, their email addresses to the Company in order to facilitate timely and effective communications.

股東通訊政策概要

總體政策

- 1.1 董事會持續與股東及投資者保持對話，並會定期檢討本政策以確保成效。
- 1.2 本公司向股東及投資者傳達資訊的主要管道為：本公司的財務報告（季度、中期及年度報告）；股東周年大會及其他可能召開的股東大會；並將所有呈交予聯交所的披露資料，以及公司通訊及其他公司刊物登載在本公司網站。
- 1.3 本公司時刻確保有效及適時向股東及投資者傳達資訊。如對本政策有任何疑問，應向聯席公司秘書提出。

傳訊途徑

股東查詢

- 2.1 股東如對名下持股有任何問題，應向本公司的證券登記處提出。
- 2.2 股東及投資者可隨時要求索取本公司的公開資料。
- 2.3 本公司須向股東及投資者提供指定的本公司聯絡人、電郵地址及查詢途徑，以便他們提出任何有關本公司的查詢。

公司通訊

- 3.1 向股東發放的公司通訊以淺白中、英雙語編寫，以便利股東瞭解通訊內容。股東有權選擇收取公司通訊的語言（英文或中文）或收取方法（印刷本或電子形式）。
- 3.2 股東宜向本公司提供（其中尤其包括）電郵地址，以助提供適時有效的通訊。

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Corporate Website

- 3.3 A dedicated “Investor Relations” section is available on the Company’s website (<http://www.scientechmed.com>). Information on the website is updated on a regular basis.
- 3.4 Information released by the Company to the Stock Exchange is also posted on the Company’s website immediately thereafter. Such Information includes prospectus document, results reports, announcements, circulars and explanatory documents of corporate governance, etc..
- 3.5 All presentation materials provided in conjunction with the Company’s annual general meeting and results announcement each year will be made available on the Company’s website as soon as practicable after their release.

Shareholders’ Meetings

- 4.1 Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings.
- 4.2 Appropriate arrangements for the annual general meetings shall be in place to encourage Shareholders’ participation.
- 4.3 The process of the Company’s general meeting will be monitored and reviewed on a regular basis, and, if necessary, changes will be made to ensure that Shareholders’ needs are best served.
- 4.4 Board members, in particular, either the chairmen or their delegates of the committees under the Board, appropriate management executives and external auditor will attend annual general meetings to answer Shareholders’ questions.
- 4.5 Shareholders are encouraged to attend shareholders’ activities organised by the Company, where information about the Company, including its latest strategic plan, products and services, etc., will be communicated.

公司網站

- 3.3 本公司網站(<http://www.scientechmed.com>)專設「投資者關係」欄目。該網站上登載的資料定期更新。
- 3.4 本公司發送予聯交所的資料亦會隨即登載在本公司網站。有關資料包括招股文件、業績報告、公告與通函、企業管治的說明文件等等。
- 3.5 本公司每年的股東周年大會及業績公告所連帶提供的簡報等資料均會在發佈後盡快登載在本公司網站。

股東大會

- 4.1 股東宜參與股東大會，如未出席，可委派代表代其出席並於會上投票。
- 4.2 股東周年大會應有適當安排，以鼓勵股東參與。
- 4.3 本公司會監察及定期檢討股東大會程式，如有需要會作出改動，以確保其符合股東需要。
- 4.4 董事會成員(尤其是董事會轄下各委員會的主席或其代表)、適當的行政管理人員及外聘核數師均會出席股東周年大會回答股東提問。
- 4.5 股東宜出席本公司舉辦的股東活動，從而得悉本公司的情况，包括最新的戰略規劃、產品及服務等等。

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Investment Market Communications

- 5.1 Investor/analysts briefings and one-on-one meetings, roadshows (both domestic and international), media interviews, marketing activities for investors and holding/attending specialist industry forums, etc., will be available on a regular basis in order to facilitate communication between the Company, Shareholders and the investment community.
- 5.2 The Company's Directors and employees who have contacts or dialogues with investors, analysts, media or other interested outside parties are required to comply with the disclosure obligations and requirements under the "Disclosure Policy of Inside Information" of the Company.

Shareholder Privacy

- 6.1 The Company recognises the importance of Shareholders' privacy and will not disclose Shareholders' information without their consent, unless required by law to do so.

DIVIDEND POLICY

The Company has adopted a Dividend Policy on payment of dividends. The Company do not have any pre-determined dividend payout ratio. Depending on the financial conditions of the Company and the Group and the conditions and factors as set out in the Dividend Policy, dividends may be proposed and/or declared by the Board during a financial year and any final dividend for a financial year will be subject to the Shareholders' approval.

For details of the Dividend Policy, please refer to the sections headed "DIVIDEND POLICY" in the Report of the Directors.

PUTTING FORWARD ENQUIRIES TO THE BOARD

Shareholders and other investors who intend to put forward their enquiries about the Company to the Board could send their enquiries by post, phone or email to the headquarters of the Company at 5/F, Building 41, No. 258, Xinzhuan Road, Songjiang District, Shanghai. The contact number is (86) 21-37015633 and the email address is IR@scientechmed.com.

與投資市場的溝通

- 5.1 本公司會定期舉辦各種活動，包括為投資者／分析員舉行簡介會及與其單獨會面、在本地及國際巡迴推介、傳媒訪問及投資者推廣活動，以及舉辦／參與業界專題論壇等等，以促進本公司與股東及投資人士之間的溝通。
- 5.2 本公司董事及僱員但凡與投資者、分析員、傳媒或其他外界相關人士聯絡接觸或溝通對話，均須遵守本公司「內幕消息披露政策」下的披露責任及規定。

股東隱私

- 6.1 本公司明白保障股東私隱的重要性，除法例規定者外，不會在獲得股東同意前擅自披露股東資料。

股息政策

本公司已就派付股息採納一項股息政策。本公司並無預定的股息派發比率。董事會可能會於財政年度內根據本公司及本集團的財務狀況以及股息政策所載的條件及因素建議及／或宣派股息，而就財政年度宣派的任何末期股息均須於取得股東批准後方可作實。

有關股息政策的詳情，請參閱董事會報告「股息政策」一節。

向董事會提出查詢

股東及其他投資者如欲向董事會作出有關本公司的查詢，可透過郵寄、電話或電郵等方法向本公司之總部上海市松江區莘磚公路258號41幢5樓查詢，聯繫電話為(86) 21-37015633，電郵地址為IR@scientechmed.com。

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SHAREHOLDERS' RIGHTS

To safeguard shareholders' interests and rights, a separate resolution shall be proposed for each separate issue (including the election of certain Directors) at the shareholder's general meetings.

All resolutions put forward at the Shareholder's general meetings will be voted on by poll pursuant to the Listing Rules and the poll results will be posted timely on the websites of the Company and the Stock Exchange after each Shareholder's general meeting been held.

CONVENING AN EXTRAORDINARY GENERAL MEETING AND PUTTING FORWARD PROPOSALS

Pursuant to Article 65 of the Articles of Association, Shareholders who request an extraordinary general meeting or a general meeting of a class of Shareholders shall comply with the following procedures:

Shareholders individually or jointly holding more than 10% of the Company's shares have the right to propose to the Board to convene an extraordinary general meeting and such proposal shall be made by way of written request(s). The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten days upon receiving such proposal in accordance with the laws, regulations and the Articles of Association.

Where the Board agrees to convene such extraordinary general meeting, a notice to convene such general meeting shall be dispatched within five days after the passing of relevant resolution by the Board, provided that any changes to the original proposal shall be subject to the approval from related shareholders.

Where the Board disagrees to convene such extraordinary general meeting, or where the Board fails to provide any response within ten days after receiving such proposal, Shareholders individually or jointly holding more than 10% of the Company's shares shall have the right to propose to the Board of Supervisors to convene an extraordinary general meeting and such proposal shall be made by way of written request(s).

股東權利

為保障股東的利益及權利，本公司會於股東大會上就各事項（包括選舉個別董事）提呈獨立決議案。

於股東大會上提呈的所有決議案將根據《上市規則》以投票方式進行表決，投票結果將於各股東大會舉行後及時於本公司及聯交所網站刊登。

召開股東特別大會及提呈建議

根據公司章程第六十五條，股東要求召集股東特別大會或者類別股東會議，應當按照下列程序辦理：

單獨或者合計持有公司百分之十以上股份的股東有權向董事會請求召開臨時股東大會，並應當以書面形式向董事會提出。董事會應當根據法律法規和本章程的規定，在收到請求後十日內提出同意或不同意召開臨時股東大會的書面反饋意見。

董事會同意召開臨時股東大會的，應當在作出董事會決議後五日內發出召開股東大會的通知，通知中對原請求的變更，應當徵得相關股東的同意。

董事會不同意召開臨時股東大會，或者在收到請求後十日內未作出反饋的，單獨或者合計持有公司百分之十以上股份的股東有權向監事會提議召開臨時股東大會，並應當以書面形式向監事會提出請求。

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Where the Board of Supervisors agrees to convene such extraordinary general meeting, a notice to convene such general meeting shall be dispatched within five days upon receiving such proposal, provided that any changes to the original proposal shall be subject to the approval from related Shareholders.

Where the Board of Supervisors fails to dispatch the notice to convene such general meeting within the prescribed time limit, it shall be deemed that the Board of Supervisors does not convene and preside over such general meeting. Then the Shareholders individually or jointly holding more than 10% of the Company's shares for more than 90 consecutive days are entitled to convene and preside over the meeting by themselves.

Procedures for Shareholders to Make Proposal(s) at the General Meeting

Pursuant to Article 67 of the Articles of Association, where the Company is to convene a general meeting, the Board, the Board of Supervisors and Shareholders severally or jointly holding 3% or more of the Shares of the Company shall be entitled to put forward proposals to the Company. The contents of the proposals shall fall within the functions and powers of the general meeting, have clear agenda and specific matters to be resolved, and shall comply with relevant requirements of laws, regulations and the Articles of Association. Shareholder(s) severally or jointly holding more than 3% of the Shares of the Company may raise interim proposals and submit them in writing to the convener 10 days before a general meeting. The convener shall, within 2 days after the receipt of such proposals, issue a supplemental notice of the general meeting, announce the contents of the interim proposals, and submit the interim proposals to the general meeting for consideration.

監事會同意召開臨時股東大會的，應在收到請求五日內發出召開股東大會的通知，通知中對原請求的變更，應當徵得相關股東的同意。

監事會未在規定期限內發出股東大會通知的，視為監事會不召集和主持股東大會，連續九十日以上單獨或者合計持有公司百分之十以上股份的股東可以自行召集和主持。

股東於股東大會上提呈建議的程序

根據公司章程第六十七條，公司召開股東大會、董事會、監事會以及單獨或者合併持有公司百分之三以上股份的股東，有權向公司提出提案。提案的內容應當屬於股東大會職權範圍，有明確議題和具體決議事項，並且符合法律法規和公司章程的有關規定。單獨或者合計持有公司百分之三以上股份的股東，可以在股東大會召開十日前提出臨時提案並書面提交召集人。召集人應當在收到提案後兩日內發出股東大會補充通知，公告臨時提案的內容，並將該臨時提案提交股東大會審議。

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Right to Propose a Person for Election as a Director

Pursuant to Article 101 of the Articles of Association, candidates for directors shall normally be submitted by the Board of the Company to the shareholders' general meeting of the Company by way of proposal. The Shareholders and the Board of Supervisors of the Company may nominate candidates for election as directors in accordance with the provisions of the Articles of Association.

A written notice of the intention to nominate a candidate for director and a notice in writing by that candidate indicating his/her acceptance of such nomination shall be given to the Company not earlier than the day on which the notice of the shareholders' general meeting is given and not later than seven days before the date of such shareholders' general meeting. The period for nomination and acceptance of nominations shall not be less than seven days.

CHANGES IN CONSTITUTIONAL DOCUMENTS

During the Reporting Period, the Company has not made any amendments to its Articles of Association.

On April 7, 2024, the Board considered and approved to prepare the Company's financial statements and disclose relevant financial information in accordance with the CASBE starting from the interim report for the six months ending June 30, 2024, subject to the approval by the Shareholders of the proposed amendments to the Articles of Association (the "**Proposed Amendments**") at the forthcoming AGM. For details, please refer to the announcement of the Company dated April 7, 2024. A circular containing, among other matters, details of the Proposed Amendments together with the notice of the AGM, will be published on the HKEXnews website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.scientechmed.com) in due course.

提名人士選任董事的權利

根據公司章程第一百零一條，董事候選人一般情況下由公司董事會以提案方式提交公司股東大會。公司股東、監事會可按公司章程規定提名董事候選人。

有關提名董事候選人的意圖以及候選人表明願意接受提名的書面通知，應在不早於股東會議通知派發當日及不遲於該股東大會召開七天前發給公司。有關之提名及接受提名期限應不少於七天。

章程文件的更改

於報告期內，本公司沒有對公司章程做出修訂。

於2024年4月7日，董事會審議並通過自截至2024年6月30日止六個月的中期報告起根據中國企業會計準則編製本公司的財務報表及披露相關財務資料，惟須待股東於應屆股東週年大會批准建議修訂公司章程（「**建議修訂**」）。有關詳情，請參閱本公司日期為2024年4月7日的公告。一份載有（其中包括）建議修訂的詳情連同股東週年大會通告的通函將適時於聯交所披露易網站(www.hkexnews.hk)及本公司網站(www.scientechmed.com)刊載。

Independent Auditor's Report

獨立核數師報告

To the Shareholders of LEPU ScienTech Medical Technology (Shanghai) Co., Ltd.

(incorporated in the People's Republic of China with limited liability)

OPINION

What we have audited

The consolidated financial statements of LEPU ScienTech Medical Technology (Shanghai) Co., Ltd. (the “**Company**”) and its subsidiaries (the “**Group**”), which are set out on pages 213 to 342, comprise:

- the consolidated balance sheet as at 31 December 2023;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致樂普心泰醫療科技(上海)股份有限公司股東

(於中華人民共和國註冊成立的有限公司)

意見

我們已審計的內容

樂普心泰醫療科技(上海)股份有限公司(以下簡稱「**貴公司**」)及其附屬公司(以下統稱「**貴集團**」)列載於第213至342頁的綜合財務報表,包括:

- 於二零二三年十二月三十一日的綜合資產負債表;
- 截至該日止年度的綜合損益及其他全面收益表;
- 截至該日止年度的綜合權益變動表;
- 截至該日止年度的綜合現金流量表;及
- 綜合財務報表附註,包括重大會計政策信息及其他解釋信息。

我們的意見

我們認為,該等綜合財務報表已根據《國際財務報告會計準則》真實而中肯地反映了貴集團於二零二三年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

Independent Auditor's Report 獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Capitalisation of development costs
- Impairment assessment of goodwill and intangible assets not subject to amortisation

意見的基礎

我們已根據《國際審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據國際會計師職業道德準則理事會頒佈的《國際會計師職業道德守則(包含國際獨立性標準)》(以下簡稱「**道德守則**」)，我們獨立於貴集團，並已履行道德守則中的其他專業道德責任。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的，我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 研發開支資本化
- 商譽及無須攤銷的無形資產的減值評估

Independent Auditor's Report 獨立核數師報告

KEY AUDIT MATTERS (Continued) 關鍵審計事項 (續)

Key Audit Matter 關鍵審計事項

Capitalisation of development costs 研發開支資本化

Refer to Notes 4(ii) and 18 to the consolidated financial statements.
請參閱綜合財務報表附註4(ii)及18。

During the year ended 31 December 2023, the Group incurred expenditures on research and development (“R&D”) activities of approximately RMB143,585,000 out of which, approximately RMB61,578,000 were recognised as R&D expenses in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023 and approximately RMB82,007,000 were capitalised as intangible assets in the consolidated balance sheet during the year.

截至2023年12月31日止年度，貴集團產生研究及開發（「研發」）活動支出約人民幣143,585,000元，其中約人民幣61,578,000元在截至2023年12月31日止年度的綜合損益及其他全面收益表中確認為研發開支及約人民幣82,007,000元於年內資本化為綜合資產負債表中的無形資產。

Development costs are capitalised as intangible assets only if the capitalisation criteria set out in Note 18 to the consolidated financial statements can be met. The determination of the capitalization amounts primarily involved management’s judgement and estimates in assessing the technical and commercial feasibilities (covering the estimated future economic benefits of the products under development) of each R&D projects and the availability of financial and technological resources to complete the R&D projects and commence production and commercialisation.

研發開支僅於可達致綜合財務報表附註18所載資本化標準時資本化為無形資產。確定資本化金額主要涉及管理層在評估各項開發項目的技術及商業可行性（包括開發中產品的估計未來經濟利益）時的判斷及估計以及完成開發項目及投入生產以及商業化可用的財務及技術資源。

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

We performed the following procedures to address this key audit matter:

就本關鍵審計事項，我們已進行以下程序：

- Understood and evaluated the key management controls and process over capitalisation of development costs, and assessed the inherent risk of material misstatement by considering the level of inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias;
了解並評估研發開支資本化的關鍵管理層控制及流程，通過考慮複雜性、主觀性、變化和管理層偏差的敏感性等固有風險因素水平，評估重大錯誤陳述的固有風險；
- Obtained an understanding of the Group’s capitalisation criteria of development costs, and assessed whether they are in line with the applicable financial reporting framework;
了解貴集團研發開支的資本化標準，並評估其是否符合適用財務報告框架；
- For R&D projects which have reached the development stage, we evaluated the stage of development, management’s intention to complete these projects and management’s judgment on the technical feasibility of these R&D projects by discussion with management and corroborated with the relevant supporting evidence (including research proposals, approvals for clinical trials, clinical trial application materials, clinical trial reports and latest project timetable);
就已達開發階段的研發項目而言，我們通過與管理層的討論及印證相關有力的證據（包括研究建議、批准臨床試驗、臨床試驗申請材料、臨床試驗報告及最新項目時間表），評估開發階段、管理層對完成該等項目的意圖以及管理層對該等研發項目技術可行性的判斷；

Independent Auditor's Report 獨立核數師報告

KEY AUDIT MATTERS (Continued) 關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

We identified this as a key audit matter because significant management's judgement and estimates were involved in assessing whether the capitalisation criteria can be met.

由於在評估是否可達致資本化標準時涉及重大管理層判斷及估計，我們將該事項確定為關鍵審計事項。

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

- Assessed management's estimation on the future economic benefits of the products under development by evaluating the reasonableness of the key assumptions as adopted by management (including the estimated market size, revenue growth rate and gross profit margin of the products) in the estimation by comparing with the industry information and market data as we obtained from our independent research;
通過與我們從獨立查詢中獲得的行業信息和市場數據進行比較，評估管理層在估計在研產品未來經濟利益時採用的關鍵假設(包括估計的市場規模、收入增長率和產品毛利率)的合理性；
- Evaluated the management's judgements on the availability of financial and technological resources to complete the R&D projects and commence the production by considering the liquidity and financial position of the Group and interviewing the key R&D project team members to understand the adequacy of competent manpower in the project teams;
考慮了貴集團的流動性和財務狀況，並訪談了主要研發項目團隊成員，了解了項目團隊中核心技術人才的充足性，評估了管理層對完成研發項目和開始生產的財務和技術資源可用性的判斷；

Independent Auditor's Report 獨立核數師報告

KEY AUDIT MATTERS (Continued) 關鍵審計事項 (續)

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

- Examined the underlying supporting documents of R&D expenditures (including contracts, payment vouchers and supplier invoices) on a sample basis;
抽樣審查研發開支的相關有理據文件 (包括合同、付款憑單及供應商發票)；
- For the samples selected which are relating to projects during the development stage, we further checked whether the costs were incurred directly attributable to development activities of the R&D projects by examining the underlying supporting documents.
對於所選的與開發階段項目有關的樣本，進一步檢查了有關成本發生是否直接歸屬於研發項目的開發活動的支持性文件。

Based on the above procedures performed, we consider that the judgments applied by management in determining the capitalisation of development costs were supported by the evidence obtained.

基於以上所執行的程序，我們認為管理層在確定研發開支資本化時所作的判斷得到現有證據的支持。

Independent Auditor's Report 獨立核數師報告

KEY AUDIT MATTERS (Continued) 關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

Impairment assessment of goodwill and intangible assets not subject to amortisation 商譽及無須攤銷的無形資產的減值評估

Refer to Notes 4(i), 17 and 18 to the consolidated financial statements.
請參閱綜合財務報表附註4(i)、17及18。

As at 31 December 2023, the Group has goodwill and intangible assets not subject to amortisation of approximately RMB48,282,000 and RMB204,097,000, respectively and no provision for impairment of these assets have been recognised by the Group.

於2023年12月31日，貴集團商譽及無須攤銷的無形資產分別約為人民幣48,282,000元及人民幣204,097,000元，且貴集團並無就該等資產確認任何減值撥備。

Management conducts impairment reviews on goodwill and intangible assets not subject to amortisation annually or more frequently if events or changes in circumstances indicated a potential impairment. The impairment tests are based on the recoverable amounts of the relevant cash generating units ("CGUs") to which the goodwill and the intangible assets not subject to amortisation are allocated.

管理層每年或在有情況表明發生潛在減值的事件或發生變動時更為頻繁的對商譽及無須攤銷的無形資產進行減值評估。減值測試乃基於分配商譽及無須攤銷的無形資產的相關現金產生單位（「現金產生單位」）的可收回金額進行。

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

We performed the following procedures to address this key audit matter:
就本關鍵審計事項，我們已進行以下程序：

- Obtained an understanding of the management's internal control and process of impairment assessment of goodwill and intangible assets not subject to amortisation, and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as subjectivity, changes and susceptibility to management bias;
了解管理層對商譽及無須攤銷的無形資產的減值評估的內部控制以及評估過程，並通過考慮估計不確定性的程度及其他固有風險因素（如主觀性、變化和和管理層偏差的敏感性）的水平評估重大錯誤陳述的固有風險；
- Evaluated the outcome of the management's prior year impairment assessment of goodwill and intangible assets not subject to amortisation to assess the effectiveness of management's estimation process;
評估管理層過往年度對商譽及無須攤銷的無形資產的減值評估的結果，評估管理層估計過程的有效性；

Independent Auditor's Report 獨立核數師報告

KEY AUDIT MATTERS (Continued) 關鍵審計事項 (續)

Key Audit Matter 關鍵審計事項

Management has assessed and determined the recoverable amounts of the relevant CGUs with the assistance of an independent valuer. The recoverable amounts of the relevant CGUs were determined by the higher of their value-in-use and fair value less cost of disposal. The determination of recoverable amounts involves the estimation or forecast of the future cash flows of the relevant CGUs based on certain key assumptions such as the estimated growth rate of revenue, gross profit margin, terminal growth rate and discount rate.

管理層已在獨立估價師的協助下評估並確定了相關現金產生單位的可收回金額。相關現金產生單位的可收回金額按其使用價值和公允價值減去處置成本兩者中較高者確定。可收回金額主要根據相關現金產生單位的未來現金流量估計或預測中所運用的一些關鍵假設來確定，如收入預測增長率、毛利率、永續增長率和貼現率。

We identified this as a key audit matter because the estimation of recoverable amounts are subject to high degree of estimation uncertainty and significant management's judgement and estimates were involved in the impairment assessment.

由於可收回金額的估計受限於估計的高度不確定性及減值評估涉及重大管理層判斷及估計，我們將該事項識別為關鍵審計事項。

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

- Evaluated the appropriateness of management's identification of CGUs to which the goodwill and intangible assets not subject to amortisation were allocated;
評估管理層確定分配商譽及無須攤銷的無形資產的現金產生單位的適當性；
- Evaluated the independence, competence, capabilities, and objectivity of the independent valuer engaged by management based on our independent background search on the credentials of the valuer;
根據我們對估價師資質的獨立背景搜索，評估了管理層聘請的獨立估價師的獨立性、能力、實力和客觀性；
- Assessed the appropriateness of the methodology applied by management in determining the recoverable amounts of the relevant CGUs and evaluated the appropriateness of the discount rate as adopted by benchmarking with the market data of comparable companies in the industry with the involvement of our internal valuation experts;
在我們內部估值專家的參與下，評估管理層在確定相關現金產生單位的可收回金額時應用的方法的適當性，通過與業內可比公司的市場數據進行基準比較，評估所採用的貼現率的適當性；

Independent Auditor's Report 獨立核數師報告

KEY AUDIT MATTERS (Continued) 關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

- Evaluated the reasonableness of the key assumptions used in the future cash flow forecast, including the estimated growth rate of revenue, gross profit margin, terminal growth rate and cost component ratio, by comparing them with the Group's historical financial performance and growth trends, approved financial budgets and also the industry information and market data as we obtained from our independent research;
評估未來現金流預測中使用的關鍵假設的合理性，包括收入的估計增長率、毛利率、終端增長率及成本構占比，並將其與貴集團的歷史財務表現和增長趨勢、批准的財務預算以及我們從獨立研究獲得的行業資料及市場數據進行比較；
- Evaluated the sensitivity analysis performed by management on the above key assumptions to further understand the extent to which adverse changes, either individually or in aggregate, would result in the goodwill and intangible assets not subject to amortisation being impaired;
評估管理層對上述關鍵假設進行的敏感性分析，以進一步了解不利變化(無論單獨或總體)將導致商譽及無須攤銷的無形資產發生減值影響程度；
- Assessed the adequacy of the disclosures related to impairment assessment of goodwill and intangible assets not subject to amortisation in the context of the applicable financial reporting framework.
根據適用的財務報告框架，評估與商譽及無須攤銷的無形資產減值評估有關的披露是否充分。

Based on the above procedures performed, we consider that the management's judgement and estimates adopted in the impairment assessment of goodwill and intangible assets not subject to amortisation were supported by the evidence obtained.

