

Shandong Weigao Group Medical Polymer Company Limited* 山東威高集團醫用高分子製品股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(在中華人民共和國註冊成立的股份有限公司)
(Stock Code 股票號碼 : 1066)

* For identification purposes only
僅供識別



Annual Report 2022 年報

WEGO 威高

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DIRECTORS AND SUPERVISORS

Executive Directors

Mr. LONG Jing (*Chairman*)
Mr. CONG Rinan (*Chief Executive Officer*)
Mr. LU Junqiang
Mr. NI Shili

Non-executive Directors

Mr. TANG Zhengpeng (*Vice Chairman*)
Mr. CHEN Lin

Independent non-executive Directors

Mr. LI Guohui
Mrs. MENG Hong
Mr. LI Qiang

Supervisors

Mrs. GU Meijun
Mr. SONG Dapeng
Mr. ZHANG Zhuangqiu

CORPORATE INFORMATION

Registered office and principal place of business in the People's Republic of China (the "PRC")

1 Weigao Road
Torch Hi-tech Science Park
Weihai
Shandong Province
PRC

Principal place of business in Hong Kong

29/F Two Chinachem Central
26 Des Voeux Road Central
Hong Kong

Company secretary

Ms. WONG Miu Ling, Phillis, *FCG and HKFCG*

Compliance officer

Mr. LONG Jing

董事及監事

執行董事

龍經先生 (*主席*)
叢日楠先生 (*行政總裁*)
盧均強先生
倪世利先生

非執行董事

湯正鵬先生 (*副主席*)
陳林先生

獨立非執行董事

李國輝先生
孟紅女士
李強先生

監事

谷美君女士
宋大鵬先生
張壯秋先生

公司資料

中華人民共和國(「中國」)註冊辦事處及主要營業地點

中國
山東省
威海市
火炬高技術產業開發區
威高路1號

香港主要營業地點

香港
德輔道中26號
華懋中心II期29樓

公司秘書

黃妙玲女士 *FCG及HKFCG*

監察主任

龍經先生

Audit Committee

Mr. LI Guohui (*Chairman*)
Mrs. MENG Hong
Mr. LI Qiang
Mr. TANG Zhengpeng

Remuneration Committee

Mr. LI Guohui (*Chairman*)
Mrs. MENG Hong
Mr. LI Qiang
Mr. TANG Zhengpeng

Corporate Governance Committee

Mr. LONG Jing (*Chairman*)
Mr. LI Guohui
Mrs. MENG Hong
Mr. LI Qiang

Nomination Committee

Mr. LI Guohui (*Chairman*)
Mrs. MENG Hong
Mr. LI Qiang
Mr. TANG Zhengpeng

Authorised representatives

Mr. LONG Jing
Ms. WONG Miu Ling, Phillis

Auditors

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong share registrars and transfer office

Tricor Standard Limited
17th Floor, Far East Finance Centre
16 Harcourt Road
Hong Kong

Principal bankers

1. Agriculture Bank of China, Weihai Branch
2. Bank of China, Weihai Branch

Website of the Company

www.weigaogroup.com

Stock Code

1066

審核委員會

李國輝先生 (*主席*)
孟紅女士
李強先生
湯正鵬先生

薪酬委員會

李國輝先生 (*主席*)
孟紅女士
李強先生
湯正鵬先生

企業管治委員會

龍經先生 (*主席*)
李國輝先生
孟紅女士
李強先生

提名委員會

李國輝先生 (*主席*)
孟紅女士
李強先生
湯正鵬先生

授權代表

龍經先生
黃妙玲女士

核數師

德勤·關黃陳方會計師行
執業會計師

香港股份過戶登記處

卓佳標準有限公司
香港
夏慤道16號
遠東金融中心17樓

主要往來銀行

1. 中國農業銀行－威海市分行
2. 中國銀行－威海市分行

本公司網址

www.weigaogroup.com

股份代號

1066

SHANDONG WEIGAO GROUP MEDICAL POLYMER COMPANY LIMITED

Shandong Weigao Group Medical Polymer Company Limited is principally engaged in the research and development, production and sale of medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products, and operates financing business.

For management purposes, the Group is currently organised into six operating divisions – medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products and others, among which interventional products were produced by Argon Medical Devices Holding, Inc. (“Argon”). These divisions are the basis of the internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (Managing Director) in order to allocate resources to segments and to assess their performance.

Principal activities of the Group’s operating and reportable segments are as follows:

Medical device products	– production and sale of clinical care, medical testing, anesthesia and surgical related products and other consumables
Orthopaedic products	– production and sale of orthopaedic products
Interventional products	– production and sale of tumour and blood vessel interventional instruments
Pharma packaging products	– production and sale of pre-filled syringes and flushing syringes
Blood management products	– production and sale of blood collection, irradiation, storage, separation and sterilization products
Others	– finance lease and factoring business

山東威高集團醫用高分子製品股份有限公司

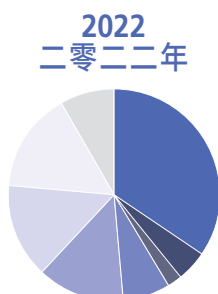
山東威高集團醫用高分子製品股份有限公司主要從事研發、生產及銷售醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品，及經營融資業務。

就管理而言，本集團目前分為六個經營分部－醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品及其他，其中介入產品由愛琅醫療器械控股有限公司（「愛琅」）生產。該等分部乃按本集團各部的內部呈報基準劃分，定期由主要營運決策者（董事總經理）審核，以分配資源至分部並評估其表現。

本集團經營及可呈報分部的主要業務如下：

醫療器械產品	– 生產及銷售臨床護理、醫學檢驗、麻醉及手術相關產品以及其他耗材
骨科產品	– 生產及銷售骨科產品
介入產品	– 生產及銷售腫瘤及血管介入器械
藥品包裝產品	– 生產及銷售預灌封注射器及沖管注射器
血液管理產品	– 生產及銷售血液採集、輻射、貯存、分離及滅菌消毒產品
其他	– 融資租賃及保理業務

Revenue Breakdown

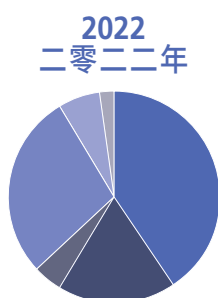


收入明細

% of sales
銷售佔比

Sale of medical device products 銷售醫療器械產品		
●	- Clinical care 臨床護理	34.7%
●	- Anesthesia and surgical related products 麻醉及手術相關產品	4.5%
●	- Medical testing 醫學檢驗	2.4%
●	- Other consumables 其他耗材	7.2%
●	Sale of orthopaedic products 銷售骨科產品	13.4%
●	Sale of interventional products 銷售介入產品	14.2%
●	Sale of pharma packaging products 銷售藥品包裝產品	15.5%
●	Sale of blood management products 銷售血液管理產品	8.1%

Segment Profit Breakdown



分部溢利明細

% of segment
profit
分部溢利佔比

●	Medical device products 醫療器械產品	40.7%
●	Orthopaedic products 骨科產品	18.0%
●	Interventional products 介入產品	4.6%
●	Pharma packaging products 藥品包裝產品	28.1%
●	Blood management products 血液管理產品	6.6%
●	Others 其他	2.0%

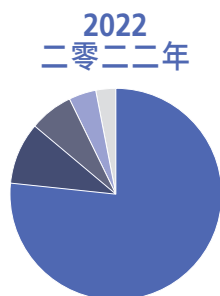
Segmental revenues (RMB'000)

分部收入 (人民幣千元)

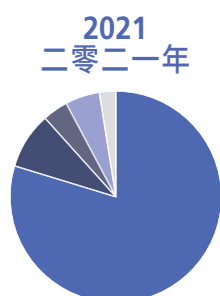
		2022 二零二二年	2021 二零二一年	% Change 變動百分比
Sale of medical device products	銷售醫療器械產品			
Clinical care	臨床護理	4,726,552	4,632,034	2.0%
Anesthesia and surgical related products	麻醉及手術相關產品	615,596	660,016	(6.7%)
Medical testing	醫學檢驗	325,680	294,833	10.5%
Other consumables	其他耗材	979,131	705,304	38.8%
Sale of orthopaedic products	銷售骨科產品	1,830,419	2,126,594	(13.9%)
Sale of interventional products	銷售介入產品	1,938,237	1,772,944	9.3%
Sale of pharma packaging products	銷售藥品包裝產品	2,105,432	2,040,355	3.2%
Sale of blood management products	銷售血液管理產品	1,097,960	976,862	12.4%
Total	總計	13,619,007	13,208,942	3.1%

Geographic breakdown

地區明細



	% of sales 銷售佔比
● PRC 中國	76.8%
● United States 美國	9.3%
● Asia 亞洲	6.8%
● EMEA 歐洲、中東及非洲	4.1%
● Others 其他	2.9%



	% of sales 銷售佔比
● PRC 中國	79.9%
● United States 美國	8.7%
● Asia 亞洲	5.3%
● EMEA 歐洲、中東及非洲	3.8%
● Others 其他	2.3%

Segmental revenues (RMB'000)
分部收入 (人民幣千元)

		2022 二零二二年	2021 二零二一年	% Change 變動百分比
PRC	中國	10,453,877	10,552,660	(0.9%)
United States	美國	1,272,330	1,145,923	11.0%
Asia	亞洲	930,581	701,240	32.7%
EMEA	歐洲、中東及非洲	563,217	501,919	12.2%
Others	其他	399,002	307,200	29.9%
Total	總計	13,619,007	13,208,942	3.1%

FINANCIAL SUMMARY

財務摘要

		2022	2021	Increase (decrease)
		二零二二年	二零二一年	增長(減少)
		RMB'000	RMB'000	%
		人民幣千元	人民幣千元	
Turnover	營業額	13,619,007	13,208,942	3.1%
Gross profit	毛利	7,113,082	7,352,893	(3.3%)
Net profit attributable to the owners of the Company	本公司擁有人應佔純利	2,723,309	2,275,929	19.7%
Net profit attributable to the owners of the Company (excluding extraordinary items)	不計特殊項目本公司擁有人應佔純利	2,742,668	2,407,853	13.9%

For the year ended 31 December 2022 (the "Year"), extraordinary items include Shandong Weigao Blood Purification Products Co., Ltd. issued new shares to investors, and the Company's equity was diluted from 28.0871% to 26.55%, resulting in a gain of approximately RMB100,398,000. The Company recorded a post-tax gain of approximately RMB57,549,000 regarding the taking up by the government of the using rights of 2 state-owned construction sites and the buildings, structures, and other ancillary facilities thereon; and the post-tax expenses of litigation attributable to owners of the Company was approximately RMB177,306,000 (extraordinary items in 2021: the post-tax provision for expenses of one pending litigation attributable to owners of the Company of RMB163,075,000).

截至二零二二年十二月三十一日止年度(「年內」)，特殊項目為山東威高血液淨化製品股份有限公司向投資者發行新股，本公司之股權由28.0871%攤薄至26.55%形成收益約人民幣100,398,000元；政府收回2宗國有建設用地使用權及地上建築物、構築物及其他附屬設施，本公司錄得稅後收益約人民幣57,549,000元；及本公司擁有人應佔一項訴訟之稅後費用約人民幣177,306,000元(二零二一年特殊項目：本公司擁有人應佔一項未決訴訟之稅後預提費用人民幣163,075,000元)。

**ANNUAL GENERAL MEETING AND CLOSURE
OF REGISTER OF MEMBERS**

Attending and Voting in the Annual General Meeting

In order to determine the shareholders who are entitled to attend and vote at the annual general meeting to be dated Monday, 29 May 2023 (the "Annual General Meeting"), the register of members of the Company will be closed from Tuesday, 23 May 2023 to Monday, 29 May 2023 (both days inclusive), during which period no transfer of H Shares will be effected. In order to qualify for attending and voting in the Annual General Meeting, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Tricor Standard Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m., Monday, 22 May 2023. In order to qualify for attending and voting in the Annual General Meeting:-

Latest time to lodge in transfer instrument accompanied by the share certificates for H Shares 4:30 p.m.,
Monday, 22 May 2023

Closure of register of members of the Company for attending and voting in the Annual General Meeting Tuesday, 23 May 2023
to Monday, 29 May 2023

Date of Annual General Meeting Monday, 29 May 2023

股東週年大會及暫停辦理股份過戶登記手續

出席股東週年大會並於會上投票

為釐定股東出席將於二零二三年五月二十九日(星期一)舉行之股東週年大會(「股東週年大會」)並於會上投票的資格,本公司將於二零二三年五月二十三日(星期二)至二零二三年五月二十九日(星期一)(首尾兩日包括在內)暫停過戶登記,於該期間將不會辦理H股的過戶登記手續。為符合資格出席股東週年大會並於會上投票,股東應確保所有過戶文件連同有關股票不遲於二零二三年五月二十二日(星期一)下午四時三十分送交本公司的H股過戶登記處卓佳標準有限公司,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。為符合資格出席股東週年大會並於會上投票:-

交回過戶文件連同H股股票之最後時限 二零二三年五月二十二日(星期一)下午四時三十分

本公司暫停股份過戶登記以出席股東週年大會並於會上投票 二零二三年五月二十三日(星期二)至二零二三年五月二十九日(星期一)(首尾兩日包括在內)

股東週年大會日期 二零二三年五月二十九日(星期一)

Entitlement of Proposed Final dividend

In order to determine entitlement to the proposed final dividend payment, the register of members of the Company for H Shares will be closed from Saturday, 3 June 2023 to Thursday, 8 June 2023 (both days inclusive), during which period no transfer of H Shares will be effected. In order to qualify for entitlement of the proposed final dividend, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Tricor Standard Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 2 June 2023.

In order to qualify to entitle the final dividend for the year ended 31 December 2022:-

Latest time to lodge in transfer instrument accompanied by the share certificates for H Shares 4:30 p.m.,
Friday, 2 June 2023

Closure of register of members of the Company for entitlement of the final dividend for the year ended 31 December 2022 Saturday, 3 June 2023 to Thursday, 8 June 2023

Record date of the entitlement of the final dividend Thursday, 8 June 2023

Expected dispatch date of the final dividend Friday, 14 July 2023

The final dividend will be despatched at the risk of those entitled thereto to their respective registered addresses on or before Friday, 14 July 2023.

建議末期股息之權利

為確定收取建議末期股息付款之權利，本公司將於二零二三年六月三日（星期六）至二零二三年六月八日（星期四）（首尾兩日包括在內）暫停H股的過戶登記，於該期間將不會辦理H股的過戶登記手續。為符合資格收取建議末期股息之權利，股東應確保所有過戶文件連同有關股票不遲於二零二三年六月二日（星期五）下午四時三十分送交本公司之H股過戶登記處卓佳標準有限公司，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。

為符合資格獲派截至二零二二年十二月三十一日止年度之末期股息：-

交回過戶文件連同H股股票之最後時限 二零二三年六月二日（星期五）下午四時三十分

本公司暫停股份過戶登記以釐定截至二零二二年十二月三十一日止年度之末期股息之權利 二零二三年六月三日（星期六）至二零二三年六月八日（星期四）（首尾兩日包括在內）

釐定末期股息權利之記錄日期 二零二三年六月八日（星期四）

預期末期股息寄發日期 二零二三年七月十四日（星期五）

末期股息將於二零二三年七月十四日（星期五）或之前按有權獲派末期股息之持有人各自之登記地址寄發予彼等，郵誤風險由彼等自行承擔。

PROPOSED FINAL DIVIDEND

The Board proposed the distribution of a final dividend for the year ended 31 December 2022 of RMB0.079 (2021: RMB0.065) (before considering any tax effect) per share totaling RMB361,080,000 (2021: RMB297,091,000), which will be subject to the approval of shareholders of the Company at the Annual General Meeting. The final dividend will be denominated and declared in Renminbi. Final dividend on non-listed shares of the Company, for full circulation H Shareholders and for investors investing in the H shares of the Company through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect (the "Southbound Trading") will be paid in Renminbi, and the final dividend for other H Shareholders of the Company 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 People's Bank of China during the five business days preceding the date of approval of the final dividend at the Annual General Meeting. The Company will appoint a receiving agent in Hong Kong and Mainland China respectively and will pay to such receiving agent the final dividend (after deductions of relevant tax, if applicable) declared for payment to Shareholders. The final dividend will be paid by the receiving agent on or before Friday, 14 July 2023. The cheques will be despatched to H Shareholders by ordinary post at their own risks. The payment of the final dividend is subject to the Shareholders' approval at the AGM.

ACKNOWLEDGEMENTS

The Group's various achievements as mentioned above are attributable to the continued supports of the staff, customers and business partners and shareholders. I would like to take this opportunity to express my most sincere thanks for all your contributions!

On behalf of the Board

LONG Jing

Chairman

28 April 2023

建議末期股息

董事會建議派發截至二零二二年十二月三十一日止年度之末期股息每股人民幣0.079元(二零二一年：人民幣0.065元(未考慮任何稅務影響))，涉及總額為人民幣361,080,000元(二零二一年：人民幣297,091,000元)，須於股東週年大會獲本公司股東批准後，方可作實。末期股息將以人民幣計值和宣派。本公司之非上市股份末期股息、H股全流通股東末期股息及通過滬港通或深港通(「港股通」)持有本公司H股的投資者的末期股息將以人民幣派付，而本公司其他H股股東末期股息將以港元派付。以港幣發放的末期股息計算的匯率以於股東週年大會批准末期股息當日之前五個營業日中國人民銀行公佈的人民幣兌換港幣平均匯率為準。本公司將在香港及中國內地分別委任收款代理人，並會將已宣派的末期股息(經扣除相關稅項後，如適用)支付予收款代理人，以代支付股東。收款代理人將於二零二三年七月十四日(星期五)或之前支付末期股息。支票將以平郵方式寄予H股股東，郵誤風險由H股股東承擔。支付末期股息須待股東於股東週年大會上批准後方可作實。

致謝

本人在上文提及本集團各項成就，均有賴於全體僱員、顧客及業務夥伴和各位股東一貫以來不斷的支持。對於彼等的貢獻，本人謹此致以深切感謝!

代表董事會

龍經

主席

二零二三年四月二十八日

OPTIMISATION OF PRODUCT MIX

During the Year, the gross profit margin of the Group decreased from 55.7% of last year to 52.2%, which was mainly attributable to the effect from change of product structure.

The existing major products of the Group under each business line are as follows:

- Clinical care business includes vascular and non-vascular access infusion devices including infusion sets, syringes, puncture needles, specialized single-use clinical collection kits, digital products for clinical care, digestive nutrition, primary care products
- The anesthesia and surgery business includes general anesthesia consumables, local anesthesia consumables, anesthesia auxiliary consumables, ICU equipment, open and minimally invasive surgical equipment, wound healing dressings, wound suture, wound cleaning, and nonvascular catheter supporting extracorporeal devices
- The medical testing business includes blood collection devices and blood glucose testing
- The orthopaedic business includes trauma, spinal implant, artificial joints, sports injury, soft tissue repair, reconstruction implant, orthopaedic filling, and orthopaedic related surgical tools
- Interventional business includes tumor intervention, vascular intervention, and interventional imaging
- The pharmaceutical packaging business includes prefilled syringes and pre-filled flush syringes
- The blood management business includes blood collection, storage, separation, and sterilization of consumables and equipment

產品結構優化調整

年內，本集團毛利率由去年的55.7%下降到52.2%，主要是產品結構變化產生的影響。

本集團各業務領域現有主要產品如下：

- 臨床護理業務包括輸液、注射、穿刺等血管輸液器械及非血管輸液器械、臨床特定用途的一次性使用各種套裝、臨床護理數字化產品、消化營養、基礎護理產品
- 麻醉及手術業務包括：全身麻醉耗材、局部麻耗材、麻醉輔助耗材、ICU使用的器械；開放及微創手術器械、創面癒合敷料、傷口縫合、傷口清理、與非血管內導管配套用體外器械
- 醫學檢驗業務包括：採血器具、血糖檢驗
- 骨科業務：創傷、脊柱植入物，人工關節，運動損傷、軟組織修復及重建植入物、骨填充材料、骨科相關手術工具
- 介入業務：腫瘤介入、血管介入、影像介入
- 藥品包裝業務包括：預灌封注射器、沖管注射器
- 血液管理業務包括：血液採集、貯存、分離、滅菌消毒耗材及設備

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

OPTIMISATION OF PRODUCT MIX (continued)

1. During the Year, the clinical care business recorded a turnover of approximately RMB4,726,552,000, an increase of 2.0% over last year. With an enhanced product mix, it has compensated for the reduced demand due to the restricted clinical business opening affected by COVID-19. The Group continued to maintain a dominant position in the market segment.
2. During the Year, the orthopaedic business recorded a turnover of approximately RMB1,830,419,000, representing a decrease of 13.9% over last year.
3. During the Year, the interventional business recorded a turnover of approximately RMB1,938,237,000, representing an increase of 9.3% over last year, which was mainly attributable to the significant growth in the sales of Argon. The sales of Argon products in the PRC market achieved remarkable progress.
4. During the Year, the pharma packaging business recorded a turnover of approximately RMB2,105,432,000, representing an increase of 3.2% over last year, further expanded its market influence in the segment of pre-pack bio-pharmaceuticals and built a broad customer base.

RESEARCH AND DEVELOPMENT

For the year ended 31 December 2022, the Group obtained 123 new patents and 171 new patents are under the application in the PRC. Product registration certificates for 60 new products were obtained. The research and development for 63 products were completed for which applications for product registration certificates are underway. For the overseas market, 14 new patents are under application and the research and development for 161 products were completed for which application for product registration certificates are underway.

The strategy of placing a strong emphasis on research and development has enhanced the competitiveness and laid a foundation for the Company to fully leverage its customer resources and provided the Group with new profit growth drivers.

產品結構優化調整 (續)

1. 年內，臨床護理業務錄得營業額約為人民幣4,726,552,000元，較去年增長2.0%，憑借豐富產品組合，彌補了新冠疫情臨床開放受限所導致的需求下降；本集團繼續於該領域市場保持優勢地位。
2. 年內，骨科業務營業額約為人民幣1,830,419,000元，較去年下降13.9%。
3. 年內，介入業務錄得營業額約為人民幣1,938,237,000元，較去年增長9.3%。主要是美國愛琅公司銷售額增長明顯，美國愛琅產品在中國市場的銷售取得顯著進展。
4. 年內，藥品包裝業務錄得營業額約為人民幣2,105,432,000元，較去年增長3.2%。進一步擴大在生物製藥包裝領域的市場影響力，形成廣泛客戶基礎。

研究與開發

截至二零二二年十二月三十一日止年度，本集團中國國內新獲得專利123項，正在申請中的171項，新取得產品註冊證60項，已經研發完成、尚在取證過程中的有63項。海外市場，正在申請中的專利14項，已經研發完成、尚在取證過程中的產品註冊證有161項。

注重研發的策略提升了公司的競爭力，為充分利用客戶資源奠定了基礎，並為集團盈利提供了新的增長點。

RESEARCH AND DEVELOPMENT (continued)

For the year ended 31 December 2022, the Group had over 650 product registration certificates and 800 patents, of which 103 were patents on invention, in the PRC. For the overseas market, the Group had over 760 product registration certificates and 189 patents.

In view of the need for strategic adjustments to the product mix, the Group continued to increase efforts on the improvement and subdivision of product layout in existing products series, so as to maintain its leading position in research and development capability in China. For the year ended 31 December 2022, total research and development expenses amounted to approximately RMB546,552,000 (2021: approximately RMB503,080,000), representing 4.0% (2021: 3.8%) of the revenue of the Group.

PRODUCTION

During the Year, in order to constantly expand production capacity, the Group continued to expand its production facilities including factories of generic supplies and pharma packaging products to satisfy the sales demand for future market growth. Meanwhile, the Group proactively promoted the improvement of production processes and enhanced intellectualization and automation of production equipment. The production costs were reduced through efficiency enhancement and scientific management, maintaining the Company's overall profitability.

SALES AND MARKETING

During the Year, the Group consolidated the marketing management system and further adhered to the strategy of sales channel integration and product mix adjustment and focused on marketing resources on customer development and maintenance in the core healthcare market. The Group achieved substantial results in key client accounts management. As of the date of this announcement, the Group newly added 486 hospitals, 18 other medical institutions, and 617 distributors to its PRC customer base, and the Group has a PRC customer base of 9,103 in aggregate (including 3,601 hospitals, 414 blood stations, 1,119 other medical units, and 3,969 distributors) and an overseas customer base of 7,354 in aggregate (including 3,595 hospitals, 1,683 other medical units, and 2,076 distributors).

研究與開發 (續)

截至二零二二年十二月三十一日止年度，本集團國內擁有逾650項產品註冊證，800項專利，其中103項是發明專利。海外，擁有逾760項產品註冊證，189項專利。

基於產品結構戰略性調整的要求，本集團繼續加大在現有產品系列框架內完善細分產品佈局，持續保持本土研發實力的領先地位。截至二零二二年十二月三十一日止年度，研發之總開支約為人民幣546,552,000元（二零二一年：約人民幣503,080,000元），佔本集團收入的4.0%（二零二一年：3.8%）。

生產

年內，本集團為了持續擴大產能，繼續擴建通用耗材、藥品包裝產品的製造廠等生產設施，以滿足未來市場增長的銷售需求。同時積極推進生產工藝改進，生產設備智能化、自動化水平，通過效率提升和科學管理降低生產成本，保持公司整體盈利能力。

銷售及市場推廣

年度內，本集團強化了營銷管理體系，繼續堅持銷售渠道整合與產品結構調整之策略，將營銷資源重點聚焦於核心醫療市場的客戶開發與維護。本集團開展大客戶管理取得顯著成效。於本公佈刊發日期，本集團國內客戶新增486家醫院、18家其他醫療機構以及617家經銷商，本集團的國內客戶總數為9,103家（包括醫院3,601家、血站414家、其他醫療單位1,119家和經銷商3,969家），海外客戶總數為7,354家（包括醫院3,595家、其他醫療單位1,683家和經銷商2,076家）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

SALES AND MARKETING (continued)

Sales comparison by geographical regions when compared with the last year is set out as follows:

Turnover by Geographical Information

Regions	地區	2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元	Increase or decrease over corresponding period % 較同期增減%
The PRC	國內			
– Eastern and Central	– 華東與華中	5,227,412	5,220,106	0.1%
– Northern	– 華北	2,215,310	2,330,107	(4.9%)
– Southern	– 華南	1,036,647	960,984	7.9%
– Northeast	– 東北	991,513	938,403	5.7%
– Southwest	– 西南	731,899	857,764	(14.7%)
– Northwest	– 西北	251,096	245,296	2.4%
PRC sub-total	國內小計	10,453,877	10,552,660	(0.9%)
Overseas	海外			
– USA	– 美國	1,272,330	1,145,923	11.0%
– Asia	– 亞洲	930,581	701,240	32.7%
– Europe, Middle East and Africa	– 歐洲、中東及非洲	563,217	501,919	12.2%
– Others	– 其他	399,002	307,200	29.9%
Overseas sub-total	海外小計	3,165,130	2,656,282	19.2%
Total	總計	13,619,007	13,208,942	3.1%

The integration of sales channels has strengthened the Group's market penetration and influence over the customers. It enhanced sales contribution per customer and continued to drive up the product penetration to high-end customers and was an important approach in generating revenue growth for the Group.