基於以上所執行的程序，我們認為管理層在確定商譽及無須攤銷的無形資產減值評估中所採用的估計和判斷得到現有證據的支持。

Independent Auditor's Report 獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in LEPU ScienTech Medical Technology (Shanghai) Co., Ltd. 2023 Annual Report (the “**annual report**”) other than the consolidated financial statements and our auditor’s report thereon. We have obtained some of the other information including the corporate information, financial highlights, chairman’s statement, management discussion and analysis, biographies of directors, supervisors and senior management, corporate governance report and the report of the directors prior to the date of this auditor’s report. The remaining other information, including the report of the board of supervisors, environmental, social and governance report and the other sections to be included in the annual report, is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining other information to be included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit Committee of the Company and take appropriate action considering our legal rights and obligations.

其他信息

貴公司董事須對其他信息負責。其他信息包括所有包含在樂普心泰醫療科技(上海)股份有限公司2023年年報(「**年報**」)除綜合財務報表及我們的核數師報告外的信息。我們在本核數師報告日前已取得部分其他信息包括公司資料、財務摘要、董事長致辭、管理層討論與分析、董事、監事及高級管理層履歷、企業管治報告及董事會報告在內的若干其他信息。餘下的其他信息，包括監事會報告、環境、社會及管治報告及將包括在年報內的其他部分，將預期會在本核數師報告日後取得。

我們對綜合財務報表的意見並不涵蓋其他信息，我們既不也將不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀上述的其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們對在本核數師報告日前取得的其他信息所執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

當我們閱讀該等將包括在年報內餘下的其他信息後，如果我們認為其中存在重大錯誤陳述，我們需要將有關事項與貴公司審計委員會溝通，並考慮我們的法律權利和義務後採取適當行動。

Independent Auditor's Report 獨立核數師報告

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee of the Company is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

董事及審計委員會就綜合財務報 表須承擔的責任

貴公司董事須負責根據《國際財務報告會計準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

貴公司審計委員會須負責監督貴集團的財務報告過程。

核數師就審計綜合財務報表承擔 的責任

我們的目標，是對綜合財務報表整體是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《國際審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

核數師就審計綜合財務報表承擔 的責任 (續)

在根據《國際審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易及事項。

Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee of the Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee of the Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wong Cheuk Kay.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 28 March 2024

核數師就審計綜合財務報表承擔 的責任(續)

- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與貴公司審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向貴公司審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

從與貴公司審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是黃焯棋。

羅兵咸永道會計師事務所
執業會計師

香港，2024年3月28日

Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表

		Year ended 31 December 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
	Note 附註		
Revenue	收入	6	325,896
Cost of sales	銷售成本	7	(37,085)
Gross profit	毛利		288,811
Distribution expenses	經銷開支	7	(50,113)
General and administrative expenses	一般及行政開支	7	(42,835)
Research and development expenses	研發開支	7	(61,578)
Net reversal/(provision) for impairment losses on financial assets	金融資產減值虧損撥回/(撥備)淨額	9	5,981
Other income and losses – net	其他收入及虧損 – 淨額	10	18,416
Operating profit/(loss)	經營利潤/(虧損)		158,682
Finance income	財務收入		14,816
Finance costs	財務成本		(204)
Finance income/(costs) – net	財務收入/(成本) – 淨額	11	14,612
Profit/(loss) before income tax	所得稅前利潤/(虧損)		173,294
Income tax expense	所得稅開支	12	(21,762)
Profit/(loss) for the year	年內利潤/(虧損)		151,532
Other comprehensive income for the year, net of tax	年內其他全面收益，稅後淨額		-
Total comprehensive income/(loss) for the year	年內全面收益/(虧損)總額		151,532
Profit/(loss) and total comprehensive income/(loss) attributable to owners of the Company	本公司擁有人應佔利潤/(虧損)及全面收益/(虧損)總額		151,532
Earnings/(losses) per share attributable to the owners of the Company (expressed in RMB per share)	本公司擁有人應佔每股盈利/(虧損)(以每股人民幣元列示)		
Basic and diluted earnings/(losses) per share	每股基本及攤薄盈利/(虧損)	13	0.44
			(0.06)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

上述綜合損益及其他全面收益表應與隨附的附註一併閱讀。

Consolidated Balance Sheet

綜合資產負債表

		As at 31 December 於12月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
	Note 附註		
ASSETS			
Non-current assets			
Property, plant and equipment	14	106,946	92,978
Right-of-use assets	15	3,081	4,563
Investment properties	16	22,256	38,483
Goodwill	17	48,282	48,282
Intangible assets	18	281,731	204,608
Deferred income tax assets	20	13,257	15,581
Prepayments	21	533	3,238
Long-term bank deposits	26	95,309	72,396
Total non-current assets		571,395	480,129
Current assets			
Inventories	22	69,423	57,398
Trade receivables	23	32,683	30,615
Prepayments and other receivables	21	46,252	38,065
Financial assets at fair value through profit or loss	24	-	258,109
Restricted cash	25	-	790
Short-term bank deposits	26	54,679	-
Cash and cash equivalents	26	1,212,034	944,515
Total current assets		1,415,071	1,329,492
Total assets		1,986,466	1,809,621
EQUITY			
Equity attributable to owners of the Company			
Share capital	27	346,750	346,750
Other reserves	28	1,309,143	1,278,528
Retained earnings		270,781	119,249
Total equity		1,926,674	1,744,527

Consolidated Balance Sheet

綜合資產負債表

		As at 31 December 於12月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
	Note 附註		
LIABILITIES			
Non-current liabilities			
Lease liabilities	15	1,099	1,544
Total non-current liabilities		1,099	1,544
Current liabilities			
Trade and other payables	30	38,064	34,809
Contract liabilities	31	12,589	13,119
Current income tax liabilities		6,699	13,831
Lease liabilities	15	1,341	1,791
Total current liabilities		58,693	63,550
Total liabilities		59,792	65,094
Total equity and liabilities		1,986,466	1,809,621

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

The consolidated financial statements on pages 213 to 342 were approved and authorised for issue by the Board of Directors of the Company on 28 March 2024 and were signed on its behalf by:

上述綜合資產負債表應與隨附的附註一併閱讀。

第213至342頁的綜合財務報表已於2024年3月28日獲本公司董事會批准及授權發佈，並由以下代表簽署：

Director: Ms. Chen Juan
董事：陳娟女士

Director: Ms. Zhang Yuxin
董事：張昱昕女士

Consolidated Statement of Changes in Equity

綜合權益變動表

		Share capital 股本	Treasury stock 庫存股	Other reserves 其他儲備	Retained earnings 留存盈利	Total equity 權益總額
Note		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
附註						
Balance at 1 January 2022	於2022年1月1日的結餘	324,295	(671,507)	593,341	139,062	385,191
Loss for the year	年內虧損	-	-	-	(19,813)	(19,813)
Other comprehensive income	其他全面收益	-	-	-	-	-
Total comprehensive losses	全面虧損總額	-	-	-	(19,813)	(19,813)
<i>Transactions with owners in their capacity as owners:</i>	<i>與擁有人(作為擁有人)之交易:</i>					
Issuance of ordinary shares upon initial public offering ("IPO")	首次公開發售(「首次公開發售」)時發行普通股	27	22,455	-	579,174	601,629
Share issuance costs	股份發行成本	27	-	-	(21,878)	(21,878)
Derecognition of redemption liabilities	終止確認贖回負債	-	671,507	103,539	-	775,046
Share-based payments – deemed contribution from Lepu Medical	以股份為基礎的付款 — 視作樂普醫療的出資	29	-	24,352	-	24,352
Total transactions with owners in their capacity as owners	與擁有人(作為擁有人)之交易總額	22,455	671,507	685,187	-	1,379,149
Balance at 31 December 2022	於2022年12月31日的結餘	346,750	-	1,278,528	119,249	1,744,527

Consolidated Statement of Changes in Equity

綜合權益變動表

		Share capital 股本 RMB'000 人民幣千元	Treasury stock 庫存股 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Retained earnings 留存盈利 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
Balance at 1 January 2023	於2023年1月1日的結餘	346,750	-	1,278,528	119,249	1,744,527
Profit for the year	年內利潤	-	-	-	151,532	151,532
Other comprehensive income	其他全面收益	-	-	-	-	-
Total comprehensive income	全面收益總額	-	-	-	151,532	151,532
<i>Transactions with owners in their capacity as owners:</i>	<i>與擁有人(作為擁有人)之交易:</i>					
Share-based payments – deemed contribution from Lepu Medical	以股份為基礎的付款 — 視作樂普醫療的出資	-	-	30,615	-	30,615
Total transactions with owners in their capacity as owners	與擁有人(作為擁有人)之交易總額	-	-	30,615	-	30,615
Balance at 31 December 2023	於2023年12月31日的結餘	346,750	-	1,309,143	270,781	1,926,674

Note
附註

29

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述綜合權益變動表應與隨附的附註一併閱讀。

Consolidated Statement of Cash Flows

綜合現金流量表

		Year ended 31 December 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
		Note 附註	
Cash flows from operating activities	經營活動現金流量		
Cash generated from operations	經營所得現金	32(a)	66,983
Interest received	已收利息		3,269
Income tax paid	已付所得稅		(4,721)
			<u>66,983</u>
Net cash generated from operating activities	經營活動所得現金淨額		<u>65,531</u>
			<u>65,531</u>
Cash flows from investing activities	投資活動現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備		(13,281)
Purchases of intangible assets	購買無形資產		(6,494)
Payments of internal development costs capitalised as intangible assets	支付資本化為無形資產的內部研發開支		(63,585)
Investments in financial assets at fair value through profit or loss	投資以公允價值計量且其變動計入當期損益的金融資產		(5,843,037)
Proceeds from disposal of financial assets at fair value through profit or loss (including investment income)	處置以公允價值計量且其變動計入當期損益的金融資產的所得款項(包括投資收入)		5,590,395
Placement of term bank deposits	存入定期銀行存款		(70,000)
			<u>(70,000)</u>
Net cash generated from/ (used in) investing activities	投資活動所得/(所用)現金淨額		<u>(406,002)</u>
			<u>(406,002)</u>

Consolidated Statement of Cash Flows 綜合現金流量表

		Year ended 31 December 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
		Note 附註	
Cash flows from financing activities	融資活動現金流量		
Proceeds from issuance of shares upon IPO	首次公開發售時發行股份所得款項	-	601,629
Payment of share issuance costs (representing capitalised listing expenses)	支付股份發行成本 (指資本化上市費用)	-	(20,195)
Payments for lease liabilities	租賃負債付款	(2,047)	(3,630)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(2,047)	577,804
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	273,528	237,333
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	944,515	713,480
Exchange losses on cash and cash equivalents	現金及現金等價物的匯兌虧損	(6,009)	(6,298)
Cash and cash equivalents at end of the year	年末現金及現金等價物	1,212,034	944,515
		26	

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表應與隨附的附註一併閱讀。

Notes to the Consolidated Financial Statements

綜合財務報表附註

1 GENERAL INFORMATION

LEPU ScienTech Medical Technology (Shanghai) Co., Ltd. (the “Company”, 樂普心泰醫療科技(上海)股份有限公司) was incorporated as a joint stock limited liability company in the People’s Republic of China (the “PRC” or “China”) on 29 January 2021. The address of its registered office is Room 201, Building 41, No. 258, Xinzhuan Road, Songjiang District, Shanghai, the PRC.

The Company has completed its IPO and listing on the Main Board of The Stock Exchange of Hong Kong Limited (“HKEx”) on 8 November 2022.

The Company is an investment holding company. The Company and its subsidiaries (together referred as to the “Group”) are principally engaged in research and development, manufacturing and sales of interventional treatment series occluders for defective congenital heart disease (缺損性先天性心臟病介入治療系列封堵器) and the research and development of biological valve (生物瓣膜) for heart disease.

Upon incorporation of the Company in January 2021, the Company had a registered capital of RMB280,000,000 and was owned by Lepu Medical Technology (Beijing) Co., Ltd. (樂普(北京)醫療器械股份有限公司) (“Lepu Medical”) and Beijing Target Medical Technologies Co., Ltd. (北京天地和協科技有限公司) (“Target Medical”), as to 99.05% and 0.95%, respectively.

1 一般資料

樂普心泰醫療科技(上海)股份有限公司(「本公司」)於2021年1月29日在中華人民共和國(「中國」)註冊成立為股份有限公司，其註冊辦事處地址為中國上海市松江區莘磚公路258號41幢201室。

本公司已完成首次公開發售，並於2022年11月8日在香港聯合交易所有限公司(「香港交易所」)主板上市。

本公司為一家投資控股公司。本公司及其附屬公司(統稱「本集團」)主要從事缺損性先天性心臟病介入治療系列封堵器研發、生產及銷售和針對心臟病的生物瓣膜研發。

於2021年1月註冊成立後，本公司註冊資本為人民幣280,000,000元，分別由樂普(北京)醫療器械股份有限公司(「樂普醫療」)和北京天地和協科技有限公司(「天地和協」)持有99.05%和0.95%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

1 GENERAL INFORMATION (Continued)

Lepu Medical was incorporated in the PRC on 11 June 1999 whose shares are listed on the Shenzhen Stock Exchange (stock code: 300003) and Target Medical was incorporated in the PRC on 18 November 1999 which is a wholly-owned subsidiary of Lepu Medical.

As of the date of these consolidated financial statements, Lepu Medical, together with its wholly-owned subsidiaries, Target Medical, held 80.75% equity interest in the Company (with Lepu Medical and Target Medical directly hold 79.94% and 0.81% equity interests in the Company, respectively). Dr. Pu Zhongjie is the actual controller of Lepu Medical. Lepu Medical, Dr. Pu Zhongjie and Target Medical are considered as a group of controlling shareholders of the Company.

The consolidated financial statements are presented in Renminbi (“RMB”), unless otherwise stated.

2 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”), and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622).

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets which were measured at fair value.

1 一般資料(續)

樂普醫療於1999年6月11日於中國註冊成立，其股份於深圳證券交易所上市(證券代碼：300003)，天地和協於1999年11月18日於中國註冊成立，其為樂普醫療的全資附屬公司。

截至該等綜合財務報表日期，樂普醫療連同其全資附屬公司天地和協持有本公司80.75%股本權益，其中樂普醫療和天地和協分別直接持有本公司79.94%及0.81%股本權益。蒲忠傑博士為樂普醫療實際控制人。樂普醫療、蒲忠傑博士及天地和協被視為本公司一組控股股東。

除另有指明外，綜合財務報表以人民幣(「人民幣」)千元列示。

2 編製基準

本集團綜合財務報表已按國際會計準則理事會(「國際會計準則理事會」)發佈的所有適用《國際財務報告會計準則》及香港公司條例(第622章)的披露規定編製。

除若干以公允價值計量的金融資產外，綜合財務報表根據歷史成本基準進行編製。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 BASIS OF PREPARATION (Continued)

IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards (“IFRS”)
- IAS Standards (“IAS”)
- Interpretations developed by the IFRS Interpretations Committee (“IFRIC Interpretations”) or its predecessor body, the standing Interpretations Committee (“SIC Interpretations”)

2.1 New or amended standards adopted by the Group

The Group has applied the following new or amended standards for its annual reporting period commencing 1 January 2023:

IFRS 17
《國際財務報告準則》第17號
Amendments to IAS 1 and IFRS Practice Statement 2
《國際會計準則》第1號及《國際財務報告準則實務聲明》第2號(修訂本)
Amendments to IAS 8
《國際會計準則》第8號(修訂本)
Amendments to IAS 12
《國際會計準則》第12號(修訂本)
Amendments to IAS 12
《國際會計準則》第12號(修訂本)

2 編製基準(續)

《國際財務報告會計準則》包括以下權威文獻：

- 《國際財務報告會計準則》(「《國際財務報告準則》」)
- 《國際會計準則》(「《國際會計準則》」)
- 由國際財務報告準則詮釋委員會(「國際財務報告詮釋委員會」)或其前身組織常務詮釋委員會(「常務詮釋委員會」)所制定的詮釋

2.1 本集團已採用的新訂或經修訂的準則

本集團已就2023年1月1日開始的年度報告期採用以下新訂或經修訂的準則：

Insurance Contracts
保險合約
Disclosure of Accounting Policies
披露會計政策
Definition of Accounting Estimates
會計估計的定義
Deferred Tax related to Assets and Liabilities arising from a Single Transaction
單筆交易產生的資產和負債有關的遞延稅項
International Tax Reform – Pillar Two Model Rules
國際稅收改革 – 支柱二立法模板

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 BASIS OF PREPARATION (Continued)

2.1 New or amended standards adopted by the Group (Continued)

The new or amended standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.2 New or amended standards not yet adopted by the Group

The following amended standards have been published but not mandatory for the year ended 31 December 2023 and have not been early adopted by the Group:

2 編製基準(續)

2.1 本集團已採用的新訂或經修訂的準則(續)

上述所列新訂或經修訂準則並無對先前期間確認的數額產生任何影響且預計不會對現在或未來期間產生重大影響。

2.2 本集團尚未採用的新訂或經修訂準則

以下經修訂的準則已頒佈，但截至2023年12月31日止年度不強制執行，且本集團並無提早採用：

		Effective for annual periods beginning on or after 於以下或之後開始的年度期間生效
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	1 January 2024
《國際會計準則》第1號(修訂本)	將負債分類為流動或非流動	2024年1月1日
Amendments to IAS 1	Non-Current Liabilities with Covenants	1 January 2024
《國際會計準則》第1號(修訂本)	附帶契諾的非流動負債	2024年1月1日
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	1 January 2024
《國際會計準則》第7號及《國際財務報告準則》第7號(修訂本)	供應商融資安排	2024年1月1日
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
《國際財務報告準則》第16號(修訂本)	售後回租中的租賃負債	2024年1月1日
Amendments to IAS 21	Lack of Exchangeability	1 January 2025
《國際會計準則》第21號(修訂本)	缺乏可交換性	2025年1月1日
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
《國際財務報告準則》第10號及《國際會計準則》第28號(修訂本)	投資者與其聯營企業或合營企業之間的資產出售或投入	待定

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 BASIS OF PREPARATION (Continued)

2.2 New or amended standards not yet adopted by the Group (Continued)

The Group has already commenced an assessment of the impact of these amended standards, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the directors of the Company, no significant impact on the financial performance and position of the Group is expected when they become effective.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the management of the Group. The Group currently does not use any derivative financial instruments to hedge the relevant financial risk exposure.

3.1 Financial risk factors

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the functional currency of respective group entities. RMB is the functional currency of both the Company and its subsidiaries.

2 編製基準(續)

2.2 本集團尚未採用的新訂或經修訂準則(續)

本集團已開始評估該等經修訂準則的影響，其中部分與本集團的營運有關。根據本公司董事所作的初始評估，預期該等經修訂準則生效時不會對本集團的財務表現及狀況產生重大影響。

3 財務風險管理

本集團因從事各類活動而面臨各種財務風險：市場風險（包括外匯風險）、信貸風險及流動性風險。本集團的整體風險管理計劃專注於金融市場的不可預測性並致力於盡量減低其對本集團財務表現的潛在不利影響。風險管理由本集團管理層進行。本集團目前並未使用任何衍生金融工具以對沖相關財務風險敞口。

3.1 財務風險因素

(a) 市場風險

(i) 外匯風險

當未來的商業交易或已確認的資產及負債以非各集團實體的功能貨幣的貨幣計值時，即會產生外匯風險。本公司及其附屬公司的功能貨幣均為人民幣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency other than RMB. Certain of the Group's trade receivables, bank deposits with initial term of over three months, cash and cash equivalents, and trade payables are denominated in foreign currencies other than RMB and hence exposed the Group to foreign currency risk. The Group will constantly review the economic situation and its foreign exchange risk profile, and will consider appropriate hedging measures in the future, as may be necessary.

The Group is exposed to foreign exchange risk arising from recognised financial assets and liabilities denominated in Hong Kong Dollars (HKD), US Dollars (USD) and European Monetary Unit (EUR).

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

外匯風險來自未來商業交易及已確認的以人民幣以外的貨幣計值的資產及負債。本集團的若干貿易應收款項、初始期限為三個月以上的銀行存款、現金及現金等價物以及貿易應付款項以人民幣以外的外幣計值，因此面臨外幣風險。本集團會不斷審視經濟形勢及其外匯風險狀況，並會在日後於必要時考慮適當的對沖措施。

本集團面臨以港元(港元)、美元(美元)及歐洲貨幣單位(歐元)計值的已確認金融資產及負債產生的外匯風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

As at 31 December 2023, if USD had strengthened/weakened by 5% against RMB, with all other variables held constant, net profit for the year would have been approximately RMB6,692,000 higher/lower (2022: net loss for the year would have been approximately RMB3,139,000 lower/higher), mainly as a result of net foreign exchange gains/(losses) on translation of USD-denominated trade receivables, bank deposits with initial term of over three months, cash and cash equivalents and trade payables.

As at 31 December 2023, if HKD had strengthened/weakened by 5% against RMB, with all other variables held constant, net profit for the year would have been RMB2,000 higher/lower (2022: net loss for the year would have been RMB11,536,000 lower/higher), mainly as a result of foreign exchange gains on translation of HKD-denominated cash and cash equivalents.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

於2023年12月31日，倘美元兌人民幣上升／下跌5%（所有其他變量保持不變），則年內純利增加／減少約人民幣6,692,000元（2022年年內虧損淨額減少／增加約3,139,000元），主要原因是由於以美元計值的貿易應收款項、初始期限為三個月以上的銀行存款、現金及現金等價物及貿易應付款項換算產生外匯收益／（虧損）淨額。

於2023年12月31日，倘港元兌人民幣上升／下跌5%（所有其他變量保持不變），則年內純利增加／減少人民幣2,000元（2022年：年內虧損淨額減少／增加人民幣11,536,000元），主要原因是由於以港元計值的現金及現金等價物換算產生外匯收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

As at 31 December 2023, if EUR had strengthened/weakened by 5% against RMB, with all other variables held constant, net profit for the year would have been RMB96,000 higher/lower (2022: net loss for the year would have been RMB204,000 lower/higher), mainly as a result of foreign exchange gains on translation of EUR-denominated trade receivables, cash and cash equivalents and trade payables.

(ii) Interest rate risk

As the Group has no significant interest-bearing assets other than cash and cash equivalents and long-term or short-term bank deposits, the Group's operating income and operating cash flows are substantially independent of changes in market interest rates.

As of 31 December 2023 and 2022, the Group has no borrowings and no significant interest-bearing debts other than lease liability, so the potential risk arising from interest rate fluctuation is relatively low.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

於2023年12月31日，倘歐元兌人民幣上升／下跌5%（所有其他變量保持不變），則年內純利增加／減少人民幣96,000元（2022年：年內虧損淨額減少／增加人民幣204,000元），主要原因是由於以歐元計值的貿易應收款項、現金及現金等價物及貿易應付款項換算產生外匯收益。

(ii) 利率風險

由於本集團並無重大計息資產（現金及現金等價物及長期或短期銀行存款除外），本集團的經營收益及經營現金流量基本上不受市場利率變動影響。

截至2023年及2022年12月31日，本集團並無借款及其他重大計息債務（租賃負債除外），故利率波動產生的潛在風險相對較低。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk mainly arises from short-term or long-term bank deposits, and cash and cash equivalents, trade receivables, other receivables and financial assets at fair value through profit or loss ("FVPL"). The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated balance sheet.

The Group expects that there is no significant credit risk associated with short-term or long-term bank deposits and cash and cash equivalents since they are deposited at state-owned banks or reputable commercial banks which are high-credit-quality financial institutions. Management does not expect that there will be any significant losses from non-performance by these counterparties.

The financial assets at fair value through profit or loss have been fully redeemed in March 2023 (Note 24) and hence no longer expose the Group to any credit risk as of 31 December 2023.