銷售及市場推廣 (續)

各種產品在不同地區的銷售與去年對比如下：

營業收入地區資料

Regions	地區	2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元	Increase or decrease over corresponding period % 較同期增減%
The PRC	國內			
– Eastern and Central	– 華東與華中	5,227,412	5,220,106	0.1%
– Northern	– 華北	2,215,310	2,330,107	(4.9%)
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– Others	– 其他	399,002	307,200	29.9%
Overseas sub-total	海外小計	3,165,130	2,656,282	19.2%
Total	總計	13,619,007	13,208,942	3.1%

渠道的整合，增強了本集團在客戶群的滲透力、影響力，提高了單客戶的貢獻率，持續推進核心客戶的產品滲透率，是本集團拉動收入增長的一項重要手段。

SALES AND MARKETING (continued)

銷售及市場推廣 (續)

Turnover by Geographical Information (continued)

營業收入地區資料 (續)

Adjustment in product mix was another important factor in enhancing the results for the Year. Comparison of revenue of principal products with that in last year is as follows:

產品結構的調整為提升年內業績的另一項重要因素，各主導產品收入與上年對比情況如下：

Product category	產品類別	For the year ended 31 December 截至十二月三十一日止年度			For the six months ended 31 December 截至十二月三十一日止六個月		
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元	Over corresponding period 較同期 %	2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元	Over corresponding period 較同期 %
Clinical care	臨床護理	4,726,552	4,632,034	2.0%	2,392,562	2,481,391	(3.6%)
Pharma packaging products	藥品包裝	2,105,432	2,040,355	3.2%	1,049,258	1,082,632	(3.1%)
Blood management	血液管理	1,097,960	976,862	12.4%	608,477	527,017	15.5%
Medical testing	醫學檢驗	325,680	294,833	10.5%	164,454	168,878	(2.6%)
Anesthesia and surgical related products	麻醉及手術	615,596	660,016	(6.7%)	225,635	345,545	(34.7%)
Orthopaedic products	骨科產品	1,830,419	2,126,594	(13.9%)	739,503	1,042,149	(29.0%)
Interventional products	介入產品	1,938,237	1,772,944	9.3%	1,045,271	907,556	15.2%
Other consumables	其他耗材	979,131	705,304	38.8%	382,316	378,084	1.1%
Total	總計	13,619,007	13,208,942	3.1%	6,607,476	6,933,252	(4.7%)

HUMAN RESOURCES

人力資源

As at 31 December 2022, the Group employed a total of 12,122 employees. The breakdown by departments when compared with last year is as follows:

於二零二二年十二月三十一日，本集團共聘用12,122名僱員，與去年比較的部門分析如下：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

DEPARTMENT

部門

		2022 二零二二年	2021 二零二一年
Production	生產	6,281	5,589
Sales and marketing	銷售及市場推廣	2,896	2,846
Research and development	研發	1,272	1,229
Finance and administration	財務及行政	596	551
Quality control	質量控制	607	519
Management	管理	383	308
Purchasing	採購	87	81
Total	總計	12,122	11,123

There are a total of 1,258 overseas employees who are resided in Hong Kong, USA and Europe. Other employees of the Group are resided in Mainland China. During the Year, the total cost of salaries, welfare and social benefits of the Group amounted to approximately RMB2,178,787,000 (2021: approximately RMB2,068,103,000).

海外僱員1,258名，分別於香港、美國、歐洲等地居住，本集團的其他僱員均位於中國內地。年內，本集團在員工薪資、福利、社會保障等的成本總額約為人民幣2,178,787,000元（二零二一年：約為人民幣2,068,103,000元）。

REMUNERATION SYSTEM

The Group's remuneration policy has been determined based on its performance, changes in the local consumption power and competition in human resources market. The remuneration policy so determined has become the basis of determining the salary level of employees recruited for different positions. The salary of each employee is determined according to the employee's performance, ability, employment conditions and the salary standards set by the Company. Remuneration of directors is proposed by the Remuneration Committee with reference to the operating results of the Company, personal performance of the directors and market competition. The proposed remuneration of directors is proposed by the Board subject to approval by shareholders at forthcoming annual general meeting.

薪酬訂立制度

本集團的薪酬政策是根據其表現，本地的消費水平變化和人力資源市場競爭狀況釐定。該釐定的薪酬政策作為聘任不同崗位僱員薪資水平的基準。每位僱員的薪資視乎僱員的表現、能力、任職條件及本公司的預定薪資標準而定。董事的酬金是由薪酬委員會經參考本公司的經營業績、董事個人表現及市場競爭情況的基礎上制定薪酬方案，並經股東於股東週年大會上授權董事會釐定。

FINANCIAL REVIEW

For the year ended 31 December 2022, the Group recorded a turnover for the year of approximately RMB13,619,007,000, representing an increase of 3.1% over the previous financial year. Net profit attributable to the owners of the Company was approximately RMB2,723,309,000 (2021: approximately RMB2,275,929,000), representing an increase of approximately 19.7% as compared with the previous year. Net profit attributable to the owners of the Company (excluding extraordinary items) was approximately RMB2,742,668,000 (2021: approximately RMB2,407,853,000 without taking into account of the restatements due to business combination under common control), representing an increase of approximately 13.9% over the previous year.

FINANCIAL SUMMARY

		2022	2021	Increase (decrease)
		二零二二年	二零二一年	增長(減少)
		RMB'000	RMB'000	%
		人民幣千元	人民幣千元	
Turnover	營業額	13,619,007	13,208,942	3.1%
Gross profit	毛利	7,113,082	7,352,893	(3.3%)
Net profit attributable to the owners of the Company	本公司擁有人應佔純利	2,723,309	2,275,929	19.7%
Net profit attributable to the owners of the Company (excluding extraordinary items)	不計特殊項目本公司擁有人應佔純利	2,742,668	2,407,853	13.9%

During the Year, extraordinary items include Shandong Weigao Blood Purification Products Co., Ltd. issued new shares to investors, and the Company's equity was diluted from 28.0871% to 26.55%, resulting in a gain of approximately RMB100,398,000. The Company recorded a post-tax gain of approximately RMB57,549,000 regarding the taking up by the government of the using rights of 2 state-owned construction sites and the buildings, structures, and other ancillary facilities thereon; and the post-tax expenses of litigation attributable to owners of the Company was approximately RMB177,306,000 (extraordinary items in 2021: the post-tax provision for expenses of one pending litigation attributable to owners of the Company of RMB163,075,000).

財務回顧

截至二零二二年十二月三十一日止年度，年度營業額達至約人民幣13,619,007,000元，較上一財政年度增長了3.1%。本公司擁有人應佔純利約人民幣2,723,309,000元（二零二一年：約人民幣2,275,929,000元），較上一年度上升約19.7%。不計特殊項目的本公司擁有人應佔純利約人民幣2,742,668,000元（二零二一年不考慮由於共同控制下的業務合併所產生的重述金額：約人民幣2,407,853,000元），較上一年度上升約13.9%。

財務摘要

年內，特殊項目為山東威高血液淨化製品股份有限公司向投資者發行新股，本公司之股權由28.0871%攤薄至26.55%形成收益約人民幣100,398,000元；政府收回2宗國有建設用地使用權及地上建築物、構築物及其他附屬設施，本公司錄得稅後收益約人民幣57,549,000元；及本公司擁有人應佔一項訴訟之稅後費用約人民幣177,306,000元（二零二一年特殊項目：本公司擁有人應佔一項未決訴訟之稅後預提費用人民幣163,075,000元）。

LIQUIDITY AND FINANCIAL RESOURCES

The Group has maintained a sound financial position. As of 31 December 2022, the Group's cash and bank balance amounted to approximately RMB6,862,278,000. For the year ended 31 December 2022, the net cash flow from operating activities of the Group amounted to approximately RMB2,214,574,000, representing a sound cash flow position.

For the year ended 31 December 2022, the total interest expenses of the Group amounted to approximately RMB191,401,000 (2021: total interest expenses of approximately RMB140,441,000).

GEARING RATIO

The gearing ratio of the Group as of the end of 2022 reduced to 20.1% (2021: 20.9%).

As of 31 December 2022, the total net cash of the Group amounted to approximately RMB2,504,281,000 (2021: net cash of approximately RMB2,641,464,000). The gearing ratio represents total debt as a percentage of total capital. Total debt is calculated as total borrowings. Total capital is calculated as the Group's shareholders' fund.

流動資金及財務資源

本集團於本年度維持良好的財務狀況。於二零二二年十二月三十一日，本集團現金及銀行結餘約為人民幣6,862,278,000元。截至二零二二年十二月三十一日止年度，本集團經營活動現金流量淨額約為人民幣2,214,574,000元，現金流量狀況良好。

截至二零二二年十二月三十一日止年度，本集團的利息支出總額約為人民幣191,401,000元（二零二一年：利息支出總額約為人民幣140,441,000元）。

資本負債比率

本集團二零二二年年末的資本負債比率下降至20.1%（二零二一年：為20.9%）。

於二零二二年十二月三十一日，本集團淨現金總額約為人民幣2,504,281,000元（二零二一年：淨現金約為人民幣2,641,464,000元）。資本負債比率指債務總額與資本總額之百分比。債務總額乃按借貸總額計算。資本總額乃按本集團之股東資金計算。

FOREIGN EXCHANGE RISKS

The Group's purchases and sales are mainly conducted in the PRC and the United States. Assets, liabilities, and transactions in the PRC are denominated in RMB, while overseas assets and transactions are mainly denominated in US dollars. Foreign exchange risk mainly arises from outstanding borrowings denominated in foreign currencies. The Group has adopted foreign currency hedging instruments to achieve better foreign exchange risk management. The objective of the hedge is to minimise the volatility of the RMB expenditures expected to be incurred in the future to meet foreign currency liabilities. The Group's risk management policy is to partially hedge the forecasted cash flows in foreign currencies by considering the appropriate hedging instruments and costs of hedging. The Group uses foreign exchange structured derivative financial contracts to hedge its foreign currency risk. For the year ended 31 December 2022, the Group had not encountered any material difficulty due to the fluctuation in exchange rates nor had it affected its funds for operation purposes.

Due to the fluctuation in exchange rates, the Company realised a foreign exchange gain equivalent to approximately RMB138,325,000 for the year ended 31 December 2022 (2021: foreign exchange loss equivalent to approximately RMB39,357,000).

MATERIAL INVESTMENTS/FUTURE MATERIAL INVESTMENT PLANS

1. During the Year, the Group continued to invest approximately RMB1,069,636,000 in the purchase of properties and production facilities and plant construction for the purpose of enhancing the overall construction of the industrial zone for the Group's medical consumables.
2. During the Year, the Group bought the 100% equity interest in Weihai Weigao Medical Materials Company Limited held by Weigao Holding Company Ltd. at a consideration of RMB288,000,000. It is principally engaged in the research and development, manufacturing and sales of infection protection products.

匯率風險

本集團的採購和銷售以中國、美國兩地為主。中國境內資產、負債及交易以人民幣計值，海外資產及交易主要以美元計值，外匯風險主要來源於未償還的外幣借貸。本集團已採用了外幣對沖工具來達到更好的外匯風險管理。對沖保值的目標在於使預計未來可能發生的償還外幣負債需要的人民幣支出的波動性最小化。本集團的風險管理政策是在考慮合適的對沖工具以及對沖的成本後，部分對沖外幣預測現金流量。本集團通過外匯結構性衍生金融合同來對沖外匯風險。截至二零二二年十二月三十一日止年度，本集團並無因匯率波動而遇到重大困難或自身的營運資金受到影響。

由於匯率變動，本公司於截至二零二二年十二月三十一日止年度，形成匯兌收益折合人民幣約138,325,000元（二零二一年：形成匯兌損失折合人民幣約39,357,000元）。

重大投資／未來重大投資計劃

1. 本年度，本集團繼續投資約人民幣1,069,636,000元，用於購買物業、生產設備與建設廠房，為完善本集團醫療耗材工業園整體建設之用。
2. 年內，本集團以人民幣288,000,000元受讓威高集團有限公司持有的威海威高醫用材料有限公司100%股權，該公司主要從事感染防護產品的研發、製造及銷售。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論與分析

MATERIAL INVESTMENTS/FUTURE MATERIAL INVESTMENT PLANS (continued)

3. The Group planned to invest RMB770,000,000 to acquire the 38.5% interest in the Songyuan Healthcare Industry Fund (松源健康醫療產業基金), which focuses on the investments in the medical and healthcare sector mainly covering medical devices, bio-pharmaceuticals, medical services and rehabilitation and elderly care, of which a total of RMB308,000,000 has been contributed.
4. In 2023, the Group planned to invest approximately RMB200,000,000 in the new production lines, which is expected to be successively put in operation by 2025.
5. In 2023, the Group planned to further invest approximately RMB198,000,000 in the upgrading and reconfiguration of the single-use consumables and orthopaedic consumables equipment to further enhance the level of production automation.
6. In January 2023, Weigao Orthopaedic, a subsidiary of the Company, entered into an agreement to acquire 100% equity interest in Shandong Weigao Newlife Medical Device Co., Ltd., a fellow subsidiary of the Company, which is principally engaged in the research and development, manufacture and sale of tissue repair product lines, at a consideration of RMB1,030,000,000. The transfer price is payable in instalments, with an estimated payment of RMB721,000,000 in 2023.

Save for the above material investments and investment plans, the Group had no future plans involving significant investments or capital assets acquisition as of 31 December 2022.

重大投資／未來重大投資計劃 (續)

3. 本集團計劃出資人民幣770,000,000元投資松源健康醫療產業基金，佔比38.5%，該基金重點投資於以醫療器械、生物醫藥、醫療服務、康復養老為主的醫療健康領域，已累計出資人民幣308,000,000元。
4. 二零二三年計劃投資約人民幣200,000,000元，購置新生產線，預計二零二五年可陸續投入生產。
5. 二零二三年計劃繼續投入約人民幣198,000,000元，持續用於一次性耗材及骨科耗材的設備更新與改造項目，進一步提升生產的自動化水平。
6. 二零二三年一月，本公司附屬公司威高骨科簽訂協議以人民幣1,030,000,000元收購本公司同系附屬公司山東威高新生醫療器械有限公司100%股權，該公司主要從事組織修復產品線的研發、制造及銷售。轉讓價款分期支付，二零二三年預計支付人民幣721,000,000元。

除上述重大投資與投資計劃外，於二零二二年十二月三十一日，本集團並無參與重大投資或購入資本資產之未來計劃。

CAPITAL COMMITMENT

As of 31 December 2022, the capital commitment including acquisition, investment, and purchase of property, plant and equipment which the Group and the Company had contracted for but not provided amounted to approximately RMB1,299,231,000 (2021: approximately RMB1,113,104,000). The above amounts will be financed by the internal resources of the Group.

PLEDGE OF THE GROUP'S ASSETS

As at 31 December 2022, pledged/restricted bank balances represent deposits pledged to banks to secure trade facilities such as bills payable and letter of credit and short-term borrowing amounting to RMB694,084,000 (2021: RMB760,895,000). The pledged bank deposits will be released upon the settlement of relevant bank borrowings.

As of 31 December 2022, the Group had pledged the equity interest in Weihai Jierui Medical Products Company Ltd., Shandong Financial Leasing Co., Ltd. and Shanghai Financing Lease Co., Ltd. wholly owned subsidiaries of the Group, as well as the property and plant with a total carrying value of approximately RMB627,948,000 of the Company to obtain long-term borrowings and green bonds from International Finance Corporation.

The lease financing company pledged finance lease receivables of approximately RMB17,100,000 (2021: nil) to secure bank facilities.

The Group had pledged bills receivable of RMB107,611,000 (2021: RMB54,188,000) to secure the letter of credit.

As of 31 December 2022, the loan principal of Argon amounted to US\$340,598,000, which was secured by a security package of 100% equity interest in Argon and its subsidiaries as well as the property, plant and equipment, intangible assets, inventories, trade receivables, cash and bank balances of Argon. In the meantime, the Company provided a guarantee for Argon.

資本承擔

於二零二二年十二月三十一日，本集團及本公司已經簽約但尚未作出撥備收購、投資及購置物業、廠房及設備等的資本承擔約為人民幣1,299,231,000元（二零二一年：約人民幣1,113,104,000元），上述款項將以本集團之內部資源支付。

本集團資產抵押

於二零二二年十二月三十一日，已抵押／受限制銀行結餘指抵押予銀行以擔保貿易融資（例如應付票據及信用證及短期借款）之存款金額人民幣694,084,000元（二零二一年：人民幣760,895,000元）。已抵押銀行存款將於相關銀行借款結清後解除。

於二零二二年十二月三十一日，本集團已質押對全資子公司威海潔瑞醫用製品有限公司、山東融資租賃公司有限公司、上海融資租賃公司有限公司的股權以及本公司總賬面值約為人民幣627,948,000元的物業、廠房以獲取國際金融公司的長期借款及綠色債券。

融資租賃公司質押應收融資租賃賬款約人民幣17,100,000元（二零二一年：無）以取得銀行信用額度。

本集團已質押應收票據人民幣107,611,000元（二零二一年：人民幣54,188,000元）以取得信用證。

於二零二二年十二月三十一日，愛琅貸款本金340,598,000美元，以愛琅及其子公司的100%股權共同擔保，以愛琅的物業、廠房及設備、無形資產、存貨、貿易應收款、現金及銀行結餘作為擔保物，同時本公司為愛琅提供擔保。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論與分析

RESERVES AND DISTRIBUTABLE RESERVES

As of 31 December 2022, the total reserves of the Group amounted to RMB21,211,874,000 (2021: RMB18,949,583,000).

Under the PRC laws and regulations, the Company's distributable reserves will be based on the lower of the amount calculated according to the PRC accounting principles and rules and the amount calculated according to Hong Kong's generally accepted accounting principles. As of 31 December 2022, the distributable reserves of the Company were approximately RMB8,315,208,000 (2021: RMB8,220,181,000).

REVIEW AND OUTLOOK

2022 has been a challenging year. Changes in the COVID-19 pandemic situation, macro-environment and international landscape have presented new challenges as well as new requirements for the industry and our Company.

In connection with the pandemic, the structure and volume of the consultation and treatment services of domestic hospitals were subject to substantial fluctuations, while the supply chain was also under considerable pressure. The Company assisted and complemented medical institutions and downstream partners with persistent efforts to ensure the supply of materials and minimize any adverse impact.

From November to December 2022, domestic anti-epidemic control measures were gradually being lifted until full relaxation. The number of patients seeking medical consultation and hospitalized patients registered by the pulmonary departments of hospitals rose substantially, resulting in higher hospital demands for certain care products on the one hand, but affecting the sales of certain products for elective treatments (orthopaedic consumables in particular) on the other, thereby affecting the provision of commodities and revenue collection from sales channels at the end of the year.

The national healthcare reform policies continued to be advanced in full implementation, as initiatives such as medical insurance negotiations, centralised pharmaceutical procurement, volume-based procurements of high-value consumables and DRGs/DIP, among others, continued to produce a profound impact on the medical industry. The volume-based procurement of consumables, in particular, has presented some challenges for the Company in the short term, although in the long run it represents enormous opportunities for development.

儲備及可供分派儲備

於二零二二年十二月三十一日，本集團儲備總額為人民幣21,211,874,000元（二零二一年：人民幣18,949,583,000元）。

根據中國的法律及條例，本公司可供分派的儲備將以按照中國會計原則及規則所計算金額與按照香港公認會計原則所計算金額中的較低者為基準。於二零二二年十二月三十一日，本公司可供分派的儲備約為人民幣8,315,208,000元（二零二一年：人民幣8,220,181,000元）。

回顧與展望

2022年是充滿挑戰一年。新冠疫情、宏觀環境和國際環境等多方面的變化，給行業和公司帶來了新的挑戰，也提出了新的要求。

疫情方面，國內醫院開展診療服務的結構和數量產生較大波動，供應鏈也承受相當壓力。公司持續努力，協助和配合醫療機構和下游合作夥伴為保證供應做出貢獻，克服了不利影響。

2022年11月、12月，國內疫情管控陸續全面放開，醫院呼吸科相關就診及住院量大幅提升，導致醫院對部分護理產品的需求量增加，但影響了部分擇期診療類產品（特別是骨科耗材類）的銷售，同時影響了年底的渠道備貨及回款。

國家醫改政策持續全面推進，包括醫保談判、藥品集採、高值耗材帶量採購、DRGs/DIP等，持續對醫療行業產生深遠影響。特別是耗材帶量採購，公司帶來了一些短期的挑戰，但更帶來了長期的巨大發展機遇。

REVIEW AND OUTLOOK (continued)

In the clinical care segment, the volume-based procurement of different products by various provinces will continue to be advanced. Leveraging its prolific product portfolio and extensive market coverage, the Company boasted strong capabilities to counter risks. The Company conducted comprehensive estimations on industry policies and established its business presence in advance in active response. Through various means such as the upgrading and updating of products, sound cost control and expansion of the mass market, the Company has seized opportunities to expand its market share and enhance its competitiveness in the industry.

As an industry leader in the clinical care sector, the Company is committed to providing assistance to various types of medical institutions with a view to elevating the overall medical management quality and standards of the clinical care sector in China. On top of its existing infusion products, the Company has continued to expand and enrich its product portfolio in specialist care sectors such as anesthetics, pulmonology and urology, among others.

The digitalised clinical care products launched by the Company have successively undergone trial application, installation and online connection at the wards of major hospitals to help care departments to enhance the regulation and standardization of clinical care and alleviating the magnitude of the duties of medical staff as well as staff cost, while substantially reducing or avoiding medical incidents. Such products have been widely commended and welcomed by hospitals and medical personnel. We believe that digitalised clinical care products hold out immense market prospects while being capable of promoting sales of clinical care consumables, generating social benefits that are even greater than their economic benefits.

回顧與展望 (續)

臨床護理板塊，不同產品的各省帶量採購將會持續推進。公司憑借豐富的產品組合和市場覆蓋，有較強的風險應對能力。公司對行業政策進行充分預判，提前佈局，積極應對。通過產品升級換代、良好的成本控制、基層市場開拓等各種措施，抓住機會，提升市場份額，增強行業競爭力。

作為臨床護理領域的行業龍頭，公司致力協助各類醫療機構，提升中國整體的臨床護理的醫療管理質量和水平。在原有的輸注類產品基礎上，公司持續拓展和豐富麻醉呼吸、泌尿等專科護理領域的產品組合。

公司推出了臨床護理數字化產品，陸續在各大醫院的各病區試點、安裝和上線，協助護理科提升臨床護理的規範化、標準化水平，減輕醫護人員的工作強度，降低人員成本，同時也極大減少或避免醫療事故，受到了來自醫院及醫護人員的廣泛好評和歡迎。我們相信，臨床護理數字化產品的市場前景廣闊，同時可以促進臨床護理耗材類產品的銷售，其社會效益更遠大於經濟效益。

REVIEW AND OUTLOOK (continued)

In the orthopaedic business, new prices were successively implemented after the completion of nationwide and regional centralised procurement of joint, trauma and other products. The nationwide volume-based procurement of spine products has also been completed and the signing of tripartite agreements were completed nationwide in accordance with requirements. We are glad to note that the policy for volume-based procurement has become more reasonable requiring prices cuts by more moderate margins with due regard for manufacturing companies' ability to pursue sustainable development and invest in innovation. This is conducive to the expansion of market shares held by industry leaders and enhancement of the industry's drive for innovation.

In the pharmaceutical packaging business, the Company's market position has been further reinforced. The Company has continued to increase its production capacity to enhance its ability to serve downstream pharmaceutical manufacturers and strengthen customer loyalty. In particular, we track and provide premium services to these enterprises at the early stage of R&D. The Company will further seize opportunities presented by the following: faster approval for R&D of domestic innovative pharmaceutical enterprise; enhanced overseas competitiveness of domestic manufacturers of drug preparations; and upgrades in pharmaceutical packaging. In addition, the Company will focus on the development of international customers and seize opportunities in the overseas market to increase its global market shares.

The government has continued to encourage innovation in medical devices. As the R&D and approval of new products sped up, enterprises engaged in innovative medical devices have showcased vigour as rarely seen before. Changes in the economic cycle have also presented numerous challenges to some startup enterprises. Seizing this opportunity, the Company has increased investment in and accelerated the progress of in-house R&D. Meanwhile, we have been engaged in strategic engagement and cooperation with such innovative startups to accelerate the introduction and market access of new products. The Company has stepped up with the improvement of its product portfolios to address changes of the times.