The Group has the following types of financial assets subject to expected credit loss model:

- trade receivables
- other receivables

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

信貸風險主要來自短期或長期銀行存款、現金及現金等價物、貿易應收款項、其他應收款項及以公允價值計量且其變動計入當期損益(「以公允價值計量且其變動計入當期損益」)的金融資產。綜合資產負債表中每項金融資產的賬面值代表所面臨的最大信貸風險。

本集團預計不存在與短期或長期銀行存款以及現金及現金等價物有關的重大信貸風險，原因是該等銀行存款以及現金及現金等價物存放於國有銀行或聲譽良好的商業銀行，這些銀行均屬於高信用質量的金融機構。管理層預期該等對手方不履約將不會造成任何重大虧損。

以公允價值計量且其變動計入當期損益的金融資產已於2023年3月悉數贖回(附註24)，因此，本集團於2023年12月31日不再面臨任何信貸風險。

本集團受預期信貸虧損模型規限的金融資產類型如下：

- 貿易應收款項
- 其他應收款項

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(i) Credit risk of trade receivables

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the historical credit losses and adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the Gross Domestic Product and the Producer Price Index in China (the prime location where it sells its goods) to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 貿易應收款項信貸風險

本集團應用《國際財務報告準則》第9號之簡易法(採用全期預期虧損準備)計量所有貿易應收款項之預期信貸虧損。

為計量預期信貸虧損，貿易應收款項已根據共有的信貸風險特徵和逾期天數分組。

預期虧損率乃基於歷史信貸虧損並經調整，以反映影響客戶結清應收款項能力的宏觀經濟因素的當前及前瞻性資料。本集團已確定中國(其出售商品的主要地點)的國內生產總值及生產者物價指數為最相關因素，並根據該等因素的預期變動相應地調整歷史虧損率。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(i) Credit risk of trade receivables (Continued)

On that basis, the loss allowance as at 31 December 2023 and 2022 were determined as follows for trade receivables:

At 31 December 2023	於2023年12月31日
Expected loss rate (%)	預期虧損率(%)
Gross carrying amount - trade receivables (RMB'000)	總賬面值－貿易應收款項 (人民幣千元)
Loss allowance (RMB'000)	虧損準備(人民幣千元)

At 31 December 2022	於2022年12月31日
Expected loss rate (%)	預期虧損率(%)
Gross carrying amount - trade receivables (RMB'000)	總賬面值－貿易應收款項 (人民幣千元)
Loss allowance (RMB'000)	虧損準備(人民幣千元)

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 貿易應收款項信貸風險(續)

在此基礎上，於2023年及2022年12月31日，貿易應收款項的虧損準備釐定如下：

No more than 3 months 不超過3個月	3-6 months 3至6個月	6-12 months 6至12個月	More than 1 year 1年以上	Total 合計
7%	12%	19%	94%	20%
17,922 (1,234)	12,544 (1,546)	5,851 (1,118)	4,329 (4,065)	40,646 (7,963)
No more than 3 months 不超過3個月	3-6 months 3至6個月	6-12 months 6至12個月	More than 1 year 1年以上	Total 合計
6%	15%	13%	92%	31%
16,011 (1,022)	7,501 (1,139)	9,498 (1,195)	11,569 (10,608)	44,579 (13,964)

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(i) Credit risk of trade receivables (Continued)

Trade receivables are written off where there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item. Movements in the loss allowance for trade receivables during the respective year are as follows:

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 貿易應收款項信貸風險(續)

當無合理的收回預期時，撇銷貿易應收款項。貿易應收款項的減值虧損於經營利潤內以減值虧損淨額呈列。前期已撇銷金額的後續收回款項將貸記入同一行項目。於各年度的貿易應收款項虧損準備變動如下：

Year ended 31 December 截至12月31日止年度

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
At beginning of the year	年初	(13,964)	(8,288)
Net reversal/(provision) for impairment of trade receivables	貿易應收款項減值 撥回/(撥備)淨額	6,001	(5,676)
At end of the year	年末	(7,963)	(13,964)

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Credit risk of other receivables

For other receivables, management makes periodic assessments as well as individual assessment on the recoverability based on historical settlement records, experience and forward-looking information on macroeconomic factors affecting the ability of the counterparties to settle the receivables. Movements in the loss allowance for other receivables during the respective year are as follows:

At beginning of the year	年初
Provision for impairment of other receivables	其他應收款項減值撥備
At end of the year	年末

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 其他應收款項信貸風險

就其他應收款項而言，管理層基於歷史結算記錄、經驗及影響對手方結清應收款項能力的宏觀經濟因素的前瞻性資料，定期評估及個別評估可收回性。於各年度的其他應收款項虧損準備變動如下：

Year ended 31 December 截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
(239)	(188)
(20)	(51)
(259)	(239)

Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) *Liquidity risk*

The Group aims to maintain sufficient cash and cash equivalents. Due to the dynamic nature of the underlying businesses, the policy of the Group is to regularly monitor the Group's liquidity risk and to maintain adequate cash and cash equivalents to meet the Group's liquidity requirements.

The table below analyses the Group's non-derivative financial liabilities that will be settled into relevant maturity grouping based on the remaining period at each balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) *流動性風險*

本集團旨在維持充足的現金及現金等價物。由於相關業務的動態性質，本集團的政策為定期監控本集團的流動性風險及維持足夠的現金及現金等價物，以滿足本集團的流動性要求。

下表根據各資產負債表日期至合同到期日的剩餘期間，將本集團的非衍生金融負債按相關到期日進行分組分析。表內所披露之金額為合約未折現現金流量。由於折現的影響不大，12個月內到期的結餘等於其賬面結餘。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The following table presents the Group's contractual maturities of financial liabilities as at 31 December 2023 and 2022:

As at 31 December 2023	於2023年12月31日
Trade and other payables (excluded other taxes payable and employee benefit payables)	貿易及其他應付款項 (不包括其他應納稅款及應付僱員福利)
Lease liabilities	租賃負債

As at 31 December 2022	於2022年12月31日
Trade and other payables (excluded other taxes payable and employee benefit payables)	貿易及其他應付款項 (不包括其他應納稅款及應付僱員福利)
Lease liabilities	租賃負債

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動性風險(續)

下表呈列本集團於2023年及2022年12月31日的金融負債合約到期狀況：

Less than 1 year 少於1年 RMB'000 人民幣千元	Between 1-2 years 1至2年 RMB'000 人民幣千元	More than 2 years 2年以上 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
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28,767	-	-	28,767
1,497	1,198	-	2,695
30,264	1,198	-	31,462
21,667	-	-	21,667
2,303	1,037	1,141	4,481
23,970	1,037	1,141	26,148

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt. The Group monitors capital (including share capital and other reserves) by regularly reviewing the capital structure. As a part of this review, the Company considers the cost of capital and the risks associated with the issued share capital. In the opinion of the directors of the Company, the Group's capital risk is low as it does not have any external borrowings as of the respective balance sheet dates.

3 財務風險管理(續)

3.2 資本風險管理

本集團之資本管理旨在保障本集團持續經營的能力，從而為股東提供回報，為其他持份者帶來利益，並維持理想的資本架構以降低資本成本。

為維持或調整資本架構，本集團可能會發行新股或出售資產以減少債務。本集團通過定期審查資本結構監控資本(包括股本及其他儲備)。作為本次審查的一部分，本公司考慮資本成本及與已發行股本相關的風險。本公司董事認為，本集團的資本風險較低，原因是截至相應的資產負債表日期，其概無任何外部借款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation

(a) Financial assets and liabilities

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the following three levels as prescribed under IFRS Accounting Standards.

Level 1: The fair value of financial instruments traded in active markets is based on quoted market at each of the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

3 財務風險管理(續)

3.3 公允價值估計

(a) 金融資產與負債

(i) 公允價值層級

本節闡述釐定於該等綜合財務報表中按公允價值確認及計量的金融工具公允價值所作出的判斷及估計。為得出有關釐定公允價值所用輸入數據之可靠性指標，本集團已按《國際財務報告會計準則》規定將其金融工具分為以下三個層級。

第一層級：於活躍市場買賣的金融工具的公允價值以於各報告日期的市場報價為基礎。倘易於定期從交易所、交易商、經紀商、行業協會、定價服務或監管機構獲得報價，且該等價格代表了在公平交易中實際定期發生的市場交易的價格，則該市場被視為活躍市場。本集團持有的金融資產的市場報價為現時買盤價。該等工具計入第一層級。

第二層級：並非於活躍市場買賣的金融工具(例如場外衍生工具)的公允價值乃使用估值技術釐定，該等估值技術盡量利用可觀察市場數據，並盡可能減少依賴實體特定的估計。倘計算工具公允價值所需的所有重大輸入數據均屬可觀察，則將該工具計入第二層級。

第三層級：倘一項或多項重大輸入數據並非按可觀察市場數據得出，則該工具計入第三層級。非上市股本證券適用該等情況。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) *Financial assets and liabilities (Continued)*

(i) Fair value hierarchy (Continued)

The fair values of the financial assets and liabilities measured at amortised cost approximate their carrying amounts as at 31 December 2023 and 2022.

There are no financial liabilities that were measured at fair value as at 31 December 2023 and 2022.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year.

(ii) Valuation processes and valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

The finance department of the Group performs the valuations of items required for financial reporting purposes, including level 3 fair values, and report directly to the chief financial officer ("CFO"). Discussions of valuation processes and results are held between the CFO and the finance personnels responsible for valuations on a periodical basis, in line with the Group's reporting periods.

3 財務風險管理(續)

3.3 公允價值估計(續)

(a) *金融資產與負債(續)*

(i) 公允價值層級(續)

以攤銷成本計量的金融資產與負債的公允價值，與其於2023年及2022年12月31日的賬面值相若。

於2023年及2022年12月31日，概無以公允價值計量的金融負債。

本集團的政策是於報告年度末確認轉入及轉出公允價值層級。

(ii) 用於釐定公允價值的估值流程及估值技術

用於對金融工具進行估值的具體估值技術包括：

本集團財務部負責對財務報告所需的項目(包括公允價值第三層級)進行估值，並直接向首席財務官報告。首席財務官與負責估值的財務人員根據本集團的報告期間，定期就估值流程及結果進行討論。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) *Financial assets and liabilities (Continued)*

- (ii) Valuation processes and valuation techniques used to determine fair values (Continued)

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments; and
- Discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and discount rate.

There were no changes in valuation techniques during the years ended 31 December 2023 and 2022. There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the years ended 31 December 2023 and 2022.

3 財務風險管理(續)

3.3 公允價值估計(續)

(a) *金融資產與負債(續)*

- (ii) 用於釐定公允價值的估值流程及估值技術(續)

用於對金融工具進行估值的具體估值技術包括：

- 類似工具的市場報價或交易商報價；及
- 貼現現金流量模型及不可觀察輸入數據，主要包括預期未來現金流量及貼現率假設。

於截至2023年及2022年12月31日止年度，估值技術概無變動。於截至2023年及2022年12月31日止年度，第一、第二及第三層級之間並無經常性公允價值計量的轉移。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) *Financial assets and liabilities (Continued)*

- (iv) Fair value measurements using significant unobservable inputs (level 3)

At 31 December 2022, the valuation of level 3 instruments mainly included investments in wealth management products issued by banks and a private fund. All the wealth management products were mature within one year or redeemable at anytime at the Group's discretion and with variable return rates indexed to the performance of underlying assets. As these instruments are not traded in an active market, their fair values have been determined based on income approach by using a discounted cash flow analysis with the expected rate of return.

3 財務風險管理(續)

3.3 公允價值估計(續)

(a) *金融資產與負債(續)*

- (iv) 使用重大不可觀察輸入數據的公允價值計量(第三層級)

於截至2022年12月31日止年度，對第三層級工具進行估值時主要計入了投資於銀行及一家私募基金公司發行的理財產品。所有理財產品均在一年內到期或可於本集團自行決定的任何時間贖回，具有與標的資產表現掛鉤的可變回報率。由於這些工具未於活躍市場上進行買賣，其公允價值是通過收益法釐定的，使用具有預期回報率的折現現金流量分析。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

- (iv) Fair value measurements using significant unobservable inputs (level 3) (Continued)

The following table presents the changes in level 3 items for the years ended 31 December 2023 and 2022:

3 財務風險管理(續)

3.3 公允價值估計(續)

(a) 金融資產與負債(續)

- (iv) 使用重大不可觀察輸入數據的公允價值計量(第三層級)(續)

下表呈列截至2023年及2022年12月31日止年度第三層級項目的變化：

		Financial assets at FVPL 以公允價值 計量且其變動 計入當期損益 的金融資產 RMB'000 人民幣千元
Opening balance as at 1 January 2022	於2022年1月1日的 期初結餘	—
Acquisitions	收購	5,843,037
Disposals	處置	(5,590,395)
Gains recognised in other income and losses, net (Note 10)	在其他收入及虧損中確認的 收益淨額(附註10)	5,467
Closing balance as at 31 December 2022	於2022年12月31日的 期末結餘	258,109
Opening balance as at 1 January 2023	於2023年1月1日的 期初結餘	258,109
Acquisitions	收購	1,268,000
Disposals	處置	(1,536,871)
Gains recognised in other income and losses, net (Note 10)	在其他收入及虧損中確認的 收益淨額(附註10)	10,762
Closing balance as at 31 December 2023	於2023年12月31日的 期末結餘	—

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

- (iv) Fair value measurements using significant unobservable inputs (level 3) (Continued)

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements as at 31 December 2023 and 2022:

3 財務風險管理 (續)

3.3 公允價值估計 (續)

(a) 金融資產與負債 (續)

- (iv) 使用重大不可觀察輸入數據的公允價值計量 (第三層級) (續)

下表概述了於2023年及2022年12月31日第三層級公允價值計量中使用的重大不可觀察輸入數據的量化信息：

		Range of inputs 輸入數據範圍		
	Significant unobservable inputs 重大不可觀察輸入數據	As at 31 December 2023 於2023年12月31日	As at 31 December 2022 於2022年12月31日	Relationship of unobservable inputs to fair values 不可觀察輸入數據與公允價值的關係
Investment in wealth management products issued by banks	Expected return rate	N/A	1.45% to 2.97%	The higher the expected return rate, the higher the fair value
投資於銀行發行的理財產品	預期回報率	不適用	1.45%至2.97%	預期回報率越高，公允價值越高
Investment in a wealth management product issued by a private fund (Note 24)	Expected return rate	N/A	1.64%	The higher the expected return rate, the higher the fair value
投資於一家私募基金公司發行的理財產品 (附註24)	預期回報率	不適用	1.64%	預期回報率越高，公允價值越高

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(i) Estimated impairment of goodwill and intangible assets not subject to amortisation

The Group tests whether goodwill and intangible assets not subject to amortisation has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit ("CGU") is determined based on the higher of fair value less costs of disposal or value-in-use calculations which involved significant management's judgement and estimates. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period or a longer period where applicable. Cash flows beyond the periods as covered by the management approved budget are extrapolated using the estimated growth rates. Details of the impairment assessment, the key assumptions adopted and management's judgment applied in the assessment are disclosed in Notes 17 and 18.

4 重大估計及判斷

編製財務報表須使用會計估計，根據定義，該等會計估計甚少會與實際結果相等。管理層亦須於應用本集團會計政策時作出判斷。

持續評估估計及判斷。估計及判斷乃基於歷史經驗及其他因素，包括對未來事件的預期，該等預期可能對實體產生財務影響並於此等情況下被視為合理。

(i) 估計商譽減值及無需攤銷的無形資產

本集團每年會對商譽及無需攤銷的無形資產是否受到任何減值進行測試。現金產生單位的可收回金額乃基於公允價值減出售成本或使用價值計算之較高者釐定，其涉及管理層的重要判斷及估計。該等計算使用基於管理層批准的五年期或更長期間(如適用)財務預算作出的現金流量預測。超出管理層批准的預算所涵蓋的該等期間的現金流量乃使用估計增長率推算。有關減值評估以及評估採用的關鍵假設及所用的管理層判斷的詳情於附註17及18披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 CRITICAL ESTIMATES AND JUDGEMENTS (Continued)

(ii) Capitalisation of development costs

As of 31 December 2023 and 2022, the carrying amount of the Group's development costs as capitalised as intangible assets amounted to approximately RMB204,097,000 and RMB144,398,000, respectively.

The determination of the capitalisation amounts primarily involved management's judgement in assessing the technical and commercial feasibility (covering the estimated future economic benefits of the products under development) of each development project and the availability of financial and technological resources to complete the development projects and commence production. Technical feasibility is evaluated based on testing results of products and commercial feasibility is evaluated based on forecast with assumptions on revenue to be generated, budget costs to be incurred, gross profit margin and relevant market analysis of the relevant products. Availability of financial and technological resources to complete the development projects and commence production is evaluated based on the Group's liquidity and financial position and the existing manpower resources in the Group's R&D department.

4 重大估計及判斷(續)

(ii) 研發開支資本化

截至2023年及2022年12月31日，本集團研發開支資本化為無形資產的賬面值分別約為人民幣204,097,000元及人民幣144,398,000元。

釐定資本化金額主要涉及管理層在評估各開發項目的技術和商業可行性(包括開發中產品的估計未來經濟利益)時的判斷及完成開發項目並投產可用的財務及技術資源。技術可行性的評估乃基於產品的測試結果，商業可行性的評估乃基於預測，以及關於相關產品將產生的收入、將發生的預算成本、毛利率和相關市場分析的假設。完成開發項目並投產可用的財務及技術資源的評估乃基於本集團的流動資金及財務狀況以及本集團研發部門的現有人力資源。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 CRITICAL ESTIMATES AND JUDGEMENTS (Continued)

(iii) **Estimated useful lives and residual values of property, plant and equipment and patents or licenses for technologies**

The Group's management determines the estimated useful lives, residual values and related depreciation and amortisation charges for the Group's property, plant and equipment and patents or licenses for technologies with reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets. Management will revise the depreciation and amortisation charges where useful lives are different to that of previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives and actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore changing the depreciation and amortisation charges in future periods.

4 重大估計及判斷(續)

(iii) **物業、廠房及設備和技術專利或許可證的估計可使用年期及剩餘價值**

本集團管理層根據本集團擬從物業、廠房及設備和技術專利或許可證使用中獲得未來經濟利益的估計期間，釐定本集團該等資產的估計可使用年期、剩餘價值和相關折舊及攤銷費用。如可使用年期與先前估計不同，管理層將調整折舊及攤銷費用或撤銷或撤減已被丟棄或出售的技術過時或非戰略性資產。實際經濟年期可能不同於估計可使用年期且實際剩餘價值亦可能不同於估計剩餘價值。定期檢討可能會導致折舊年期及剩餘價值發生變動，從而導致未來期間的折舊及攤銷費用發生變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 CRITICAL ESTIMATES AND JUDGEMENTS (Continued)

(iv) Provision of expected credit loss (“ECL”) for trade receivables

The Group uses provision matrix to calculate ECL for the trade receivables. The provision rates are based on internal credit ratings as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group’s historical default rates taking into consideration both quantitative and qualitative information that is reasonable and supportable including forward-looking information that is available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, trade receivables with credit impaired are assessed for ECL individually.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group’s trade receivables are disclosed in Notes 3.1(b) and 23.

4 重大估計及判斷(續)

(iv) 貿易應收款項的預期信貸虧損撥備

本集團使用撥備矩陣計算貿易應收款項之預期信貸虧損。撥備率乃根據具有類似虧損模式的不同債務人群體的內部信用評級釐定。撥備矩陣乃經考慮無需花費過多成本或精力即可獲得的合理及可提供證明的定量及定性資料(包括前瞻性資料)，以本集團的過往違約率為依據作出。於各報告日期，本集團重新評估過往觀察到的違約率並考慮前瞻性資料的變化。此外，對發生信用減值的貿易應收款項個別進行預期信貸虧損評估。

預期信貸虧損撥備易受估計值變化的影響。與預期信貸虧損及本集團貿易應收款項有關的資料披露於附註3.1(b)及23。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 CRITICAL ESTIMATES AND JUDGEMENTS (Continued)

(v) Fair value of restricted share granted and share-based payment recognised under the Employee Share Ownership Plan (“ESOP”)

The Group has adopted the ESOP for the Group’s certain employees in 2021. The fair value of the restricted shares granted to employees is determined by using the discounted cash flow method to determine the underlying equity fair value of the Company and equity allocation based on Option Pricing model to determine the fair value of common shares. Significant estimates on assumptions, such as risk-free interest rate, volatility, dividend yield and lack of marketability discount are made based on management’s best estimates.

The Group has to estimate the expected forfeiture rate at the end of vesting periods (the “Forfeiture Rate”) of the restricted shares granted in order to determine the amount of share-based payment expenses charged to the profit or loss for each year. As at 31 December 2023 and 2022, management of the Company has assessed and concluded that the expected Forfeiture Rate of the restricted shares awarded by the Group is to be 9.8% and 7.4%, respectively.

(vi) Current and deferred income tax

There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax expense and deferred income tax provisions in the period in which such determination is made. In addition, the realisation of deferred income tax assets is dependent on the Group’s ability to generate sufficient taxable income in future years to utilise income tax benefits and tax loss carry-forwards. Deviations of future profitability from estimates would result in adjustments to the value of future income tax assets and liabilities, which could have a significant effect on the income tax expenses.

4 重大估計及判斷(續)

(v) 根據僱員持股計劃授予的受限制股份及確認的以股份為基礎的付款的公允價值

本集團已於2021年為本集團的若干僱員採納僱員持股計劃。授予僱員的受限制股份的公允價值使用折現現金流量法釐定，以釐定本公司的相關權益公允價值，以及基於期權定價模型的股權分配以釐定普通股的公允價值。有關假設的重大估計，如無風險利率、波幅、股息收益率和缺乏市場流通性折現，乃基於管理層的最佳估計得出。

本集團須評估於授予的受限制股份歸屬期結束時的預期沒收率(「沒收率」)，以釐定自各年度損益扣除的以股份為基礎的付款開支金額。於2023年及2022年12月31日，本公司管理層已評估並得出結論，本集團授予的受限制股份的預期沒收率分別為9.8%及7.4%。

(vi) 即期及遞延所得稅

於日常業務過程中有若干交易及計算難以明確作出最終的稅務釐定。本集團根據對是否將繳付額外稅項的估計確認負債。倘該等事宜的最終稅務結果與初步記錄的金額有所差異，則有關差異將影響於作出有關釐定期間內的所得稅開支及遞延所得稅撥備。此外，遞延所得稅資產能否變現視乎本集團於未來年度能否產生足夠應課稅收入，以使用所得稅利益及結轉稅項虧損的能力而定。倘估計的未來盈利能力有所偏離，則須對未來所得稅資產及負債價值作出調整，繼而可能對所得稅開支構成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 SEGMENT INFORMATION

Description of segments and principal activities

The Group's business activities, for which discrete financial information is available, are regularly reviewed and evaluated by the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resource and assessing performance of the operating segments, has been identified as the executive directors of the Company that make strategic decisions.

The CODM assessed the performance of the reportable operating segments mainly based on segment revenue, cost of sales, research and development expenses of each reportable operating segment. Thus, segment result would present revenue, cost of sales, research and development expenses and gross profit for each reportable operating segment, which is in line with the internal reporting for the CODM's performance review.

The Group's reportable operating segments are as follows:

Occluder Business

Occluder Business is primarily operated by Shanghai Shape Memory Alloy, which is engaged in the business of research, development and sales of interventional treatment series occluders for defective congenital heart disease.

5 分部資料

分部及主要活動的描述

本集團業務活動(可提供獨立財務資料)由主要經營決策者(「主要經營決策者」)定期審閱及評估。主要經營決策者(負責分配營運分部之資源及評估其表現)已被認為作出戰略決策的本公司執行董事。

主要經營決策者主要基於各可報告營運分部的分部收入、銷售成本及研發開支評估可報告營運分部的業績。因此，分部業績將顯示各可報告營運分部的收入、銷售成本、研發開支及毛利，這與主要經營決策者的業績考核的內部報告是一致的。

本集團的可報告營運分部如下：

封堵器業務

封堵器業務主要由上海形狀記憶合金材料運營，該公司從事缺損性先天性心臟病介入治療系列封堵器的研發及銷售業務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

Heart Valve Business

Heart Valve Business is primarily operated by the Beijing Branch of Shanghai Shape Memory Alloy, which is currently engaged in the business of research and development of heart valve medical devices.

There were no separate segment assets and segment liabilities information provided to the CODM, as CODM does not use this information to allocate resources to or evaluate the performance of the operating segments.

The segment information provided to the Group's CODM for reportable segments for the respective years is as follows:

Revenue	收入
Cost of sales	銷售成本
Gross profit	毛利
Research and development expenses	研發開支
Segment profit/(loss)	分部利潤/(虧損)
Unallocated items	未分配項目
- Distribution expenses	- 經銷開支
- General and administrative expenses	- 一般及行政開支
- Net reversal of impairment losses on financial assets	- 金融資產減值虧損撥回淨額
- Other income and losses - net	- 其他收入及虧損 - 淨額
- Finance income - net	- 財務收入 - 淨額
Profit before income tax	所得稅前利潤

5 分部資料(續)

心臟瓣膜業務

心臟瓣膜業務主要由上海形狀記憶合金材料的北京分公司運營，該公司目前從事心臟瓣膜醫療器械的研發業務。

概無向主要經營決策者提供單獨的分部資產及分部負債資料，因為主要經營決策者不使用這些資料分配營運分部的資源或評估其表現。

向本集團的主要經營決策者提供的相應年度的可報告分部的分部資料如下：

Year ended 31 December 2023		
截至2023年12月31日止年度		
Occluder Business	Heart Valve Business	Total
封堵器業務	心臟瓣膜業務	合計
RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元
325,896	-	325,896
(37,085)	-	(37,085)
288,811	-	288,811
(20,506)	(41,072)	(61,578)
268,305	(41,072)	227,233
		(50,113)
		(42,835)
		5,981
		18,416
		14,612
		173,294

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

Heart Valve Business (Continued)

		Year ended 31 December 2022 截至2022年12月31日止年度		
		Occluder Business 封堵器業務 RMB'000 人民幣千元	Heart Valve Business 心臟瓣膜業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue	收入	247,670	–	247,670
Cost of sales	銷售成本	(27,984)	–	(27,984)
Gross profit	毛利	219,686	–	219,686
Research and development expenses	研發開支	(20,059)	(33,814)	(53,873)
Segment profit/(loss)	分部利潤/(虧損)	<u>199,627</u>	<u>(33,814)</u>	<u>165,813</u>
Unallocated items	未分配項目			
– Distribution expenses	– 經銷開支			(38,663)
– General and administrative expenses	– 一般及行政開支			(53,685)
– Net provision for impairment losses on financial assets	– 金融資產減值虧損撥備淨額			(5,727)
– Other income and losses – net	– 其他收入及虧損 – 淨額			(69,464)
– Finance costs – net	– 財務成本 – 淨額			(13,306)
Loss before income tax	所得稅前虧損			<u>(15,032)</u>

Note:

During the years ended 31 December 2023 and 2022, the research and development expenses capitalised as intangible assets and not included in the segment information above amounted to approximately RMB82,007,000 and RMB69,107,000, respectively.

No individual customer has contributed more than 10% of the Group's total revenue during the years ended 31 December 2023 and 2022.

5 分部資料(續)

心臟瓣膜業務(續)

Year ended 31 December 2022
截至2022年12月31日止年度

		Occluder Business 封堵器業務 RMB'000 人民幣千元	Heart Valve Business 心臟瓣膜業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue	收入	247,670	–	247,670
Cost of sales	銷售成本	(27,984)	–	(27,984)
Gross profit	毛利	219,686	–	219,686
Research and development expenses	研發開支	(20,059)	(33,814)	(53,873)
Segment profit/(loss)	分部利潤/(虧損)	<u>199,627</u>	<u>(33,814)</u>	<u>165,813</u>
Unallocated items	未分配項目			
– Distribution expenses	– 經銷開支			(38,663)
– General and administrative expenses	– 一般及行政開支			(53,685)
– Net provision for impairment losses on financial assets	– 金融資產減值虧損撥備淨額			(5,727)
– Other income and losses – net	– 其他收入及虧損 – 淨額			(69,464)
– Finance costs – net	– 財務成本 – 淨額			(13,306)
Loss before income tax	所得稅前虧損			<u>(15,032)</u>

附註：

截至2023年及2022年12月31日止年度，資本化為無形資產且不計入上述分部資料的研發開支分別約為人民幣82,007,000元及人民幣69,107,000元。

截至2023年及2022年12月31日止年度，概無個人客戶對本集團的總收入貢獻達10%以上。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

Analysis of revenue

Derived:	來自於：
- In the PRC	- 中國
- Outside the PRC	- 中國境外

Revenue is attributed to countries based on the customers' locations.

6 REVENUE

An analysis of the Group's revenue by category for the years ended 31 December 2023 and 2022 was as follows:

Revenue from contracts with customers recognised at a point in time	於某一時間點確認的 來自客戶合約的收入
- Revenue from sales of medical occluders	- 醫療封堵器銷售收入

5 分部資料(續)

收入分析

Year ended 31 December 截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
278,132	211,460
47,764	36,210
325,896	247,670

收入歸屬於以客戶所在地為基礎的國家。

6 收入

本集團截至2023年及2022年12月31日止年度按類別劃分的收入分析如下：

Year ended 31 December 截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
325,896	247,670

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 REVENUE (Continued)

Revenues from external customers are derived from the sales of medical occluders both directly to hospitals and network of distributors. The Group has recognised revenue-related contract liabilities as set forth in Note 31.

Accounting policies of revenue recognition

Revenue is recognised as and when the Group's obligations under the terms of a contract are satisfied, which occurs when control of the promised products or services is transferred to customers. Revenue is measured as the amount of consideration the Group expects to receive in exchange for transferring products or services to a customer (the "transaction price").

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Depending on the terms of the contract and the laws applicable, control of the goods and services may be transferred over time or at a point in time.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with using the same approach as for trade receivables. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due. There is normally no significant cost to obtain contract.

6 收入 (續)

來自外部客戶的收入源自直接向醫院以及向經銷商網絡銷售醫療封堵器。本集團已確認收入相關合約負債，載於附註31。

收入確認的會計政策

承諾商品或服務的控制權轉移至客戶時，即本集團完成合約條款下的責任時確認收入。本集團按向客戶轉移商品或服務預期收取的對價金額(「交易價格」)計量收入。

履約義務指一項明確商品或服務(或一批商品或服務)或一系列大致相同的明確商品或服務。

根據合約條款及適用法律，商品及服務的控制權可隨時間推移或在某一時間點予以轉讓。

合約資產指本集團就換取本集團已轉移至客戶的商品或服務而有權收取對價但尚未成為無條件的權利。其為按照與貿易應收款項相同的方法進行減值評估。相反，應收款項指本集團無條件收取對價的權利，即該對價僅隨時間推移到期應付。獲得合約通常沒有產生較大費用。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 REVENUE (Continued)

Accounting policies of revenue recognition (Continued)

(a) *Sale of goods*

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

The following is a description of the accounting policy for the principal revenue stream of the Group.

Sales are recognised when control of the products has transferred, being when the products are delivered to the customers or consumed by hospitals for direct sales to hospitals, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been transferred to the customer, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

6 收入(續)

收入確認的會計政策(續)

(a) *銷售商品*

合約負債指本集團向客戶轉移商品或服務的義務，而本集團已就此向客戶收取對價(或應付對價金額)。

以下是對本集團主要收入來源的會計政策描述。

於產品的控制權被轉移(即在產品交付給客戶時或在產品直接銷售給醫院，由醫院消耗時)且並無影響客戶驗收產品的尚未履行義務時，確認銷售。當產品已轉移予客戶，滯銷及虧損風險已轉移予客戶，且客戶已根據銷售合約驗收產品，驗收條文已失效，或本集團有客觀證據證明所有驗收標準都已獲滿足時，發生交付。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 REVENUE (Continued)

Accounting policies of revenue recognition (Continued)

(a) Sale of goods (Continued)

The products are often sold to major customers with retrospective volume rebates based on aggregate sales over a 12-month period. In addition, the Group has also contracted with certain major customers for granting them with the rights to claim for the Group's delivery of additional units of products (capped at a pre-determined ratio to the customer's purchases of the Group's products over a 12-month period) under certain pre-agreed circumstances which are irrelevant to the quality and functionality of the Group's products (the "claims for additional units"). Revenue from these sales is recognised based on the price specified in the respective contracts, net of the estimated volume rebates and the estimated claims for additional units. Accumulated experience is used to estimate and provide for the discounts and claims, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Revenue is recognised net of value-added taxes and volume rebates and claims for additional units as mentioned above (if applicable). Revenue is measured at the fair value of the consideration received or receivable.

As receivable is recognised when the goods are delivered 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.

6 收入 (續)

收入確認的會計政策 (續)

(a) 銷售商品 (續)

該等產品通常以12個月期間內的總銷量為基準，按追溯批量返利售予主要客戶。此外，本集團亦與若干主要客戶訂約，授予彼等在若干事先約定的情況下要求本集團交付額外貨品（上限為客戶於12個月期間內所購買本集團產品的預定比率）的權利，而不論本集團產品的質量及功能如何（「額外貨品要求」）。該等銷售所得收入按各自合同規定的價格，扣除估計批量返利及估計額外貨品要求後確認。運用積累的經驗，按預期估值法估計折扣及要求並就其計提撥備，且收入僅在很可能不會有重大撥回的情況下確認。

收入於扣除增值稅、上述批量返利及額外貨品要求後確認（如適用）。收入按已收或應收對價之公允價值計量。

應收款項於商品交付時（即對價成為無條件的時間點）確認，此乃由於付款僅隨時間推移到期應付。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 EXPENSES BY NATURE

The details of cost of sales, distribution expenses, general and administrative expenses and research and development expense are as follows:

7 按性質劃分的開支

銷售成本、經銷開支、一般及行政開支及研發開支明細如下：

		Year ended 31 December 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Employee benefit expense (Note 8)	僱員福利開支(附註8)	76,480	70,451
Changes in inventories of finished goods and work in progress	製成品及在製品存貨變化	(8,671)	(8,149)
Raw materials and consumables used for	所用原材料及耗材		
– products production	– 產品生產	23,279	16,236
– research and development	– 研發	13,970	15,453
		37,249	31,689
Products testing, pre-clinical trial and animals studies fees	產品測試、臨床前試驗及動物研究費用	15,963	10,250
Depreciation of	下列各項折舊		
– property, plant and equipment (Note 14)	– 物業、廠房及設備(附註14)	4,701	3,416
– right-of-use assets (Note 15)	– 使用權資產(附註15)	2,430	2,853
– investment properties (Note 16)	– 投資物業(附註16)	646	1,070
		7,777	7,339
Amortisation of intangible assets (Note 18)	無形資產攤銷(附註18)	7,925	7,530
Marketing and consulting service fees	營銷及諮詢服務費	18,282	14,432
Professional service fees	專業服務費	9,196	225
Utilities and office expenses	公用事業及辦公開支	4,437	4,957
Travelling expenses	差旅開支	5,464	3,952
Taxes and surcharges	稅金及附加費	5,214	3,297
Transportation costs	運輸成本	3,676	1,541
Listing expenses	上市開支	–	20,438
Auditor's remuneration:	核數師薪酬		
– audit services	– 核數服務	2,600	2,400
– non-audit services	– 非核數服務	113	120
Others	其他	5,906	3,733
Total	合計	191,611	174,205

Notes to the Consolidated Financial Statements

綜合財務報表附註

8 EMPLOYEE BENEFIT EXPENSE

8 僱員福利開支

		Year ended 31 December 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Wages, salaries and bonuses	工資、薪金及紅利	56,112	49,908
Social security costs and housing benefits	社會保障費用和住房福利	13,155	11,240
Other employee welfares	其他僱員福利	797	517
Share-based payment expenses	以股份為基礎的付款開支	30,615	24,352
		100,679	86,017
Less: amounts capitalised as intangible assets	減：資本化為無形資產的金額	(24,199)	(15,566)
Amount charged to profit or loss	自損益扣除的金額	76,480	70,451
Representing amounts charged to:	自以下各項扣除的金額：		
– cost of sales	– 銷售成本	10,856	9,217
– distribution expenses	– 經銷開支	22,029	19,579
– general and administrative expenses	– 一般及行政開支	23,907	21,802
– research and development expenses	– 研發開支	19,688	19,853
		76,480	70,451

Notes to the Consolidated Financial Statements

綜合財務報表附註

8 EMPLOYEE BENEFIT EXPENSE (Continued)

(a) The employees of the Group in the PRC have participated in state-managed pension scheme operated by the PRC Government. The Group is required to contribute a specified percentage of payroll costs as determined by local government authority to the pension obligations to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contribution under the scheme. No forfeited contributions were available to the Group for reducing its contributions to the abovementioned scheme for the years ended 31 December 2023 and 2022.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include 1 (2022: 2) director for the year ended 31 December 2023. The emoluments payable to the remaining 4 (2022: 3) highest paid individuals for the year ended 31 December 2023 are as below:

Wages, salaries and bonuses	工資、薪金及紅利
Social security costs and housing benefits	社會保障費用和住房福利
Share-based payments	以股份為基礎的付款

8 僱員福利開支(續)

(a) 本集團於中國的僱員均已參與中國政府運作的國家管理養老金計劃。本集團需要按照地方政府機關確定的薪金費用的特定百分比繳納養老金，為此類福利提供資金。本集團在退休福利計劃方面的唯一義務是按照該計劃繳納規定金額的費用。截至2023年及2022年12月31日止年度，本集團並無沒收款項可供減少其向上述計劃繳納的費用。

(b) 五名最高薪酬人士

截至2023年12月31日止年度，本集團五名最高薪酬人士包括1名(2022年：2名)董事。截至2023年12月31日止年度，應向其餘4名(2022年：3名)最高薪酬人士支付的薪酬如下：

Year ended 31 December 截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
2,800	2,307
491	421
3,759	2,681
7,050	5,409

Notes to the Consolidated Financial Statements

綜合財務報表附註

8 EMPLOYEE BENEFIT EXPENSE (Continued)

(b) Five highest paid individuals (Continued)

The emoluments of the non-director highest paid individuals fell within the following bands:

Emolument bands (in HK dollar)	薪酬級別 (以港元計)
HK\$1,000,000 – HK\$1,500,000	1,000,000港元至 1,500,000港元
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至 2,000,000港元
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至 2,500,000港元
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至 3,000,000港元
HK\$3,000,001 – HK\$3,500,000	3,000,001港元至 3,500,000港元
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至 4,000,000港元

9 NET (REVERSAL)/PROVISION FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Net (reversal)/provision for loss allowances on:

- trade receivables
- other receivables

以下各項的虧損準備金 (撥回)/撥備淨額：

- 貿易應收款項
- 其他應收款項

8 僱員福利開支 (續)

(b) 五名最高薪酬人士 (續)

非董事最高薪酬人士的薪酬級別如下：

Number of individuals
人數
Year ended 31 December
截至12月31日止年度

2023 2023年	2022 2022年
2	–
1	1
–	2
–	–
–	–
1	–

9 金融資產減值虧損 (撥回)/撥備淨額

Year ended 31 December
截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
(6,001)	5,676
20	51
(5,981)	5,727

Notes to the Consolidated Financial Statements

綜合財務報表附註

10 OTHER INCOME AND LOSSES – NET

10 其他收入及虧損 – 淨額

		Year ended 31 December 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Investment income on financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產的投資收入	10,762	10,395
Government grants	政府補助	12,403	4,767
Testing and processing service income	測試及加工服務收入	–	1,019
Commission income from related party	來自關聯方的佣金收入	–	746
Rental income from investment properties (Note 16)	來自投資物業的租金收入(附註16)	679	530
Others	其他	614	42
Other income	其他收入	24,458	17,499
Fair value losses on financial assets at FVPL	以公允價值計量且其變動計入當期損益的金融資產的公允價值虧損	–	(4,928)
Net loss on write-off of property, plant and equipment	撇銷物業、廠房及設備產生的虧損淨額	–	(1)
Net foreign exchange losses (note)	外匯虧損淨額(附註)	(5,888)	(82,279)
Others	其他	(154)	245
Other losses – net	其他虧損 – 淨額	(6,042)	(86,963)
Other income and losses – net	其他收入及虧損 – 淨額	18,416	(69,464)

Notes to the Consolidated Financial Statements

綜合財務報表附註

10 OTHER INCOME AND LOSSES – NET (Continued)

Notes:

- (a) The government grants are mainly subsidies received from local authorities in consideration of encouragement of the Group's investments in research and development activities, the Group's tax contribution, as well as a one-time subsidy for the Company's listing on the HKEx, etc.
- (b) The net foreign exchange losses as recognised for the year ended 31 December 2022 primarily comprise of the exchange losses from the retranslation of the USD-denominated redemption liabilities up to the date of derecognition (i.e. the listing date of the Company on 8 November 2022) of approximately RMB76,377,000.

Accounting policy of government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

10 其他收入及虧損 – 淨額 (續)

附註：

- (a) 政府補助主要為鑒於鼓勵本集團在研發活動上的投資、本集團的稅務貢獻及本公司在香港交易所上市的一次性補貼等因素，自當地部門收取的補貼。
- (b) 截至2022年12月31日止年度確認的匯兌虧損淨額主要包括截至終止確認日期（即本公司於2022年11月8日的上市日期）重新換算以美元計值的贖回負債產生的外匯虧損約人民幣76,377,000元。

政府補助的會計政策

倘可合理保證將會獲得補助且本集團將符合所有附帶條件，則按公允價值確認政府補助。

與成本有關的政府補助會予以遞延，並於將該等補助與其擬補償成本進行匹配所需期間內於損益中確認。

與購買物業、廠房及設備有關的政府補助列入非流動負債作為遞延收益，並按有關資產之預計年期以直線法計入損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

11 FINANCE INCOME/(COSTS) - NET

Finance income:
Bank interest income

Finance costs:
Interest expense on lease liabilities
Interest expense on redemption liabilities

Finance income/(costs) - net

財務收入：
銀行利息收入

財務成本：
租賃負債的利息開支
贖回負債的利息開支

財務收入／(成本)－淨額

11 財務收入／(成本)－淨額

Year ended 31 December
截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
14,816	5,665
(204)	(288)
—	(18,683)
(204)	(18,971)
14,612	(13,306)

12 INCOME TAX EXPENSE

Current income tax charge:
— Current tax on profits for the year
— Adjustments for the prior year
Deferred income tax credit/(debit)

Income tax expense

即期所得稅支出：
— 年內利潤的即期稅項
— 先前年份調整
遞延所得稅抵免／(支出)

所得稅開支

12 所得稅開支

Year ended 31 December
截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
18,844	11,791
594	—
2,324	(7,010)
21,762	4,781

Notes to the Consolidated Financial Statements

綜合財務報表附註

12 INCOME TAX EXPENSE (Continued)

Shanghai Shape Memory Alloy is qualified as a “High and New Technology Enterprise (“HNTE”)” under the relevant PRC laws and regulations on 23 October 2017 (such qualification renewed on 18 November 2020 and 12 December 2023). Accordingly, it is entitled to a preferential income tax rate of 15% on its estimated assessable profits for the years ended 31 December 2023 and 2022. Shanghai Shape Memory Alloy is subject to the requirement for re-applying for the renewal of this HNTE status every three years.

According to the relevant laws and regulations promulgated by the State Administration of Taxation of the PRC that has been effective from 2021 onwards, enterprise engaging in research and development activities are entitled to claim 200% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year (the “super deduction”).

12 所得稅開支(續)

於2017年10月23日，根據相關中國法律法規，上海形狀記憶合金材料符合「高新技術企業」資格(該資格於2020年11月18日及2023年12月12日續期)。因此，其有權就其截至2023年及2022年12月31日止年度的估計應課稅利潤享受15%的優惠稅率。上海形狀記憶合金材料須每三年重新申請高新技術企業身份續期。

根據中國國家稅務總局頒佈，並自2021年起已施行的相關法律法規，從事研發活動的企業於釐定其相關年度的應課稅利潤時，有權申請將其產生的研發開支的200%作為可扣稅開支(「加計扣除」)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

12 INCOME TAX EXPENSE (Continued)

(a) Reconciliation of income tax expense

A reconciliation of the expected income tax calculated at the applicable tax rate and profit/(loss) before income tax, with the actual income tax is as follows:

12 所得稅開支(續)

所得稅開支的對賬

按適用稅率計算的預期所得稅及所得稅前利潤/(虧損)與實際所得稅的對賬如下：

		Year ended 31 December 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Profit/(loss) before income tax	所得稅前利潤/(虧損)	173,294	(15,032)
Tax calculated at the PRC statutory tax rate (25%)	以中國法定稅率(25%)計算的稅項	43,323	(3,758)
Tax effect of:	以下各項的稅務影響：		
Preferential tax rate	優惠稅率	(17,003)	(10,374)
Expenses not deductible for tax purpose	不可扣稅開支	3,629	27,128
Super deduction for research and development expenses	研發開支的加計扣除	(8,781)	(8,215)
Adjustments for current tax of the prior year	對上一年度即期稅項的調整	594	-
		21,762	4,781

Notes to the Consolidated Financial Statements

綜合財務報表附註

13 EARNINGS/(LOSSES) PER SHARE

(a) Basic earnings/(losses) per share

Basic earnings/(losses) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during each year.

Profit/(loss) attributable to owners of the Company for the years (RMB'000)	年內本公司擁有人應佔利潤／(虧損) (人民幣千元)
Weighted average number of ordinary shares in issue (in thousands)	已發行普通股加權平均數 (以千計)
Basic earnings/(losses) per share (in RMB per share)	每股基本盈利／(虧損) (每股人民幣元)

Movement in the number of fully paid ordinary shares outstanding for the reported periods are shown in Note 27.

(b) Diluted earnings/(losses) per share

Diluted earnings/(losses) per share is the same as basic earnings/(losses) per share as there were no potential dilutive ordinary shares outstanding during the years ended 31 December 2023 and 2022.

13 每股盈利／(虧損)

(a) 每股基本盈利／(虧損)

每股基本盈利／(虧損)按各年內本公司擁有人應佔利潤／(虧損)除以已發行普通股加權平均數計算。

Year ended 31 December 截至12月31日止年度

2023 2023年	2022 2022年
151,532	(19,813)
346,750	327,556
0.44	(0.06)

報告期內發行在外的已繳足普通股的股數變動見附註27。

(b) 每股攤薄盈利／(虧損)

由於截至2023年及2022年12月31日止年度並無潛在已發行攤薄普通股，因此每股攤薄盈利／(虧損)與每股基本盈利／(虧損)相同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

		Buildings 樓宇 RMB'000 人民幣千元	Electronic equipment 電子設備 RMB'000 人民幣千元	Machinery 機器 RMB'000 人民幣千元	Vehicles 車輛 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2022	於2022年1月1日						
Cost	成本	69,716	2,141	28,083	2,334	2,462	104,736
Accumulated depreciation	累計折舊	(14,344)	(1,341)	(10,434)	(1,070)	(1,286)	(28,475)
Net book amount	賬面淨值	55,372	800	17,649	1,264	1,176	76,261
Year ended 31 December 2022	截至2022年12月31日止年度						
Opening net book amount	年初賬面淨值	55,372	800	17,649	1,264	1,176	76,261
Additions	添置	1,714	97	19,638	-	211	21,660
Write-off	撇銷	-	(1)	-	-	-	(1)
Transfer upon construction completed	於完工後轉撥	302	-	-	-	(302)	-
Depreciation charge	折舊開支	(1,953)	(297)	(2,302)	(268)	(122)	(4,942)
Closing net book amount	年末賬面淨值	55,435	599	34,985	996	963	92,978
At 31 December 2022	於2022年12月31日						
Cost	成本	71,732	2,237	47,721	2,334	2,371	126,395
Accumulated depreciation	累計折舊	(16,297)	(1,638)	(12,736)	(1,338)	(1,408)	(33,417)
Net book amount	賬面淨值	55,435	599	34,985	996	963	92,978
Year ended 31 December 2023	截至2023年12月31日止年度						
Opening net book amount	年初賬面淨值	55,435	599	34,985	996	963	92,978
Additions	添置	-	133	5,032	-	606	5,771
Net transfer from investment properties (Notes a and 16)	轉撥自投資物業淨值 (附註a及16)	15,581	-	-	-	-	15,581
Depreciation charge	折舊開支	(2,595)	(295)	(4,063)	(228)	(203)	(7,384)
Closing net book amount	年末賬面淨值	68,421	437	35,954	768	1,366	106,946
At 31 December 2023	於2023年12月31日						
Cost	成本	87,313	2,370	52,753	2,334	2,977	147,747
Accumulated depreciation	累計折舊	(18,892)	(1,933)	(16,799)	(1,566)	(1,611)	(40,801)
Net book amount	賬面淨值	68,421	437	35,954	768	1,366	106,946

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes:

- (a) Due to the change in the usage of a previously leased out property to become a self-occupied property in February 2023, the Group has then transferred the property with carrying amount of RMB15,581,000 from Group's investment properties to property, plant and equipment.
- (b) Depreciation methods and useful lives

Depreciation is calculated using the straight-line method to allocate their costs, net of their residual values, over their estimated useful lives as follows:

- Buildings
樓宇
- Electronic equipment
電子設備
- Machinery
機器
- Vehicles
車輛
- Others
其他

See Note 40.5 for the other accounting policies relevant to property, plant and equipment.