回顧與展望 (續)

骨科板塊，在關節、創傷等產品的全國、區域集採完成之後，新的價格陸續執行；脊柱全國帶量採購也已經完成，並根據要求，在全國範圍內完成了三方協議的簽署。我們欣然看到，帶量採購的政策更加趨於合理，降價幅度更加溫和，兼顧到了生產企業的持續發展能力和創新投入，這有利於行業龍頭市場份額的提升，有利於提升行業的創新活力。

藥品包裝板塊，公司市場地位進一步鞏固。公司持續提升產能，加強對下游製藥企業的服務能力，提高客戶黏性，特別是在這些企業的早期研發階段，就跟蹤並提供優質服務。公司將進一步抓住以下機遇：國內創新藥企業研發獲批加快、國內藥品製劑企業海外競爭力提升、藥品包裝升級。此外，公司重點開發國際客戶，抓住海外市場機遇，提升全球市場份額。

政府持續鼓勵醫療器械創新。新產品的研發、獲批速度加快，醫療器械創新企業展現出空前的活力。隨著經濟週期的變化，部分初創企業也受到了不少挑戰。公司抓住機遇，在加大內部研發投入，加速內部研發進展。同時，策略性與這些创新型初創企業開展溝通、合作，以加速新產品上市和市場准入。公司加快完善產品組合，應對時代變化。

REVIEW AND OUTLOOK (continued)

The Company has continued to improve and enhance corporate governance and promote strategies on sustainable development to facilitate long-term and high-quality development. The Company highlights responsible operation and meets public demands for medical products with high-quality products. The Company emphasises the green development concept and implements concepts, goals and initiatives in relation to energy conservation and emission reduction in production and operation. During the year, the Company tapped the hospital energy management sector with the establishment of 柏清能源, with the aiming of assisting in energy informatisation at medical institutions in order to save energy, reduce consumption and lower carbon emission.

As a leading domestic platform-based medical devices company, the Company enjoys significant competitiveness in the following aspects:

- 1) Outstanding corporate culture and distinguished market reputation and brand influence.

The Company always practices the corporate culture of conscience, honesty and loyalty to meet clinical demands. With strong end-user demand in the market, the implementation of volume-based procurements and efficiency improvement in the industrial chain for medical devices and consumables have put the Company in a highly favourable position to rapidly expand its market share and enhance its position and influence in the industry.

- 2) Advantage of an Open, inclusive and shared platform

The Company promotes the coordination and cooperation and sharing of resources among various segments to fully motivate the flexibility and vigour of all segments. Through strategic review, the Company actively cultivates and deploys in new business segments to build them into new growth points.

回顧與展望 (續)

公司持續完善、提升治理水平，推行可持續發展策略，助力長期高質量發展。公司強調負責任經營，以優質的產品滿足社會對醫療產品的需求。公司強調綠色發展理念，將節能減排的理念、目標和行動措施，貫穿到生產經營中去。年內，公司投資成立柏清能源，進入醫院能源管理業務領域。助力醫療機構的能源信息化建設，實現節能、降耗、減碳。

公司是國內領先的醫療器械平台型公司，在以下幾個方面有顯著的競爭力：

- 1) 優秀的企業文化、卓越的市場口碑和品牌影響力。

公司始終踐行良心、誠心、忠心的企業文化，滿足臨床需求。產品的市場剛需強，隨著帶量採購的實施，醫療器械、耗材的產業鏈效率優化，極大有利於公司快速提升市場份額，提升行業地位和影響力。

- 2) 開放、包容和共享的平台優勢。

公司推動各板塊的協同、合作和資源共享，充分激發各板塊的靈活性和活力。公司通過戰略梳理，積極培育和佈局新的業務板塊，以期成為新的增長點。

REVIEW AND OUTLOOK (continued)

3) Solid manufacturing foundations.

The Company enjoys distinct advantages in automation, materials science, cost control, capacity layout and quality control and fully meets the requirements of volume-based procurements on price and quality. The Company will continue to improve the standard of digital management in production and manufacturing and actively deploy in new materials, new technologies and new processes to maintain and enhance the competitiveness of its manufacturing business.

4) Customer resources and channel coverage.

Thanks to diligent efforts over the years, the Company has developed a distinguished marketing system catered to the PRC market, featuring in particular a large, comprehensive network for direct sales to hospitals. Through further integration of sales channels, its advantage in channels has been enhanced. The Company has continued to step up with the improvement of product portfolios through R&D, product cooperation with domestic and foreign parties and M&As to bring into full play and “cash” in on its channel strengths.

The Company formulates development strategies and medium and long-term development plans on a rolling basis. Taking into account changes in industry policies and the competitive landscape, clinical requirements and the accumulation of internal resources, the Company has proposed a three-pronged operational strategy of “platform-based”, “internationalised” and “digitalised” development and a dual assurance strategies underpinned by “talents” and “innovation”. Under the “platform-based” operational strategy, the Company’s vision is to become an overall solution provider for medical institutions with an extensive product portfolio, while pursuing product sophistication in specialist treatment sectors to herald progress in clinical treatment technologies and become a leader in sub-segments. The Company intends to deliver long-term and stable value through the implementation of such strategies.

回顧與展望 (續)

3) 紮實的製造業基礎。

公司在自動化水平、材料學、成本控制、產能佈局、質量控制等方面都有明顯優勢，充分滿足帶量採購對價格和質量的需求。公司將繼續提升生產製造的數字化管理水平，積極佈局新材料、新技術、新工藝，維持和提升製造業的競爭力優勢。

4) 客戶資源及渠道覆蓋。

通過多年的努力，公司打造了適用中國市場的優秀營銷體系，特別是龐大、完善的醫院直銷網絡。通過進一步的銷售渠道整合，提升渠道優勢。公司持續通過研發、國內外產品合作、併購等，加速完善產品組合，充分發揮渠道優勢，實現「渠道變現」。

公司滾動制定發展戰略和中長期發展規劃。結合行業政策和競爭格局的變化、臨床需求、自身資源的積累等情況，提出「平台化」、「國際化」、「數字化」三大經營戰略和「人才」、「創新」兩大保障戰略。「平台化」經營戰略下，公司以醫療機構的整體解決方案供應商為願景，豐富產品組合，同時在專業治療領域，將產品做精、做深，引領臨床治療技術的進步，成為細分領域的領導者。公司通過戰略的貫徹和實施創造長期穩健的價值。

REVIEW AND OUTLOOK (continued)

While all living things spring into life at the end of the cold winter, industry recovery is in also progress. The three-year battle against the pandemic has ended in a major victory, as manufacturing and daily activities are returning to normal, while the volume of consultation and treatment at hospitals is experiencing exponential growth. In the meantime, policies governing our industry have become clearer. Although uncertainties remain in the macro-environment and international landscape, the management remains fully confident in the long-term, sustainable development and growth of the Company in 2023 and beyond.

The management believes that, on the back of its strategic presence in a wide range of business sectors fields and high-quality products, an operational strategy underpinned by persistent market adaptation and a future-oriented approach and initiatives that motivate employee creativity, the Company will continue to maintain and strengthen its leading position in the PRC market. Meanwhile, the Company will actively promote global resource sharing to achieve coordinated development in the domestic and foreign markets in support of stable growth in the Group's operating results.

回顧與展望 (續)

冬去春來，萬物生長，行業回暖。三年抗疫取得了重大勝利，生產生活在逐步恢復，醫院診療量爆發式增長。同時，行業政策也趨於明朗。雖然有宏觀及國際環境的不確定性，但管理層對2023年和未來長期的可持續發展和增長充滿信心。

管理層相信，憑借公司廣泛的業務領域戰略佈局及高質量產品，堅持適應市場、面向未來的經營策略，激發員工創造性，公司將繼續保持並加強中國市場領先地位。同時積極推動公司全球資源共享，實現國內外市場協同發展，支持本集團經營業績穩健增長。

REPORT OF THE SUPERVISORY COMMITTEE

監事會報告書

To all shareholders:

The Supervisory Committee (the “Supervisory Committee”) of Shandong Weigao Group Medical Polymer Company Limited, in compliance with the relevant requirements of the Company Law and the Articles of Association of the Company, has conducted its work in accordance with the fiduciary principle, and has taken up an active role to work seriously and with diligence to protect the interests of the Company and its shareholders.

During the Year, the Supervisory Committee had reviewed cautiously the development plans of the Company and provided reasonable suggestions and opinions to the Board. It also strictly and effectively monitored and supervised the Company’s management in making significant policies and decisions to ensure that they are in compliance with the relevant requirements of the Company Law and the Articles of Association of the Company, and in the interests of its shareholders.

We have reviewed and agreed to the report of the Directors, audited consolidated financial statements and the dividend to be proposed by the Board for presentation at the forthcoming annual general meeting. We are of the opinion that the Directors, the chief executive officer and other senior management of the Company are able to strictly observe their fiduciary duty, to act diligently, to exercise their authority faithfully in the best interests of the Company and to work in accordance with the Articles of Association of the Company. The transactions between the Company and connected parties are in the interests of the shareholders as a whole and under fair and reasonable price.

As of today, none of the Directors, chief executive officer and senior management staff had been found to have abused their authority, damaged the interests of the Company or infringed upon the interests of its shareholders and employees. None of them was found to be in breach of any laws and regulations or the Articles of Association of the Company.

致各位股東：

山東威高集團醫用高分子製品股份有限公司監事會（「本監事會」）遵照公司法及本公司組織章程細則的有關規定，遵守誠信原則，認真履行職責，保護本公司及其股東利益，勤勉主動地開展工作。

在本年度內，本監事會對本公司的發展計劃進行謹慎審核，並向董事會提出合理的建議和意見，對本公司管理層的重大決策及決定是否符合公司法及本公司組織章程細則的有關規定，是否符合股東利益等，進行了嚴謹及有效的監督。

本監事會已審閱並同意董事會提呈予應屆股東週年大會的董事會報告、經審核綜合財務報表及建議派發的股息。本監事會認為本公司董事、行政總裁及其他高級管理人員能夠嚴格遵守誠信原則，工作勤勉盡職並真誠地以本公司最佳利益為出發點行使職權，並按照本公司組織章程細則開展各項工作。本公司與關連人士進行的交易均符合股東的整體利益，且價格公平合理。

本監事會至今並無發現董事、行政總裁及高級管理人員濫用職權，損害本公司利益或侵犯本公司股東和員工權益的行為，亦未發現上述人員違反任何法律法規或本公司的組織章程細則。

REPORT OF THE SUPERVISORY COMMITTEE
監事會報告書

The Supervisory Committee is satisfied with the achievement and cost-effectiveness of the Company in 2022 and has great confidence in the future prospect of the Company.

本監事會對本公司於二零二二年的各項工作和取得的成本效益表示滿意，並對本公司的未來前景充滿信心。

By Order of the Supervisory Committee
**Shandong Weigao Group Medical Polymer
Company Limited**
GU Meijun
Chairman of Supervisory Committee
Weihai, Shandong Province, the PRC

承本監事會命
**山東威高集團醫用高分子製品股份
有限公司**
本監事會主席
谷美君
中國山東省威海市

28 April 2023

二零二三年四月二十八日

REPORT OF THE DIRECTORS 董事會報告

The Directors are pleased to submit their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2022.

The Company was established and registered as a joint stock company with limited liability in the PRC under the Company Law of the PRC on 28 December 2000. The H Shares of the Company were listed on GEM of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 27 February 2004 and were transferred to Main Board of the Stock Exchange on 29 July 2010. On 7 August 2018, the Company completed the H share full circulation pilot project to convert and list 2,638,600,000 non-listed shares into H shares. As at 31 December 2022, there was a total issued share capital of 4,522,332,324 H Shares and 48,300,000 non-listed shares.

PRINCIPAL ACTIVITIES

Shandong Weigao Group Medical Polymer Company Limited is principally engaged in the research and development, production and sale of medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products, and operates financing business.

For management purposes, the Group is currently organised into six operating divisions – medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products and others, among which interventional products were produced by Argon Medical Devices Holding, Inc.. These divisions are the basis of the internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (Managing Director) in order to allocate resources to segments and to assess their performance.

董事欣然提呈本集團截至二零二二年十二月三十一日止年度的年報及經審核綜合財務報表。

本公司於二零零零年十二月二十八日根據中國公司法在中國成立並註冊為股份有限公司。本公司H股於二零零四年二月二十七日在香港聯合交易所有限公司（「聯交所」）GEM上市，並於二零一零年七月二十九日轉板至聯交所主板。於二零一八年八月七日，本公司完成H股全流通試點項目，將2,638,600,000股非上市股份轉換為H股並上市。於二零二二年十二月三十一日，已發行股本總額為4,522,332,324股H股及48,300,000股非上市股份。

主要業務

山東威高集團醫用高分子製品股份有限公司主要從事研發、生產及銷售醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品，及經營融資業務。

就管理而言，本集團目前分為六個經營分部－醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品及其他，其中介入產品由愛琅醫療器械控股有限公司生產。該等分部乃按本集團各部的內部呈報基準劃分，定期由主要營運決策者（董事總經理）審核，以分配資源至分部並評估其表現。

PRINCIPAL ACTIVITIES (continued)

Principal activities of the Group's operating and reportable segments are as follows:

Medical device products	– production and sale of clinical care, medical testing, anesthesia and surgical related products and other consumables
Orthopaedic products	– production and sale of orthopaedic products
Interventional products	– production and sale of tumour and blood vessel interventional instruments
Pharma packaging products	– production and sale of pre-filled syringes and flushing syringes
Blood management products	– production and sale of blood collection, irradiation, storage, separation and sterilization products
Others	– finance lease and factoring business

PROPERTY, PLANT AND EQUIPMENT

The Group acquired property, plant and equipment during the year of 2022 at additions of approximately RMB1,103,341,000 in order to enhance its production capacity. Details of movements in the property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL

As at 31 December 2022, there was a total issued share capital of 4,522,332,324 H shares (the "H Shares") and 48,300,000 non-listed shares (the "Non-listed Shares") of the Company.

The changes in share capital of the Company are set out in note 37 to the consolidated financial statements.

主要業務 (續)

本集團經營及可呈報分部的主要業務如下：

醫療器械產品	– 生產及銷售臨床護理、醫學檢驗、麻醉及手術相關產品以及其他耗材
骨科產品	– 生產及銷售骨科產品
介入產品	– 生產及銷售腫瘤及血管介入器械
藥品包裝產品	– 生產及銷售預灌封注射器及沖管注射器
血液管理產品	– 生產及銷售血液採集、輻射、貯存、分離及滅菌消毒產品
其他	– 融資租賃及保理業務

物業、廠房及設備

本集團為提高產能而於二零二二年年內購置物業、廠房及設備的添置金額約為人民幣1,103,341,000元。有關本集團物業、廠房及設備的變動詳情，載於綜合財務報表附註15。

股本

於二零二二年十二月三十一日，本公司已發行股本合共為4,522,332,324股H股份（「H股股份」）及48,300,000股非上市股份（「非上市股份」）。

本公司的股本變動載於綜合財務報表附註37。

RESERVES AND DISTRIBUTABLE RESERVES

As at 31 December 2022, total reserves of the Group amounted to RMB21,211,874,000 (2021: RMB18,949,583,000).

Under the PRC laws and regulations, the Company's distributable reserves will be based on the lower of the amount calculated according to the PRC accounting principles and rules and the amount calculated according to the Hong Kong generally accepted accounting principles. As at 31 December 2022, the distributable reserves of the Company were approximately RMB8,315,208,000 (2021: RMB8,220,181,000).

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the Year were:

Executive Directors

Mr. LONG Jing (*Chairman*)
Mr. CONG Rinan (*Chief Executive Officer*)
Mr. LU Junqiang
Mr. NI Shili

Non-executive Directors

Mr. TANG Zhengpeng (*Vice Chairman*)
Mr. CHEN Lin

Independent non-executive Directors

Mr. LI Guohui
Mrs. MENG Hong
Mr. LI Qiang

儲備及可供分派儲備

於二零二二年十二月三十一日，本集團儲備總額為人民幣21,211,874,000元（二零二一年：人民幣18,949,583,000元）。

根據中國的法律及條例，本公司可供分派的儲備將以按照中國會計原則及規則所計算金額與按照香港公認會計原則所計算金額中的較低者為基準。於二零二二年十二月三十一日，本公司可供分派的儲備約為人民幣8,315,208,000元（二零二一年：人民幣8,220,181,000元）。

董事及董事服務合約

本年度內，本公司的董事為：

執行董事

龍經先生 (*主席*)
叢日楠先生 (*行政總裁*)
盧均強先生
倪世利先生

非執行董事

湯正鵬先生 (*副主席*)
陳林先生

獨立非執行董事

李國輝先生
孟紅女士
李強先生

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS (continued)

Each of the directors entered into service agreements with the Company. The service contracts were signed for an initial term of three years, unless and until terminated by either party by giving notice to the other party with three months' notice in writing. In accordance with the Company's Articles of Association, the service agreements of all directors are renewable for successive three-year terms upon expiry.

The service agreements for directors do not stipulate for any amount of remuneration or bonus payment to be paid for services provided. The executive directors are paid with a fixed sum of annual salaries for holding positions in the Company and entitled to welfare benefits (including retirement benefits and medical insurance) in accordance with the relevant laws and regulations in the PRC. The non-executive director waived her directors' remuneration for the year ended 31 December 2022 and accepted a nominal annual fee of RMB1.00.

According to the respective service agreements entered into between the Company and each of three independent non-executive directors, each of Mrs. Meng Hong and Mr. Li Qiang received an annual fee of RMB120,000, and Mr. Li Guohui received an annual fee of HK\$200,000.

Apart from the foregoing, no directors have a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed, no transaction, arrangement or contract of significance in relation to the Group's business to which the Company, its fellow subsidiaries or its holding company or the Group was a party and in which a Director or an entity connected with a Director (with meetings as ascribed to it under the Listing Rules) had a material interest, whether directly or indirectly, were entered into or subsisted during or at the end of the year.

董事及董事服務合約 (續)

每名董事已與本公司訂立服務協議。服務合約已簽署初步為期三年，除非任何一方給予另一方三個月的書面通知予以終止。根據本公司的組織章程細則，所有董事的服務協議均可於屆滿時再續三年。

董事的服務協議均無訂明其提供服務可獲取的任何酬金或花紅款額。執行董事獲支付固定年薪以擔任本公司職務，並根據中國有關法律和法規，有權享有各項福利待遇（包括退休福利及醫療保險）。非執行董事於截至二零二二年十二月三十一日止年度放棄其董事酬金，收取名義年度袍金人民幣1.00元。

根據本公司與三名獨立非執行董事各自訂立之有關服務協議，孟紅女士及李強先生各自收取年度袍金人民幣120,000元，而李國輝先生收取年度袍金200,000港元。

除上述者外，董事概無與本公司訂立本公司不可於一年內未有支付賠償（法定賠償除外）而終止的服務合約。

董事於合約之權益

除披露者外，本公司、其同系附屬公司或其控股公司或本集團概無於年內或年末訂有任何董事或其關連實體（定義見上市規則）於當中直接或間接擁有任何重大權益且與本集團業務有關之重大交易、安排或合約。

DIRECTORS' INTERESTS AND LONG POSITIONS IN SHARES

As at 31 December 2022, the interests of the directors in the share capital of the Company and their associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")), (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities transactions by Directors of Listed Companies (the "Model Code") contained in the Listing Rules:

(i) Long positions of listed Shares of RMB0.10 each of the Company

Name of Director	Types of interests	Capacity	Total number of H Shares	Approximate percentage of H Shares of the Company 佔本公司H股 概約百分比%	Total number of non-listed shares	Approximate percentage of the non-listed shares of the Company 佔本公司非上市股份 概約百分比%	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本的 概約百分比%
董事姓名	權益類別	身份	H股總數		非上市股份總數		
Mr. Long Jing 龍經先生	Personal 個人	Beneficial owner 實益擁有人	480,000	0.0106	6,000,000	12.42	0.1418
Mr. Cong Rinan 叢日楠先生	Personal 個人	Beneficial owner 實益擁有人	200,000	0.0044	2,000,000	4.14	0.0481
Mr. Chen Lin 陳林先生	Personal 個人	Beneficial owner 實益擁有人	196,000	0.0043	-	-	0.0043
Mr. Ni Shili 倪世利	Personal 個人	Beneficial owner 實益擁有人	400,000	0.0088	2,400,000	4.97	0.0613

董事於股份的權益及好倉

於二零二二年十二月三十一日，董事於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股本中擁有(i)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之權益（包括根據證券及期貨條例的相關條文彼等視作或被視為擁有的權益或淡倉）；或(ii)將予記入根據證券及期貨條例第352條須存置之登記冊之權益；或(iii)根據上市規則所載的上市公司董事進行證券交易之標準守則（「標準守則」）而須知會本公司及聯交所之權益如下：

(i) 於本公司每股面值人民幣0.10元上市股份中的好倉

DIRECTORS' INTERESTS AND LONG POSITIONS IN SHARES (continued)

董事於股份的權益及好倉 (續)

(ii) Long positions in the registered capital of holding company, Weigao Holding, an associated corporation of the Company

(ii) 於控股公司威高集團公司(本公司相聯法團)註冊資本的好倉

Name of director	Capacity	Amount of registered capital	Approximate percentage of the registered capital of Weigao Holding 佔威高集團公司註冊資本概約百分比
董事名稱／姓名	身份	註冊資本金額	
Weihai Weigao International Medical Investment Holding Company Limited* (Note) 威海威高國際醫療投資控股有限公司(附註)	Registered owner 登記擁有人	1,078,000,000	89.83%
Mr. Chen Lin 陳林先生	Beneficial owner 實益擁有人	9,760,000	0.81%

Note: 威海威高國際醫療投資控股有限公司 (Weihai Weigao International Medical Investment Holding Company Limited*) is owned as to 51.7% by Mr. Chen Xueli and 7.4% by Mr. Chen Lin (Mr. Chen Xueli is father of Mr. Chen Lin).

附註：威海威高國際醫療投資控股有限公司由陳學利先生及陳林先生(陳學利先生為陳林先生的父親)分別擁有51.7%及7.4%。

PURCHASE, SALE OR REDEMPTION OF SECURITIES

At no time during the Year were rights to acquire benefits by means of the acquisition of shares in or debenture of the Company granted to any directors or their respective associates or were any such rights exercised by them; or was the Company, its holding company or any subsidiaries of its holding company or fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire such rights in the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2022, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO recorded that other than the interests disclosed above in respect of certain Directors, the following shareholder had notified the Company of relevant interest in the issued share capital of the Company.

Name of Shareholder	Capacity	Number of H shares	Percentage of total issued share capital 佔已發行股本總額的百分比
股東名稱	身份	H股數目	
Weigao Holding Company Limited 威高集團有限公司	Beneficial owner 實益擁有人	2,099,755,676	45.94%

Save as disclosed above, the following shareholders have disclosed their relevant interests or long positions in the issued share capital of the Company.

購買、出售或贖回證券

於本年度內任何時間，概無任何董事或彼等各自的聯繫人獲授以收購本公司股份或債券方式獲利的權利，而彼等亦無行使任何該等權利；或本公司、其控股公司或其控股公司或同系附屬公司的任何附屬公司概無訂立任何安排，使本公司董事可收購於本公司或任何其他法人團體的該等權利。

主要股東

於二零二二年十二月三十一日，按本公司根據證券及期貨條例第336節存置的主要股東登記冊所示，除上文披露有關若干董事的權益外，下列股東已知會本公司其於本公司已發行股本中的有關權益。

除上文披露者外，下列股東已披露彼等於本公司已發行股本中擁有的相關權益或好倉。

SUBSTANTIAL SHAREHOLDERS (continued)

主要股東 (續)

Name of substantial shareholder 主要股東姓名／名稱	Number of H shares interested 擁有權益 H股數目	% of Issued Share Capital 佔已發行 股本百分比
Mr. Chen Xueli 陳學利先生	2,099,755,676(L)	45.94(L)
Weihai Weigao International Medical Investment Holding Company Limited# 威海威高國際醫療投資控股有限公司	2,099,755,676(L)	45.94(L)
Weigao Holding Company Limited# 威高集團有限公司	2,099,755,676(L)	45.94(L)

Note: (L) – Long Position

* Source: Website of Hong Kong Stock Exchange

For identification purpose only

附註： (L)–好倉

* 資料來源：香港聯交所網站

僅供識別

MAJOR CUSTOMERS AND SUPPLIERS

主要客戶及供應商

In 2022, sales to the Group's five largest customers accounted for 4.2% of the total sales for the Year and sales to the largest customer included therein accounted for 1.2% of the total sales of the Year. Purchases from the Group's five largest suppliers accounted for 14.5% of the total purchases for the Year and purchases from the largest supplier included therein accounted for 4.9% of the total purchases of the Year. During the Year, none of the directors of the Company or any of their associates or any shareholders (which to the knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the top five customers and suppliers of the Group.

於二零二二年，向本集團五大客戶的銷售佔本年度總銷售4.2%，而向其中最大客戶的銷售則佔本年度總銷售1.2%。向本集團五大供應商所作採購佔本年度總採購14.5%，而向其中最大供應商所作採購則佔本年度總採購4.9%。本年度內，本公司董事、其任何聯繫人或據董事所知擁有本公司已發行股本5%以上的任何股東概無於本集團五大客戶及供應商中擁有任何實益權益。

SHARE-BASED PAYMENTS

(A) Share Award Scheme of the Company

On 17 November 2014, share award scheme of the Company (the "Incentive Share Scheme") was adopted by the extraordinary general meeting. The maximum number of non-listed Shares which may be issued under the share award scheme would be 223,818,616, which represent approximately 4.76% of the issued share capital of the Company, respectively, as incentive shares to key personnel of the Group, and other persons as approved by the Remuneration Committee (the "Selected Employee"), in batches in subsequent years. The life of the Incentive Share Scheme is for 10 years starting from 17 November 2014. Details of the Incentive Share Scheme are set out in the Company's announcement dated 15 August 2014.

According to the Incentive Share Scheme, the incentive shares will be granted to the Selected Employee, subject to non-market performance vesting conditions.

According to the Incentive Share Scheme, for Selected Employee with a domestic identity, the trustee will administer the incentive shares, which may be organised in forms of companies owned by the employees, limited partnership, or qualified trust companies in the PRC, or for Selected Employee with a foreign identity, the trustee will hold the incentive shares outside the PRC.

On 11 December 2015, the Company granted first 45,960,000 incentive shares to 111 Selected Employees, with the consideration of RMB101,112,000 at the issue price of RMB2.20 per share. The fair value of the incentive shares as at grant date amounted to RMB104,121,000.

For grants of shares that are satisfying specified vesting conditions, the difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the relevant employees. The Group recognised the incentive share expenses of nil (2021: RMB3,572,000) into the profit or loss during the current year.

以股份為基礎付款

(A) 本公司股份激勵計劃

於二零一四年十一月十七日，本公司通過股東特別大會採納股份激勵計劃（「激勵股份計劃」）。根據股份激勵計劃可發行非上市股份之最多數目將為223,818,616股，相當於本公司已發行股本約4.76%，於隨後年度向本集團主要人員及薪酬委員會批准的其他人士（「受益人」）分批發行作為激勵股份。激勵股份計劃之年期為自二零一四年十一月十七日起計十年。激勵股份計劃之詳情載於本公司日期為二零一四年八月十五日之公佈內。

根據激勵股份計劃，激勵股份將在非市場業績歸屬條件的規限下授予受益人。

根據激勵股份計劃，就持有境內身份的受益人而言，受託人將管理激勵股份，其可能以僱員擁有的公司、於中國的有限合夥公司或合資格信託公司的方式作出，或就持有境外身份的受益人而言，受託人將在中國境外持有激勵股份。

於二零一五年十二月十一日，本公司以每股股份人民幣2.20元之發行價首次授出45,960,000股激勵股份予111名受益人，代價為人民幣101,112,000元。於授予日期之激勵股份之公平值為人民幣104,121,000元

就授出須符合指定歸屬條件的股份而言，公平值與已歸屬股份發行價之間的差額於預期將由有關僱員提供服務的歸屬期內以直線法確認為開支。於本年度，本集團於損益確認激勵股份開支為零（二零二一年：人民幣3,572,000元）。

SHARE-BASED PAYMENTS (continued)

(A) Share Award Scheme of the Company
(continued)

Three limited partnerships (named Weihai Chang Hong Enterprise Management Consulting Centre (Limited Partnership) (威海長弘企業管理諮詢中心(有限合夥)), Weihai Yang Fan Enterprise Management Consulting Centre (Limited Partnership) (威海揚帆企業管理諮詢中心(有限合夥)) and Weihai Hong Tu Enterprise Management Consulting Centre (Limited Partnership) (威海宏圖企業管理諮詢中心(有限合夥)), respectively) were set up for the purpose of administering the Incentive Share Scheme and holding the shares, and hereby regarded as trustees of the Company and consolidated to the Group accordingly.

Details of specific categories of share award are as follows:

Batch 1
第1批

Note: The granted shares are vested in five tranches with the vesting date on 31 December of each year from 2015 to 2019, the vested shares are excisable after two years lock up period following vested.

As of 31 December 2022, the outstanding incentive shares under the Incentive Share Scheme were 14,456,000 (2021: 16,904,000), included 1,110,000 exercisable shares (2021: 9,922,000).

During the year ended 31 December 2022, the trustees repurchased 8,812,000 shares (2021: 9,108,000), which would be taken up by the Selected Employees with the net consideration of RMB35,248,000 (2021: RMB20,293,000) at the price of RMB6.20 per share (2021: RMB4.43). The repurchased shares are held by the trustees for the benefit of the Share Award Scheme, to grant to other selected employees.

以股份為基礎付款 (續)

(A) 本公司股份激勵計劃 (續)

就管理激勵股份計劃及持有股份設立之三間有限合夥公司(即分別為威海長弘企業管理諮詢中心(有限合夥)、威海揚帆企業管理諮詢中心(有限合夥)及威海宏圖企業管理諮詢中心(有限合夥)), 據此被視為本公司之受託人及因此於本集團綜合入賬。

具體股份激勵類別的詳情如下：

	Date of grant 授出日期	Vesting period 歸屬期	Issue Price 發行價
Batch 1 第1批	11/12/2015 二零一五年 十二月十一日	5 years 5年	RMB2.2 人民幣2.2元

附註：授出的股份將分5批予以歸屬，歸屬日期為二零一五年至二零一九年各年之十二月三十一日，已歸屬股份可於歸屬後兩年鎖定期屆滿後予以行使。

截至二零二二年十二月三十一日，激勵股份計劃項下之尚未行使激勵股份為14,456,000股(二零二一年：16,904,000股)，包括1,110,000股可行使股份(二零二一年：9,922,000股)。

截至二零二二年十二月三十一日止年度，受託人以每股人民幣6.20元(二零二一年：人民幣4.43元)的價格回購擬由受益人接納的8,812,000股股份(二零二一年：9,108,000股)，代價淨額為人民幣35,248,000元(二零二一年：人民幣20,293,000元)。回購股份由受託人為股份激勵計劃的利益持有，以向其他受益人授出。

SHARE-BASED PAYMENTS (continued)

(A) Share Award Scheme of the Company (continued)

During the year ended 31 December 2022, the trustees sold 2,448,000 repurchased shares for a total consideration of RMB26,783,000 (2021: 6,660,000 repurchased shares for a total consideration of RMB94,170,000).

On 21 October 2021, the trustees subscribed the newly issued 48,300,000 non-listed shares with the total consideration of RMB172,914,000 at the issue price of RMB3.58 per share. On 24 December 2021, the Company granted 48,300,000 incentive shares to 83 Selected Employees.

Based on the Share Award Scheme of the Company, the Company will repurchase the shares granted to the Selected Employees when the Selected Employees are not satisfying specified vesting conditions. The total consideration paid by the Selected Employees are recognised as liabilities, and will only be reversed by portion to other reserve when the shares are vested each year.

The fair value of the incentive shares as at grant date amounted to RMB197,490,000 which determined by market price of listing shares of the Company.

For grants of shares that are satisfying specified vesting conditions, the difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the relevant employees. The Group recognised the incentive share expenses of approximately RMB81,077,000 (2021: RMB41,275,000) into the profit or loss during the current year.

Nine limited partnerships were set up for the purpose of administering the Incentive Share Scheme and holding the shares, and hereby regarded as trustees of the Company and consolidated to the Group accordingly.

以股份為基礎付款 (續)

(A) 本公司股份激勵計劃 (續)

截至二零二二年十二月三十一日止年度，受託人以人民幣26,783,000元的總代價出售2,448,000股回購股份（二零二一年：以人民幣94,170,000元的總代價出售6,660,000股回購股份）。

於二零二一年十月二十一日，受託人以每股股份人民幣3.58元之發行價認購新發行的48,300,000股非上市股份，總代價為人民幣172,914,000元。於二零二一年十二月二十四日，本公司授出48,300,000股激勵股份予83名受益人。

根據本公司的股份激勵計劃，本公司會在受益人未達到指定歸屬條件時回購已授予受益人的股份。受益人所支付的總代價確認為負債，並僅將於每年股份歸屬時撥回部分至其他儲備。

於授予日期之激勵股份之公平值人民幣197,490,000元乃經參考本公司上市股份之市價而釐定。

就授出須符合指定歸屬條件的股份而言，公平值與已歸屬股份發行價之間的差額於預期將由有關僱員提供服務的歸屬期內以直線法確認為開支。於本年度，本集團於損益確認激勵股份開支約人民幣81,077,000元（二零二一年：人民幣41,275,000元）。

由於九間有限合伙公司乃為管理激勵股份計劃及持有股份而設立，據此被視為本公司之受託人及因此於本集團綜合入賬。

SHARE-BASED PAYMENTS (continued)

(A) Share Award Scheme of the Company
(continued)

Details of specific categories of share award are as follows:

Batch 2
第2批

(b) Share Option Scheme by WW Medical and Healthcare Company Limited ("WW Cayman")

On July 26 2018, WW Cayman, a subsidiary of the Company, adopted a non-qualified share option plan (the "Share Option Scheme") for the primary purpose of providing incentives to directors and eligible employees of WW Cayman and its subsidiaries, which shall be valid and effective for a period of 10 years commencing from the adoption date. Under the Share Option Scheme, a committee designated by the board of directors of the WW Cayman may from time to time in its sole discretion grant options to the eligible employees.

The total number of shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 8% of the shares of WW Cayman in issue at closing date. Unless approved by the shareholders of the Company, the total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of WW Cayman's shares in issue.

As at 31 December 2022, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 3,181,903, representing 7% (2021: 2,654,859, representing 7%) of the shares at that date.

No consideration is payable on the grant of an option. Options may be exercised at any time after vesting and will be cancelled if not exercised before the 10th anniversary of the date of grant.

以股份為基礎付款 (續)

(A) 本公司股份激勵計劃 (續)

具體股份激勵類別的詳情如下：

Date of grant 授出日期	Vesting period 歸屬期	Issue Price 發行價
24/12/2021 二零二一年 十二月二十四日	5 years 5年	RMB3.58 人民幣3.58元

(b) WW Medical and Healthcare Company Limited (「WW Cayman」)的購股權計劃

於二零一八年七月二十六日，本公司附屬公司WW Cayman採納非限定購股權計劃（「購股權計劃」），其主要目的是為WW Cayman及其附屬公司的董事及合資格僱員提供激勵，自採用日期起10年內有效。根據購股權計劃，WW Cayman董事會指定的委員會可不時全權酌情向合資格僱員授出購股權。

根據購股權計劃可授出購股權的相關股份總數不得超過交割日期已發行的WW Cayman股份的8%。除非獲本公司股東批准，授予各參與者的購股權（包括已行使和未行使的購股權）獲行使而於任何12個月期間內已發行及將予發行的股份總數不得超過WW Cayman已發行股份的1%。

於二零二二年十二月三十一日，計劃項下已授出及尚未行使購股權的相關股份數目為3,181,903股，佔於該日期股份數目的7%（二零二一年：2,654,859股，佔7%）。

授出購股權無需支付代價。購股權可於歸屬後的任何時間行使，且倘未於授出日期起滿10年之前獲行使，則將被註銷。

SHARE-BASED PAYMENTS (continued)

(b) Share Option Scheme by WW Medical and Healthcare Company Limited (“WW Cayman”)
(continued)

The exercise price of each batch of option is determined with reference to the total cash consideration paid by the Company in the formation of WW Cayman for the acquisition of Argon, taking into account the relevant costs and expenses involved, but in no event shall be less than the fair market value of a share of stock in WW Cayman on the date of grant.

Details of specific categories of options are as follows:

以股份為基礎付款 (續)

(b) WW Medical and Healthcare Company Limited (「WW Cayman」)的購股權計劃

每批購股權的行使價乃經參考本公司成立WW Cayman以收購愛琅所支付的現金代價總額，計及涉及的相關成本及開支釐定，惟無論如何不得低於授出日期WW Cayman股票的公平市場價值。

具體購股權類別詳情如下：

	Date of grant 授出日期	Vesting period 歸屬期	Exercise Price 行使價
Time-based options 時間基準購股權	26/07/2018 二零一八年 七月二十六日	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	30/10/2019 二零一九年 十月三十日	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	13/03/2020 二零二零年 三月十三日	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	30/07/2021 二零二一年 七月三十日	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	08/08/2022 二零二二年 八月八日	4 years 4年	USD11.30 11.30美元
Time-based options 時間基準購股權	12/12/2022 二零二二年 十二月十二日	4 years 4年	USD11.30 11.30美元
Performance-based options 表現基準購股權	26/07/2018 二零一八年 七月二十六日	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	30/10/2019 二零一九年 十月三十日	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	13/03/2020 二零二零年 三月十三日	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	30/07/2021 二零二一年 七月三十日	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	08/08/2022 二零二二年 八月八日	4 years 4年	USD11.30 11.30美元
Performance-based options 表現基準購股權	12/12/2022 二零二二年 十二月十二日	4 years 4年	USD11.30 11.30美元

SHARE-BASED PAYMENTS (continued)

以股份為基礎付款 (續)

(b) Share Option Scheme by WW Medical and Healthcare Company Limited (“WW Cayman”)
(continued)

(b) WW Medical and Healthcare Company Limited (「WW Cayman」)的購股權計劃

The following table discloses movements of the share options held by employees during the year:

下表披露年內僱員所持購股權的變動情況：

Option type		Outstanding at 1/1/2022 於二零二二年 一月一日 尚未行使	Granted during year 年內授出	Exercised during year 年內行權	Forfeited during year 年內沒收	Outstanding at 31/12/2022 於二零二二年 十二月三十一日 尚未行使
購股權類型						
Time-based options	時間基準購股權	1,597,650	419,175	(117,775)	(6,250)	1,892,800
Performance-based options	表現基準購股權	1,057,209	349,669	(117,775)	-	1,289,103
		2,654,859	768,844	(235,550)	(6,250)	3,181,903

During the year ended 31 December 2022, options were granted on 8 August 2022 and 12 December 2022, respectively. The estimated fair value of the time-based options granted on those dates is USD2.40. The estimated fair value of the performance-based options on those dates is USD2.40.

於截至二零二二年十二月三十一日止年度，購股權分別於二零二二年八月八日及二零二二年十二月十二日獲授出。於該等日期授出的時間基準購股權的估計公平值為2.40美元。於該等日期的表現基準購股權的估計公平值為2.40美元。

SHARE-BASED PAYMENTS (continued)

(b) Share Option Scheme by WW Medical and Healthcare Company Limited (“WW Cayman”)
(continued)

The fair value of the options was calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

	2022 二零二二年	2021 二零二一年
Weighted average share price 加權平均股價	11.30	10.00
Exercise price 行使價	11.30	10.00
Expected volatility 預期波動率	40%	40%
Expected life 預期年期	1.5 years	7 years
Risk-free rate 無風險利率	3.00%	2.95%

Expected volatility was determined by using the historical volatility of the comparable companies over the previous 1.5 years (2021: 7 years). The expected life used in the model has been adjusted, based on management’s best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of USD1,197,000 (equivalent to RMB8,052,000) for the year ended 31 December 2022 (2021: USD4,108,000, equivalent to RMB26,506,000) in relation to share options granted under the Share Option Scheme by WW Cayman.

以股份為基礎付款 (續)

(b) WW Medical and Healthcare Company Limited (「WW Cayman」)的購股權計劃 (續)

購股權之公平值採用布萊克－斯庫爾斯定價模型計算。模型的輸入數據如下：

	2022 二零二二年	2021 二零二一年
Weighted average share price 加權平均股價	11.30	10.00
Exercise price 行使價	11.30	10.00
Expected volatility 預期波動率	40%	40%
Expected life 預期年期	1.5 years	7 years
Risk-free rate 無風險利率	3.00%	2.95%

預期波動率乃通過使用過去1.5年（二零二一年：7年）可資比較公司的歷史波動率確定。基於管理層的最佳估計，模型中使用的預期年期已根據不可轉移性、行使限制及行為考慮因素的影響作出調整。

本集團就根據WW Cayman的購股權計劃授出的購股權確認截至二零二二年十二月三十一日止年度總開支為1,197,000美元（相等於人民幣8,052,000元）（二零二一年：4,108,000美元，相等於人民幣26,506,000元）。

SHARE-BASED PAYMENTS (continued)

以股份為基礎付款 (續)

(c) Share Award Scheme by Weigao Orthopaedic Device Company Limited (“Weigao Orthopaedic”)

(c) 山東威高骨科材料股份有限公司 (「威高骨科」) 的股份激勵計劃

On 9 May 2020, a share award scheme was adopted by the extraordinary general meeting of Weigao Orthopaedic (the “Weigao Orthopaedic Share Award Scheme”). A total number of 3,300,000 shares of Weigao Orthopaedic were awarded to the eligible senior management and employees (the “Eligible Employees”), which representing 0.92% shareholding of Weigao Orthopaedic.

於二零二零年五月九日，威高骨科股東特別大會採納股份激勵計劃（「威高骨科股份激勵計劃」）。合共3,300,000股威高骨科股份授予合資格高級管理層及僱員（「合資格僱員」），佔威高骨科股權的0.92%。

The issue price of Weigao Orthopaedic Share Award Scheme is RMB15 per share, the total consideration amounted to RMB49,500,000. 60% of consideration was covered by the loan provided by Weihai Hongyangrui to the Eligible Employees, and the remaining 40% was funded by themselves.

威高骨科股份激勵計劃的發行價為每股人民幣15元，總代價為人民幣49,500,000元，其中60%的代價由威海弘陽瑞向合資格僱員提供的貸款支付，其餘40%由其自身出資。

Details of the shares awarded are as follows:

獲獎勵股份詳情如下：

	Date of grant 授出日期	Vesting period 歸屬期
Performance-based awards 表現基準獎勵	09/05/2020 二零二零年 五月九日	4 years 4年

Based on the Weigao Orthopaedic Share Award Scheme, as the subsidiary of the Company will repurchase the shares granted to the Eligible Employees when the Eligible Employees are not satisfying specified vesting conditions, the total consideration paid by the Eligible Employees are recognised as liabilities, and will only be reversed by portion to other reserve when the shares are vested each year.

根據威高骨科股份激勵計劃，由於本公司附屬公司會在合資格僱員未達到指定歸屬條件時回購已授予合資格僱員的股份，故合資格僱員所支付的總代價確認為負債，並僅將於每年股份歸屬時撥回部分至其他儲備。

The estimated fair value of the performance-based awards on the grant date is RMB19.8 per share. The difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the Eligible Employees. During the year ended 31 December 2022, Weigao Orthopaedic recognised a share awards expense of approximately RMB2,638,000 into the profit or loss (2021: RMB5,139,000).

表現基準獎勵於授出日期的估計公平值為每股人民幣19.8元。已歸屬股份的公平值與發行價之間的差額於合資格僱員預計提供服務的期間內按直線法支銷。於截至二零二二年十二月三十一日止年度，威高骨科將股份獎勵費用約人民幣2,638,000元（二零二一年：人民幣5,139,000元）計入損益。

CONTINUING CONNECTED TRANSACTIONS

1. Supplemental purchase framework agreement

On 16 November 2021, the Company entered into the Supplemental Purchase Framework Agreement with Weigao Holding to (i) extend the agreement term for two years to 31 December 2023; and (ii) new annual caps of RMB1,300 million and RMB1,500 million for the years ending 31 December 2022 and 2023, respectively. Purchases of medical based products, including but not limited to, medical equipment, medical raw materials, medical packaging materials, pharmaceutical and medical devices by the Group from the Weigao Holding Group. The annual cap for purchase transactions of the Company from Weigao Holding Group shall not exceed RMB1,300.0 million for the year ended 31 December 2022. During the Year, the actual amount of transactions in relation to purchase transactions under the Supplemental Purchase Framework Agreement was approximately RMB1,249.9 million.

2. Logistic support services framework agreement with logistic company

On 16 November 2021, the Company entered into the Logistic Support Services Framework Agreement with Logistic Company for a term of two years from 1 January 2022 to 31 December 2023, pursuant to which the Company agrees to subscribe, or procure its subsidiaries to subscribe, and Logistic Company agrees to provide or procure its subsidiaries to provide integrated medical device supply chain logistic services. Logistic Company Group delivers the Group's products to its customers (such as hospitals), collects payment from the customers on behalf of the Group and settles the amount paid by the customers (net of the logistic service fees charged by Logistic Company Group) with the Group.

持續關連交易

1. 補充採購框架協議

於二零二一年十一月十六日，本公司與威高集團公司訂立補充採購框架協議，以(i)將協議期限延長兩年，至二零二三年十二月三十一日；及(ii)建議截至二零二二年及二零二三年十二月三十一日止各年度的新年度上限分別為人民幣1,300,000,000元及人民幣1,500,000,000元。本集團向威高集團採購醫療產品，包括（但不限於）醫療設備、醫療原材料、醫療包裝材料、藥品及醫療器械。截至二零二二年十二月三十一日止年度，本公司自威高集團採購的交易年度上限不超過人民幣1,300,000,000元。於年內，補充採購框架協議項下採購交易的實際交易金額約為人民幣1,249,900,000元。

2. 與物流公司訂立物流支持服務框架協議

於二零二一年十一月十六日，本公司與物流公司訂立物流支持服務框架協議，自二零二二年一月一日至二零二三年十二月三十一日為期兩年，據此，本公司同意採購或促使其附屬公司採購，而物流公司同意提供或促使其附屬公司提供綜合醫療器械供應鏈物流服務。物流公司集團將本集團的產品交付予其客戶（如醫院），代本集團向客戶收取款項並與本集團結算客戶支付的金額（扣除物流公司集團收取的物流服務費）。

CONTINUING CONNECTED TRANSACTIONS

(continued)

2. Logistic support services framework agreement with logistic company (continued)

The Group negotiates and agrees the pricing of medical consumables and devices products directly with hospitals and nominate logistic operators (including the Weigao Holding Group) to deliver the products. Logistic operators collect the payment from the hospitals on behalf of the Group and the logistic operators settle the payment received from the hospitals with the Group on a back-to-back basis. The settlement amount between the logistic operators and the Group is the net amount after deducting the logistic services fees charged by the logistic operators from the gross amount paid by hospitals. Pursuant to the Logistic Support Services Framework Agreement, the logistic service fee charged by Logistic Company Group which, is determined by the Company and Logistic Company after arm's length negotiations and with reference to the market fees charged by other independent logistic operators providing similar services as well as the fees charged by Logistic Company to its independent customers in its ordinary course of business. The Proposed Annual Caps in respect of the logistic service fees charged by Logistic Company was RMB155 million for the year ended 31 December 2022. The actual logistic service fees charged by Logistic Company was RMB78.2 million for the year ended 31 December 2022.

The annual cap for logistic and distribution of the Company shall not exceed RMB5,000.0 million. During the Year, the actual amount settled with Logistic Company Group for the product sales to hospitals under Logistic Support Services Framework Agreement with logistic company was approximately RMB3,346.9 million.

持續關連交易 (續)

2. 與物流公司訂立物流支持服務框架協議 (續)

本集團直接與醫院磋商並協定醫療耗材及器械產品的價格，並指定物流運營商（包括威高集團）交付產品。物流運營商代本集團向醫院收取款項，並按背對背基準與本集團結算自醫院收取的款項。物流運營商與本集團之間的結算金額乃自醫院支付的總金額扣除物流運營商收取的物流服務費後的淨額。根據物流支持服務框架協議，物流公司集團收取的物流服務費由本公司與物流公司經公平磋商並參考其他提供類似服務的獨立物流運營商收取的市場費用以及物流公司於其一般業務過程中向其獨立客戶收取的費用後確定。截至二零二二年十二月三十一日止年度有關物流公司收取的物流服務費的建議年度上限為人民幣155,000,000元。截至二零二二年十二月三十一日止年度物流公司收取的實際物流服務費為人民幣78,200,000元。

本公司物流及分銷方面的年度上限應不超過人民幣5,000,000,000元。於年內，與物流公司訂立物流支持服務框架協議項下與物流公司集團結算向醫院銷售產品的實際金額約為人民幣3,346,900,000元。

CONTINUING CONNECTED TRANSACTIONS
(continued)

3. Supplemental deposit services agreement

Under the Deposit Services Agreement dated 23 August 2017 and 20 December 2019, Lanhai Bank agrees to provide deposit services to the Group and the Group agrees to utilize such deposit services. On 16 November 2021, the Company entered into the Supplemental Deposit Services Agreement with Lanhai Bank to (i) extend the agreement term for one year to 31 December 2023; and (ii) propose new annual cap of RMB300 million for the year ending 31 December 2023. Except for the extension of the duration of the agreement and the proposition of the new annual cap for the year ending 31 December 2023, all other terms of the Deposit Services Agreement remain unchanged. The annual cap (maximum daily balance of deposits (including the interests accrued thereon)) for the year ended 31 December 2022 was RMB300.0 million and the actual maximum daily balance of deposits (including the interests accrued thereon) for the year ended 31 December 2022 was approximately RMB162.6 million.

持續關連交易 (續)

3. 補充存款服務協議

根據日期為二零一七年八月二十三日及二零一九年十二月二十日之存款服務協議，藍海銀行同意向本集團提供存款服務，而本集團同意使用有關存款服務。於二零二一年十一月十六日，本公司與藍海銀行訂立補充存款服務協議，以(i)將協議期限延長一年至二零二三年十二月三十一日；及(ii)建議截至二零二三年十二月三十一日止年度的新年度上限為人民幣300,000,000元。除延長協議期限，以及截至二零二三年十二月三十一日止年度建議新的年度上限外，存款服務協議之所有其他條款維持不變。截至二零二二年十二月三十一日止年度，年度上限（每日最高存款結餘（包括其應計利息））為人民幣300,000,000元，以及截至二零二二年十二月三十一日止年度，實際每日最高存款結餘（包括其應計利息）約為人民幣162,600,000元。

CONTINUING CONNECTED TRANSACTIONS

(continued)

4. Supplemental finance leasing and factoring framework agreement

Under the Finance Leasing and Factoring Framework Agreement dated 5 December 2018, 27 September 2019 and 2 November 2020, the Group agrees to provide finance leasing and recourse and non-recourse factoring and other commercial factoring services to Weigao Holding Group. On 16 November 2021, 山東威高融資租賃有限公司 (Shandong Weigao Financial Leasing Co., Ltd.) and 上海威高融資租賃有限公司 (Shanghai Weigao Financing Lease Co., Ltd.), both are subsidiaries of the Company, entered into the Supplemental Finance Leasing and Factoring Framework Agreement with Weigao Holding to (i) extend the agreement term for two years to 31 December 2023; and (ii) propose new annual caps of RMB500 million for each of the years ending 31 December 2022 and 2023. Except for the extension of the duration of the agreement and the proposition of the new annual caps for the years ending 31 December 2022 and 2023, all other terms of the Finance Leasing and Factoring Framework Agreement remain unchanged. The annual cap in respect of the finance leasing and factoring business contemplated under the Finance Leasing and Factoring Framework Agreement (as supplemented by the Supplemental Finance Leasing and Factoring Framework Agreement) for the year ended 31 December 2022 was RMB500.0 million and the actual aggregate value of finance leasing and factoring amount for the year ended 31 December 2022 was approximately RMB347.4 million.