14 物業、廠房及設備(續)

附註：

- (a) 由於先前租賃物業的用途於2023年2月改變為自用物業，本集團將該物業由本集團的投資物業賬面值人民幣15,581,000元轉撥至物業、廠房及設備。
- (b) 折舊方法及可使用年期

折舊於以下估計可使用年期內以直線法計算，以分配其成本（扣除其剩餘價值）：

- 25 – 40 years
25至40年
- 3 years
3年
- 5 – 10 years
5至10年
- 3 – 12 years
3至12年
- 3 – 10 years
3至10年
- 3至10年

有關其他與物業、廠房及設備有關的會計政策，請參閱附註40.5。

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

- (c) Depreciation of property, plant, and equipment charged to profit and loss and the amounts of depreciation being capitalised are analysed as follows:

Depreciation for the year	年內折舊
Less: amounts capitalised as intangible assets	減：資本化為無形資產的金額
Amount charged to profit or loss (Note 7)	自損益扣除的金額(附註7)
Representing amounts charged to:	自以下各項扣除的金額：
– cost of sales	– 銷售成本
– distribution expenses	– 經銷開支
– general and administrative expenses	– 一般及行政開支
– research and development expenses	– 研發開支

14 物業、廠房及設備(續)

- (c) 自損益扣除的物業、廠房及設備折舊及資本化折舊金額分析如下：

Year ended 31 December 截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
7,384	4,942
<u>(2,683)</u>	<u>(1,526)</u>
4,701	3,416
1,595	1,461
73	68
975	973
<u>2,058</u>	<u>914</u>
4,701	3,416

15 RIGHT-OF-USE ASSETS

- (a) Right-of-use assets recognised in the consolidated balance sheets:

Right-of-use-assets	使用權資產
– Leased buildings	– 租賃樓宇

15 使用權資產

- (a) 於綜合資產負債表內確認的使用權資產

As at 31 December 於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
3,081	4,563

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 RIGHT-OF-USE ASSETS (Continued)

(a) Right-of-use assets recognised in the consolidated balance sheets: (Continued)

Movements in right-of-use assets are as below:

		Leased buildings 租賃樓宇 RMB'000 人民幣千元
At 1 January 2022	於2022年1月1日	
Cost	成本	8,452
Accumulated depreciation	累計折舊	(1,689)
		<hr/>
Net book amount	賬面淨值	6,763
		<hr/>
Year ended 31 December 2022	截至2022年12月31日止年度	
Opening net book amount	年初賬面淨值	6,763
Additions	添置	653
Depreciation charge	折舊開支	(2,853)
		<hr/>
Closing net book amount	年末賬面淨值	4,563
		<hr/>
At 31 December 2022	於2022年12月31日	
Cost	成本	9,105
Accumulated depreciation	累計折舊	(4,542)
		<hr/>
Net book amount	賬面淨值	4,563
		<hr/>
Year ended 31 December 2023	截至2023年12月31日止年度	
Opening net book amount	年初賬面淨值	4,563
Additions	添置	948
Depreciation charge	折舊開支	(2,430)
		<hr/>
Closing net book amount	年末賬面淨值	3,081
		<hr/>
At 31 December 2023	於2023年12月31日	
Cost	成本	10,053
Accumulated depreciation	累計折舊	(6,972)
		<hr/>
Net book amount	賬面淨值	3,081
		<hr/>

15 使用權資產 (續)

(a) 於綜合資產負債表內確認的使用權資產 (續)

使用權資產的變動如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 RIGHT-OF-USE ASSETS (Continued)

(b) Lease liabilities recognised in the consolidated balance sheets:

Lease liabilities – current	租賃負債 – 即期
Lease liabilities – non-current	租賃負債 – 非即期

(c) Amounts recognised in profit or loss as follows:

Depreciation charge of right-of-use assets (Note 7)	使用權資產的折舊開支 (附註7)
Interest expense (Note 11)	利息開支 (附註11)

15 使用權資產 (續)

(b) 於綜合資產負債表內確認的租賃負債：

As at 31 December 於12月31日	
2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
1,341	1,791
1,099	1,544
2,440	3,335

(c) 於損益中確認的金額如下：

Year ended 31 December 截至12月31日止年度	
2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
2,430	2,853
204	288

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 RIGHT-OF-USE ASSETS (Continued)

(d) The Group's leasing activities and how these are accounted for

The Group leases various warehouses, staff dormitories and areas for its research and development activities in the PRC as leasee. Rental contracts are typically made for fixed periods of 2-5 years without extension option or residual value guarantee. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset useful life and the lease term on a straight-line basis.

See Note 40.21 for the other accounting policies relevant to leases as leasee.

15 使用權資產(續)

(d) 本集團的租賃活動及其入賬方式

本集團作為承租人於中國租賃各類倉庫、員工宿舍及其研發活動場所。租賃合同通常制定2至5年的固定期限，無延期選擇權或剩餘價值擔保。租賃條款根據個別情況協商確定，包含各種不同的條款及條件。租賃協議不會施加任何契諾，但租賃資產不得用於借款抵押。

租賃於租賃資產可供本集團使用之日確認為使用權資產及有關負債。每筆租賃付款均在本金與財務成本之間分配。財務成本於租賃期內自損益扣除，以計算出各期間負債結餘的固定週期利率。使用權資產於資產之可使用年期及以直線法計量之租期的較短期間內折舊。

有關租賃為承租方的其他會計政策，請參閱附註40.21。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16 INVESTMENT PROPERTIES

16 投資物業

		Buildings 樓宇 RMB'000 人民幣千元
At 1 January 2022	於2022年1月1日	
Cost	成本	45,081
Accumulated depreciation	累計折舊	<u>(5,528)</u>
Net book value	賬面淨值	<u>39,553</u>
Year ended 31 December 2022	截至2022年12月31日止年度	
Opening net book value	年初賬面淨值	39,553
Depreciation charge (Note 7)	折舊開支(附註7)	<u>(1,070)</u>
Closing net book value	年末賬面淨值	<u>38,483</u>
At 31 December 2022	於2022年12月31日	
Cost	成本	45,081
Accumulated depreciation	累計折舊	<u>(6,598)</u>
Net book value	賬面淨值	<u>38,483</u>
Year ended 31 December 2023	截至2023年12月31日止年度	
Opening net book value	年初賬面淨值	38,483
Net transfer to property, plant and equipment (Note 14)	轉撥至物業、廠房及設備的淨額(附註14)	(15,581)
Depreciation charge (Note 7)	折舊開支(附註7)	<u>(646)</u>
Closing net book value	年末賬面淨值	<u>22,256</u>
At 31 December 2023	於2023年12月31日	
Cost	成本	27,159
Accumulated depreciation	累計折舊	<u>(4,903)</u>
Net book value	賬面淨值	<u>22,256</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

16 INVESTMENT PROPERTIES (Continued)

Depreciation of investment properties is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives of 30-40 years.

As at 31 December 2023 and 2022, the fair values of the investment properties of the Group as determined by an independent professional valuation firm amounted to approximately RMB26,953,000 and RMB44,663,000, respectively.

The amounts recognised in profit and loss for investment properties are as follows:

Rental income (Note 10)	租金收入(附註10)
Direct operating expenses from properties that generated rental income	產生租金收入的物業的直接經營開支

Depreciation of investment properties for the years ended 31 December 2023 and 2022 have all been charged to “general and administrative expenses”.

16 投資物業(續)

投資物業折舊按其估計可使用年期30至40年以直線法將成本分配至其剩餘價值來計算。

於2023年及2022年12月31日，獨立專業估值公司釐定的本集團投資物業的公允價值分別約為人民幣26,953,000元及人民幣44,663,000元。

就投資物業在損益中確認的金額如下：

Year ended 31 December 截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
679	530
(646)	(1,070)

截至2023年及2022年12月31日止年度，投資物業的折舊已悉數自「一般及行政開支」扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16 INVESTMENT PROPERTIES (Continued)

The investment properties are leased to tenants under operating leases with rentals payable quarterly. There are no variable lease payments that depend on an index or rate.

Minimum lease payments receivable on leases of investment properties are as follows:

Within 1 year	1年內
Between 1 and 2 years	1至2年
Between 2 and 3 years	2至3年

16 投資物業(續)

投資物業根據經營租約租賃予租戶，租金按季度支付。概無依賴指數或利率的可變租賃付款。

就投資物業租約應收的最低租賃付款如下：

As at 31 December 於12月31日	
2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
573	573
146	573
—	146
719	1,292

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 GOODWILL

Goodwill on acquisition of Shanghai Shape Memory Alloy 收購上海形狀記憶合金材料的商譽

Lepu Medical acquired 100% of the equity interest in Shanghai Shape Memory Alloy in October 2008 from an independent third party. The goodwill of approximately RMB48,282,000 as recognised represents the excess of the purchase consideration over the fair value of the net identifiable assets acquired, which is attributable to the core technology and synergy effects expected from the Occluder Business of Shanghai Shape Memory Alloy.

For the purpose of impairment review for goodwill and intangible assets not subject to amortisation (i.e. capitalised development costs in Note 18 refers) which are attributable to the CGU of Occluder Business, the recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets prepared by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated terminal growth rates stated below.

17 商譽

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
48,282	48,282

樂普醫療於2008年10月向一名獨立第三方收購上海形狀記憶合金材料100%的股本權益。已確認的約人民幣48,282,000元的商譽為購買對價超出已收購可識別淨資產的公允價值的部分，乃歸因於上海形狀記憶合金材料的核心技術及預期自上海形狀記憶合金材料封堵器業務獲得的協同效應。

為供歸屬於封堵器業務現金產生單位的商譽及無需攤銷的無形資產減值審查（即附註18所提及資本化研發開支），現金產生單位的可回收金額乃根據使用價值計算釐定。該等計算採用基於管理層編製的五年期財務預算的稅前現金流量預測。超過五年期的現金流量使用下述估計的終端增長率進行推算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 GOODWILL (Continued)

The key assumptions used for value-in-use calculations are as follows:

		Gross profit margin 毛利率
As at 31 December 2023	於2023年12月31日	84.65%-87.95%
As at 31 December 2022	於2022年12月31日	86.18%-87.91%

The growth rate for the first 5 years and budgeted gross profit margin were determined by the management based on past performance and its expectation for market and product development. The discount rate used is pre-tax and reflects market assessments of the time value and the specific risks relating to the industry.

The result of the impairment testing reveals that the estimated recoverable amount of the CGU of Occluder Business far exceeded its carrying amount as at 31 December 2023 and 2022.

The directors of the Company have not identified that a reasonable possible change in any of the key assumptions that could cause the carrying amount of goodwill and intangible assets not subject to amortisation (attributable to the CGU of Occluder Business) to exceed their recoverable amounts. Accordingly, the directors of the Company have concluded that no provision for impairment is required to be recognised as of the respective balance sheet dates.

17 商譽(續)

使用價值計算所採用的關鍵假設如下：

Growth rate of revenue 收入增長率	Terminal growth rate 終端增長率	Pre-tax discount rate 稅前折現率
2.78%-4.67%	0.00%	15.49%
2.34%-5.77%	0.00%	15.42%

首個五年期的增長率及預算毛利率由管理層根據過往表現及其對市場及產品發展的預期釐定。所用折現率為稅前折現率，反映對時間價值及與行業有關的特定風險的市場評估。

於2023年及2022年12月31日，減值測試的結果顯示封堵器業務的現金產生單位的估計可收回金額遠超其賬面值。

本公司董事尚未發現可導致歸屬於封堵器業務現金產生單位的商譽及無需攤銷的無形資產的賬面值超過其可收回金額的任何關鍵假設的合理可能變動。因此，本公司董事認為，截至各資產負債表日期無須確認減值撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS

18 無形資產

		Patents and licences 專利及許可 RMB'000 人民幣千元	Purchased software 已購買的軟件 RMB'000 人民幣千元	Development costs 研發開支 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2022	於2022年1月1日				
Cost	成本	50,762	127	92,025	142,914
Accumulated amortisation	累計攤銷	(6,297)	(60)	–	(6,357)
Net book value	賬面淨值	44,465	67	92,025	136,557
Year ended 31 December 2022	截至2022年12月31日止年度				
Opening net book value	年初賬面淨值	44,465	67	92,025	136,557
Costs for internal development	內部研發開支	–	–	69,107	69,107
Additions	添置	6,042	452	–	6,494
Transfer (note)	轉入(附註)	16,734	–	(16,734)	–
Amortisation charge	攤銷費用	(7,496)	(54)	–	(7,550)
Closing net book value	年末賬面淨值	59,745	465	144,398	204,608
At 31 December 2022	於2022年12月31日				
Cost	成本	73,538	579	144,398	218,515
Accumulated amortisation	累計攤銷	(13,793)	(114)	–	(13,907)
Net book value	賬面淨值	59,745	465	144,398	204,608

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS (Continued)

Year ended 31 December 2023	截至2023年12月31日止年度
Opening net book value	年初賬面淨值
Costs for internal development	內部研發開支
Additions	添置
Transfer (note)	轉入(附註)
Amortisation charge	攤銷費用
Closing net book value	年末賬面淨值
At 31 December 2023	於2023年12月31日
Cost	成本
Accumulated amortisation	累計攤銷
Net book value	賬面淨值

Note:

During the year ended 31 December 2023, Shanghai Shape Memory Alloy obtained one (2022: one) Medical Device Registration Certificate related to new occluder products. The carrying amount of the related development costs as previously capitalised were therefore transferred to patents and licences with amortisation commenced then accordingly.

The Group's development costs represented capitalised development expenditures which are not subject to amortisation during the development stage but are subject to an annual impairment testing.

18 無形資產(續)

Patents and licences	Purchased software	Development costs	Total
專利及許可	已購買的軟件	研發開支	合計
RMB'000	RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元	人民幣千元
59,745	465	144,398	204,608
-	-	82,007	82,007
3,000	116	-	3,116
22,308	-	(22,308)	-
(7,916)	(84)	-	(8,000)
77,137	497	204,097	281,731
98,846	695	204,097	303,638
(21,709)	(198)	-	(21,907)
77,137	497	204,097	281,731

附註：

截至2023年12月31日止年度，上海形狀記憶合金材料獲得一項(2022年：一項)與新封堵器產品相關的醫療器械註冊證，因此，先前資本化的相關研發開支的賬面值轉撥至專利及許可且自此開始攤銷。

本集團的研發開支指已資本化的開發支出，在開發階段無需攤銷，但須接受一次年度減值測試。

Notes to the Consolidated Financial Statements 綜合財務報表附註

18 INTANGIBLE ASSETS (Continued)

(a) Amortisation methods and periods

Amortisation is calculated using the straight-line method to allocate their costs over their estimated useful lives. (representing the remaining lives of the registered patent period and licenses period as approved by administrative authorities or the period after considering the expected administrative extension of the related licenses) from the point at which the asset is ready for use. The Group amortises intangible assets with definite useful lives by using the straight-line method as follows:

Patents and licences	3 – 10 years
專利及許可證	3-10年
Purchased software	10 years
購入的軟件	10年

See Note 40.7 for the other accounting policies relevant to intangible assets.

(b) Capitalised product development costs

Research and development cost comprise all costs that are directly attributable to research and development activities (relating to the design and testing of new or improved high end medical instruments) or that can be allocated on a reasonable basis to such activities. Research and development costs are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the medical instruments so that it will be available for use or sale;

18 無形資產(續)

(a) 攤銷方法及期間

攤銷使用直線法計算，以將專利及許可的成本分配至從該資產的估計可使用年期（即行政機關批准的已註冊專利有效期及許可證有效期的剩餘期限或經考慮相關許可證預計行政延期的期限）。本集團使用直線法就具有有限可使用年期的無形資產進行攤銷如下：

Patents and licences	3 – 10 years
專利及許可證	3-10年
Purchased software	10 years
購入的軟件	10年

有關其他與無形資產有關的會計政策，請參閱附註40.7。

(b) 資本化產品研發開支

研發開支包括所有直接歸因於研發活動（與新型或改進的高端醫療器械的設計及測試有關）或可合理分配予該等活動的成本。當滿足以下條件時，研發開支被確認為無形資產：

- 完成醫療器械以供使用或出售在技術上可行；

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS (Continued)

(b) Capitalised product development costs (Continued)

- management intends to complete the medical instruments and use or sell it;
- there is an ability to use or sell the medical instruments;
- it can be demonstrated how the medical instruments will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and the ability to use or sell the medical instruments are available; and
- the expenditure attributable to the medical instruments during its development phase can be reliably measured.

Other development expenditures that do not meet the criteria are charged to expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

18 無形資產(續)

(b) 資本化產品研發開支(續)

- 管理層有意完成醫療器械並使用或出售醫療器械；
- 有能力使用或出售醫療器械；
- 能夠證明該醫療器械將如何產生可能的未來經濟利益；
- 有足夠的技術、財務和其他資源支持，以完成該醫療器械的開發，並有能力使用或出售該醫療器械；及
- 醫療器械開發期間應佔開支能可靠計量。

其他不符合該等條件的開發開支於產生時自開支扣除。之前確認為開支的研發開支不在後續期間確認為資產。

Notes to the Consolidated Financial Statements 綜合財務報表附註

18 INTANGIBLE ASSETS (Continued)

(b) Capitalised product development costs (Continued)

As at 31 December 2023 and 2022, part of the eligible development costs attributable to the CGUs of Heart Valve Business and Occluder Business are as follows:

Occluder Business	封堵器業務
Heart Valve Business	心臟瓣膜業務

Development costs which are attributable to the CGU of Occluder Business not subject to amortisation are tested for impairment together with goodwill, the result of which have been set out in Note 17.

Development costs which are attributable to the CGU of Heart Valve Business not subject to amortisation are tested for impairment on an annual basis at 31 December for each year, or more frequently if events or changes in circumstances indicate that they might be impaired in accordance with International Accounting Standard 36 "Impairment of Assets". The recoverable amount is determined based on fair value less cost of disposal.

18 無形資產(續)

(b) 資本化產品研發開支(續)

截至2023年及2022年12月31日止年度，心臟瓣膜業務及封堵器業務的現金產生單位的應佔部分合資格研發開支如下：

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
90,125	60,263
113,972	84,135
204,097	144,398

歸屬於心臟封堵器業務的現金產生單位的研發開支無須攤銷，並與商譽進行減值測試，其結果已載列於附註17。

歸屬於心臟瓣膜業務的現金產生單位的研發開支無須攤銷，並於每年12月31日進行年度減值測試，或倘事件或情況變動表明可能出現減值時，則根據《國際會計準則》第36號「資產減值」作出更頻密測試。基於公允價值減出售成本釐定可收回金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS (Continued)

(b) Capitalised product development costs (Continued)

The management has involved an independent qualified valuer to perform impairment assessment to assess the fair value less cost of disposal of the development costs which are attributable to the CGU of Heart Valve Business as at 31 December 2023 and 2022 by using the discounted cash flow approach. For the discounted cash flows, the estimated revenue was based on the management's expected timing of the product candidates' commercialisation, productivity and sales volume. Management estimated the product candidates' sales volume based on market conditions and the state of technology development. Management then adjusted the estimated revenue to profit contributed from the development costs which are attributable to the CGU of Heart Valve Business by considering a percentage of costs and operating expenses to the revenue ("cost component ratio"), which was determined by reference to the current operating margin levels of comparable companies, with adjustments made based on management's industry experience as well as the research and development plans. Finally, management estimated the discount rate based on the uncertain success rate of commercialisation for the applicable product candidates.

18 無形資產(續)

(b) 資本化產品研發開支(續)

管理層已委聘一名獨立合資格估值師進行減值評估，採用折現現金流量法對於2023年及2022年12月31日歸屬於心臟瓣膜業務現金產生單位的研發開支的公允價值減出售成本進行評估。對於折現現金流量，估計收入乃基於管理層對在研產品商業化的時間、產量和銷量的預計。管理層根據市場情況和技術發展狀況，估計在研產品的銷量。隨後，管理層通過考慮成本及經營開支佔收入的百分比（「成本構成比」），將估計收入調整至歸屬於心臟瓣膜業務現金產生單位的研發開支貢獻的利潤，有關百分比乃參考可比公司當前的經營利潤率水平釐定，並根據管理層的行業經驗和研發計劃進行調整。最後，管理層根據不確定的適用在研產品商業化成功率估計折現率。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS (Continued)

(b) Capitalised product development costs (Continued)

Considering the development stage and expected market conditions, management expected that the first commercialisation year of related heart valve product candidates will be in 2025. Based on the related heart valve product candidates' life cycle and industry practice, the management expected that the estimated useful life of related heart valve products is at least 10 years. The cash flow projections for the first five years from 2026 to 2030 are based on financial budgets prepared by management based on market conditions. The cash flow projections for the subsequent years from 2031 to 2035 are extrapolated based on the forecasts using a steady growth rate of revenue of 2%, which does not exceed the long term industry growth forecast for the market in which the Group operates. The key assumptions used in the fair value less cost of disposal calculation for the CGU of Heart Valve Business are as follows:

18 無形資產(續)

(b) 資本化產品研發開支(續)

鑒於開發階段及預期市場狀況，管理層預計相關心臟瓣膜在研產品的首個商業化年度將為2025年。基於相關心臟瓣膜在研產品的生命週期和行業慣例，管理層預計相關心臟瓣膜產品的估計可使用年期至少為10年。首個五年期（2026年至2030年）的現金流量預測乃基於管理層基於市場狀況所編製的財務預算。後續年度（2031年至2035年）的現金流量預測乃基於使用2%的穩定收入增長率的預測推斷得出，該增長率不超過本集團經營所在市場的長期行業增長預測。計算心臟瓣膜業務現金產生單位的公允價值減出售成本所使用的關鍵假設如下：

	Gross profit margin	Growth rate of revenue 收入增長率		Cost component ratio	Post-tax discount rate
		2026-2030 2026年至 2030年	2031-2035 2031年至 2035年		
	毛利率			成本構成比	稅後折現率
As at 31 December 2023 於2023年12月31日	70%-85%	23.4%-198.9%	2%	54.3%-68.1%	17.5%
As at 31 December 2022 於2022年12月31日	70%-85%	24.4%-188.4%	2%	54.3%-68.3%	17.9%

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS (Continued)

(b) Capitalised product development costs (Continued)

Based on the result of impairment assessment, the recoverable amount of the CGU of the Heart Valve Business is estimated to be exceeded its carrying amount as at 31 December 2023 and 2022.

The recoverable amount of the CGU of the Heart Valve Business would equal its carrying amount, if each of the key assumptions were to change as follows, with all other variables held constant, and the management believe that the key assumptions would not likely to change as follows:

Gross profit margin	毛利率
Growth rate of revenue	收入增長率
Cost component ratio	成本構成比
Post-tax discount rate	稅後折現率

The directors of the Company have not identified that a reasonable possible change in any of the key assumptions that could cause the carrying amount of CGU of the Heart Valve Business to exceed its recoverable amount. The directors of the Company have concluded that no provision for impairment of the CGU of Heart Valve Business is required to be recognised as at 31 December 2023 and 2022.

18 無形資產(續)

(b) 資本化產品研發開支(續)

根據減值評估結果，心臟瓣膜業務現金產生單位的可收回金額估計將超出其於2023年及2022年12月31日的賬面值。

倘若各項關鍵假設發生以下變動，而所有其他變量保持不變，則心臟瓣膜業務現金產生單位的可收回金額相等於其賬面值，而管理層認為關鍵假設不大可能發生如下變動：

Changes in percentage point 變化百分比

2023	2022
2023年	2022年
-7.49	-5.44
-6.33	-4.52
+5.62	+4.08
+2.84	+1.79

本公司董事尚未發現可導致心臟瓣膜業務現金產生單位賬面值超出其可收回金額的任何關鍵假設的合理可能變動。本公司董事認為，無須確認於2023年及2022年12月31日的心臟瓣膜業務現金產生單位的減值撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS (Continued)

- (c) Amortisation of intangible assets has been charged to profit or loss or capitalised as follows:

Amortisation for the year	年內攤銷
Less: amounts capitalised as development costs	減：資本化作研發開支的金額
Amount charged to profit or loss (note 7)	自損益扣除的金額(附註7)
Representing amounts charged to:	自以下各項扣除的金額：
– cost of sales	– 銷售成本
– general and administrative expenses	– 一般及行政開支
– research and development expenses	– 研發開支

18 無形資產(續)

- (c) 無形資產的攤銷已自損益扣除或資本化如下：

Year ended 31 December 截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
8,000	7,550
(75)	(20)
7,925	7,530
7,447	6,853
77	52
401	625
7,925	7,530

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 FINANCIAL INSTRUMENTS BY CATEGORY

19 按類別劃分的金融工具

The Group holds the following financial instruments:

本集團持有以下金融工具：

		As at 31 December 於12月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Assets as per consolidated balance sheets	綜合資產負債表所示資產		
Financial assets at amortised cost	以攤銷成本計量的金融資產		
– trade receivables	– 貿易應收款項	32,683	30,615
– other receivables	– 其他應收款項	1,601	4,070
– long-term bank deposits	– 長期銀行存款	95,309	72,396
– short-term bank deposits	– 短期銀行存款	54,679	–
– cash and cash equivalents	– 現金及現金等價物	1,212,034	944,515
Financial assets at FVPL	以公允價值計量且其變動計入當期損益的金融資產	–	258,109
		1,396,306	1,309,705
Liabilities as per consolidated balance sheets	綜合資產負債表所示負債		
Financial liabilities at amortised cost	以攤銷成本計量的金融負債		
– trade and other payables (excluding employee benefits payables and other tax payables)	– 貿易及其他應付款項 (不包括應付僱員福利及其他應納稅款)	28,767	21,667
– lease liabilities	– 租賃負債	2,440	3,335
		31,207	25,002

The Group's exposure to various risks associated with the financial instruments has been set out in Note 3. The maximum exposure to credit risk at each balance sheet date is the carrying amount of each class of financial assets as mentioned above.