持續關連交易 (續)

4. 補充融資租賃及保理框架協議

根據日期為二零一八年十二月五日、二零一九年九月二十七日及二零二零年十一月二日之融資租賃及保理框架協議，本集團同意向威高集團提供融資租賃和有追索權及無追索權保理以及其他商業保理服務。於二零二一年十一月十六日，山東威高融資租賃有限公司及上海威高融資租賃有限公司（均為本公司之附屬公司）與威高集團公司訂立補充融資租賃及保理框架協議，以(i)將協議期限延長兩年為二零二三年十二月三十一日；及(ii)建議截至二零二二年及二零二三年十二月三十一日止年度各年的新年度上限為人民幣500,000,000元。除延長協議期限，以及截至二零二二年及二零二三年十二月三十一日止年度建議新的年度上限外，融資租賃及保理框架協議之所有其他條款維持不變。融資租賃及保理框架協議（經補充融資租賃及保理框架協議補充）項下擬進行之融資租賃及保理業務截至二零二二年十二月三十一日止年度的年度上限為人民幣500,000,000元，以及截至二零二二年十二月三十一日止年度的融資租賃及保理金額的實際總值約為人民幣347,400,000元。

CONTINUING CONNECTED TRANSACTIONS
(continued)

5. Supplemental sales framework agreement

Under the Sales Framework Agreement dated 5 December 2018, 18 December 2019 and 2 November 2020, the Company agrees to sell or procure its subsidiaries to sell, and Weigao Holding agrees to purchase or procure its subsidiaries to purchase products including but not limited to, medical devices, carton box and moulding. On 16 November 2021, the Company entered into the Supplemental Sales Framework Agreement with Weigao Holding to (i) extend the agreement term for two years to 31 December 2023; and (ii) propose new annual caps of RMB500 million for each of the years ending 31 December 2022 and 2023. Except for the extension of the duration of the agreement and the proposition of the new annual caps for the years ending 31 December 2022 and 2023, all other terms of the Sales Framework Agreement remain unchanged. The annual cap for the sales transaction from the Group to Weigao Holding shall not exceed RMB500.0 million for the year ended 31 December 2022. During the Year, the actual transaction amounts of sales by the Group to Weigao Holding Group for the year ended 31 December 2022 was approximately RMB444.8 million.

持續關連交易 (續)

5. 補充銷售框架協議

根據日期為二零一八年十二月五日、二零一九年十二月十八日及二零二零年十一月二日之銷售框架協議，本公司同意出售或促使其附屬公司出售，而威高集團公司同意採購或促使其附屬公司採購產品，包括(但不限於)醫療器械、硬紙盒及模具。於二零二一年十一月十六日，本公司與威高集團公司訂立補充銷售框架協議，以(i)將協議期限延長兩年二零二三年十二月三十一日；及(ii)建議截至二零二二年及二零二三年十二月三十一日止年度各年的新年度上限為人民幣500,000,000元。除延長協議期限，以及截至二零二二年及二零二三年十二月三十一日止年度建議新的年度上限外，銷售框架協議之所有其他條款維持不變。截至二零二二年十二月三十一日止年度，本集團向威高集團公司銷售交易的年度上限不得超過人民幣500,000,000元。於年內，本集團向威高集團銷售的實際交易金額於截至二零二二年十二月三十一日止年度約為人民幣444,800,000元。

CONTINUING CONNECTED TRANSACTIONS (continued)

持續關連交易 (續)

6. Supplemental services framework agreement

Under the Services Framework Agreement dated 5 December 2018 and 2 November 2020, the Company agrees to subscribe or procure its subsidiaries to subscribe, and Weigao Holding agrees to provide or procure its subsidiaries to provide services including but not limited to, dormitory, catering services and hotel services. On 16 November 2021, the Company entered into the Supplemental Services Framework Agreement with Weigao Holding to (i) extend the agreement term for two years to 31 December 2023; and (ii) propose annual caps of RMB40 million for the year ending 31 December 2022. Except for the extension of the duration of the agreement and the proposition of the new annual caps for the year ending 31 December 2022, all other terms of the Services Framework Agreement remain unchanged. The annual cap for the services transaction purchased by the Group from Weigao Holding shall not exceed RMB40.0 million for the year ended 31 December 2022. During the Year, the actual transaction amounts for the services provided by Weigao Holding Group to the Group for the year ended 31 December 2022 was approximately RMB19.7 million.

Service provision framework agreement

On 16 November 2021, the Company entered into the Services Provision Framework Agreement with Weigao Holding, pursuant to which the Company agrees to provide or procure its subsidiaries to provide, and Weigao Holding agrees to subscribe or procure its subsidiaries to subscribe medical related services including but not limited to, sterilization, examination and radiation validation services for a term of two years from 1 January 2022 to 31 December 2023. The proposed annual caps in respect of the transactions contemplated under the Services Provision Framework Agreement for the year ended 31 December 2022 was RMB35.0 million. During the Year, the actual amount of transactions relating to service provision framework agreement was approximately RMB23.6 million.

6. 補充服務框架協議

根據日期為二零一八年十二月五日及二零二零年十一月二日之服務框架協議，本公司同意採購或促使其附屬公司採購，而威高集團公司同意提供或促使其附屬公司提供服務，包括（但不限於）宿舍、餐飲服務及酒店服務。於二零二一年十一月十六日，本公司與威高集團公司訂立補充服務框架協議，以(i)將協議期限延長兩年為二零二三年十二月三十一日；及(ii)建議截至二零二二年十二月三十一日止年度的年度上限為人民幣40,000,000元。除延長協議期限，以及截至二零二二年十二月三十一日止年度建議新的年度上限外，服務框架協議之所有其他條款維持不變。截至二零二二年十二月三十一日止年度，本集團向威高集團公司採購服務交易的年度上限不得超過人民幣40,000,000元。於年內，威高集團向本集團提供服務的實際交易金額於截至二零二二年十二月三十一日止年度約為人民幣19,700,000元。

服務提供框架協議

於二零二一年十一月十六日，本公司與威高集團公司訂立服務提供框架協議，據此，本公司同意提供或促使其附屬公司提供，而威高集團公司同意認購或促使其附屬公司認購醫療相關服務，包括但不限於消毒、檢查及輻射驗證服務，期限從二零二二年一月一日至二零二三年十二月三十一日計為期兩年。截至二零二二年十二月三十一日止年度，有關根據服務提供框架協議擬進行交易的建議年度上限為人民幣35,000,000元。年內，與服務提供框架協議有關的實際交易金額約為人民幣23,600,000元。

CONTINUING CONNECTED TRANSACTIONS (continued)

7. Supplemental tenancy framework agreement

Under the Tenancy Framework Agreement, the Group agrees to lease its premises located at industrial zone at Chucun in Weihai in Shandong Province, the PRC to Weigao Holding Group and receive rentals therefrom. On 16 November 2021, the Company entered into the Supplemental Tenancy Framework Agreement with Weigao Holding to (i) extend the agreement term for two years to 31 December 2023; and (ii) propose new annual caps of RMB25 million for each of the years ending 31 December 2022 and 2023. Except for the extension of the duration of the agreement and the proposition of the new annual caps for the years ending 31 December 2022 and 2023, all other terms of the Tenancy Framework Agreement remain unchanged. The annual cap for the rental received by the Group from Weigao Holding Group for the year ended 31 December 2022 shall not exceed RMB25.0 million and the actual transaction amounts for the rental received by the Group from Weigao Holding Group for the year ended 31 December 2022 was approximately RMB9.4 million.

CONNECTED TRANSACTION

Acquisition of Weigao Medical Materials

On 9 September 2022, the Company entered into the Agreement with Weigao Holding in relation to the Acquisition. Weigao Holding holds 45.94% of the issued share capital of the Company as of the date of this report. It is a connected person of the Company. The Acquisition constitutes a connected transaction for the Company for the purpose of the Listing Rules. The Company will settle the consideration of RMB288.0 million in cash. As the highest applicable percentage ratio in respect of the Acquisition exceeds 0.1% but is below 5%, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting and announcement requirements but exempted from the independent shareholders' approval requirements. For details, please refer to the announcement and the supplemental announcement of the Company dated 9 September 2022 and 17 September 2022 respectively.

持續關連交易 (續)

7. 補充租賃框架協議

根據租賃框架協議，本集團同意向威高集團出租其位於中國山東省威海初村工業區之物業，並從中收取租金。於二零二一年十一月十六日，本公司與威高集團公司訂立補充租賃框架協議，以(i)將協議期限延長兩年二零二三年十二月三十一日；及(ii)建議截至二零二二年及二零二三年十二月三十一日止各年度的新年度上限為人民幣25,000,000元。除延長協議期限，以及截至二零二二年及二零二三年十二月三十一日止年度建議新的年度上限外，租賃框架協議之所有其他條款維持不變。於截至二零二二年十二月三十一日止年度，本集團自威高集團收取租金之年度上限將不得超過人民幣25,000,000元及於截至二零二二年十二月三十一日止年度，本集團自威高集團收取租金之實際交易金額約為人民幣9,400,000元。

關連交易

收購威高醫用材料

於二零二二年九月九日，本公司就收購事項與威高集團公司訂立該協議。威高集團公司於本報告日期持有本公司已發行股本之45.94%，其為本公司之關連人士。就上市規則而言，收購事項構成本公司之關連交易。本公司將以現金支付代價人民幣288,000,000元。由於有關收購事項之最高適用百分比率超過0.1%但低於5%，故根據上市規則第14A章，收購事項構成本公司之關連交易，並須遵守申報及公佈規定，惟獲豁免遵守獨立股東批准規定。詳情請參閱本公司日期分別為二零二二年九月九日及二零二二年九月十七日之公告及補充公告。

CONNECTED TRANSACTION

Equity Transfer of 100% in Weigao New Life to Weigao Ortho

On 3 January 2023, Shandong Weigao Orthopedic Materials Company Limited (“Weigao Ortho”), a subsidiary of the Company, entered into the equity transfer agreement (“Equity Transfer Agreement”), with Weigao Biotechnology, Weigao Fusen, Weigao Imaging, Weigao Qiquan (collectively the “Vendors”) and Weigao New Life (the “Target”), pursuant to which Weigao Ortho agreed to acquire, and the Vendors agreed to transfer to Weigao Ortho their respective equity interests for a total of 100% in the Target. Weihai Weigao International Medical Investment Holding Company Limited (“Weihai Weigao International”) holds approximately 89.83% equity interest in Weigao Holding Company Limited (“Weigao Holding”), which is a substantial shareholder holds approximately 45.94% equity interest in the Company. The Target is an indirect wholly owned subsidiary of Weihai Weigao International, thus a connected person of the Company. Accordingly, the entering of the Equity Transfer Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. Weigao Ortho settled the cash consideration of RMB1,030 million (equivalent to approximately HK\$1,168 million) in five instalments. As of the date of this report, the registration of Weigao Ortho as the registered owner of the Target has been completed. As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Equity Transfer Agreement exceeds 0.1% but is below 5%, the Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting and announcement requirements but is exempted from the circular and independent shareholders’ approval requirements. For details, please refer to the announcement and the supplemental announcement of the Company dated 3 January 2023 and 15 February 2023 respectively.

關連交易

向威高骨科轉讓於威高新生醫療之全部股權

於二零二三年一月三日，本公司的附屬公司山東威高骨科材料股份有限公司（「威高骨科」）與威高生物科技、威高富森、威高醫療影像及威高齊全（統稱為「賣方」）與威高新生醫療（「標的公司」）訂立股權轉讓協議（「股權轉讓協議」），據此，威高骨科同意收購，而賣方同意向威高骨科轉讓彼等各自於標的公司合共100%的股權。威海威高國際醫療投資控股有限公司（「威海威高國際」）持有威高集團有限公司（「威高集團」）約89.83%股權，而威高集團為持有本公司約45.94%股權的主要股東。標的公司為威海威高國際之間接全資附屬公司，因此為本公司之關連人士。因此，根據上市規則第14A章，訂立股權轉讓協議構成本公司之一項關連交易。威高骨科以五筆分期付款支付現金代價人民幣1,030,000,000元（相等於約1,168,000,000港元）。於本報告日期，已完成將威高骨科登記為標的公司之登記擁有人。由於有關股權轉讓協議之一項或多項適用百分比率（定義見上市規則）超過0.1%但低於5%，故根據上市規則第14A章，股權轉讓協議構成本公司之一項關連交易，並須遵守申報及公告規定，惟獲豁免遵守通函及獨立股東批准規定。詳情請參閱本公司日期分別為二零二三年一月三日及二零二三年二月十五日之公告及補充公告。

CONFIRMATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors had reviewed the above continuing connected transactions and confirmed that the transactions had been entered into:

- (i) in the ordinary and usual course of the Group's business;
- (ii) on normal commercial terms or better;
- (iii) in accordance with the terms of the respective agreements governing such transactions that are fair and reasonable and in the interests of the Company and shareholders as a whole.

ASSURANCE PROCEDURES PERFORMED BY AUDITOR OF THE COMPANY

Pursuant to Rule 14A.56 of the Listing Rules, the Board appointed the auditor of the Company to report on the above continuing connected transactions between the Company and the connected persons for the year ended 31 December 2022. The auditor of the Company was engaged in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the HKICPA and reported the following conclusion to the Board:

獨立非執行董事之確認

根據上市規則第14A.55條，本公司的獨立非執行董事已審閱上述持續關連交易，並確認該等交易：

- (i) 於本集團一般及日常業務過程中訂立；
- (ii) 一般商業條款或更佳條款訂立；
- (iii) 按照公平合理及符合本公司及股東整體利益的條款根據規管交易各協議訂立。

本公司核數師執行的鑒證程序

根據上市規則第14A.56條，董事會委任本公司核數師就上述截至二零二二年十二月三十一日止年度之本公司與關連人士之持續關連交易進行匯報。本公司已根據香港鑒證業務準則第3000號（經修訂）「審計或審閱歷史財務資料以外的鑒證工作」，並參照香港會計師公會頒佈的實務說明第740號（經修訂）「關於香港上市規則所述持續關連交易的核數師函件」委聘核數師，並向董事會呈報以下結論：

ASSURANCE PROCEDURES PERFORMED BY AUDITOR OF THE COMPANY (continued)

Based on the foregoing, in respect of the continuing connected transactions of the Company:

- a. nothing has come to our attention that causes auditor to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors.
- b. for transactions involving the provision of goods or services by the Group, nothing has come to auditor's attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group.
- c. nothing has come to auditor's attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions.
- d. with respect to the aggregate amount of each of the continuing connected transactions, nothing has come to auditor's attention that causes them to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

Having reviewed the subject continuing connected transactions, the independent non-executive directors of the Company, pursuant to Chapter 14A of the Listing Rules on the requirement to carry out an annual review on the continuing connected transactions, confirmed that the transactions were made in the ordinary and usual course of business of the Company, on normal commercial terms and in accordance with the Framework Agreements governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors or the management shareholders as defined under the "Listing Rules" of the Company or their respective associates has any interest in a business which competes or may compete with the business of the Group or has any other conflict of interests with the Group.

本公司核數師執行的鑒證程序 (續)

基於上文所述，有關本公司之持續關連交易：

- a. 我們並無注意到任何事項，令核數師認為所披露的持續關連交易未經本公司董事會批准。
- b. 就涉及本集團提供貨品或服務的交易而言，核數師並無注意到任何事項，令其認為該等交易並非在所有重大方面按照本集團的定價政策進行。
- c. 核數師並無注意到任何事項，令其認為該等交易並非在所有重大方面按照規管該等交易的相關協議進行。
- d. 就各項持續關連交易的總金額而言，核數師並無注意到任何事項，令其認為所披露的持續關連交易已超過本公司設定的年度上限。

本公司之獨立非執行董事根據上市規則第14A章之規定就持續關連交易進行年度檢討，在檢討上述持續關連交易後，確認該等交易屬本公司之日常業務，按照一般商業條款及根據有關該等框架協議條款進行，該等條款屬公平合理，且符合本公司股東之整體利益。

競爭及利益衝突

本公司的董事或管理層股東（定義見「上市規則」）或其各自的聯繫人概無在與本集團業務構成或可能構成競爭或與本集團有任何其他利益衝突的業務中有任何權益。

BOARD PRACTICES AND PROCEDURES

The Code on Corporate Governance Practices (the “CCGP”) contained in the Listing Rules which set out the principles of good corporate governance and the Company is required to comply with the code provisions of the CCGP. The Company fully admitted that good corporate governance, as part of the Company’s culture, can create values to the Group and the Shareholders efficiently. The Board is committed to continuing to enhance the standards of corporate governance within the Group and to ensure that the Group conducts its businesses in an honest and responsible manner. The Group has adopted practices which meets the code provisions of the CCGP.

CHANGE OF BOARD COMPOSITION AND SENIOR MANAGEMENT

Pursuant to rule 13.51B of the Listing Rules, the change of information on director and senior management during the year ended 31 December 2022:-

1. Mr. LIAN Xiaoming (連小明) has tendered resignation as a non-executive director of the Company with effect from 6 June 2022.
2. Mr. LU Junqiang (盧均強) has been appointed as an executive director of the Company with effect from 6 June 2022.
3. Mr. NI Shili (倪世利) has been appointed as an executive director of the Company with effect from 6 June 2022.
4. Mr. LO Wai Hung (盧偉雄) has tendered resignation as an independent non-executive director of the Company, a chairman of audit committee, a chairman of remuneration committee, a chairman of nomination committee and a member of corporate governance committee with effect from 6 June 2022.
5. Mr. LI Guohui (李國輝) has been appointed as an independent non-executive director, a chairman of audit committee, a chairman of remuneration committee, a chairman of nomination committee and a member of corporate governance committee of the Company with effect from 6 June 2022.

董事會常規及程序

上市規則所載企業管治常規守則(「企業管治常規守則」)列明良好企業管治的準則，本公司須遵守企業管治常規守則的守則條文。本公司完全認同作為本公司文化一部分的良好企業管治，可有效地為本集團及股東創造價值。董事會將繼續致力提升本集團的企業管治水平，確保本集團以誠實負責的態度經營業務。本集團已採納符合企業管治常規守則條文的慣例。

董事會組成及高級管理層之變動

根據上市規則第13.51B條，董事及高級管理層資料於截至二零二二年十二月三十一日止年度之變動載列如下：

1. 連小明先生已辭任本公司非執行董事，自二零二二年六月六日起生效。
2. 盧均強先生已獲委任為本公司執行董事，自二零二二年六月六日起生效。
3. 倪世利先生已獲委任為本公司執行董事，自二零二二年六月六日起生效。
4. 盧偉雄先生已辭任本公司獨立非執行董事、審核委員會主席、薪酬委員會主席、提名委員會主席及企業管治委員會成員，自二零二二年六月六日起生效。
5. 李國輝先生已獲委任為本公司獨立非執行董事、審核委員會主席、薪酬委員會主席、提名委員會主席及企業管治委員會成員，自二零二二年六月六日起生效。

CHANGE OF BOARD COMPOSITION AND SENIOR MANAGEMENT (continued)

董事會組成及高級管理層之變動
(續)

6. Mr. HU Yunyong (胡雲涌) has tendered his resignation as a shareholders' representative supervisor of the Company and a chairman of supervisory committee of the Company with effect from 6 June 2022.
 7. Mr. SONG Dapeng (宋大鵬) has been appointed as a shareholders' representative supervisor with effect from 6 June 2022.
 8. Mr. YUE Chunliang (岳春良) has tendered his resignation as an employee's representative supervisor of the Company with effect from 22 April 2022.
 9. Mr. ZHANG Zhuangqiu (張壯秋) has been appointed as an employee's representative supervisor of the Company with effect from 22 April 2022.
 10. Mrs. FU Mingzhong (付明仲) has tendered resignation as an independent non-executive director, a member of audit committee, a member of remuneration committee, a member of nomination committee and a member of corporate governance committee of the Company with effect from 28 September 2022.
 11. Mrs. MENG Hong (孟紅) has been appointed as an independent non-executive director, a member of audit committee, a member of remuneration committee, a member of nomination committee and a member of corporate governance committee of the Company with effect from 28 September 2022.
 12. Mrs. WANG Jinxia (王錦霞) has tendered resignation as an independent non-executive director, a member of audit committee, a member of remuneration committee, a member of nomination committee and a member of corporate governance committee of the Company with effect from 30 December 2022.
 13. Mr. LI Qiang (李強) has been appointed as an independent non-executive director, a member of audit committee, a member of remuneration committee, a member of nomination committee and a member of corporate governance committee of the Company with effect from 30 December 2022.
6. 胡雲涌先生已辭任本公司股東代表監事及本公司監事會主席，自二零二二年六月六日起生效。
 7. 宋大鵬已獲委任為股東代表監事，自二零二二年六月六日起生效。
 8. 岳春良先生已辭任本公司職工代表監事，自二零二二年四月二十二日起生效。
 9. 張壯秋先生已獲委任為本公司職工代表監事，自二零二二年四月二十二日起生效。
 10. 付明仲女士已辭任本公司獨立非執行董事、審核委員會成員、薪酬委員會成員、提名委員會成員及企業管治委員會成員，自二零二二年九月二十八日起生效。
 11. 孟紅女士已獲委任為本公司獨立非執行董事、審核委員會成員、薪酬委員會成員、提名委員會成員及企業管治委員會成員，自二零二二年九月二十八日起生效。
 12. 王錦霞女士已辭任本公司獨立非執行董事、審核委員會成員、薪酬委員會成員、提名委員會成員及企業管治委員會成員，自二零二二年十二月三十日起生效。
 13. 李強先生已獲委任為本公司獨立非執行董事、審核委員會成員、薪酬委員會成員、提名委員會成員及企業管治委員會成員，自二零二二年十二月三十日起生效。

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

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

INTERNAL CONTROL

Directors are responsible for reviewing the internal control and risk management system of the Company periodically to ensure its effectiveness and efficiency. With the support of the internal audit department, they will review the practices, procedures, expenditure and internal control of the Company and its subsidiaries on a regular basis. The management will regularly monitor the concerns as reported by the internal audit department to ensure appropriate remedial measures have been implemented. The Board or senior management can also request the internal audit group to review the specific scope of concerns and report the significant findings of such review to the Board and the audit committee.

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

During the Year, there was no purchase, sale or redemption of its securities by the Company or any of its subsidiaries.

PRE-EMPTIVE RIGHTS

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

DIVERSITY OF DIRECTORS

The Company has adopted its diversity policy with respect to the composition of the Board. In assessing candidates running for directorships, the Nomination Committee will consider a number of factors, including but not limited to gender, age, educational background, professional experience, technical expertise and the ability to fulfill the requirements of the Board. Details on the biographies and experience of the Directors are set out on pages 84 to 89 of this report.

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載的標準守則作為董事進行證券交易的標準。本公司已向全體董事作出查詢，而全體董事亦已確認彼等一直遵守標準守則所載標準及其有關董事進行證券交易的行為守則。

內部監控

董事負責定期檢討本公司的內部監控及風險管理系統，確保其有效性及效率。在內部核數部門的支持下，董事定期對本公司及其附屬公司的常規、程序、開支及內部監控進行檢討。管理層將定期監察內部核數部門所匯報的關注事項，確保實施適當的補救措施。董事會或高級管理人員亦可要求內部審核小組對特定的關注範圍進行檢討，並向董事會及審核委員會匯報重要的檢討結果。

購買、出售或贖回本公司上市證券

於年內，本公司或其任何附屬公司概無購買、出售或贖回其證券。

優先購買權

根據本公司的公司章程細則和中國法律，概無有關優先購買權之條文規定本公司須向現有股東按比例發售新股份。

董事多元化

本公司已採納有關董事會組成之董事會成員多元化政策。提名委員會於評估董事候選人時將考慮多項因素，包括但不限於性別、年齡、教育背景、專業經驗、技術專長及達至董事會之要求之能力。董事履歷及經驗詳情載於本報告第84至89頁。

As at 31 December 2022, the gender ratio in the workforce (including the senior management of the Company) of the Group comprised 56% male and 44% female. As at 31 December 2022, the Board has one female member, out of a total of nine members. The Group believes that the gender ratio of the workforce is within the reasonable range. The Group will review the effectiveness of the measures and practices against the actual circumstances of the Group and will adopt new policies when considered necessary. In particular, it will continue to monitor the gender ratio and will aim at achieving a greater gender diversity in hiring all positions across the Group.

PUBLIC FLOAT AND MARKET CAPITALIZATION

Based on the publicly available information known to the Company and to the best of the Directors' knowledge, as of the date of this report, the public float of the Company is in compliance with that stipulated under Rule 8.08 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. As at 31 December 2022, the market capitalization of the Company was approximately HK\$57.97 billion.

DIRECTORS RESPONSIBILITIES IN PREPARING THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledged the responsibility for preparing the accounts and have confirmed that the preparation of the Group's financial statement is in compliance with the relevant regulations and applicable accounting standards.

In preparing the consolidated financial statements for the Year, the Directors adopted appropriate and consistent accounting policies and made prudent and reasonable judgments and estimations.

The consolidated financial statements for the Year have been prepared by the Directors on a going concern basis. There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. A statement by the external auditor of the Company regarding their responsibilities of audit of the consolidated financial statements of the Group is set out in the "Independent Auditor's Report" in this annual report.

於二零二二年十二月三十一日，本集團員工（包括本公司的高級管理人員）的性別比例為56%男性對44%女性。於二零二二年十二月三十一日，董事會共有九名成員，其中有一名女性成員。本集團相信員工性別比率在合理範圍內。本集團將根據本集團的實際情況檢討該等措施與實踐的有效性，並將在認為必要時採納新的政策。特別是，其將持續監控上述性別比例，並致力於在僱用本集團內所有職位時實現最佳的性別多元化。

公眾持股量及市值

根據本公司所知之公眾可得資料及就董事所深知，於本報告日期，本公司之公眾持股量符合香港聯合交易所有限公司證券上市規則第8.08條訂明之規定。於二零二二年十二月三十一日，本公司之市值約為579.7億港元。

董事就編製本集團綜合財務報表承擔之責任

董事承認有編製賬目的責任及已確認本集團財務報表的編製符合有關法規及適用之會計準則。

於編製本年度綜合財務報表時，董事已採用適當及一致的會計政策，並已作出審慎和合理的判斷與估計。

董事已按持續經營基準編製本年度的綜合財務報表。並無可能存在對本公司持續經營能力構成重大疑問的事件或情況相關的重大不明朗因素。本公司的外聘核數師就其對審核本集團的綜合財務報表應負的責任發出的聲明，已載於本年報「獨立核數師報告書」內。

REPORT OF THE DIRECTORS 董事會報告

AUDITORS

A resolution will be proposed at the forthcoming Annual General Meeting to re-appoint Deloitte Touche Tohmatsu as the auditor of the Company.