本集團面臨的與金融工具相關的各種風險載於附註3。於各資產負債表日期的最大信貸風險為上述各類金融資產的賬面值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 DEFERRED INCOME TAX

The analysis of deferred income tax assets/(liabilities), prior to any offset pursuant to net-off provisions, is as follows:

Deferred income tax assets	遞延所得稅資產
- to be recovered within 12 months	- 於12個月內收回
- to be recovered after 12 months	- 於12個月後收回
Deferred income tax liabilities	遞延所得稅負債
- to be settled within 12 months	- 於12個月內清償
- to be settled after 12 months	- 於12個月後清償

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax related to the same tax authority.

20 遞延所得稅

遞延所得稅資產／(負債)(根據扣除撥備進行任何抵銷之前)分析如下：

As at 31 December 於12月31日	
2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
4,262	5,376
9,457	10,889
13,719	16,265
(345)	(535)
(117)	(149)
(462)	(684)
13,257	15,581

當有法定可強制執行權利可將即期所得稅資產與即期所得稅負債抵銷，且當遞延所得稅涉及同一稅務機關時，可將遞延所得稅資產與負債相互抵銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 DEFERRED INCOME TAX (Continued)

The movement in deferred income tax assets and liabilities during the years ended 31 December 2023 and 2022, without taking into consideration the offsetting of balance within the same tax jurisdiction, are as follows:

Deferred income tax assets

		Allowances for receivables 應收 款項撥備 RMB'000 人民幣千元	Contract liabilities 合約負債 RMB'000 人民幣千元	Tax losses 稅項虧損 RMB'000 人民幣千元	Fair value changes of financial assets 公允價值變動 金融資產 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 1 January 2022	於2022年1月1日	1,271	1,733	5,652	-	929	9,585
Credited/(charged) to profit or loss	計入/(扣除自)損益	859	12	5,006	1,231	(428)	6,680
As at 31 December 2022	於2022年12月31日	2,130	1,745	10,658	1,231	501	16,265
As at 1 January 2023	於2023年1月1日	2,130	1,745	10,658	1,231	501	16,265
(Charged)/credited to profit or loss	(扣除自)/計入損益	(898)	(278)	(5)	(1,231)	(134)	(2,546)
As at 31 December 2023	於2023年12月31日	1,232	1,467	10,653	-	367	13,719

Deferred income tax liabilities

		Right-of-use assets 使用權資產 RMB'000 人民幣千元
As at 1 January 2022	於2022年1月1日	(1,014)
Credited to profit or loss	計入損益	330
As at 31 December 2022	於2022年12月31日	(684)
As at 1 January 2023	於2023年1月1日	(684)
Credited to profit or loss	計入損益	222
As at 31 December 2023	於2023年12月31日	(462)

20 遞延所得稅(續)

截至2023年及2022年12月31日止年度，遞延所得稅資產及負債的波動如下(未計及同一稅務司法管轄區結餘的抵銷)：

遞延所得稅資產

Notes to the Consolidated Financial Statements

綜合財務報表附註

21 PREPAYMENTS AND OTHER RECEIVABLES 21 預付款項及其他應收款項

		As at 31 December 於12月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Receivables due from related parties (Note 35(c))	應收關聯方款項(附註35(c))	-	334
Deposits	按金	1,211	2,715
Staff advance	員工墊款	11	485
Receivables from sales on behalf of a related party	來自代表關聯方銷售的 應收款項	-	100
Others	其他	638	675
		1,860	4,309
Less: provision for impairment of other receivables	減：其他應收款項減值撥備	(259)	(239)
Other receivables – net	其他應收款項 – 淨額	1,601	4,070
Prepayment to related parties (Note 35(c))	預付關聯方款項(附註35(c))	2,979	1,358
Prepayment for raw materials and others	原材料及其他預付款項	23,351	22,794
Prepayment for products testing and clinical trial fee	產品測試及臨床試驗費用 預付款項	14,289	3,410
Prepayment for purchases of property, plant and equipment	購置物業、廠房及 設備預付款項	533	3,156
Value-added tax recoverable	可收回增值稅	2,672	1,810
Others	其他	1,360	4,705
		45,184	37,233
Total prepayments and other receivables	預付款項及其他應收款項總額	46,785	41,303
Less: non-current portion	減：非流動部分	(533)	(3,238)
Current portion	流動部分	46,252	38,065

Note:

Other receivables due from related parties are denominated in RMB, unsecured, interest-free and have no fixed terms of repayment.

附註：

其他應收關聯方款項以人民幣計值、無抵押、不計息，且無固定償還期限。

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品

During the years ended 31 December 2023 and 2022, inventories recognised in profit and loss amounted to approximately RMB28,578,000 and RMB23,540,000, respectively. These costs are charged to profit or loss as follows:

Cost of inventories sold or consumed charged to:
– cost of sales
– research and development expenses

自以下各項扣除的已出售或已耗費存貨成本：
– 銷售成本
– 研發開支

22 存貨

As at 31 December 於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
30,467	27,113
17,679	12,880
21,277	17,405
69,423	57,398

截至2023年及2022年12月31日止年度，於損益中確認的存貨分別約為人民幣28,578,000元及人民幣23,540,000元。該等成本於損益中扣除，如下所示：

Year ended 31 December 截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
14,608	8,087
13,970	15,453
28,578	23,540

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 TRADE RECEIVABLES

Trade receivables from contracts with customers	客戶合約的貿易應收款項
– third parties	– 第三方
– related parties (Note 35(c))	– 關聯方(附註35(c))
Less: allowance for impairment	減：減值撥備

The Group generally does not offer any official contractual credit terms to its customers and will closely monitor the settlement pattern of respective customers. For certain individual customers with long-term relationship with the Group and have good credit history in the past, the Group may allow them to settle the related receivable balances within a discretionary period ranging from 30 days to 180 days.

The aging analysis of the gross trade receivable as at 31 December 2023 and 2022, based on invoice date, are as follows:

Within 1 year	1年內
Between 1 year and 2 years	1至2年
Over 2 years	2年以上

23 貿易應收款項

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
37,532	43,540
3,114	1,039
40,646	44,579
(7,963)	(13,964)
32,683	30,615

本集團通常不會向其客戶提供任何正式合約信貸期限，並將密切監控各客戶的清償模式。對於若干與本集團有長期關係且過往信貸記錄良好的個別客戶，本集團可能允許該等客戶在酌情釐定的30日至180日期間清償相關應收款項結餘。

於2023年及2022年12月31日基於發票日期的貿易應收款項總額的賬齡分析如下：

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
36,317	25,944
312	12,845
4,017	5,790
40,646	44,579

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 TRADE RECEIVABLES (Continued)

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables. Details of the allowance for impairment and the movement in the allowance balance has been set out in Note 3.1(b).

The carrying amounts of trade receivables are denominated in the following currencies:

RMB	人民幣
USD	美元
EUR	歐元

23 貿易應收款項(續)

本集團應用《國際財務報告準則》第9號的簡化方法計量預期信貸虧損，該方法對貿易應收款項使用存續期預期虧損撥備。減值撥備及撥備餘額波動的詳情載於附註3.1(b)。

貿易應收款項的賬面值以下列貨幣計值：

As at 31 December 於12月31日	
2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
34,145	39,898
6,266	4,547
235	134
40,646	44,579

24 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Investment in wealth management product issued by a private fund	投資於私募基金發行的理財產品
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24 以公允價值計量且其變動計入當期損益的金融資產

As at 31 December 於12月31日	
2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
-	258,109

Notes to the Consolidated Financial Statements 綜合財務報表附註

24 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

(i) Amounts recognised in profit or loss

The carrying amount of the financial assets was a reasonable approximation of their fair value due to the short-term investment period and stable yield of the underlying investments. The net realised and unrealised fair value gains (comprising the net amounts of realised fair value gains as investment income and unrealised fair value losses) as recognised as “other income and losses – net” for the year ended 31 December 2023 is RMB10,762,000 (2022: RMB5,467,000) (Note 10).

On 21 March 2023, the Group has redeemed its entire investment in the wealth management product issued by a private fund and the cash proceeds as received amounted to approximately US\$37.18 million (equivalent to approximately RMB256 million).

(ii) Risk exposure and fair value measurements

Information about the methods and assumptions used in determining fair value has been set out in Note 3.3.

24 以公允價值計量且其變動計入當期損益的金融資產(續)

(i) 於損益中確認的金額

由於相關投資的投資期短及收益率穩定，金融資產的賬面值與其公允價值合理相若。截至2023年12月31日止年度確認為「其他收入及虧損－淨額」的已變現及未變現公允價值收益淨額(包括作為投資收入的已實現公允價值收益淨額和未實現公允價值虧損淨額)約為人民幣10,762,000元(2022年：人民幣5,467,000元)(附註10)。

於2023年3月21日，本集團已贖回其於私人基金發行的理財產品的全部投資，已收到現金所得款項約為37.18百萬美元(相當於約人民幣256百萬元)。

(ii) 風險敞口及公允價值計量

有關釐定公允價值的方法及假設的資料載列於附註3.3。

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綜合財務報表附註

25 RESTRICTED CASH

Restricted bank balances 受限制銀行結餘

As at 31 December 2022, the restricted bank balances were all denominated in RMB and represented restricted bank deposit as a performance guarantee for testing and processing service as provided by the Group to certain customers.

25 受限資金

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
-	790

於2022年12月31日，受限制銀行結餘均以人民幣計值，指作為本集團向特定客戶提供的檢測及加工服務的履約保證的受限制銀行存款。

26 BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

Cash and cash equivalents:
- Cash at bank and in hand

Cash and cash equivalents are denominated in:

- RMB
- HKD
- USD
- EUR

現金及現金等價物：
- 銀行存款及手頭現金

現金及現金等價物以下列貨幣計值：

- 人民幣
- 港元
- 美元
- 歐元

26 銀行存款以及現金及現金等價物

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
1,212,034	944,515
1,090,683	552,955
48	307,628
119,435	79,315
1,868	4,617
1,212,034	944,515

Notes to the Consolidated Financial Statements 綜合財務報表附註

26 BANK DEPOSITS AND CASH AND CASH EQUIVALENTS (Continued)

26 銀行存款以及現金及現金等價物 (續)

		As at 31 December 於12月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Short-term bank deposits:	短期銀行存款：		
– Short-term bank deposits with initial term of over three months but less than one year	– 初始期限超過三個月但少於一年的短期銀行存款	54,679	–
Short-term bank deposits are denominated in:	短期銀行存款以下列貨幣計值：		
– RMB	– 人民幣	10,157	–
– USD	– 美元	44,522	–
		54,679	–
Long-term bank deposits denominated in:	長期銀行存款以下列貨幣計值：		
– RMB	– 人民幣	95,309	72,396

Notes to the Consolidated Financial Statements

綜合財務報表附註

27 SHARE CAPITAL

27 股本

		Number of ordinary shares 普通股數量	Nominal value of shares 股份面值 RMB'000 人民幣千元	Share capital 股本 RMB'000 人民幣千元
Issued and fully paid	已發行及繳足			
As at 1 January 2022	於2022年1月1日	324,294,997	324,295	324,295
Issuance of ordinary shares upon completion of the IPO (note)	首次公開發售完成時 發行普通股(附註)	22,455,000	22,455	22,455
As at 31 December 2022, 1 January 2023 and 31 December 2023	於2022年12月31日、 2023年1月1日及 2023年12月31日	346,749,997	346,750	346,750

Note:

Upon completion of the IPO on 8 November 2022, the Company has issued 22,455,000 new shares at par value of RMB1.00 each for the cash consideration of HKD29.15 per share. The total gross proceeds from the IPO were approximately HKD654,563,000 (equivalent to approximately RMB601,629,000). The share capital amount in connection with the IPO issue amounted to approximately RMB22,455,000 and the share premium arising from the IPO issue amounted to approximately RMB579,174,000. The issuance costs paid mainly include share underwriting commissions, lawyers' fees, reporting accountant's fee and other related costs, which are incremental costs directly attributable to the issuance of the new shares. These costs amounting to RMB21,878,000 were treated as a deduction against the share premium arising from the issuance of shares upon completion of the IPO.

附註：

於2022年11月8日完成首次公開發售時，本公司已發行22,455,000股每股面值為人民幣1.00元的新股份，現金對價為每股29.15港元。首次公開發售所得款項總額約為654,563,000港元（相當於約人民幣601,629,000元）。與首次公開發售發行有關的股本金額約為人民幣22,455,000元，而首次公開發售發行產生的股份溢價約為人民幣579,174,000元。已付發行成本主要包括股份包銷佣金、律師費用、申報會計師費用及其他相關成本，全部均為發行新股份直接應佔的增量成本。人民幣21,878,000元的有關成本視作於首次公開發售完成時發行股份產生的股份溢價扣減。

Notes to the Consolidated Financial Statements

綜合財務報表附註

28 TREASURY STOCK AND OTHER RESERVES

28 庫存股及其他儲備

		Other reserves 其他儲備				
	Treasury stock	Share premium	Capital reserve	Capital reserve- share- based payments	Total	
	庫存股	股份溢價	資本公積	基礎的付款	合計	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
As at 1 January 2022	於2022年1月1日	(671,507)	1,057,714	(486,630)	22,257	593,341
Issuance of ordinary shares upon completion of the IPO (Note 27)	首次公開發售完成時發行普通股(附註27)	-	579,174	-	-	579,174
Share issuance costs (Note 27)	股份發行成本(附註27)	-	(21,878)	-	-	(21,878)
Derecognition of redemption liabilities (Note b)	贖回負債終止確認(附註b)	671,507	-	103,539	-	103,539
Share-based payments – deemed contribution from Lepu Medical (Note 29(a))	以股份為基礎的付款 – 視作樂普醫療的出資(附註29(a))	-	-	-	24,352	24,352
As at 31 December 2022	於2022年12月31日	-	1,615,010	(383,091)	46,609	1,278,528
As at 1 January 2023	於2023年1月1日	-	1,615,010	(383,091)	46,609	1,278,528
Share-based payments – deemed contribution from Lepu Medical (Note 29(a))	以股份為基礎的付款 – 視作樂普醫療的出資(附註29(a))	-	-	-	30,615	30,615
Impact of vested shares under the ESOP of the Company	本公司僱員持股計劃下歸屬股份的影響	-	17,216	-	(17,216)	-
As at 31 December 2023	於2023年12月31日	-	1,632,226	(383,091)	60,008	1,309,143

Notes to the Consolidated Financial Statements

綜合財務報表附註

28 TREASURY STOCK AND OTHER RESERVES (Continued)

Notes:

- (a) Treasury stock was recorded to reflect the carrying amount of the redemption liabilities when it was initially reclassified from equity, and had been reversed when the Group's obligations in connection with those redemption liabilities are reclassified back to equity. The redemption liabilities and the treasury stock have been fully derecognised upon the completion of the IPO.
- (b) The redemption liabilities were arisen from the share capital of the Company with preferred rights as held by certain pre-IPO investors. The Group recognised the redemption liabilities as financial liabilities due to that all triggering events of key preferred rights to the pre-IPO investors were out of control of the Company and they did not meet the definition of equity for the Company. With the completion of the Company's listing on the Main Board of HKEx on 8 November 2022 (the "IPO date"), the abovementioned preferred rights granted to the pre-IPO investors were lapsed. Accordingly, the redemption liabilities of approximately RMB775,046,000 (after considering the impact of the exchange losses as arisen from the retranslation of the redemption liabilities up to the IPO date) and the treasury stock of approximately RMB671,507,000 were derecognised and the difference of approximately RMB103,539,000 was credited to the other reserves.

28 庫存股及其他儲備(續)

附註：

- (a) 於庫存股首次自權益重新分類時，將其入賬以反映贖回負債的賬面值，並於本集團就該等贖回負債的責任重新分類為權益時已將其撥回。贖回負債及庫存股已於首次公開發售完成後悉數終止確認。
- (b) 贖回負債源於本公司因若干首次公開發售前投資者持有而附帶優先權的股本。由於若干首次公開發售前投資者的關鍵優先權的所有觸發事件超出本公司的控制範圍，且彼等不符合本公司對股權的定義，因此本集團將贖回負債確認為金融負債。隨著本公司於2022年11月8日（「首次公開發售日期」）在香港交易所主板上市完成，上述授予首次公開發售前投資者的優先權已告失效。因此，贖回負債約人民幣775,046,000元（經計及重新換算截至首次公開發售日期的贖回負債產生的匯兌虧損的影響後）及庫存股約人民幣671,507,000元終止確認，而差額約人民幣103,539,000元乃計入其他儲備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 SHARE-BASED PAYMENTS

On 22 February 2021, Ningbo Jiadu Enterprise Management Partnership (Limited Partnership) (“Ningbo Jiadu”) and Ningbo Jiacheng Enterprise Management Partnership (Limited Partnership) (“Ningbo Jiacheng”) (collectively referred to as the “Vehicles”) were incorporated in the PRC under the Company Law of the PRC as vehicles companies to hold the ordinary shares of the Company for the employees under the ESOP. Ningbo Jiadu was designated as ESOP platform of the Group’s employees, and Ningbo Jiacheng was designated as ESOP platform of the Lepu Medical’s employees. As the Group does not have power to govern the relevant activities of the Vehicles nor having the repurchase or settlement obligations to acquire any shares granted under the ESOP, the directors of the Company consider that it is appropriate not to consolidate the Vehicles.

In June 2021, Ningbo Jiadu (with the authorisation from the Board of Directors of Lepu Medical) has granted 9,136,842 shares of the Company to 49 employees of the Group (the “Grantees”) at a consideration of RMB3.48 per share under the ESOP which are vested when Grantees complete a contractual terms of services with the aim to motivate the Grantees to continue serving the Group in future. The Grantees’ interests in these granted shares are held through their proportionate partnership interests in Ningbo Jiadu as limited partners.

Pursuant to the limited partnership agreement of Ningbo Jiadu, the employees with equity incentive are restricted from selling, transferring or disposing of their respective partnership interest for the first 12 months from the date of the Company’s shares are listed on a recognised stock exchange (the “listing date”). On the first trading day after each of the first and second anniversary of the listing date, 15% of the interest owned by each of the employees with equity incentive will be vested and released. On the first trading day after the third anniversary of the listing date, the remaining 70% of the interest owned by each of the employees with equity incentive will be vested and released.

29 以股份為基礎的付款

於2021年2月22日，寧波嘉度企業管理合夥企業（有限合夥）（「寧波嘉度」）及寧波嘉呈企業管理合夥企業（有限合夥）（「寧波嘉呈」）（統稱「公司」）根據中國《公司法》於中國註冊成立，作為根據僱員持股計劃代表僱員持有本公司普通股的公司。寧波嘉度獲指定為本集團僱員的僱員持股計劃平台，及寧波嘉呈獲指定為樂普醫療僱員的僱員持股計劃平台。由於本集團無權管理該等公司的相關活動，亦無購回或清償義務以購買根據僱員持股計劃授出的任何股份，本公司董事認為不再綜合入賬該等公司屬適當。

於2021年6月，寧波嘉度（經樂普醫療董事會授權）已根據僱員持股計劃以每股人民幣3.48元的對價向本集團的49名僱員（「承授人」）授予9,136,842股本公司股份，該等股份於承授人達成服務的合約條款時獲歸屬，旨在激勵承授人未來繼續為本集團服務。承授人於該等授出股份中的權益通過其作為有限合夥人於寧波嘉度的按比例合夥權益持有。

根據寧波嘉度的有限合夥協議，自本公司股份在公認證券交易所上市之日（「上市日期」）起首12個月內，享有股權激勵的員工不得出售、轉讓或處置彼等各自的合夥權益。於上市日期第一及第二週年之後的首個交易日，各個享有股權激勵的員工所擁有的15%權益將予歸屬及發放。於上市日期第三週年之後的首個交易日，各個享有股權激勵的員工所擁有的其餘70%權益將予歸屬及發放。

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綜合財務報表附註

29 SHARE-BASED PAYMENTS (Continued)

Considering the abovementioned shares were granted to the Grantees for securing their continuous services to the Group, the Group has recognised the related share-based payment expenses during the years ended 31 December 2023 and 2022. The shares as granted by Ningbo Jiadu under the approval from Lepu Medical (the parent of the Company) are those shares as subscribed and fully paid by Ningbo Jiadu in April 2021. Therefore, the grant of the shares by Ningbo Jiadu to the Grantees without any recharge to the Group has also been accounted for as deemed contribution from shareholders in equity.

Set out below are the movement in the number of awarded restricted shares under the ESOP:

At 1 January	於1月1日
Granted	已授出
Vested	已歸屬
Forfeited	已沒收
At 31 December	於12月31日

As at 31 December 2023 and 2022, management of the Company has assessed and estimated that the expected forfeiture rate for each of the vesting period of the restricted shares granted to be 9.8% and 7.4%, respectively.

29 以股份為基礎的付款(續)

考慮到上述股份已獲授予承授人以確保彼等繼續為本集團服務，本集團已確認於截至2023年及2022年12月31日止年度的相關以股份為基礎的付款開支。寧波嘉度經樂普醫療(本公司的母公司)批准授予的股份均為寧波嘉度於2021年4月認購及悉數繳足的股份。因此，寧波嘉度向承授人授予股份(無需向本集團收回)亦入賬列為視作股東於股權的出資。

下文載列僱員持股計劃項下已授出受限制股份數目的變動：

Number of shares	
股份數目	
2023	2022
2023年	2022年
7,996,464	9,136,842
-	-
(988,064)	-
-	(1,140,378)
7,008,400	7,996,464

於2023年及2022年12月31日，本公司管理層已評估及估計已授出受限制股份於各歸屬期間的預期沒收率分別為9.8%及7.4%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 SHARE-BASED PAYMENTS (Continued)

(a) Expenses arising from share-based payment transactions

Share-based payment expenses	以股份為基礎的付款開支
Less: amounts capitalised as intangible assets	減：資本化為無形資產的金額
Amount charged to profit or loss	自損益扣除的金額
Representing amounts charged to:	指自以下各項扣除的金額：
– distribution expenses	– 經銷開支
– general and administrative expenses	– 一般及行政開支
– research and development expenses	– 研發開支

(b) Accounting for share-based payment

The fair value of awarded shares granted to employees under the ESOP less amount paid by employees is recognised as an employee benefits expense over the relevant service period, being the vesting period of the shares, and the credit is recognised in equity in the share-based payment reserves. The fair value of the shares is measured at the grant date. The number of shares expected to vest is estimated based on the non-market vesting conditions. The estimates are revised at the end of each reporting period and adjustments are recognised in profit or loss and the share-based payment reserves. Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed in profit or loss at the date of the forfeiture.

29 以股份為基礎的付款(續)

(a) 以股份為基礎的付款交易產生的開支

Year ended 31 December
截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
30,615	24,352
(9,565)	(3,839)
21,050	20,513
1,976	2,592
11,740	11,927
7,334	5,994
21,050	20,513

(b) 以股份為基礎的付款的會計處理

根據僱員持股計劃授予僱員的獎勵股份之公允價值減去僱員所支付的金額乃確認為相關服務期間(即股份歸屬期)的僱員福利開支，於以股份為基礎的薪酬儲備中確認為權益貸項。該等股份的公允價值於授出日期計量。預期歸屬的股份數目乃基於非市場歸屬條件估計。該等估計乃於各報告期末進行修改，相關調整於損益及以股份為基礎的薪酬儲備中確認。倘股份因僱員無法滿足服務條件而被沒收，則先前就該等股份確認的任何費用自沒收之日起轉回損益。

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綜合財務報表附註

30 TRADE AND OTHER PAYABLES

Trade payables	貿易應付款項
– related parties (Note 35(c))	– 關聯方(附註35(c))
– third parties	– 第三方
Other payables to related parties (Note 35(c))	其他應付關聯方款項 (附註35(c))
Employee benefits payable	應付僱員福利
Other taxes payable	其他應納稅款
Accrued listing expenses	應計上市開支
Deposits received from customers	自客戶收取的按金
Others	其他

Other payables due to related parties are denominated in RMB, unsecured, interest-free and repayable on demand.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

30 貿易及其他應付款項

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
3,239	800
16,208	11,461
19,447	12,261
12	163
6,852	6,681
2,445	6,461
–	5,559
65	271
9,243	3,413
38,064	34,809

其他應付關聯方款項為以人民幣計值、無抵押、不計息，且須按要求償還。

由於貿易及其他應付款項的短期性質，其賬面值被視為與其公允價值相同。

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綜合財務報表附註

30 TRADE AND OTHER PAYABLES (Continued)

The credit period granted by suppliers to the Group ranged from 30 days to 120 days. Aging analysis of the trade payables at each balance sheet date are as follows:

Within 1 year	一年內
Between 1 year and 2 years	1年至2年
Over 2 years	2年以上

The carrying amounts of trade and other payables are denominated in the following currencies:

RMB	人民幣
EUR	歐元
USD	美元

30 貿易及其他應付款項(續)

供應商授予本集團的信貸期介乎30天至120天。於各資產負債表日期的貿易應付款項賬齡分析如下：

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
17,858	11,992
1,381	122
208	147
19,447	12,261

貿易及其他應付款項的賬面值以下列貨幣計值：

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
37,829	30,892
163	50
72	3,867
38,064	34,809

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 CONTRACT LIABILITIES

Contract liabilities	合約負債
- receipts in advance from customers	- 預收客戶款項
- rebates to customers (note)	- 給予客戶的返利(附註)
- customers' rights to claim for additional units of products (note)	- 客戶追加額外貨品的權利(附註)

Note:

The Group has contracted with certain customers to offer them with volume rebates if their purchases of the Group's products (i.e. occluders) have exceeded certain pre-determined level and these volume rebates are to be settled by way of the delivery of additional units of the Group's products to these customers with no cash alternative settlement. In addition, the Group has also contracted with certain customers for granting them with the rights to claim for additional units under the situation as described in Note 6. The sale transaction prices as allocated to the Group's unsatisfied performance obligations in delivering additional units of its products as settlement for the aforesaid volume rebates and the claims of additional units have been deferred and accounted for as contract liabilities of the Group.

Revenue recognised that was included in the contract liabilities balance at the beginning of the year

於年初計入合約負債結餘的已確認收入

31 合約負債

	As at 31 December 於12月31日	As at 1 January 於1月1日
	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
	2,806	3,229
	3,573	3,589
	6,210	7,965
	12,589	14,783

附註：

本集團已與若干客戶訂立合約，若客戶購買本集團產品(即封堵器)超過特定的預定水平，則向彼等提供批量返利，且該等批量返利將以向該等客戶交付本集團額外貨品的方式結算，而非現金替代結算方式。此外，本集團亦與若干客戶訂約，授予彼等在附註6所述情況下交付額外貨品的權利。在交付額外貨品時，分配至本集團未履行履約義務的銷售交易價格以上述批量返利進行結算，額外貨品要求已遞延並入賬列作本集團的合約負債。

Year ended 31 December 截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
13,119	14,783

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 CASH FLOW INFORMATION

(a) Reconciliation of profit/(loss) before income tax to cash generated from operations

Profit/(loss) before income tax	所得稅前利潤／(虧損)
Adjustments for:	就下列各項作出調整：
– depreciation and amortisation	– 折舊及攤銷
– amortisation of deferred income related to government grants	– 與政府補助有關的遞延收入攤銷
– net loss on write-off of property, plant and equipment	– 撇銷物業、廠房及設備產生的虧損淨額
– net (reversal)/provision for impairment losses on financial assets	– 金融資產減值虧損(撥回)／撥備淨額
– share-based compensation expenses	– 以股份為基礎的薪酬開支
– fair value losses on financial assets at fair value through profit or loss	– 以公允價值計量且其變動計入當期損益的金融資產的公允價值虧損
– investment income on financial assets at fair value through profit or loss	– 以公允價值計量且其變動計入當期損益的金融資產的投資收入
– finance (income)/costs – net	– 財務(收入)／成本－淨額
– net foreign exchange losses	– 外匯虧損淨額
Change in working capital:	營運資金變動：
– inventories	– 存貨
– prepayments and other receivables	– 預付款項及其他應收款項
– trade receivables	– 貿易應收款項
– trade and other payables	– 貿易及其他應付款項
– contract liabilities	– 合約負債
– restricted cash	– 受限資金
Cash generated from operations	經營所得現金

32 現金流量資料

(a) 所得稅前利潤／(虧損)與經營所得現金的對賬

Year ended 31 December
截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
173,294	(15,032)
15,702	14,869
–	(482)
–	1
(5,981)	5,727
21,050	20,513
–	4,928
(10,762)	(10,395)
(14,612)	13,306
5,888	82,279
184,579	115,714
(12,025)	(23,996)
2,672	(18,171)
4,054	(12,027)
3,255	7,917
(530)	(1,664)
790	(790)
182,795	66,983

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 CASH FLOW INFORMATION (Continued)

(b) Changes in liabilities from financing activities

At 1 January 2022

Cash flows
New leases (Note 15)
Interest expense (Note 11)
Foreign exchange adjustments
Derecognition of redemption liabilities
Other change

At 31 December 2022

At 1 January 2023

Cash flows
New leases (Note 15)
Interest expense (Note 11)

At 31 December 2023

32 現金流量資料(續)

(b) 融資活動負債變動

Lease liabilities	Redemption liabilities
租賃負債	贖回負債
RMB'000	RMB'000
人民幣千元	人民幣千元

於2022年1月1日

現金流量	6,187	679,986
新租賃(附註15)	(3,630)	-
利息開支(附註11)	653	-
外匯調整	288	18,683
贖回負債終止確認	-	76,377
其他變動	-	(775,046)
	(163)	-

於2022年12月31日

3,335 -

於2023年1月1日

現金流量	3,335	-
新租賃(附註15)	(2,047)	-
利息開支(附註11)	948	-
	204	-

於2023年12月31日

2,440 -

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 CASH FLOW INFORMATION (Continued)

(c) Major non-cash transactions

Derecognition of redemption liabilities	贖回負債終止確認
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33 COMMITMENTS

The Group's capital commitments as of 31 December 2023 and 2022 are as follows:

Property, plant and equipment	物業、廠房及設備
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32 現金流量資料(續)

(c) 主要非現金交易

Year ended 31 December
截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
-	775,046

33 承擔

截至2023年及2022年12月31日，
本集團資本承擔如下：

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
177	1,283

Notes to the Consolidated Financial Statements

綜合財務報表附註

34 SUBSIDIARIES

The Group's principal subsidiaries as at 31 December 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

34 附屬公司

本集團於2023年12月31日的主要附屬公司載列如下。除另有說明外，彼等的股本僅包括由本集團直接持有的普通股，而所持所有權權益的比例等於本集團所持有的投票權。註冊成立或登記國家亦為其主要營業地點。

Name of entity 實體名稱	Place of incorporation and kind of legal entity 註冊成立地點及 法律實體類型	Paid-up capital 繳足股本 RMB'000 人民幣千元	Ownership interest held by the Group 本集團持有的所有權權益 As of 31 December 於12月31日		Principal activities/ place of operation 主要業務活動／營業地點
			2023 2023年	2022 2022年	
Directly owned: 直接擁有：					
Shanghai Shape Memory Alloy	The PRC, limited liability company	100,000	100%	100%	Manufacturing and sales of interventional treatment series occluders for defective congenital heart disease and the research and development of biological valve for heart disease/The PRC
上海形狀記憶 合金材料	中國，有限責任公司	100,000	100%	100%	缺損性先天性心臟病介入治療 系列封堵器生產及銷售和 針對心臟病的生物瓣膜 研發／中國
Lepu ScienTech (Beijing) Medical Technology Co., Ltd.	The PRC, limited liability company	400,000	100%	-	The research and development of biological valve for heart disease/ The PRC
樂普心泰(北京) 醫療科技 有限公司	中國，有限責任公司	400,000	100%	-	針對心臟病的生物瓣膜 研發／中國

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

The Group is controlled by the following entity:

Name 名稱	Type 類型	Place of incorporation 註冊地點
Lepu Medical 樂普醫療	Ultimate parent entity 最終母公司	Beijing, the PRC 中國，北京

35 關聯方交易

如一方能夠直接或間接控制另一方或在另一方作出財務及經營決策時施加重大影響，則各方被視為相關聯。受到共同控制的各方亦被視為相關聯。

本集團受以下實體控制：

Ownership interests in the Company 於本公司的擁有權權益 As at 31 December 於12月31日

2023 2023年	2022 2022年
80.75%	80.75%
80.75%	80.75%

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Continued)

(a) Name and relationship with related parties
(Continued)

Names of the major related parties
主要關聯方的名稱

Jiangsu Shangzhi Medical Instrument Co., Ltd.
(江蘇上智醫療器械有限公司)
江蘇上智醫療器械有限公司
Beijing Lepu Medical Technology Co., Ltd.
(北京樂普診斷科技股份有限公司)
北京樂普診斷科技股份有限公司
Beijing Lepu Health Care Network Technology Co., Ltd
(北京樂普護生堂網絡科技有限公司)
北京樂普護生堂網絡科技有限公司
Shanghai Lepu Yunzhi Technology Co., Ltd.
(上海樂普雲智科技股份有限公司)
上海樂普雲智科技股份有限公司
Lepu Ruikang (Beijing) Technology Co., Ltd.
(樂普睿康(北京)科技有限公司)
樂普睿康(北京)科技有限公司
Sichuan Xingtai Pule Medical Technology Co., Ltd
(四川興泰普樂醫療科技有限公司)
四川興泰普樂醫療科技有限公司

35 關聯方交易(續)

(a) 關聯方名稱及與關聯方的關係
(續)

Nature of relationship
關係性質

A subsidiary of Lepu Medical
樂普醫療附屬公司
A subsidiary of Lepu Medical
樂普醫療附屬公司
A subsidiary of Lepu Medical
樂普醫療附屬公司
A joint venture of subsidiary of
Lepu Medical
樂普醫療附屬公司的合資企業
A subsidiary of Lepu Medical
樂普醫療附屬公司
A subsidiary of Lepu Medical
樂普醫療附屬公司

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions with related parties

Sale of goods	銷售商品
– Subsidiaries of Lepu Medical	– 樂普醫療附屬公司
Rental income	租金收入
– Subsidiaries of Lepu Medical	– 樂普醫療附屬公司
– A joint venture of subsidiary of Lepu Medical	– 樂普醫療附屬公司的合資企業
Commission income	佣金收入
– Subsidiary of Lepu Medical	– 樂普醫療附屬公司
Purchases of raw materials and services	購買原材料及服務
– Lepu Medical (note)	– 樂普醫療(附註)
– Subsidiaries of Lepu Medical	– 樂普醫療附屬公司
Payment of lease liabilities	支付租賃負債
– Lepu Medical	– 樂普醫療

35 關聯方交易(續)

(b) 與關聯方的交易

Year ended 31 December
截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
7,793	5,412
–	215
679	315
679	530
–	746
18,157	27,977
6,252	4,144
24,409	32,121
1,231	–

Notes to the Consolidated Financial Statements 綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions with related parties (Continued)

Note:

Up to the date of these consolidated financial statements, the key research and development work of certain heart valve products were registered under the name of, and conducted by, Lepu Medical. In May 2021, the Group entered into a framework agreement with Lepu Medical and entrusted Lepu Medical to development of certain heart valve products under the Group's instruction due to regulatory restrictions and commercial reasons (the "Entrusted Development Services"). For the years ended 31 December 2023 and 2022, the service fee paid/payable to Lepu Medical in respect of these Entrusted Development Services amounted to approximately RMB17,984,000 and RMB27,977,000, respectively.

35 關聯方交易(續)

(b) 與關聯方的交易(續)

附註：

直至該等綜合財務報表日期，若干心臟瓣膜產品的關鍵研發工作已以樂普醫療的名義註冊並由其進行。於2021年5月，由於監管限制及商業原因，本集團與樂普醫療訂立框架協議並委託樂普醫療根據本集團的指示開發若干心臟瓣膜產品（「委託開發服務」）。截至2023年及2022年12月31日止年度，就該等委託開發服務已付／應付予樂普醫療的服務費分別約為人民幣17,984,000元及人民幣27,977,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related parties

Receivables from related parties 應收關聯方款項

Trade receivables	貿易應收款項
– Subsidiaries of Lepu Medical	– 樂普醫療附屬公司
Other receivables	其他應收款項
– A joint venture of subsidiary of Lepu Medical	– 樂普醫療附屬公司的合資企業

Prepayments	預付款項
– Subsidiaries of Lepu Medical	– 樂普醫療附屬公司

Payables to related parties 應付關聯方款項

Trade payables	貿易應付款項
– Subsidiaries of Lepu Medical	– 樂普醫療附屬公司

Other payables	其他應付款項
– Lepu Medical	– 樂普醫療

Lease liabilities	租賃負債
– Lepu Medical	– 樂普醫療

All the balances with related parties are unsecured, interest-free and have no fixed terms of repayment.

35 關聯方交易(續)

(c) 與關聯方的結餘

As at 31 December
於12月31日

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
3,114	1,039
-	334
2,979	1,358
3,239	800
12	163
-	997

所有與關聯方的結餘無抵押、不計息，且無固定償還期限。

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Continued)

(d) Key management personnel compensation

Key management includes directors (executive and non-executive) and respective department heads. The compensation paid or payable to key management for employee services is shown below:

Wages, salaries and bonuses, other short-term employee benefits and share-based payment	工資、薪金及紅利、其他短期僱員福利及以股份為基礎的付款
– Directors and supervisors	– 董事及監事
– Other key management	– 其他主要管理人員

The key management personnel compensation disclosed above include amounts of approximately RMB812,000 which were remained unpaid as of 31 December 2023 (2022: RMB959,000) and are included in other payables. The share-based payments provided to key management personnel consist of options which is equity-settled (Note 29).

35 關聯方交易(續)

(d) 主要管理人員薪酬

主要管理人員包括執行及非執行董事及各部門主管。向主要管理人員就僱員服務已付或應付的薪酬如下所示：

Year ended 31 December 截至12月31日止年度

2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
9,565	9,374
6,279	5,409
15,844	14,783

上文披露的主要管理人員薪酬包括截至2023年12月31日仍未支付的人民幣812,000元(2022年：人民幣959,000元)並計入其他應付款項內。向主要管理人員提供的以股份為基礎的付款包括以股權結算的購股權(附註29)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Continued)

(e) Directors' emoluments

The remuneration of every director and the chief executive officer for the years ended 31 December 2023 and 2022, were set out below:

For the year ended 31 December 2023: 截至2023年12月31日止年度：

Executive directors	執行董事
Ms. Chen Juan	陳娟女士
Ms. Zhang Yuxin	張昱昕女士
Non-executive directors	非執行董事
Mr. Fu Shan	付山先生
Mr. Zheng Guorui	鄭國銳先生
Mr. Zheng Yufeng	鄭玉峰先生
Mr. Liu Daozhi	劉道志先生
Ms. Chan Ka Lai Vanessa	陳嘉麗女士

35 關聯方交易(續)

(e) 董事酬金

截至2023年及2022年12月31日止年度，各董事及行政總裁的薪酬載列如下：

Fees	Salaries and other allowances	Bonuses	Share-based payments	Total
袍金	工資及其他津貼	花紅	以股份為基礎的付款	合計
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
-	1,629	-	3,125	4,754
-	985	-	2,708	3,593
-	-	-	-	-
-	-	-	-	-
200	-	-	-	200
211	-	-	-	211
200	-	-	-	200
611	2,514	-	5,833	8,958

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Continued)

(e) Directors' emoluments (Continued)

	Fees	Salaries and other	Bonuses	Share-based	Total
		allowances		payments	
	袍金	工資及其他津貼	花紅	以股份為基礎的付款	合計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
For the year ended	截至2022年12月31日止年度：				
31 December 2022:					
Executive directors	執行董事				
Ms. Chen Juan	-	1,647	-	2,872	4,519
Ms. Zhang Yuxin	-	1,138	-	2,490	3,628
Non-executive directors	非執行董事				
Mr. Fu Shan	-	-	-	-	-
Mr. Zheng Guorui	-	-	-	-	-
Mr. Zheng Yufeng	200	-	-	-	200
Mr. Liu Daozhi	200	-	-	-	200
Ms. Chan Ka Lai Vanessa	200	-	-	-	200
	<u>600</u>	<u>2,785</u>	<u>-</u>	<u>5,362</u>	<u>8,747</u>

(f) Directors' retirement benefits

There were no retirement benefits paid/payable to any director during the years ended 31 December 2023 and 2022.

(g) Directors' termination benefits

There were no termination benefits paid/payable to any director during the years ended 31 December 2023 and 2022.

(h) Consideration provided to or receivable by third parties for making available directors' Services

No consideration was provided to or receivable by third parties for making available directors' services during the years ended 31 December 2023 and 2022.

35 關聯方交易(續)

(e) 董事酬金(續)

	Fees	Salaries and other	Bonuses	Share-based	Total
		allowances		payments	
	袍金	工資及其他津貼	花紅	以股份為基礎的付款	合計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
For the year ended	截至2022年12月31日止年度：				
31 December 2022:					
Executive directors	執行董事				
Ms. Chen Juan	-	1,647	-	2,872	4,519
Ms. Zhang Yuxin	-	1,138	-	2,490	3,628
Non-executive directors	非執行董事				
Mr. Fu Shan	-	-	-	-	-
Mr. Zheng Guorui	-	-	-	-	-
Mr. Zheng Yufeng	200	-	-	-	200
Mr. Liu Daozhi	200	-	-	-	200
Ms. Chan Ka Lai Vanessa	200	-	-	-	200
	<u>600</u>	<u>2,785</u>	<u>-</u>	<u>5,362</u>	<u>8,747</u>

(f) 董事退休福利

截至2023年及2022年12月31日止年度，並無已付／應付予任何董事的退休福利。

(g) 董事辭任福利

截至2023年及2022年12月31日止年度，並無已付／應付予任何董事的辭任福利。

(h) 為提供董事服務而向第三方提供或由第三方收取的對價

截至2023年及2022年12月31日止年度，並無向第三方提供或由第三方收取董事服務的對價。

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Continued)

(i) **Information about loans, quasi-loans, controlled corporate bodies, connected entities and other dealings in favor of directors**

No loans, quasi-loans, controlled corporate bodies, connected entities and other dealings were entered into between the Group and the directors in favor of the directors, during the years ended 31 December 2023 and 2022.

(j) **Directors' material interests in transactions, arrangements or contracts**

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the years ended 31 December 2023 and 2022.

36 CONTINGENCIES

The Group did not have any material contingent liabilities as of 31 December 2023 and 2022.

37 DIVIDEND

Pursuant to the resolution on 28 March 2024, the Board has resolved to recommend for declaration and payment of a final dividend of RMB0.57 per share (approximately RMB198 million in aggregate) for the year ended 31 December 2023 (2022: nil), subject to the approval by the shareholders of the Company at the forthcoming annual general meeting to be held on 23 May 2024. This proposed dividend is not reflected as a dividend payable in these consolidated financial statements, but will be reflected as an appropriation for the year ending 31 December 2024.

35 關聯方交易(續)

(i) **有關貸款、準貸款、受控法人團體、關連實體和其他有利於董事的交易的資料**

截至2023年及2022年12月31日止年度，本集團與董事之間並未訂立任何有利於董事的貸款、準貸款、受控法人團體、關連實體和其他交易。

(j) **董事在交易、安排或合約中的重大利益**

截至2023年及2022年12月31日止年度，本公司於年末或任何時候均不存在本公司作為一方及本公司董事直接或間接擁有重大權益的與本集團業務有關的重大交易、安排及合約。

36 或有事項

截至2023年及2022年12月31日，本集團並無任何重大或有負債。

37 股息

根據於2024年3月28日的決議，董事會已議決建議宣派及派發截至2023年12月31日止年度的末期股息每股人民幣0.57元(合共約人民幣198百萬元)(2022年：無)，惟須經本公司股東於將於2024年5月23日舉行的應屆股東週年大會上批准後，方可作實。建議股息並未於此等綜合財務報表中反映作應付股息，但將於本公司截至2024年12月31日止年度反映作轉撥。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

Company Balance Sheet

		As at 31 December 於12月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
ASSETS	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	1,113,776	713,776
Deferred income tax assets	遞延所得稅資產	10,652	11,889
Long-term bank deposits	長期銀行存款	74,881	72,396
Total non-current assets	非流動資產總值	1,199,309	798,061
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	424,290	32,290
Prepayments and other receivables	預付款項及其他應收款項	3,258	6,828
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產	-	258,109
Short-term bank deposits	短期銀行存款	10,157	-
Cash and cash equivalents	現金及現金等價物	632,091	837,847
Total current assets	流動資產總值	1,069,796	1,135,084
Total assets	資產總值	2,265,105	1,933,145
EQUITY	權益		
Share capital	股本	27	346,750
Other reserves	其他儲備	38(a)	1,718,549
Retained earnings/(accumulated losses)	留存盈利/(累計虧損)	38(a)	200,359
Total equity	權益總額	2,265,658	1,922,422

38 本公司資產負債表及儲備變動

公司資產負債表

		As at 31 December 於12月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
ASSETS	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	1,113,776	713,776
Deferred income tax assets	遞延所得稅資產	10,652	11,889
Long-term bank deposits	長期銀行存款	74,881	72,396
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Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產	-	258,109
Short-term bank deposits	短期銀行存款	10,157	-
Cash and cash equivalents	現金及現金等價物	632,091	837,847
Total current assets	流動資產總值	1,069,796	1,135,084
Total assets	資產總值	2,265,105	1,933,145
EQUITY	權益		
Share capital	股本	27	346,750
Other reserves	其他儲備	38(a)	1,718,549
Retained earnings/(accumulated losses)	留存盈利/(累計虧損)	38(a)	200,359
Total equity	權益總額	2,265,658	1,922,422

Notes to the Consolidated Financial Statements

綜合財務報表附註

38 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Company Balance Sheet (Continued)

LIABILITIES	負債
Current liabilities	流動負債
Trade and other payables	貿易及其他應付款項
Total current liabilities	流動負債總額
Total liabilities	負債總額
Total equity and liabilities	權益及負債總額

The balance sheet of the Company was approved and authorised for issue by the Board of Directors of the Company on 28 March 2024 and was signed on its behalf by:

Director: **Ms. Chen Juan**
董事：陳娟女士

38 本公司資產負債表及儲備變動(續)

公司資產負債表(續)

Note 附註	As at 31 December 於12月31日	
	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
	3,447	10,723
	3,447	10,723
	3,447	10,723
	2,265,105	1,933,145

本公司的資產負債表經本公司董事會於2024年3月28日批准及授權刊發，並由下列人士代表簽署：

Director: **Ms. Zhang Yuxin**
董事：張昱昕女士

Notes to the Consolidated Financial Statements 綜合財務報表附註

38 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Notes:

(a) Reserve movement of the Company

Balance at 1 January 2022	於2022年1月1日的結餘
Loss for the year	年內虧損
Issuance of ordinary shares upon completion of the IPO (Note 27)	首次公开发售完成后发行普通股(附註27)
Share issuance costs (Note 27)	股份发行成本(附註27)
Derecognition of redemption liabilities	终止确认赎回负债
Balance at 31 December 2022	於2022年12月31日的結餘
Balance at 1 January 2023	於2023年1月1日的結餘
Profit for the year	年內利潤
Balance at 31 December 2023	於2023年12月31日的結餘

(b) The amounts due from subsidiaries primarily comprising the dividends receivables from a subsidiary and other outstanding balance form subsidiaries. The amounts due from subsidiaries are unsecured, interest free and have no fixed terms of repayment.

38 本公司資產負債表及儲備變動(續)

附註：

(a) 本公司儲備變動

	Other reserves 其他儲備		Total 合計	(Accumulated losses)/ retained earnings (累計虧損)/ 留存盈利
	Share premium 股份溢價	Capital reserve 資本公積		
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2022	1,057,714	-	1,057,714	(30,339)
Loss for the year	-	-	-	(112,538)
Issuance of ordinary shares upon completion of the IPO (Note 27)	579,174	-	579,174	-
Share issuance costs (Note 27)	(21,878)	-	(21,878)	-
Derecognition of redemption liabilities	-	103,539	103,539	-
Balance at 31 December 2022	1,615,010	103,539	1,718,549	(142,877)
Balance at 1 January 2023	1,615,010	103,539	1,718,549	(142,877)
Profit for the year	-	-	-	343,236
Balance at 31 December 2023	1,615,010	103,539	1,718,549	200,359

(b) 應收附屬公司款項主要包括應收一間附屬公司股息及附屬公司其他未償還結餘。應收附屬公司款項為無抵押、不計息，且無固定償還期限。

Notes to the Consolidated Financial Statements

綜合財務報表附註

39 EVENT OCCURRING AFTER THE REPORTING PERIOD

After the balance sheet date, the Board proposed a declaration and payment of a final dividend for the year ended 31 December 2023. Further details are disclosed in Note 37.

40 SUMMARY OF OTHER ACCOUNTING POLICIES

This note provides a list of other accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of the Company and its subsidiaries.

40.1 Principles of consolidation

Subsidiaries are all entities (including controlled entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries (if applicable) are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and balance sheet respectively.