On behalf of the Board

LONG Jing

Chairman

Weihai, Shandong, the PRC
28 April 2023

核數師

在應屆股東週年大會上，將會呈交一項決議案，以重新委任德勤•關黃陳方會計師行作為本公司的核數師。

代表董事會

龍經

主席

中國山東威海
二零二三年四月二十八日

OVERVIEW

The Board of Directors of the Company recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. This report outlines the principles and the code provisions of the Code on Corporate Governance Practices (the “Code”) contained in the Listing Rules, which have been adopted by the Group since its listing on 28 February 2004.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

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

The following summarizes the corporate governance practices of the Company:

The Board of Directors

The Board takes responsibility to oversee all major matters of the Company, including the formulation and approval of overall business strategies, internal control and risk management systems, and monitoring the performance of the senior management. The management is responsible for the daily operations of the Group under the leadership of the Chief Executive Officer. The Directors have the responsibility to act objectively in the interests of the Company.

概覽

本公司董事會深知在本集團的管理架構及內部監控程序引入優良的企業管治元素的重要性，藉以達致有效的問責性。本報告概述上市規則所載的企業管治常規守則（「守則」）的原則及守則條文，本集團已自其於二零零四年二月二十八日上市以來採納該原則及守則條文。

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載的標準守則作為董事進行證券交易的標準。本公司已向全體董事作出特定查詢，而全體董事亦已確認彼等在二零二三年度一直遵守標準守則所載標準及其有關董事進行證券交易的行為守則。

以下概述本公司的企業管治常規：

董事會

董事會負責監察本公司的所有重要事宜，包括制定及批准整體業務策略、內部監控及風險管理系統，以及監督高級管理人員的表現。管理層在行政總裁的領導下負責本集團的日常營運。董事負責以本公司利益客觀行事。

**COMPLIANCE WITH THE MODEL CODE FOR
DIRECTORS' SECURITIES TRANSACTIONS**

(continued)

The Board of Directors (continued)

As of the date of this report, the Board comprises nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors.

Executive Directors:

Mr. LONG Jing (*Chairman*)
Mr. CONG Rinan (*Chief Executive Officer*)
Mr. LU Junqiang
Mr. NI Shili

Non-executive Directors

Mr. TANG Zhengpeng (*Vice Chairman*)
Mr. CHEN Lin

Independent non-executive Directors

Mr. LI Guohui
Mrs. MENG Hong
Mr. LI Qiang

**遵守董事進行證券交易的標準
守則 (續)**

董事會 (續)

截至本報告日期，董事會由九名董事組成，包括四名執行董事、兩名非執行董事以及三名獨立非執行董事。

執行董事

龍經先生 (*主席*)
叢日楠先生 (*行政總裁*)
盧均強先生
倪世利先生

非執行董事

湯正鵬先生 (*副主席*)
陳林先生

獨立非執行董事

李國輝先生
孟紅女士
李強先生

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

The Board of Directors (continued)

In compliance of Rule 3.10(1) of the Listing Rules, the Board currently comprises three independent non-executive Directors. Pursuant to paragraph 12B of the Appendix 16 of the Listing Rules, each of the independent non-executive Directors has confirmed by annual confirmation that he/she has complied with the independence criteria set out in Rules 3.13 of the Listing Rules. The Director consider that all three independent non-executive Directors are independent under these independence criteria and are capable to effectively exercise independent judgment. Amongst the three independent non-executive Directors, Mr. Li Guohui has the appropriate professional qualifications and accounting and related financial management expertise required under Rule 3.10 (2) of the Listing Rules.

Board Meetings

Regular Board meetings were held two times during this year to review and approve financial and operating performance, interim and annual results. Ad-hoc meetings will also be convened if necessary to discuss the overall strategy as well as the operation and financial performance of the Group. Notice of board meeting will be sent to all Directors at least 14 days prior to a regular board meeting. Reasonable notice will be given to Directors for ad-hoc board meetings. Directors may participate either in person or through electronic means of communications.

The Company will adopt the practice to provide relevant materials to all the Directors relating to the matters brought before the meetings. All the Directors will be provided with sufficient resources to discharge their duties, and, upon reasonable requests, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expenses. All Directors will have the opportunity to include matters in the agenda for Board meetings.

遵守董事進行證券交易的標準守則 (續)

董事會 (續)

為符合上市規則第3.10(1)條，董事會目前包括三名獨立非執行董事。根據上市規則附錄十六第12B段，各獨立非執行董事均已以年度確認書確認，彼符合上市規則第3.13條所載獨立身份標準。董事認為，根據此等獨立身份標準，全部三名獨立非執行董事均為獨立人士，能有效作出獨立判斷。在三名獨立非執行董事中，李國輝先生具備上市規則第3.10(2)條所規定的適當專業資格以及會計及相關財務管理專業知識。

董事會會議

年內，本公司舉行兩次董事會定期會議，以審核及批准財務及經營業績、中期及年度業績。需要時亦會召開臨時會議，以商討整體策略以及本集團的營運和財務表現。全體董事將於舉行定期董事會會議前最少十四天獲發董事會會議通告，而臨時董事會會議通告則於合理時間內派發予董事。董事可親身或通過電子通訊方式出席。

本公司於大會前向所有董事提供會上討論事項的相關資料。全體董事將獲得充分的資源以履行其職責，並在合理的要求下，董事可於合適情況下尋求獨立專業意見，費用由本公司承擔。全體董事均有機會於董事會會議議程內加入議題。

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

遵守董事進行證券交易的標準守則 (續)

Board Meetings (continued)

Number of Board meetings held during the year 2021: five.

The attendance of each Director at Board meetings during the year ended 31 December 2022 was as follows:

董事會會議 (續)

於二零二一年度舉行的董事會會議次數：5次。

截至二零二二年十二月三十一日止年度，各董事出席董事會會議的情況載列如下：

**Attendance in 2022
於二零二二年的出席率**

Executive Directors:

Mr. LONG Jing (*Chairman*)
Mr. CONG Rinan (*Chief Executive Officer*)
Mr. LU Junqiang
(appointed on 6 June 2022)
Mr. NI Shili
(appointed on 6 June 2022)

執行董事

龍經先生 (主席)
叢日楠先生 (行政總裁)
盧均強先生
(於二零二二年六月六日獲委任)
倪世利先生
(於二零二二年六月六日獲委任)

100%
100%
100%
100%

Non-executive Directors

Mr. TANG Zhengpeng (*Vice Chairman*)
Mr. CHEN Lin
Mr. LIAN Xiaoming
(resigned on 6 June 2022)

非執行董事

湯正鵬先生 (副主席)
陳林先生
連小明先生
(於二零二二年六月六日辭任)

100%
100%
100%

Independent non-executive Directors

Mr. LI Guohui
(appointed on 6 June 2022)
Mrs. MENG Hong
(appointed on 28 September 2022)
Mr. LI Qiang
(appointed on 30 December 2022)
Mr. LO Wai Hung
(resigned on 6 June 2022)
Mrs. FU Mingzhong
(resigned on 28 September 2022)
Mrs. WANG Jinxia
(resigned on 30 December 2022)

獨立非執行董事

李國輝先生
(於二零二二年六月六日獲委任)
孟紅女士
(於二零二二年九月二十八日獲委任)
李強先生
(於二零二二年十二月三十日獲委任)
盧偉雄先生
(於二零二二年六月六日辭任)
付明仲女士
(於二零二二年九月二十八日辭任)
王錦霞女士
(於二零二二年十二月三十日辭任)

100%
100%
100%
100%
100%
100%

Minutes of the Board and the committee meetings are recorded, and final version are submitted to Directors for review within reasonable time after the meetings, normally 14 days after the meetings.

董事會及委員會會議均備有記錄，而最終稿在大會後合理時間內（一般為大會後十四日內）送交董事審閱。

Secretary of the Board assists the chairman to establish meeting agenda, and each Director may request inclusion of items in the agenda.

董事會秘書協助主席編製會議議程，而各董事可要求在議程內加入議題。

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

Board Meetings (continued)

Matters on transactions where Directors are considered having conflict of interests or material interests will not be dealt with by way of written resolutions. The Directors concerned can express views but will not be counted in the quorum of meetings and shall abstain from voting on the relevant resolution(s).

All Directors have access to the company secretary who is responsible for ensuring that the Board procedures are complied with, and advising the Board on compliance matters.

Minutes of the Board and the committee meetings are kept by the company secretary and are open for inspection by Directors.

Chairman and Chief Executive Officer

Under provision A2.1 of the Code, the roles of the Chairman and the Chief Executive Officer should be separate and should not be performed by the same individual. Mr. Long Jing is the Chairman of the Board and an executive Director of the Group's business. Mr. Cong Rinan is the Chief Executive Officer of the Company.

The Chairman of the Board is appointed by the Board itself, who is responsible for the leadership of the effective operation of the Board, and ensuring that all major and appropriate issues are discussed by the Board on a timely basis and in a constructive manner. The Chief Executive Officer is appointed by the Board. He is responsible for the management of daily operations of the Company and the implementation of the strategies and plans determined by the Board.

Experience

The executive Directors and non-executive Directors possess administrative leadership, diversified knowledge and extensive management experience in the industry. The independent non-executive Directors possess extensive knowledge, experience and judgment in different areas. The Board will seriously consider the objective views of the independent non-executive Directors for making decisions, and regard this as an effective guidance for the Group's business direction.

遵守董事進行證券交易的標準守則 (續)

董事會會議 (續)

對於董事被視為存在利益衝突或擁有重大權益的交易事宜，將不會通過書面決議案方式處理。有關董事可在會上表達意見，但不會計入會議法定人數，並須就有關決議案放棄表決。

全體董事均可接觸公司秘書，而公司秘書負責確保董事會程序得以遵守，並就合規事宜向董事會提供意見。

董事會及委員會會議的會議記錄均由公司秘書保存，而董事可隨時查閱。

主席與行政總裁

根據守則第A2.1條條文，主席及行政總裁的職責應分開且不得由同一人士擔任。龍經先生為董事會主席兼本集團業務之執行董事。叢日楠先生為本公司的行政總裁。

董事會主席由董事會自行委任，負責領導董事會，並使其有效運作，同時確保董事會以適時及具建設性的方式討論所有主要及適當的事項。行政總裁由董事會委任，負責管理本公司的日常業務以及執行董事會釐定的戰略及計劃。

經驗

執行董事和非執行董事具有行政領導能力、多元化知識及豐富行業管理經驗。獨立非執行董事擁有不同領域的豐富知識、經驗及判斷力。董事會作決策時將認真考慮獨立非執行董事的客觀意見，以此作為本集團業務方針的有效指引。

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

Directors' responsibility

The Board manages the business of the Company on behalf of its shareholders. The Directors consider that they are obliged to fulfill their responsibilities in a prudent, diligent and faithful manner, so as to create value for shareholders and safeguard the best interests of the Company and its shareholders.

Remuneration Committee

The Company established a remuneration committee on 12 August 2005 in accordance with the requirement of the Code. The remuneration committee comprises three independent non-executive Directors, namely Mr. Li Guohui, Mrs. Meng Hong, Mr. Li Qiang and one non-executive director Mr. Tang Zhengpeng.

The remuneration committee has reviewed the remuneration policy, the performance and the remuneration of executive Directors and members of senior management, the existing terms of service contracts of the executive Directors. The objective of the remuneration policy is to ensure that the Company is able to attract, retain and motivate high-caliber staff, which is vital to the success of the Company.

In reviewing and determining the remuneration packages of the executive Directors and members of senior management, the remuneration committee considers their responsibilities, skills, expertise and contribution to the Group's performance and whether remuneration packages are competitive and sufficient to ensure that the Group is able to attract and retain the best available executive talent.

Remuneration of Directors is subject to annual assessment and recommendation by the Remuneration Committee to the Board for further review and approval, which is subsequently subject to shareholders' approval at annual general meeting. The primary goal of the remuneration policy on executive Directors remuneration packages is to enable the Company to retain and motivate executive Directors by linking their compensation with performance as measured against corporate objectives. Under the policy, a Director is not allowed to approve his own remuneration.

遵守董事進行證券交易的標準守則 (續)

董事責任

董事會代表其股東管理本公司業務。董事認為，彼等須謹慎、勤勉且忠誠地履行職責，為股東創造價值，維護本公司及其股東的最佳利益。

薪酬委員會

本公司已根據守則規定於二零零五年八月十二日成立薪酬委員會。薪酬委員會由三名獨立非執行董事李國輝先生、孟紅女士、李強先生及一名非執行董事湯正鵬先生組成。

薪酬委員會已檢討薪酬政策、執行董事及高級管理層成員的表現及薪酬，以及執行董事的服務合約現有條款。薪酬政策的目標是確保本公司能吸納、挽留及激勵優秀員工，而此對本公司的成功十分重要。

在審閱及釐定執行董事及高級管理層成員的薪酬時，薪酬委員會將考慮他們的職責、技能、專業知識及對本集團業績作出的貢獻，以及薪酬待遇是否具競爭能力，以及是否足以保證本集團能吸引及挽留頂尖的行政人才。

董事酬金須由薪酬委員會進行年度評估並將建議提交董事會，董事會進一步審議並批准之後再提呈股東週年大會經股東批准後方可作實。執行董事的酬金組合政策主旨是使本公司執行董事的酬金及其表現與公司目標掛鉤，有助激勵執行董事的工作表現及留任。根據該政策，董事不可批准其本身的薪酬。

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

遵守董事進行證券交易的標準守則 (續)

Remuneration Committee (continued)

During the Year, one meeting have been held by the remuneration committee. All members of the remuneration committee attended the meeting during which the remuneration package of directors, supervisors and senior management of the Company for the year 2022. The chairman of the remuneration committee reports the findings and provides recommendations to the Board after each meeting.

During the Year, the remuneration committee has convened one meeting and the attendance of each remuneration committee member is set out below:

薪酬委員會 (續)

於本年度，薪酬委員會舉行過一次會議。所有薪酬委員會成員均參加了會議。會議審議通過了本公司二零二二年度董事、監事及高級管理人員薪金方案。薪酬委員會主席於每次會議後向董事會匯報討論結果，並提供建議。

於本年度，薪酬委員會共召開一次會議，薪酬委員會各成員的出席率如下：

Member of Remuneration Committee	薪酬委員會成員	Attendance in 2022 於二零二二年的出席率
Independent non-executive Directors	獨立非執行董事	
Mr. LO Wai Hung (resigned on 6 June 2022)	盧偉雄先生 (於二零二二年六月六日辭任)	100%
Mrs. FU Mingzhong (resigned on 28 September 2022)	付明仲女士 (於二零二二年九月二十八日辭任)	100%
Mrs. WANG Jinxia (resigned on 30 December 2022)	王錦霞女士 (於二零二二年十二月三十日辭任)	100%
Non-executive Directors	非執行董事	
Mr. TANG Zhengpeng	湯正鵬先生	100%

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

Nomination Committee

The Company established a nomination committee on 21 May 2012 in accordance with the requirement of the Code. The nomination committee comprises Mr. Li Guohui, Mrs. Meng Hong, Mr. Li Qiang and one non-executive director Mr. Tang Zhengpeng. The chairman of the nomination committee is Mr. Li Guohui. The terms of reference of the nomination committee have been defined. The principal duties include:

- to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.
- to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships.
- to assess the independence of independent non-executive directors.
- to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman of the Board and the chief executive.

The Nomination Committee provided with sufficient resources to perform its duties and shall have access to independent professional advice if necessary. All members of the Nomination Committee have access to the advice and services of the company secretary, and separate and independent access to the Company's senior management for obtaining necessary information.

Each of the Directors of the Company has entered into a service contract with the Company for a specific term of three years, and are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

遵守董事進行證券交易的標準守則 (續)

提名委員會

本公司已根據守則規定於二零一二年五月二十一日成立提名委員會。提名委員會由李國輝先生、孟紅女士、李強先生及一名非執行董事湯正鵬先生組成。李國輝先生為提名委員會主席。提名委員會之職權範圍已界定。主要職責包括：

- 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公司策略而擬對董事會作出的任何變動提出建議。
- 物色具備合適資格成為董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見。
- 評核獨立非執行董事的獨立性。
- 就董事委任或重新委任以及董事 (尤其是董事會主席及行政總裁) 繼任計劃向董事會提出建議。

提名委員會已獲提供充足資源以履行其職責，及在有需要時可尋求獨立專業意見。提名委員會的所有成員均可聯絡公司秘書及獲取其服務，個別成員亦可聯絡本公司的高級管理人員以獲取所需資料。

本公司各董事均與本公司訂立一份指定任期為三年的服務合約，並須根據本公司的組織章程細則輪值告退及膺選連任。

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

遵守董事進行證券交易的標準守則 (續)

Nomination Committee (continued)

The Company has not experienced any casual vacancy for members of the Board. In the event that there is such circumstance, the Director appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after his appointment.

The Board selects and nominates Director candidates based on whether they possess the skills and experience needed for the Group's development.

During the Year, the nomination committee has convened three meetings and the attendance of each nomination committee member is set out below:

提名委員會 (續)

本公司未曾出現過董事會成員臨時空缺的情況。倘出現該等情況，為填補臨時空缺而獲委任的董事將在接受委任後的首次股東大會上接受股東選舉。

董事會根據本集團發展需要的技能與經驗來挑選及提名董事候選人。

於本年度，提名委員會共召開三次會議，提名委員會各成員的出席率如下：

Member of Nomination Committee	提名委員會成員	Attendance in 2022 於二零二二年的出席率
Independent non-executive Directors	獨立非執行董事	
Mr. LI Guohui (appointed on 6 June 2022)	李國輝先生 (於二零二二年六月六日獲委任)	100%
Mrs. MENG Hong (appointed on 28 September 2022)	孟紅女士 (於二零二二年九月二十八日獲委任)	100%
Mr. LI Qiang (appointed on 30 December 2022)	李強先生 (於二零二二年十二月三十日獲委任)	100%
Mr. LO Wai Hung (resigned on 6 June 2022)	盧偉雄先生 (於二零二二年六月六日辭任)	100%
Mrs. FU Mingzhong (resigned on 28 September 2022)	付明仲女士 (於二零二二年九月二十八日辭任)	100%
Mrs. WANG Jinxia (resigned on 30 December 2022)	王錦霞女士 (於二零二二年十二月三十日辭任)	100%
Non-executive Director	非執行董事	
Mr. TANG Zhengpeng	湯正鵬先生	100%

**COMPLIANCE WITH THE MODEL CODE FOR
DIRECTORS' SECURITIES TRANSACTIONS**

(continued)

Corporate Governance Committee

The Company established a corporate governance committee on 30 May 2013. The corporate governance committee comprises Mr. Long Jing, Mr. Li Guohui, Mrs. Meng Hong and Mr. Li Qiang. The chairman of the committee is Mr. Long Jing. The terms of reference of the corporate governance committee have been defined. The principal duties include:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (e) to review the Company's compliance with the Code and disclosure in the corporate governance report.

The Corporate Governance Committee will be provided with sufficient resources to perform its duties and shall have access to independent professional advice if necessary. All members of the Corporate Governance Committee will have access to the advice and services of the company secretary and separate and independent access to the Company's senior management for obtaining necessary information.

**遵守董事進行證券交易的標準
守則 (續)**

企業管治委員會

本公司於二零一三年五月三十日成立企業管治委員會。企業管治委員會由龍經先生、李國輝先生、孟紅女士及李強先生組成。龍經先生為委員會主席。企業管治委員會之職權範圍已界定。主要職責包括：

- (a) 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事的操守準則及合規手冊 (如有)；及
- (e) 檢討本公司遵守守則的情況及在企業管治報告內的披露。

企業管治委員會將獲提供充足資源以履行其職責，及在有需要時可尋求獨立專業意見。企業管治委員會的所有成員將可聯絡公司秘書及獲取其意見及服務，個別成員亦可聯絡本公司的高級管理人員以獲取所需資料。

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

遵守董事進行證券交易的標準守則 (續)

Corporate Governance Committee (continued)

During the Year, the corporate governance committee has convened one meeting. The attendance of each Director is set out below:

企業管治委員會 (續)

於本年度，企業管治委員會共召開一次會議。各董事的出席率載列如下：

Member of Corporate Governance Committee	企業管治委員會成員	Attendance in 2022 於二零二二年的出席率
Executive Director	執行董事	
Mr. LONG Jing	龍經先生	100%
Independent non-executive Directors	獨立非執行董事	
Mr. LO Wai Hung (resigned on 6 June 2022)	盧偉雄先生 (於二零二二年六月六日辭任)	100%
Mrs. FU Mingzhong (resigned on 28 September 2022)	付明仲女士 (於二零二二年九月二十八日辭任)	100%
Mrs. WANG Jinxia (resigned on 30 December 2022)	王錦霞女士 (於二零二二年十二月三十日辭任)	100%

ACCOUNTABILITY AND AUDIT

Financial Reporting

All Directors are provided with explanations and information by the management of the Company so as to enable them to have discussions and make assessment at Board meetings.

All Directors acknowledge the responsibility for the preparation of its accounts, with the responsibility statement in respect to the financial reports made by the Directors set out in this annual report. The auditors have also made a statement about their responsibilities in the auditor's report.

The Board presents a comprehensive, balanced and understandable assessment on the position and prospects of the Group in all shareholder communications.

問責及核數

財務報告

全體董事均能夠獲得本公司管理層提供的解釋及資料，以供其在董事會會議上討論與評審。

全體董事均知悉其編製賬目的責任，於本年報內載有董事就財務報告作出的責任聲明。核數師亦已於核數師報告中就彼等的責任作出了聲明。

董事會於所有股東通訊中，對本集團的狀況及前景作出了全面、均衡及易於理解的評估。

ACCOUNTABILITY AND AUDIT (continued)

Internal control

Directors are responsible for reviewing the internal control and risk management system of the Company periodically to ensure its effectiveness and efficiency. With the support of the internal audit department, they will review the practices, procedures, expenditure and internal control of the Company and its subsidiaries on a regular basis. The management will regularly monitor the concerns as reported by the internal audit department to ensure appropriate remedial measures have been implemented. The Board or senior management can also request the internal audit group to review the specific scope of concerns and report the significant findings of such review to the Board and the audit committee.

The Board has conducted a review of the effectiveness of the system of internal control of the Group.

The Board has considered the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training program and budget.

Audit Committee

As at the date of this report, the audit committee of the Company comprises three independent non-executive Directors, namely Mr. Li Guohui (chairman of the audit committee), Mrs. Meng Hong, and Mr. Li Qiang and one non-executive director Mr. Tang Zhengpeng. The terms of reference of the audit committee have been clearly defined. Its principal responsibilities include:

- To be primarily responsible for making recommendations to the Board regarding the appointment, reappointment and removal of external auditors; to formulate the remuneration and terms of engagement of external auditors and to propose the Board to submit the same at the general meeting for consideration. To approve the remuneration and terms of engagement of the external auditors when the general meeting is authorizing the Board to determine the remuneration of the auditors, and to address any questions regarding the resignation or retirement of that auditor.

問責及核數 (續)

內部監控

董事負責定期檢討本公司的內部監控及風險管理系統，確保其有效性及效率。在內部核數部門的支持下，彼等將定期對本公司及其附屬公司的常規、程序、開支及內部監控進行檢討。管理層將定期監察內部核數部門所匯報的關注事項，確保實施適當的補救措施。董事會或高級管理人員亦可要求內部審核小組對特定的關注範圍進行檢討，並向董事會及審核委員會匯報重要的檢討結果。

董事會已審查本集團內部監控系統的有效性。

董事會已考慮資源的充足性、本公司會計及財務報告部門員工的資歷及經驗以及彼等的培訓計劃及預算。

審核委員會

截至本報告日期，本公司的審核委員會由三位獨立非執行董事李國輝先生（審核委員會主席）、孟紅女士及李強先生及一名非執行董事湯正鵬先生組成。審核委員會的職權範圍已清晰界定，其主要職責包括：

- 主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議；制訂外聘核數師的薪酬及聘用條款，並提請董事會提交股東大會審議。在股東大會授權董事會釐定核數師的薪酬時，批准外聘核數師的薪酬及聘用條款；及處理任何有關核數師辭職或退任的問題。

ACCOUNTABILITY AND AUDIT (continued)

Audit Committee (continued)

- To review and oversee the independence and objectivity of engaging external auditors and the effectiveness of the audit process in accordance with applicable standards. The Committee shall discuss with the auditors regarding the nature and scope of the audit and the relevant reporting obligations before commencing the audit.
- To develop and implement policy in engaging external auditors to provide non-auditing services. For the purpose of this requirement, external auditors includes any entity that is under common control, ownership or management with that audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm domestically or internationally. The Committee shall report to the Board, in respect of any matters in which it considers that an action or improvement is needed and to make recommendations as to the steps to be taken.
- To monitor the completeness of the financial statements of the Company and the annual report and accounts and half-year report of the Company and to review the significant opinion of the respective financial reporting contained therein. In this regard, the committee will review the relevant statements and reports of the respective annual report and accounts and half-year report of the Company before submitting the same to the Board.
- To oversee the financial reporting system and internal control procedures of the Company.