39 報告期後事項

於資產負債表日後，董事會建議宣派及派發截至2023年12月31日止年度的末期股息。詳細之資訊載於附註37。

40 其他會計政策概要

本附註載列編製該等綜合財務報表所採納的其他會計政策。除另有指明外，該等政策已於所有呈列年度貫徹應用。財務報表乃為本公司及其附屬公司組成的本集團而編製。

40.1 綜合原則

附屬公司指本集團對其擁有控制權的所有實體(包括受控制實體)。當本集團因參與某實體而面臨該實體可變回報的風險或享有該等可變回報的權利，並有能力通過其指導該實體有關活動的權力影響該等回報時，本集團即擁有對該實體的控制權。附屬公司自控制權轉移至本集團之日起全面綜合入賬。自控制權終止之日起停止綜合入賬。

公司間交易、結餘及集團公司間交易的未變現收益均予對銷。除非交易有證據顯示所轉讓資產出現減值，否則未變現虧損亦予對銷。附屬公司的會計政策已按需要作出更改，以確保與本集團所採納政策一致。

附屬公司業績及權益中的非控股權益(如適用)分別於綜合損益及其他全面收益表、權益變動表及資產負債表中單獨列示。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.2 Business combinations

The acquisition method of accounting is used to account for all business combinations (excluding those involving the entities under common control), regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises (if applicable):

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; or
- fair value of any pre-existing equity interest in the subsidiaries.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

40 其他會計政策概要(續)

40.2 企業合併

已採用收購會計法將所有業務綜合入賬(涉及共同控制的實體除外),不論是否收購權益工具或其他資產。就收購附屬公司轉讓的對價包括(如適用):

- 所轉讓資產的公允價值;
- 對被收購業務的前擁有人產生的負債;
- 本集團發行的股本權益;
- 因或有對價安排產生的任何資產或負債的公允價值;或
- 於附屬公司任何先前存在的股本權益的公允價值。

於業務合併中所收購的可識別資產以及所承擔的負債及或有負債,初步按其於收購日期的公允價值計量(除少數例外情況外)。本集團按逐項收購事項基準,按公允價值或非控股權益佔被收購實體可識別資產淨值之比例,確認被收購實體之任何非控股權益。

收購相關成本於產生時列為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.2 Business combinations (Continued)

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

40 其他會計政策概要(續)

40.2 企業合併(續)

下列各項

- 已轉讓的對價；
- 被收購實體的任何非控股權益金額；及
- 於被收購實體的任何先前股本權益於收購日期的公允價值

超出已收購可識別資產淨值的公允價值時，其差額以商譽列賬。倘該等金額低於所收購業務可識別資產淨值的公允價值，其差額將直接於損益中確認為議價購買。

或有對價分類為權益或金融負債。分類為金融負債的金額隨後重新計量至公允價值，而公允價值變動於損益中確認。

倘業務合併分階段進行，收購方原先所持被收購方股本權益於收購日期的賬面值按收購日期的公允價值重新計量。任何因該項重新計量產生的收益或虧損均於損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

40.4 Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). These consolidated financial statements are presented in RMB, which is the Company's functional and presentation currency and also the functional currency of the subsidiaries.

40 其他會計政策概要(續)

40.3 獨立財務報表

附屬公司投資按成本扣除減值列賬。成本包括投資的直接歸屬成本。附屬公司的業績由本公司按已收及應收股息入賬。

如股息超過宣派股息期間附屬公司的全面收益總額，或如在獨立財務報表的投資賬面值超過綜合財務報表內被投資公司資產淨值(包括商譽)的賬面值，則於收到該等投資股息時須對該等於附屬公司的投資進行減值測試。

40.4 外幣換算

(i) *功能及呈列貨幣*

各集團實體的財務報表所列項目使用實體運營所在主要經濟環境的貨幣(「功能貨幣」)計量。該等綜合財務報表以本公司的功能及呈列貨幣以及附屬公司的功能貨幣人民幣呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.4 Foreign currency translation (Continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

All foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income on a net basis within “Other income and losses – net”.

40.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

40 其他會計政策概要(續)

40.4 外幣換算(續)

(ii) 交易及結餘

外幣交易按交易當日的匯率換算為功能貨幣。該等交易結算產生的外匯收益及虧損，以及按年末匯率換算以外幣計值的貨幣資產及負債所產生的外匯收益及虧損通常於損益中確認。

所有外匯收益及虧損於綜合損益及其他全面收益表中「其他收入及虧損－淨額」內按淨額呈列。

40.5 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及累計減值(如有)入賬。歷史成本包括收購有關項目直接應佔的支出。

後續成本僅在與該項目相關的未來經濟利益很可能會流入本集團及能可靠地計量項目成本的情況下，方會計入資產的賬面值或確認為一項獨立的資產(如適用)。作為獨立資產入賬的任何組成部分的賬面值在更換時終止確認。所有其他維修及保養費用於其產生的報告期內自損益扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.5 Property, plant and equipment (Continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 40.9).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in profit or loss and presented as "Other income and losses – net" in the consolidated statement of profit or loss and other comprehensive income.

40.6 Investment properties

Investment properties comprise buildings, held for long-term rental yields or for capital appreciation or both and not occupied by the Group, and is measured initially at its cost, including related transaction costs. After initial recognition, the Group chooses the cost model to measure all of its investment properties, which are stated at historical costs less accumulated depreciation and accumulated impairment losses (if any).

An investment property's carrying amount is written down immediately to its recoverable amount if the investment property's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in profit and loss.

40 其他會計政策概要(續)

40.5 物業、廠房及設備(續)

倘資產賬面值高於其估計可收回金額，則該資產的賬面值即時撇減至其可收回金額(附註40.9)。

出售收益及虧損乃通過比較所得款項與於損益中確認的賬面值釐定，並於綜合損益及其他全面收益表中列作「其他收入及虧損－淨額」。

40.6 投資物業

投資物業(包括樓宇)乃持有作長期租金收益或持有作資本增值或兩種目的兼有，且並非由本集團佔用。投資物業初步按成本(包括相關交易成本)計量。初步確認後，本集團選擇成本模式衡量其所有投資物業，並按歷史成本減累計折舊及累計減值虧損(如有)列賬。

倘投資物業的賬面值高於其估計可收回金額，則該投資物業的賬面值即時撇減至其可收回金額。出售收益及虧損乃通過比較所得款項與賬面值釐定，並於損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.7 Intangible assets

(i) *Patents and licences*

Patents and licences acquired in a business combination are recognised at fair value at the acquisition date. Patents and licences which have finite useful lives are carried at cost less accumulated amortisation.

(ii) *Purchased software*

Purchased software licenses are capitalised on the basis of the costs incurred to acquire and bring the specific software into usage. These costs are amortised using the straight-line method over their estimated useful lives. Costs associated with maintaining computer software programs are recognised as expense as incurred.

(iii) *Research and development*

Capitalised product development costs are measured as described in Note 18.

40.8 Goodwill

Goodwill is measured as described in Note 40.2. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses (if any). Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

40 其他會計政策概要(續)

40.7 無形資產

(i) *專利及許可*

業務合併中購入的專利及許可按收購日期的公允價值確認。該等專利及許可具有有限的使用年期，按成本減累計攤銷列賬。

(ii) *購入的軟件*

購入的軟件許可按購入及使該特定軟件達到可使用時所產生的成本作資本化處理。該等成本於其估計可使用年期內以直線法攤銷。電腦軟件程序的維護相關成本於產生時確認為開支。

(iii) *研發*

資本化產品研發開支按附註18所述計量。

40.8 商譽

商譽按附註40.2所述計量。商譽不予攤銷，惟每年進行減值測試，或當有事件或情況改變顯示其有可能減值時作出更頻密的減值測試，並按成本減累計減值虧損(如有)列賬。出售實體的損益包括與所出售實體有關的商譽的賬面值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.8 Goodwill (Continued)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (Note 5).

40.9 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life or not available for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

40 其他會計政策概要(續)

40.8 商譽(續)

商譽分配至現金產生單位以進行減值測試。該分配乃就預計將受益於產生商譽的業務合併的現金產生單位或現金產生單位組別作出。按監察商譽以作內部管理用途的最低層面(即營運分部)識別單位或單位組別(附註5)。

40.9 非金融資產減值

商譽及具有無限使用年期或無法使用的無形資產毋須攤銷，且須每年進行減值測試，或當有事件或情況改變顯示其有可能減值時作出更頻密的減值測試。當有事件或情況改變顯示賬面值可能無法收回時，則對其他資產進行減值測試。減值虧損以資產賬面值超過其可收回金額的差額確認。可收回金額為資產公允價值減出售成本及使用價值的較高者。就評估減值而言，資產按獨立可識別現金流入(在很大程度上獨立於其他資產或資產組別(現金產生單位)的現金流入)的最低水平歸類。非金融資產(商譽除外)如若出現減值，則會於各報告期末檢討其減值撥回的可能性。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.10 Investments and other financial assets

(i) *Classification*

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

40 其他會計政策概要(續)

40.10 投資及其他金融資產

(i) 分類

本集團將其金融資產分為下列計量類別：

- 其後將以公允價值計量的金融資產（且其變動計入其他全面收益或計入當期損益）；及
- 以攤銷成本計量的金融資產。

分類視乎實體管理金融資產的業務模式及現金流量的合約條款而定。

就以公允價值計量的資產而言，收益及虧損將於損益或其他全面收益列賬。就非持作交易的權益工具投資而言，收益及虧損的入賬將取決於本集團是否已於初始確認時行使不可撤銷選擇權，將股權投資入賬列為以公允價值計量且其變動計入其他全面收益。

當且僅當本集團管理該等資產的業務模式發生變動時，本集團方對債務投資進行重新分類。

Notes to the Consolidated Financial Statements 綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.10 Investments and other financial assets (Continued)

(ii) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

40 其他會計政策概要(續)

40.10 投資及其他金融資產(續)

(ii) *確認及終止確認*

常規方式購買及出售的金融資產於交易日(即本集團承諾購買或出售資產的日期)確認。當收取金融資產現金流量的權利屆滿或已轉讓,且本集團已轉移所有權的絕大部分風險及回報時,則終止確認金融資產。

(iii) *計量*

於初始確認時,就並非以公允價值計量且其變動計入當期損益的金融資產而言,本集團按公允價值加上可直接歸屬於獲得該金融資產的交易費用計量金融資產。以公允價值計量且其變動計入當期損益的金融資產的交易費用計入損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.10 Investments and other financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in "Other income and gains/(losses) – net" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss and other comprehensive income.

40 其他會計政策概要(續)

40.10 投資及其他金融資產(續)

(iii) 計量(續)

債務工具

債務工具的後續計量取決於本集團管理資產的業務模式及該項資產的現金流量特徵。本集團將債務工具分類為三種計量類別：

- 按攤銷成本計量：倘為收取合約現金流量而持有的資產的現金流量僅為本金及利息付款，則該等資產按攤銷成本計量。該等金融資產的利息收入採用實際利率法計入財務收入。終止確認產生的任何收益或虧損直接於損益中確認，並與外匯收益及虧損於「其他收入及收益／(虧損)－淨額」列示。減值虧損於綜合損益及其他全面收益表內作為單獨項目列示。

Notes to the Consolidated Financial Statements 綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.10 Investments and other financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in "Other income and losses – net" and impairment expenses are presented as separate line item in the consolidated statement of profit or loss and other comprehensive income.

40 其他會計政策概要(續)

40.10 投資及其他金融資產(續)

(iii) 計量(續)

債務工具(續)

- 以公允價值計量且其變動計入其他全面收益：倘為收取合約現金流量及出售金融資產而持有的資產的現金流量僅為本金及利息付款，則該等資產以公允價值計量且其變動計入其他全面收益。賬面值變動乃通過其他全面收益確認，惟就確認減值收益或虧損而言，利息收入及外匯收益及虧損於損益確認。終止確認金融資產時，先前於其他全面收益確認的累計收益或虧損將自權益重新分類至損益並於其他收益／(虧損)中確認。該等金融資產的利息收入採用實際利率法計入財務收入。外匯收益及虧損於「其他收入及虧損－淨額」呈列，而減值開支於綜合損益及其他全面收益表內作為單獨項目列示。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.10 Investments and other financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within “Other income and losses – net” in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group’s management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group’s right to receive payments is established.

40 其他會計政策概要(續)

40.10 投資及其他金融資產(續)

(iii) 計量(續)

債務工具(續)

- 以公允價值計量且其變動計入當期損益：不符合攤銷成本或以公允價值計量且其變動計入其他全面收益標準的資產均以公允價值計量且其變動計入當期損益。其後以公允價值計量且其變動計入當期損益的債務投資產生的收益或虧損於損益中確認，並於其產生期間於「其他收入及虧損－淨額」以淨值列示。

權益工具

本集團其後以公允價值計量所有股權投資。倘本集團管理層選擇於其他全面收益呈列股權投資的公允價值收益及虧損，則終止確認投資後不會將公允價值收益及虧損重新分類至損益。當本集團確立收取股息款項的權利時，該等投資的股息繼續於損益中確認為其他收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.10 Investments and other financial assets (Continued)

(iii) Measurement (Continued)

Equity instruments (Continued)

Changes in the fair value of financial assets at FVPL are recognised in “Other income and losses – net” in the consolidated statement of profit or loss and other comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Notes 3.1(b) and 23 for further details.

40 其他會計政策概要(續)

40.10 投資及其他金融資產(續)

(iii) 計量(續)

權益工具(續)

以公允價值計量且其變動計入當期損益的金融資產的公允價值變動於綜合損益及其他全面收益表(如適用)「其他收入及虧損－淨額」確認。以公允價值計量且其變動計入其他全面收益的股權投資的減值虧損(及減值虧損撥回)不會與公允價值的其他變動分別呈報。

(iv) 減值

本集團按前瞻基準評估與按攤銷成本列賬及以公允價值計量且其變動計入其他全面收益的債務工具有關的預期信貸虧損。所應用的減值方法取決於信貸風險是否大幅增加。

就貿易應收款項而言，本集團應用《國際財務報告準則》第9號批准的簡化方法，其規定自應收款項初始確認起確認預期存續期虧損，詳情請參閱附註3.1(b)及附註23。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheets where the Group currently has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

40.12 Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory based on weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

40 其他會計政策概要(續)

40.11 抵銷金融工具

如本集團目前有法定可強制執行權利可抵銷已確認金額，並且有意按淨額基準結算，或同時變現資產和結算負債，可將金融資產與負債進行抵銷，並在綜合資產負債表中列報淨額。法定可強制執行權利不得依賴未來事件而定，而在日常業務過程中以及倘本集團或對手方出現違約、無償債能力或破產時必須可強制執行。

40.12 存貨

原材料、在製品和製成品按成本與可變現淨值兩者中的較低者列報。成本包括直接材料、直接人工及適當比例的可變及固定間接費用支出，後者乃根據正常運營能力分配。成本根據加權平均成本分配給各個存貨項目。購買存貨成本於扣除返利及折現後釐定。可變現淨值乃在日常業務過程中的估計售價扣除完成產品估計成本及進行銷售所需之估計成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.13 Trade receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement within one year and therefore all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 23 for further information about the Group's accounting for trade receivables and Note 3.1(b) for a description of the Group's impairment policies.

40.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

40.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction, net of tax, from the proceeds.

40 其他會計政策概要(續)

40.13 貿易應收款項

貿易應收款項為於日常業務過程中就出售商品應收客戶的款項。其通常於一年內到期結算，因此均歸類為流動資產。

貿易應收款項初步按無條件之對價金額確認，除非其包含重大融資組成部分，此情況下則按公允價值確認。本集團持有貿易應收款項的目的為收取合約現金流量，因此其後採用實際利率法按攤銷成本計量。有關本集團貿易應收款項的其他會計資料，請參閱附註23，及有關本集團減值政策的說明，請參閱附註3.1(b)。

40.14 現金及現金等價物

就編製現金流量表而言，現金及現金等價物包括手頭現金、銀行通知存款、其他可隨時轉換為已知金額現金且價值變動風險極微的短期高流動性投資（原定期限為三個月或以下）。

40.15 股本

普通股歸類為權益。直接歸屬於發行權益工具的新增成本在權益中列示為所得款項的減少（扣除稅項）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.16 Trade and other payables

Trade and other payables mainly represent the obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

40.17 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred income tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted at the end of the reporting period in the countries where the Group operates and generates taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

40 其他會計政策概要(續)

40.16 貿易及其他應付款項

貿易及其他應付款項主要是指在日常業務過程中就從供應商處獲得商品或服務應支付的債項。貿易及其他應付款項呈列為流動負債，除非付款並非於報告期後12個月內到期。該等款項最初按公允價值確認，隨後採用實際利率法按攤銷成本計量。

40.17 即期及遞延所得稅

期內所得稅開支或抵免為即期應課稅收入按各司法管轄區的適用所得稅稅率計算的應納稅款，並通過暫時差異及未動用稅項虧損所引起的遞延稅項資產及負債之變動予以調整。

(a) 即期所得稅

即期所得稅支出根據本集團營運及產生應課稅收入的國家於報告期末已頒佈的稅法計算。

管理層就適用稅項法規詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下按預期須向稅務機關繳納的稅款計提撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.17 Current and deferred income tax (Continued)

(b) *Deferred income tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

40 其他會計政策概要(續)

40.17 即期及遞延所得稅(續)

(b) *遞延所得稅*

遞延所得稅以負債法按資產及負債的稅基與財務報表所呈列賬面值之間的暫時差異悉數計提撥備。然而，倘遞延所得稅負債因商譽的初步確認而產生，則遞延稅項負債不予確認。倘遞延所得稅源自交易(業務合併除外)中資產或負債的初步確認，而交易時並不影響會計及應課稅損益，則遞延所得稅亦不會入賬。遞延所得稅採用在報告期末前已頒佈或實質上已頒佈，並在相關遞延所得稅資產變現或遞延所得稅負債結算時預期將會適用的稅率(及稅法)而釐定。

遞延所得稅資產僅於可能獲得未來應課稅金額以動用暫時差異及虧損時予以確認。

倘本集團能夠控制暫時差異的撥回時間，且在可預見的未來不大可能撥回差額，則不會就海外業務投資的賬面值與稅基之間的暫時差異確認遞延所得稅負債及資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.17 Current and deferred income tax (Continued)

(b) *Deferred income tax (Continued)*

Deferred income tax assets and liabilities are offset where there is a legally enforceable right to offset current income tax assets and liabilities and where the deferred income tax balances relate to the same taxation authority. Current income tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

40.18 Employee benefits

(a) *Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

40 其他會計政策概要(續)

40.17 即期及遞延所得稅(續)

(b) *遞延所得稅(續)*

倘出現法定可強制執行權利抵銷即期所得稅資產及負債，而遞延所得稅結餘與同一稅務機關相關，則可抵銷遞延所得稅資產及負債。倘實體擁有法定可強制執行權利抵銷及擬定按淨額基準結算，或同時變現該資產及結算該負債，則可抵銷即期所得稅資產及稅項負債。

即期及遞延所得稅於損益中確認，惟與於其他全面收益或直接於權益中確認的項目有關者除外。在此情況下，稅項亦分別於其他全面收益或直接於權益中確認。

40.18 職工福利

(a) *短期責任*

工資及薪金負債，包括非貨幣福利及預計將於僱員提供相關服務期間結束之後12個月以內全部結清的累計病假，按僱員截至報告期末止的服務確認，並按結清負債時預計支付的金額計量。該等負債於資產負債表中呈列為即期僱員福利責任。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.18 Employee benefits (Continued)

- (b) *Pension, housing funds, medical insurances and other social insurances obligations*

Employees of the Group are covered by various government-sponsored defined-contribution pension plans in the PRC under which the employees are entitled to a monthly pension based on certain formulas. The relevant government agencies are responsible for the pension liability to these employees when they retire. The Group contributes on a monthly basis to these pension plans for the employees which are determined at a certain percentage of their salaries. Under these plans, the Group has no obligation for post-retirement benefits beyond the contribution made. Contributions to these plans are expensed as incurred and contributions paid to the defined contribution pension plans for a staff are not available to reduce the Group's future obligations to such defined-contribution pension plans even if the staff leaves the Group.

40.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

40 其他會計政策概要(續)

40.18 職工福利(續)

- (b) 養老金、住房公積金、醫療保險及其他社會保險債務

本集團的僱員獲中國多個政府資助的定額供款退休金計劃保障，據此，僱員有權享有根據若干公式計算的每月退休金。有關政府機構負責該等退休僱員的退休金負債。本集團每月為僱員根據其薪金的若干百分比向該等退休金計劃供款。根據該等計劃，除作出供款外，本集團對退休後福利概無責任。該等計劃的供款在發生時計入費用，即使員工離開本集團，為僱員支付的定額供款退休金計劃供款也不能用於減少本集團對該等定額供款退休金計劃的未來義務。

40.19 撥備

倘本集團因已發生的事件而產生現有的法律或推定責任，而履行責任或須耗用資源，且金額能夠可靠估計，則確認撥備。但不會就未來經營虧損確認撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.19 Provisions (Continued)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

40.20 Earnings per share

(a) Basic earnings or losses per share

Basic earnings or losses per share is calculated by dividing:

- The profit/loss attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- By the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

40 其他會計政策概要(續)

40.19 撥備(續)

倘出現多項類似責任，則履行責任時導致資源流出的可能性乃經考慮責任整體類別釐定。即使與同一責任類別中任何一個項目相關的耗用資源可能性較低，仍須確認撥備。

撥備按照於報告期末管理層對履行該現時責任所需支出的最佳估計的現值計量。用於釐定現值的折現率為反映當前市場對貨幣時間值及負債特定風險的評估的稅前利率。隨時間推移產生的撥備增加會被確認為利息開支。

40.20 每股盈利

(a) 每股基本盈虧

每股基本盈虧乃按以下方式計算：

- 本公司擁有人應佔利潤／虧損，扣除普通股以外之任何維護權益成本除以
- 於財政年度內發行在外的普通股加權平均數，並就年內已發行普通股的紅利作出調整，不包括庫存股。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.20 Earnings per share (Continued)

(b) *Diluted earnings or losses per share*

Diluted earnings or losses per share adjusts the figures used in the determination of basic earnings or losses per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

40.21 Leases as lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments (if applicable):

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and

40 其他會計政策概要(續)

40.20 每股盈利(續)

(b) *每股攤薄盈虧*

每股攤薄盈虧調整釐定每股基本盈虧所用的數據，以計及：

- 與潛在攤薄普通股相關的利息及其他財務成本的除所得稅後影響；及
- 假設在所有潛在攤薄普通股獲轉換的情況下所發行在外的額外普通股的加權平均數。

40.21 作為承租人的租賃

租賃產生的資產及負債初步按現值計量。租賃負債包括以下租賃付款之淨現值(如適用)：

- 固定付款(包括實物固定付款)，減任何應收租賃獎勵；
- 基於指數或利率的可變租金付款，最初以租賃起始日的指數或利率計量；
- 剩餘價值擔保下的承租人預期應付款項；
- 購買選擇權的行使價格(倘承租人合理地確定行使該選擇權)；及

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

40.21 Leases as leasee (Continued)

- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implied in the lease, if that rate can be determined, or the respective incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following (if applicable):

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

40.22 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

40 其他會計政策概要(續)

40.21 作為承租人的租賃(續)

- 支付終止租賃的罰款(倘租賃條款反映本集團行使該選擇權)。

租賃付款採用租賃中隱含的利率(倘可釐定)或各自增量借貸率折現。

按成本計量的使用權資產包括下列各項(如適用):

- 租賃負債的初步計量金額;
- 開始日期或之前所作的任何租賃付款, 減去所得的任何租賃獎勵;
- 任何初始直接成本; 及
- 修復成本。

40.22 股息分派

在報告期結束當天或之前已宣佈, 但在報告期末未分配的獲得適當授權且不再由實體酌情決定的任何股息金額將予以撥備。

Particulars of Investment Properties

投資物業詳情

As of December 31, 2023
截至2023年12月31日

Address 地址	Existing use 當前用途	Tenure 租期	Attributable interest of Location Use Tenure the Group 本集團地點 使用年期應佔權益
Room 401, Building 41, No. 258, Xinzhuan Road, Songjiang District, Shanghai, PRC 中國上海市松江區莘磚公路 258號41幢401室	Industrial building for rental 用作租賃的工業樓宇	Short-term leases 短期租賃	100%
Room 301, 3/F, Building 41, No. 258, Xinzhuan Road, Songjiang District, Shanghai, PRC 中國上海市松江區莘磚公路 258號41幢3層301室	Industrial building for rental 用作租賃的工業樓宇	Short-term leases 短期租賃	100%
Room 302, 3/F, Building 41, No. 258, Xinzhuan Road, Songjiang District, Shanghai, PRC 中國上海市松江區莘磚公路 258號41幢3層302室	Industrial building for rental 用作租賃的工業樓宇	Short-term leases 短期租賃	100%
Rooms 201 and 202, Building 41, No. 258, Xinzhuan Road, Songjiang District, Shanghai, PRC 中國上海市松江區莘磚公路 258號41幢201及202室	Industrial building for rental 用作租賃的工業樓宇	Short-term leases 短期租賃	100%

ScienTech

樂普心泰醫療科技(上海)股份有限公司

LEPU ScienTech Medical Technology (Shanghai) Co., Ltd.*