問責及核數 (續)

審核委員會 (續)

- 按適用的標準檢討及監察委聘外聘核數師是否獨立客觀及核數程序是否有效。委員會應於核數工作開始前與核數師討論核數性質及範疇及有關申報責任。
- 就外聘核數師提供非核數服務制定政策，並予以執行。就此規定而言，外聘核數師包括與該核數公司處於同一控制權、所有權或管理權之下的任何機構，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該機構屬於該核數公司的本土或國際業務的一部分的任何機構。委員會應就其認為必須採取的行動或改善的事項向董事會報告，並建議可採取的步驟。
- 監察本公司的財務報表及本公司年度報告及賬目及半年度報告的完整性，並審閱當中所載有關財務申報的重大意見。在這方面，委員會在向董事會提交有關本公司年度報告及賬目及半年度報告前審閱有關報表及報告。
- 監管本公司財務申報制度及內部監控程序。

ACCOUNTABILITY AND AUDIT (continued)

問責及核數 (續)

Audit Committee (continued)

審核委員會 (續)

During the Year, the audit committee has convened four meetings, at which, they have primarily discussed and reviewed the interim and annual results and have discussed and considered the internal control procedures of the Group. The attendance of each Director is set out below:

於本年度，審核委員會共召開四次會議，會上主要討論與審閱中期及年度業績，並就本集團內部監控程序進行了討論與審議。各董事的出席率如下：

**Attendance
in 2022
於二零二二年的出席率**

Independent non-executive Directors

獨立非執行董事

Mr. LI Guohui (appointed on 6 June 2022)	李國輝先生 (於二零二二年六月六日獲委任)	100%
Mrs. MENG Hong (appointed on 28 September 2022)	孟紅女士 (於二零二二年九月二十八日獲委任)	100%
Mr. LI Qiang (appointed on 30 December 2022)	李強先生 (於二零二二年十二月三十日獲委任)	100%
Mr. LO Wai Hung (resigned on 6 June 2022)	盧偉雄先生 (於二零二二年六月六日辭任)	100%
Mrs. FU Mingzhong (resigned on 28 September 2022)	付明仲女士 (於二零二二年九月二十八日辭任)	100%
Mrs. WANG Jinxia (resigned on 30 December 2022)	王錦霞女士 (於二零二二年十二月三十日辭任)	100%

Non-executive Director

非執行董事

Mr. TANG Zhengpeng	湯正鵬先生	100%
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The scope of responsibilities of the audit committee is available on the websites of Company and the Stock Exchange of Hong Kong Limited.

審核委員會的職權範圍可於本公司及香港聯合交易所有限公司網站查閱。

There was no disagreement between the audit committee and the Board in respect of the selection, appointment, resignation or removal of external auditors during the year of 2022.

於二零二二年度，審核委員會與董事會在外聘核數師的挑選、委聘、辭任或罷免方面並無分歧。

The audit committee can consult independent professional advice in accordance with stated procedures at the expense of the Company.

審核委員會可按既定程序諮詢獨立專業意見，費用由本公司支付。

In 2022, the remuneration for the services provided by auditor and/or its affiliates to the Group was approximately RMB13,401,000, among which the audit services amount to RMB8,915,000, and non-audit services amount to RMB4,486,000 which mainly tax related services.

於二零二二年，核數師及／或其聯屬公司向本集團提供服務所收取的薪酬約為人民幣13,401,000元，其中核數服務為人民幣8,915,000元，非核數服務為人民幣4,486,000元，此主要為稅務相關服務。

ACCOUNTABILITY AND AUDIT (continued)

Mandate Granted to the Board

The Board should assume the responsibility for the leadership and monitoring of the Company, and is collectively responsible for promoting the success of the Company. The responsibilities of the Board are defined explicitly in the Articles of Association of the Company.

- (1) to be responsible for convening shareholders' meetings and report on its work at shareholders' meetings;
- (2) to implement the resolutions passed at shareholders' meetings;
- (3) to determine the business plans and investment plans of the Company;
- (4) to formulate the annual fiscal budgets and final accounts of the Company;
- (5) to formulate profit distribution proposals and loss recovery proposals of the Company;
- (6) to formulate proposals for increasing or reducing of the registered capital of the Company and proposals for issue of debentures of the Company;
- (7) to draft proposals for the merger, division and dissolution of the Company;
- (8) to determine the establishment of the internal management bodies of the Company;
- (9) to appoint or dismiss the general manager of the Company, and to appoint or dismiss the deputy general manager and other senior management, including the person in charge of finance, pursuant to the recommendations of the general manager, as well as to determine their compensations;
- (10) to formulate the basic management system of the Company;
- (11) to formulate proposals for amendments to the Articles of Association of the Company; and
- (12) to exercise other functions as stipulated by the Articles of Association or granted by the shareholders' meetings.

問責及核數 (續)

董事會的授權

董事會應負有領導及監控本公司的責任，同時集體負責促進本公司成功。董事會的職權已在本公司的組織章程細則內清晰界定。

- (一) 負責召集股東大會，並於股東大會報告工作；
- (二) 執行股東大會通過的決議案；
- (三) 決定本公司的經營計劃和投資方案；
- (四) 制訂本公司的年度財務預算方案及決算方案；
- (五) 制訂本公司的利潤分配方案和彌補虧損方案；
- (六) 制訂本公司增加或削減註冊資本的方案以及發行本公司債券的方案；
- (七) 擬定本公司合併、分拆及解散的方案；
- (八) 決定本公司內部管理機構的組成；
- (九) 聘任或解聘本公司總經理，並根據總經理的推薦，聘任或解聘副總經理和其他高級管理人員（包括財務負責人），並釐定其報酬；
- (十) 制訂本公司的基本管理制度；
- (十一) 制訂本公司組織章程細則的修改方案；及
- (十二) 行使組織章程細則規定或股東大會授予的其他職能。

ACCOUNTABILITY AND AUDIT (continued)

Mandate Granted to the Board (continued)

The Board has granted authority to the chief executive officer to implement the following strategies and to be responsible for the day-to-day operation:

- (1) to be in charge of the management of production and operation and to organize the implementation of the resolutions of the Board;
- (2) to organize the implementation of the annual business plans and investment plans of the Company;
- (3) to draft proposals for the establishment of internal management bodies of the Company;
- (4) to draft the basis management system of the Company;
- (5) to formulate the basic rules and regulations of the Company;
- (6) to propose the appointment or removal of the deputy general manager and other senior management, including the person in charge of finance, of the Company;
- (7) to appoint or dismiss the management personnel other than those required to be appointed or dismissed by the Board; and
- (8) to exercise other functions granted by the Articles of Association and the Board.

The chief executive officer grants authorisation to chief financial officer, and senior management within his terms of reference.

The Board is supported by four committees, namely the audit committee, the remuneration committee, nomination committee and corporate governance committee. Each of the committees has its defined terms of reference covering its duties, rights and functions. The chairman of the respective committees report to the Board regularly and make recommendations on matters discussed as appropriate.

問責及核數 (續)

董事會的授權 (續)

董事會授權行政總裁執行以下各項策略及負責日常業務：

- (一) 負責生產經營管理工作並組織實施董事會決議案；
- (二) 組織實施本公司年度經營計劃和投資方案；
- (三) 擬訂本公司內部管理機構的組成方案；
- (四) 擬訂本公司的基本管理制度；
- (五) 制訂本公司的基本規章；
- (六) 提請聘任或罷免本公司副總經理和其他高級管理人員(包括財務負責人)；
- (七) 聘任或解聘管理人員，惟應由董事會聘任或解聘者除外；及
- (八) 行使組織章程細則和董事會授予的其他職權。

行政總裁在其職權範圍內向財務總監及高級管理人員授權。

董事會下設四個委員會：即審核委員會、薪酬委員會、提名委員會及企業管治委員會。每個委員會各有涵蓋其責任、權利和職能的職權範圍。各委員會的主席會定期向董事會匯報，並按情況需要就討論事宜提出建議。

ACCOUNTABILITY AND AUDIT (continued)

Investor Relations

The Company is committed to a policy of open and regular communication and reasonable disclosure of information to its shareholders. Information of the Company is disseminated to the shareholders in the following manner:

- delivery of the interim and annual results and reports to all shareholders;
- publication of announcements on the interim and annual results on the Stock Exchange website, and issue of other announcements and shareholders' circulars in accordance with the continuing disclosure obligations under the Listing Rules; and
- the general meeting of the Company is also an effective communication channel between the Board and shareholders.

The Board has maintained an on-going dialogue with Shareholders and investors, and will regularly review this policy to ensure its effectiveness. Information will be communicated to Shareholders and investors mainly through the Company's financial reports (interim and annual announcements and reports), annual general meetings and other general meetings that may be convened, as well as by making available all the information submitted by the Company to the website of the Stock Exchange and its corporate communications on the Company's website. Shareholders can direct their questions about their shareholdings to the Company's branch share registrar in Hong Kong. Shareholders and investors may at any time make a request for the Company's information to the extent such information is publicly available.

Communications with shareholders

Separate resolutions are proposed at general meetings on each substantially separate issue, including the election of individual Director.

The shareholders' meeting provides an effective forum for shareholders to exchange views with the Board. The chairman, together with the chairmen or members of the audit committee, the remuneration committee and nomination committee are available to answer shareholders' questions.

問責及核數 (續)

與投資者關係

本公司堅持採取開誠的態度，定期與股東溝通，並向股東作出合理的資料披露。本公司資料以下列方式向股東傳達：

- 向全體股東送呈中期及年度業績與報告；
- 在聯交所網站上刊發有關中期及年度業績的公佈及根據上市規則的持續披露規定刊發的其他公佈及股東通函；及
- 本公司的股東大會亦為董事會與股東之間進行有效溝通的渠道之一。

董事會會持續與股東及投資者保持對話，亦會定期檢討本政策，以確保其有效性。本公司向股東及投資者傳達資訊的主要渠道為：本公司的財務報告(中期及年度公佈及報告)、股東週年大會及其他可能召開的股東大會，並將所有本公司呈交予聯交所網站的資料，以及公司通訊登載於本公司網站。股東如對名下持股有任何問題，可向本公司的香港股份過戶登記分處提出。股東及投資者可隨時要求索取本公司的公開資料。

與股東的溝通

每項實際獨立的事宜，均會在股東大會上以個別決議案提呈，包括個別董事的選舉。

股東大會為股東提供一個有效的場合，以與董事會交流意見。主席以及審核委員會、薪酬委員會及提名委員會的主席或成員將會在大會上解答股東的提問。

ACCOUNTABILITY AND AUDIT (continued)

Communications with shareholders (continued)

The procedures demanding for a poll and the rights of shareholders to demand for a poll are included in the notice of shareholders' meeting and the accompanying circular. The relevant procedures are explained at the shareholders' meetings.

The external auditor has been appointed as the scrutineer to ensure the votes cast are properly counted and recorded.

The results of the poll have been posted on the websites of the Stock Exchange of Hong Kong Limited and the Company on the business day following the meeting.

Furthermore, the Company continues to enhance the ongoing communications amongst the shareholders, investors and analysts, including:

- establishing specialized bodies and employing staff to serve investors and analysts and answer their relevant questions;
- arranging site visits to the production bases of the Company in order to keep them abreast of the operations and the latest developments of the Company;
- collecting and analyzing, in a timely manner, the respective opinions and recommendations on the operations of the Company given by securities analysts and investors and compiling them into reports periodically, and selectively adopting them in the operations of the Company;
- providing relevant information, including introduction to the Company, the Board and corporate governance, results of the Company, financial summary, marketing materials of the Company and press releases on the website of the Company; and
- taking the initiative to communicate with various parties, particularly following the announcement of interim, annual results and substantial investment decisions, organizing briefings, press conferences and one-on-one interviews with investment institutions. Besides, the Company also regularly communicates with investors on an one-on-one basis.

問責及核數 (續)

與股東的溝通 (續)

要求以投票方式表決的程序及股東可要求以投票方式表決的權利載於股東大會通告及隨附的通函內。有關程序亦會於股東大會上解釋。

已委任外聘核數師擔任監票員，以確保所有票數均適當點算及記錄在案。

投票表決結果已於大會後首個營業日刊登在香港聯合交易所有限公司及本公司網站上。

此外，本公司亦不斷加強與股東，投資者及分析員的持續溝通，其中包括：

- 設置專門機構及聘請人員接待投資者和分析員並解答彼等提出的相關問題；
- 安排彼等到本公司的生產基地進行實地考察，便於彼等及時了解本公司的經營情況及業務發展的最新動向；
- 本公司及時收集並分析證券分析員及投資者對本公司營運的各種意見及建議，定期匯集成報告，並在本公司的營運中有選擇地加以採納；
- 提供有關資料，包括本公司簡介、董事會及企業管治、本公司業績、財務摘要、本公司推介材料及刊載於本公司網站的新聞稿等；及
- 本公司主動與各方人士溝通，特別是在中期、年度業績公佈及作出重大投資決策事項後，舉行推介會、記者招待會以及與投資機構單對單會談。除此，本公司亦定期與投資者進行單對單的溝通。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is their responsibility for the risk management and internal control systems and reviewing their effectiveness, and such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. The Audit Committee assists the Board in fulfilling its oversight and corporate governance roles in relation to the Group's financial, operational, compliance, risk management and internal controls, and internal audit functions. The Board has responsibility to ensure the Group maintains sound and effective controls to safeguard its assets and shareholders' investment.

The Group has internal control systems to formalize the risk management of the Group, to build up a standard and effective risk management system to manage risk and to provide reasonable assurance against material misstatement or loss. Appropriate policies and controls have been designed and established to ensure the assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirement and key risks that may impact on the Group's performance are appropriately managed.

風險管理及內部監控

董事會承認其須對風險管理及內部監控系統負責，並有責任檢討該等系統的有效性。該等系統旨在管理而非消除未能達成業務目標的風險。審核委員會協助董事會履行其於本集團財務、營運、合規、風險管理及內部監控以及內部審核功能方面的監管及企業管治角色。董事會有責任確保本集團維持健全有效的監控以保障其資產及股東投資。

本集團擁有內部監控系統以規範本集團的風險管理，建立標準及有效的風險管理系統以管理風險及合理保證並無重大失實陳述或損失。適當的政策及監控經已訂立及制定，以確保保障資產不會在未經許可下使用或處置，依從及遵守相關規則及規例，根據相關會計標準及監管申報規定保存可靠的財務及會計記錄，以及適當地管理可能影響本集團表現的主要風險。

RISK MANAGEMENT AND INTERNAL CONTROL (continued)

The Group has established an organizational structure with defined levels of responsibility and reporting procedures. The Company has retained an independent professional firm as external advisor to assist the Company to perform an assessment on risk management and internal control mechanism of the Group. We have our own Internal Audit Department to fulfil the requirement of internal audit function. Together with the supports from the external advisor, the internal audit function can facilitate the Audit Committee and the Board of Directors in ascertaining the effectiveness of the Group's risk management and internal control systems on an annual and ongoing basis. During the year ended 31 December 2022, the Group has conducted an annual risk assessment which identified respective strategic risks, operational risks, financial risks, and compliance risks for each of the major business segment of the Group. Risk factors were analyzed and consolidated at the Group level. Based on the risk assessment results, following a risk-based methodology audit approach, a three-years' audit plan was devised which prioritized the risks identified into annual audit projects. The Group's internal audit department performed the annual reviews in accordance with the audit plan with a view to assisting the Board and the Audit Committee to evaluate the effectiveness of the Group's risk management and internal control systems.

The Group strictly regulates the handling and dissemination of inside information as set out in information disclosure policy to ensure potential inside information remains confidential until such information is appropriately approved and the dissemination of such information is efficiently and consistently made.

Based on the risk management and internal control systems established and maintained by the Group, the work performed by the internal audit department, the Audit Committee and the Board are of the view that the Group has maintained adequate and effective risk management and internal control system during the year ended 31 December 2022.

風險管理及內部監控 (續)

本集團已建立一個具備明確職責等級及報告程序的組織架構。本公司已委聘獨立專業公司擔任外部顧問，協助本公司對本集團風險管理及內部監控機制進行評估。我們擁有自己的內部審核部門履行內部審核功能規定。連同外部顧問的支持，內部審核部門可幫助審核委員會及董事會，每年及持續地確定本集團風險管理及內部監控系統的有效性。截至二零二二年十二月三十一日止年度，本集團已進行年度風險評估，可識別本集團各主要業務分部的相關策略風險、經營風險、財務風險及合規風險。風險因素乃於本集團層面進行分析及綜合。根據風險評估結果及風險導向的審核方法，本集團已制定一個三年審核計劃，可據此將所識別之風險優先列入年度審核項目。本集團內部審核部門根據審核計劃進行年度檢討，旨在協助董事會及審核委員會評估本集團風險管理及內部監控系統的有效性。

誠如信息披露政策所載，本集團嚴格監管內幕消息的處理及發佈，以確保潛在內幕消息在獲適當批准披露前維持保密，並以有效率及一致的方式發佈有關消息。

根據本集團建立及維持的風險管理及內部監控系統，有關工作由內部審核部門進行，審核委員會及董事會認為，本集團已於截至二零二二年十二月三十一日止年度維持有效及充分的風險管理及內部監控系統。

DIRECTOR'S TRAINING

董事之培訓

Directors' continuous training and development

董事之持續培訓及發展

Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution into the Board remains informed and relevant. The directors are committed to complying with the Corporate Governance Code A6.5 on directors' training. All directors have participated in continuous professional development by attending seminars and/or studying materials to director's duties and responsibility and provided a record of training they received for the financial year ended 31 December 2022 to the Company.

董事須參與持續專業發展，以深造及更新彼等的知識及技能。此為確保彼等向董事會作出知情及相關之貢獻。董事承諾遵守有關董事培訓之企業管治守則第A6.5條。全體董事均透過出席與董事職責及責任有關之研討會及／或研習資料以參與持續專業發展，並已向本公司提供其於截至二零二二年十二月三十一日止財政年度所接受培訓之記錄。

The Directors are regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. In addition, the Company has been encouraging the Directors and senior executives to enrol in a wide range of professional development courses or and seminars relating to the Listing Rules, companies ordinance or act and corporate governance practices organised by professional bodies and independent auditors so that they can continuously update and further improve their relevant knowledge and skills.

董事定期均會獲知會相關法例、規則及規例之修訂或最新版本。此外，本公司一直鼓勵董事及高級行政人員報讀由專業團體及獨立核數師舉辦有關上市規則、公司條例或法例及企業管治常規之廣泛專業發展課程及講座，使彼等可持續更新及進一步提高其相關知識及技能。

From time to time, Directors are provided with written materials to develop and refresh their professional skills; the company secretary also organises and arranges seminars on the latest development of applicable laws, rules and regulations for the Directors to assist them in discharging their duties.

董事將不時獲提供旨在制定及更新其專業技能之書面材料；公司秘書亦會為董事舉辦及安排有關適用法例、規則及規例最新發展之講座，以協助彼等履行其職責。

DIRECTOR'S TRAINING (continued)

董事之培訓 (續)

Directors' continuous training and development
(continued)

董事之持續培訓及發展 (續)

According to the records maintained by the Company, the Directors received the following training with an emphasis on the roles, functions and duties of a director of a listed company in compliance with the new requirement of the CG Code on continuous professional development during the Year:

根據本公司存置之記錄，為符合企業管治守則關於持續專業發展之新規定，董事於本年度內接受以下重點在於上市公司董事之角色、職能及職責之培訓：

		Corporate Governance/Updates on laws, rules and regulations 企業管治／關於法例、規則及規例之更新	
		Read materials 閱讀材料	Attend workshops 出席研討會
Executive Directors:			
Mr. LONG Jing (Chairman)	龍經先生 (主席)	✓	✓
Mr. CONG Rinan (Chief Executive Officer)	叢日楠先生 (行政總裁)	✓	✓
Mr. LU Junqiang (appointed on 6 June 2022)	盧均強先生 (於二零二二年六月六日獲委任)	✓	✓
Mr. NI Shili (appointed on 6 June 2022)	倪世利先生 (於二零二二年六月六日獲委任)	✓	✓
Non-executive Directors			
Mr. TANG Zhengpeng (Vice Chairman)	湯正鵬先生 (副主席)	✓	✓
Mr. CHEN Lin	陳林先生	✓	✓
Mr. LIAN Xiaoming (resigned on 6 June 2022)	連小明先生 (於二零二二年六月六日辭任)		
Independent non-executive Directors			
Mr. LI Guohui (appointed on 6 June 2022)	李國輝先生 (於二零二二年六月六日獲委任)	✓	✓
Mrs. MENG Hong (appointed on 28 September 2022)	孟紅女士 (於二零二二年九月二十八日獲委任)	✓	✓
Mr. LI Qiang (appointed on 30 December 2022)	李強先生 (於二零二二年十二月三十日獲委任)	✓	✓
Mr. LO Wai Hung (resigned on 6 June 2022)	盧偉雄先生 (於二零二二年六月六日辭任)	✓	✓
Mrs. FU Mingzhong (resigned on 28 September 2022)	付明仲女士 (於二零二二年九月二十八日辭任)	✓	✓
Mrs. WANG Jinxia (resigned on 30 December 2022)	王錦霞女士 (於二零二二年十二月三十日辭任)	✓	✓

DIRECTORS' LIABILITIES INSURANCE

The Company has arranged appropriate insurance cover for Directors' liabilities in respect of potential legal actions against the Directors arising out of corporate activities of the Group pursuant to Code Provision A.1.8 of the new Corporate Governance Code. Such directors' liability insurance will be reviewed and renewed annually.

Throughout the year ended 31 December 2022, no claim has been made against the Directors.

COMPANY SECRETARY

Ms. Wong Miu Ling, Phillis was appointed as the company secretary of the Company with effective from 26 May 2006. All Directors have access to the advice and services of the company secretary. During the year ended 31 December 2022, Ms. Wong Miu Ling, Phillis has taken no less than 15 hours of relevant professional trainings to update her skills and knowledge.

CHANGE IN CONSTITUTIONAL DOCUMENTS

During the Year, amendments to the Articles of Association with shareholders approval have been made on 6 June 2022, 28 September 2022 and 30 December 2022 regarding the change in number of directors, the rename of address of principal office of the Company in the PRC and the standard adjustment to the existing business textual expression by the business registration authorities in China respectively. An updated version of Articles of Association of the Company is available on the websites of the Company and the Stock Exchange of Hong Kong Limited.

董事責任保險

本公司已按照新企業管治守則之守則條文第A.1.8條，就董事可能因本集團企業活動而面對之潛在法律行動作適當董事責任投保安排。有關董事責任保險將每年檢討及續保。

於截至二零二二年十二月三十一日止整個年度並無針對董事之申索。

公司秘書

黃妙玲女士已獲委任為本公司公司秘書，自二零零六年五月二十六日起生效。所有董事均可獲公司秘書提供意見及服務。截至二零二二年十二月三十一日止年度，黃妙玲女士已接受不少於15個小時的相關專業培訓以更新其技能及知識。

憲章文件變更

於年內，本公司分別於二零二二年六月六日、二零二二年九月二十八日及二零二二年十二月三十日就變更董事人數、本公司中國總部地址更名及中國工商登記機關對現有業務文字表述的規範調整對組織章程細則作出修訂並獲得股東批准。本公司組織章程細則之更新版本可於本公司及香港聯合交易所有限公司網站查閱。

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

董事、監事及高級管理人員

BOARD OF DIRECTORS

Executive Directors

Mr. LONG Jing, aged 49, is the chairman of the Board and executive director of the Company. Mr. Long joined the Company in July 2005 and served as the manager of sales management department and vice-general manager of sales of the Company until August 2018. He was the chief executive officer of the Company from August 2018 to March 2021. He has been an executive director of the Company since December 2018 to date, a director of Shandong Weigao Orthopaedic Device Company Limited (stock code: 688161) from March 2020 to date and the chairman of the Board of the Company from March 2021 to date. Prior to joining the Company, Mr. Long served as the sales chief of 山東省塑料工業總公司 (Shandong Plastic Materials Industry Company*) from 1996 to 2002. Mr. Long obtained a bachelor degree in marketing from Shandong Economic University and a master degree in business administration from Shandong University. He also obtained the Chinese professional qualification of Certified Public Accountant (CPA), with nearly 20 years of experiences in sales and operation management in the medical device industry.

Mr. CONG Rinan, aged 42, the executive director and chief executive officer of the Company. Mr. Cong joined the Company in August 2003. He served as supervisor, deputy manager and manager of the syringe production workshop until December 2013. During the period from January 2014 to December 2014, Mr. Cong served as the assistant to the chief executive officer of the Company. From January 2015 to December 2018, he served as the deputy general manager of the clinical care business unit of the Company; from January 2019 to March 2021, he has been the general manager of the clinical care business unit; he has been the chief executive officer of the Company from March 2021 until present; he has been the executive director of the Company from May 2021 until present. Mr. Cong obtained a bachelor's degree in applied chemistry from Yantai University and a master's degree in engineering from Harbin Institute of Technology. He completed the Master of Business Administration (MBA) program at Renmin University of China in 2019 and obtained the title of senior engineer of medical device professional, with nearly 20 years of experience in production and operation management in the medical device industry.

董事會

執行董事

龍經先生，49歲，本公司董事會主席兼執行董事。龍先生於二零零五年七月加入本公司，至二零一八年八月，歷任本公司銷售管理部經理、銷售副總經理等職務；於二零一八年八月至二零二一年三月，任本公司行政總裁；於二零一八年十二月至今任本公司執行董事；於二零二零年三月至今，任山東威高骨科材料股份有限公司(股份代碼：688161)董事；於二零二一年三月至今，任本公司董事會主席。於加入本公司之前，龍先生於一九九六年至二零零二年在山東省塑料工業總公司擔任銷售主管。龍先生獲得山東經濟學院市場營銷專業學士學位，山東大學工商管理碩士學位，並取得中國註冊會計師(CPA)專業資格，擁有近二十年醫療器械行業銷售及運營管理經驗。

叢日楠先生，42歲，本公司執行董事兼行政總裁。叢先生於二零零三年八月加入本公司，至二零一三年十二月，歷任注射器生產車間主任、副經理、經理；於二零一四年一月至二零一四年十二月，任本公司行政總裁助理；於二零一五年一月至二零一八年十二月，任本公司臨床護理事業部副總經理；於二零一九年一月至二零二一年三月，任臨床護理事業部總經理；於二零二一年三月至今，任本公司行政總裁；於二零二一年五月至今，任本公司執行董事。叢先生獲得煙台大學應用化學專業學士學位，哈爾濱工業大學工程碩士學位，並於二零一九年修讀完中國人民大學工商管理碩士(MBA)課程，取得醫療器械專業高級工程師職稱，擁有近二十年醫療器械行業生產及運營管理經驗。

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

BOARD OF DIRECTORS (continued)

Executive Directors (continued)

Mr. LU Junqiang, aged 49, an executive director of the Company and a director and a general manager of Shandong Weigao Orthopaedic Device Company Limited (stock code: 688161). Mr. Lu joined Weigao Orthopaedic in January 2018 as the deputy general sales manager of Weigao Orthopaedic and has been the director and general manager of Weigao Orthopaedic in September 2018 and from September 2019 to present. Mr. Lu indirectly holds 0.20% equity interest in Weigao Orthopaedic through Weihai Hongyangrui Information Technology Center (Limited Partnership). Prior to joining Weigao Orthopaedic, Mr. Lu served as the regional manager, sales manager of Eastern China and deputy general manager of the medical devices products business division of the Group since October 2000. Mr. Lu obtained a master's degree of business administration from the University of Wales in the United Kingdom and has more than 20 years of experience in sales and operation management in the medical device industry.

Mr. NI Shili, aged 61, an executive director of the Company and a director and a general manager of Shandong Weigao Purui Pharmaceutical Packaging Co., Ltd.. Mr. Ni joined the Company in May 1995. He worked as the product sales manager for the infusion sets of the Company until December 2004 and product sales manager for pharma packaging materials of the Company from January 2005 to March 2009, respectively. He serves as the general manager of the pharma packaging materials division since April 2009 to date. Mr. Ni graduated from Heilongjiang Radio and TV University majoring in marketing and is a professional intermediate engineer in medical technology with nearly 30 years of sales and operation management experience in the medical device and pharma packaging industry.

董事會 (續)

執行董事 (續)

盧均強先生，49歲，本公司執行董事及山東威高骨科材料股份有限公司（股份代碼：688161）董事兼總經理。盧先生於二零一八年一月加入威高骨科，任威高骨科銷售副總經理；於二零一八年九月及二零一九年九月至今，任威高骨科董事及總經理。盧先生通過威海弘陽瑞信息技術中心（有限合夥）間接持有威高骨科0.20%的股權。於加入威高骨科之前，盧先生自二零零零年十月起曾在本集團擔任大區經理、華東區銷售經理及醫療器械產品事業部副總經理。盧先生獲得英國威爾士大學工商管理碩士學位，擁有超過二十年的醫療器械行業銷售及運營管理經驗。

倪世利先生，61歲，本公司執行董事及山東威高普瑞醫藥包裝有限公司董事兼總經理。倪先生於一九九五年五月加入本公司，至二零零四年十二月任本公司輸液器產品銷售經理；於二零零五年一月至二零零九年三月任本公司藥品包裝材料產品銷售經理；於二零零九年四月至今任藥品包裝材料事業部總經理。倪先生畢業於黑龍江廣播電視大學市場營銷專業，醫藥技術專業中級工程師，擁有近三十年醫療器械及醫藥包裝行業的銷售及運營管理經驗。

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

BOARD OF DIRECTORS (continued)

Non-executive Directors

Mr. TANG Zhengpeng, aged 52, is the vice chairman of the Board and a non-executive director of the Company. Mr. Tang joined the Weigao Holding in December 2017 and currently is a director of Weihai Weigao International Medical Investment Holdings Co., Ltd. and the vice chairman of Weigao Holding; and a director and vice chairman of Weihai Huadong Automation Co., Ltd (a company listed on the Shenzhen Stock Exchange, stock code 002248) in March 2018 and from July 2018 to pressure. Prior to joining Weigao Holding, Mr. Tang was the assistant to the president of Bank of Communications, Weihai Branch, the president of Minsheng Bank, Weihai Branch and the assistant to the president of China Minsheng Bank, Qingdao Branch. Mr. Tang graduated from Shandong University majoring in business administration and completed the EMBA program of China Europe International Business School in 2019, with over 20 years of experience in banking and corporate finance management.

Mr. CHEN Lin, aged 47, is a non-executive director of the Company. Mr. Chen joined Weigao Holding in September 2000 and has served as assistant general manager and general manager of Weigao Holding and currently is a director of Weihai Weigao International Medical Investment Holdings Co., Ltd. and the chairman of Weigao Holding. Mr. Chen graduated from Shandong University, Weihai with a degree in economic management and completed a Master of Business Administration (MBA) program at Renmin University of China in 2004, with over 20 years of operation management experience in the medical device industry.

董事會 (續)

非執行董事

湯正鵬先生，52歲，本公司董事會副主席兼非執行董事。湯先生於二零一七年十二月加入威高集團公司，現任威海威高國際醫療投資控股有限公司董事、威高集團公司副董事長；於二零一八年三月及二零一八年七月至今，任威海華東數控股份有限公司（一家於深圳證券交易所上市的公司，股份代碼：002248）董事及副董事長。於加入威高集團公司之前，湯先生曾擔任交通銀行威海分行行長助理、民生銀行威海分行行長、民生銀行青島分行行長助理等職務。湯先生畢業於山東大學工商管理專業，並於二零一九年修讀完中歐國際工商學院EMBA課程，擁有超過二十年銀行業及公司財務管理方面的經驗。

陳林先生，47歲，本公司非執行董事。陳先生於二零零零年九月加入威高集團公司，曾任威高集團公司助理總經理、總經理等職務，現任威海威高國際醫療投資控股有限公司董事、威高集團公司董事長。陳先生畢業於威海大學經濟管理專業，並於二零零四年修讀完中國人民大學工商管理碩士（MBA）課程，擁有超過二十年的醫療器械行業運營管理經驗。

BOARD OF DIRECTORS (continued)

Independent Non-executive Directors

Mr. LI Guohui, aged 51, an independent non-executive director of the Company and joined the Company in 2022. Mr. Li is currently the chief strategy officer and co-chief financial officer of China Aircraft Leasing Group (“CAL”), a company listed on the Stock Exchange, stock code: 1848). From July 2019 to December 2022, Mr. Li held position in Zhongsheng Group Holdings Limited (“Zhongsheng Holdings”) (a company listed on the Stock Exchange, stock code: 0881) and currently serves as an executive director and joint chief financial officer of Zhongsheng Holdings. From August 2013 to July 2019, Mr. Li was the vice president, chief financial officer and executive director of China Resources Pharmaceutical Group Limited (a company listed on the Stock Exchange, stock code: 3320), a non-executive director of Dong-E E-Jiao Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 000423) and China Resources Double Crane Pharmaceutical Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600062) and a supervisor of Sanjiu Medical & Pharmaceutical Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 000999). From September 2009 to August 2013, he was the accounting director of the finance department of China Resources (Holdings) Company Limited. From April 2006 to September 2009, he was a senior analyst of IMC Development Management Company Limited in Hong Kong. From October 2005 to April 2006, he was a M&A investment analyst in IMC Fanya, Singapore. Mr. Li obtained a bachelor’s degree in naval architecture and marine engineering from Wuhan University of Technology, a master’s degree in business administration from Wuhan University, a master’s degree in financial management from Nanyang Technological University in Singapore and obtained professional qualifications as a Chartered Financial Analyst (CFA) qualified by the CFA Institute of Chartered Financial Analyst and a Certified Public Accountant (CPA) qualified by the Singapore Institute of Chartered Accountants.

董事會 (續)

獨立非執行董事

李國輝先生，51歲，本公司獨立非執行董事及於二零二二年加入本公司。李先生現為中國飛機租賃集團（「中飛租」，一家於聯交所上市公司，股份代碼：1848）首席戰略官和聯席首席財務官。李先生於二零一九年七月至二零二二年十二月，任職於中升集團控股有限公司（「中升控股」，一家於聯交所上市公司，股份代碼：0881），現擔任中升控股執行董事兼聯席財務總監。於二零一三年八月至二零一九年七月，李先生曾任華潤醫藥集團有限公司（一家於聯交所上市公司，股份代碼：3320）副總裁、首席財務官及執行董事，東阿阿膠股份有限公司（一家於深圳交易所上市公司，股份代碼：000423）及華潤雙鶴藥業股份有限公司（一家於上海交易所上市公司，股份代碼：600062）的非執行董事，華潤三九藥股份有限公司（一家於深圳交易所上市公司，股份代碼：000999）的監事。於二零零九年九月至二零一三年八月，曾任華潤集團有限公司財務部會計總監。於二零零六年四月至二零零九年九月，曾任香港萬邦發展管理有限公司高級分析師。於二零零五年十月至二零零六年四月，曾任新加坡萬邦泛亞併購投資分析師。李先生獲得武漢理工大學船舶及海洋工程學士學位，武漢大學工商管理碩士學位，新加坡南洋理工大學財務管理碩士學位，並取得特許金融分析師學院認證的特許金融分析師(CFA)及新加坡特許會計師協會認證的註冊會計師(CPA)專業資格。

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

BOARD OF DIRECTORS (continued)

Independent Non-executive Directors (continued)

Mrs. MENG Hong, aged 56, an independent non-executive director of the Company and joined the Company in 2022. Mrs. Meng is currently an associate professor of the Accounting Department of the Business School of Shandong University (Weihai). She has over 20 years of experience in research and teaching at university. From 1994 to 1999, Ms. Meng worked at Auditing Firm of Weihai High-tech Industrial Development Zone (威海高技術產業開發區審計師事務所), where she was responsible for auditing and appraising. From 2012 to 2018, Mrs. Meng served as an independent director of Shandong New Beiyang Information Technology Co., Ltd (stock code: 002376.SZ). From 2016 to 2022, she served as an independent director of Shandong Weida Machinery Co., Ltd. (stock code: 002026.SZ) and Zhuhai Winbase International Chemical Tank Terminal Co., Ltd. (stock code: 002492.SZ). Currently, Ms. Meng is also an independent director of Sunfly Intelligent Technology Co., Ltd. (stock code: 300423.SZ), Weihai Guangwei Composite Co., Ltd. (stock code: 300699.SZ) and Tianrun Industrial Technology Co., Ltd (stock code: 002283.SZ). Ms. Meng obtained a bachelor's and master's degree in economics from Shandong University and a doctorate degree in economics from Hoseo University in South Korea. She is an asset appraiser in China.

董事會 (續)

獨立非執行董事 (續)

孟紅女士，56歲，本公司獨立非執行董事及於二零二二年加入本公司。孟女士現任山東大學(威海)商學院會計系副教授，擁有逾20年的大學研究及教學經驗。孟女士自一九九四年至一九九九年在威海高技術產業開發區審計師事務所從事審計、評估工作。孟女士自二零一一年至二零一八年曾擔任山東新北洋信息技術股份有限公司(股份代碼：002376.SZ)獨立董事；自二零一六年至二零二二年曾擔任山東威達機械股份有限公司(股份代碼：002026.SZ)及珠海恒基達鑫國際化工倉儲股份有限公司(股份代碼：002492.SZ)獨立董事。孟女士現時亦擔任昇輝智能科技股份有限公司(股份代碼：300423.SZ)、威海光威複合材料股份有限公司(股份代碼：300699.SZ)及天潤工業技術股份有限公司(股份代碼：002283.SZ)獨立董事。孟女士取得山東大學經濟學學士及碩士學位、韓國湖西大學經濟學博士學位，中國資產評估師。

BOARD OF DIRECTORS (continued)

Independent Non-executive Directors (continued)

Mr. LI Qiang, aged 47, an independent non-executive director of the Company and joined the Company in 2022. Mr. Li is currently the managing partner of Grandall Law Firm (Shanghai). Mr. Li is mainly engaged in the legal practice of capital markets, including private equity investment, corporate listing and M&A restructuring. Mr. Li is also the director of the Securities Business Research Committee of the Shanghai Bar Association and an arbitrator of Shanghai Arbitration Commission. Prior to joining Grandall Law Firm (Shanghai), Mr. Li worked as a paralegal at the Shanghai office of Boss & Young from March 2003 to April 2005; as a marketing manager at Lenovo Group Limited from September 1999 to August 2000; and as a staff member at China National Arts & Crafts (Group) Corporation from July 1997 to June 1999. Mr. Li has provided legal services to more than 40 companies in their domestic and overseas listing and restructurings, and has nearly 20 years of extensive legal experience in listing. Mr. Li also serves as independent directors of Shanghai Anoky Group Co., Ltd. (Stock Code: 300067.SZ) and Impulse (Qingdao) Health Tech Co., Ltd. (Stock Code: 002899.SZ). Mr. Li obtained his master's degree in law from Shanghai University of International Business and Economics, master's degree in law from Chicago-Kent College of Law and EMBA from China Europe International Business School (CEIBS).

董事會 (續)

獨立非執行董事 (續)

李強先生，47歲，本公司獨立非執行董事及於二零二二年加入本公司。李先生現任國浩律師（上海）事務所管理合夥人。李先生主要從事資本市場領域的法律業務，包括私募股權投資、企業上市、併購重組。李先生同時擔任上海市律師協會證券業務研究委員會主任、上海仲裁委員會仲裁員。於加入國浩律師（上海）事務所之前，二零零三年三月至二零零五年四月，李先生就職於上海邦信陽中建中匯律師事務所擔任律師助理；一九九九年九月至二零零零年八月就職於聯想集團有限公司擔任市場經理；一九九七年七月至一九九九年六月就職於中國工藝集團有限公司擔任職員。李先生曾為超過四十家公司赴境內外上市、重組提供法律服務，具有近二十年豐富的上市法律經驗。李先生現時亦擔任上海安諾其集團股份有限公司（股份代碼：300067.SZ）、青島英派斯健康科技股份有限公司（股份代碼：002899.SZ）的獨立董事。李先生獲得上海對外經貿大學法學碩士、芝加哥肯特法學院法學碩士及中歐國際工商學院EMBA。

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

BOARD OF DIRECTORS (continued)

Supervisors

The Company has a committee of Supervisors whose primary duty is to supervise the senior management of the Company, including the Board, Directors, managers and other senior officers. The function of the committee of Supervisors is to ensure that the senior management of the Company acts in the interests of the Company, and does not violate the rights of the Company's shareholders and employees. The committee of Supervisors reports to the shareholders in general meetings. The articles of association provides that the committee of Supervisors has the right to investigate the Group's financial affairs; to supervise the directors, general manager and other senior officers of the Company in the event that they contravene any laws, administrative regulations or the articles of association in the performance of their duties; to require the Directors, general managers and other senior management to rectify any activities committed by them that is harmful to the interests of the Company; to examine financial reports, result reports, profit distribution plans and other financial documents prepared by the Board to be submitted to shareholders in general meeting, and in appropriate cases, to appoint certified accountants or certified practicing auditors in the name of the Company to assist in such review; to propose the convening of extraordinary general meetings of shareholders; to represent the Company during negotiations with the Directors or to initiate legal proceedings against the Directors; and other functions and powers given by the shareholders in general meeting. The committee of Supervisors currently comprises the following three members:

董事會 (續)

監事

本公司設有監事會，主要職責為監督本公司的高級管理人員，包括董事會、董事、經理及其他高級主管人員。監事會職能為確保本公司高級管理人員依據本公司的利益行事，且不會損害本公司股東及僱員的利益。監事會在股東大會上向股東匯報。組織章程細則規定監事會有權調查本集團的財務狀況；監督本公司董事、總經理及其他高級管理人員在履行彼等的職責時不會違反任何法律、行政法規或組織章程細則；要求董事、總經理及其他高級管理人員停止進行有違本公司利益的活動；審核董事會編製並於股東大會向股東呈交的財務報告、業績報告、溢利分配計劃及其他財務文件，並在適當情況下，代表本公司委聘執業會計師或執業核數師協助有關審核工作；建議召開股東特別大會；代表本公司與董事磋商或對董事提出法律訴訟；以及股東在股東大會上所授予的其他職權。目前，監事會由以下三名成員組成：

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

BOARD OF DIRECTORS (continued)

Supervisors (continued)

Ms. GU Meijun, aged 46, a shareholder representative supervisor and the chairman of the Supervisory Committee of the Company. Ms. Gu joined Weigao Holding in 1996 and held positions such as accounting supervisor, accounting manager, assistant to general manager, and chief accountant of Weigao Holding. Ms. Gu has been a supervisor of Weihai Huadong Automation Co., Ltd (a company listed on the Shenzhen Stock Exchange, stock code: 002248) from March 2021 to date. Ms. Gu graduated from Beijing Information Technology Institute with a bachelor's degree in financial management and passed the middle-level accountant title examination.

Mr. SONG Dapeng, aged 45, a shareholders' representative supervisor of the Company and is the assistant to general manager of Weigao Holding. Mr. Song joined Weigao Holding in November 2009 and has served as the head, manager and assistant to general manager of the audit and risk management department. Prior to joining Weigao Holding, Mr. Song worked as the manager of the audit department of Weihai Jinzheng Accountancy* (威海金正會計師事務所) from January 2006 to October 2009. Mr. Song has been the chairman of the supervisory committee of Weihai Huadong Automation Co., Ltd (a company listed on the Shenzhen Stock Exchange, stock code: 002248) from March 2021 to date. Mr. Song graduated from Shandong University of Finance and Economics* (山東經濟學院) majoring in accounting.

董事會 (續)

監事 (續)

谷美君女士，46歲，本公司股東代表監事兼監事會主席。谷女士於一九九六年加入威高集團公司，歷任威高集團公司會計主管、會計經理、總經理助理、總會計師等職務。谷女士於二零二一年三月至今，任威海華東數控股份有限公司（一家於深圳證券交易所上市的公司，股份代碼：002248）監事。谷女士於北京信息工程專修學院財務管理專業本科畢業，通過中級會計師職稱考試。

宋大鵬先生，45歲，本公司之股東代表監事，現任威高集團公司總經理助理。宋先生於二零零九年十一月加入威高集團公司，歷任審計與風險管理部主管、經理、總經理助理。於加入威高集團公司之前，二零零六年一月至二零零九年十月於威海金正會計師事務所擔任審計部經理。宋先生於二零二一年三月至今，任威海華東數控股份有限公司（一家於深圳證券交易所上市的公司，股份代碼：002248）監事會主席。宋先生畢業於山東經濟學院會計專業。

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

BOARD OF DIRECTORS (continued)

Supervisors (continued)

Mr. ZHANG Zhuangqiu, aged 46, an employee's representative supervisor of the Company and is currently the vice general manager of the clinical care business division of the Company. Mr. Zhang graduated from University of Science and Technology Liaoning (遼寧科技大學) in July 1997 majored in mechanical manufacturing. Prior to joining the Company, Mr. Zhang worked for Samsung Electronics (Shandong) Digital Printers Ltd. (三星電子(山東)數碼打印機有限公司) from July 1997 to January 2012 and worked for Weihai Weigao Medical Systems Co. Ltd. (威海威高醫療系統有限公司), a subsidiary of the Company's controlling shareholder, Weigao Holding Company Limited, as the vice general manager of production department from February 2012 to December 2015. Mr. Zhang joined the Company in January 2016 and successively served in different positions in the Company such as the assistant to general manager of the clinical care business division and vice general manager of production department.

Senior Management

Mr. WU Xuefeng, aged 45, the chief financial officer of the Company. Mr. Wu joined the finance department of the Company in July 2001. He served as the manager of the manufacturing finance department and the manager of the sales finance department of the Company until July 2012; from July 2012 to October 2013, he was the manager of the risk management department of Weigao Holding; from October 2013 to February 2017, he was the financial controller of the pharmaceutical distribution business department of Weigao Holding; and from February 2017 to present, he has been the financial controller of the Company. Mr. Wu obtained a bachelor degree in finance management from the University of QiQiHar in Heilongjiang Province and obtained a master degree in business management from the Missouri State University, the United States, with more than 20 years of experience in the accounting and finance management.

Ms. WONG Miu Ling, Phillis, aged 54, is the company secretary of the Company. Ms. Wong joined the Company in May 2006. She is a Chartered Secretary and fellow members of both The Hong Kong Chartered Governance Institute and the Chartered Governance Institute. Ms. Wong has over 25 years of experience in corporate finance and management.

董事會 (續)

監事 (續)

張壯秋先生，46歲，本公司之職工代表監事，現任本公司臨床護理業務部副總經理。張先生於一九九七年七月畢業於遼寧科技大學機械製造專業。於加入本公司之前，張先生於一九九七年七月至二零一二年一月任職於三星電子(山東)數碼打印機有限公司；於二零一二年二月至二零一五年十二月擔任本公司控股股東威高集團有限公司之附屬公司威海威高醫療系統有限公司生產副總。張先生於二零一六年一月加入本公司，歷任本公司臨床護理業務部總經理助理、生產副總。

高級管理層

吳雪峰先生，45歲，本公司財務總監。吳先生於二零零一年七月加入本公司財務部，至二零一二年七月，歷任本公司製造財務部經理、銷售財務部經理；二零一二年七月至二零一三年十月，任威高集團公司風險管理部經理；二零一三年十月至二零一七年二月，任威高集團公司醫藥分銷事業部財務總監；二零一七年二月至今，任本公司財務總監。吳先生獲得黑龍江省齊齊哈爾大學財務管理學學士學位，美國密蘇里州立大學企業管理碩士學位，擁有超過二十年的會計及財務管理方面的經驗。

黃妙玲女士，54歲，本公司公司秘書，於二零零六年五月加入本公司。彼為特許秘書及香港公司治理公會及特許公司治理公會資深會員。黃女士於企業融資及管理方面積逾二十五年經驗。

I. ABOUT THE REPORT

Overview

The board of directors (the “Board”) of Shandong Weigao Group Medical Polymer Company Limited (the “Company”) is pleased to present this Environmental, Social and Governance (hereinafter called “ESG”) Report (the “Report”) of the Company and its subsidiaries (collectively as the “Group”) for the year ended 31 December 2022 (the “Reporting Period”). The Report outlines the policies, sustainability strategies, management approach and initiatives implemented by the Group in the environmental and social aspects of its business, and performance of the Group in this regard.

Reporting Scope

The Report covers the Group’s manufacturing business of medical consumables, orthopedic products, and equipment in China and the manufacturing business of interventional products of Argon Medical Devices Holding, Inc. (“Argon Medical”), with its headquarters based in the United States. Such businesses are the core business and major source of revenue of the Group. The sales and R&D operations in overseas regions are not covered in the reporting scope due to their impact on the ESG performance is not significant. During the Reporting Period, there were no significant changes to the scope of reporting.

Reporting Basis

The Report discloses the required information under the “comply or explain” provisions of the ESG Reporting Guide set out in Appendix 27 to the Listing Rules, and complies with the relevant provisions. The relevant provisions and details are listed out at the end of the Report.

Reporting Principles

The Group adheres to the following reporting principles as the basis for the preparation of the Report.

一、關於本報告書

概述

山東威高集團醫用高分子製品股份有限公司（「本公司」）董事會（「董事會」）欣然發表本公司及其附屬公司（統稱「本集團」）截至二零二二年十二月三十一日止年度（「報告期內」）之環境、社會及管治（「ESG」）報告（「本報告書」）。本報告書概述了本集團在旗下業務之環境及社會範疇所實行的政策、可持續發展策略、管理方針及措施以及本集團在這方面之表現。

報告範圍

本報告書涵蓋本集團於中國經營醫療耗材、骨科材料及設備的製造業務及總部位於美國的愛琅醫療器械控股有限公司（「愛琅醫療」）的介入產品製造業務。該等業務為本集團的核心業務及主要收入來源。由於海外地區的銷售與研發業務對ESG方面的表現沒有重大影響，因此不納入報告範圍內。報告期內的報告範圍沒有重大改變。

報告基準

本報告書披露載於上市規則附錄二十七的《環境、社會及管治報告指引》之「不遵守就解釋」條文所規定之資料，並已遵守有關條文。有關條文及詳情載於本報告書的結尾。

匯報原則

本集團遵循以下匯報原則，作為編製本報告書的基礎。

I. ABOUT THE REPORT (continued)

Reporting Principles (continued)

1. Materiality

The threshold at which ESG issues determined by the Board are sufficiently important to investors and other stakeholders of the Group that they should be reported, details of which are set out in the sections headed “Stakeholders’ Engagement” and “Materiality Assessment” below for more details.

2. Quantitative

The quantified environmental and social key performance indicators are disclosed in the Report to give stakeholders of the Group a comprehensive picture of the Group’s ESG performance. The information is accompanied by a narrative, explaining its purposes and impacts.

3. Balance

Every effort has been made in the Report to reflect the performance of the Group’s ESG activities impartially and avoid selection, omission or presentation format that might inappropriately influence the decision or judgment of the readers of the Report.

4. Consistency

As far as is reasonably practicable, the Group has used consistent methodologies to allow for meaningful comparisons of ESG data over time.

一、關於本報告書 (續)

匯報原則 (續)

1. 重要性

當董事會釐定有關ESG事宜會對本集團的投資者及其他持份者產生重要影響時，本集團就應作出匯報，有關詳細內容已於「持份者參與」及「重要性評估」部分披露。

2. 量化

本報告中披露經量化的環境及社會關鍵績效指標，讓本集團的持份者全面了解本集團於ESG方面的表現。信息附有敘述，以解釋其目的和影響。

3. 平衡

本報告書已儘量不偏不倚地反映本集團於ESG方面的各項工作表現，並避免可能會不恰當地影響本報告書讀者的決策或判斷的選擇、遺漏或報告格式。

4. 一致性

本集團已在合理可行的情況下儘量使用一致的披露統計方法，使ESG數據日後可作有意義的比較。

II. ESG MANAGEMENT

Board Statement

The Board takes overall responsibility for ESG matters and their integration into the Group's management approach and strategies. It guides the management and monitoring of ESG matters that have been identified as relevant to the Group and reviews ESG-related goals and targets.

Chairman's Statement

The Group is committed to corporate social responsibility and balancing environmental, social and economic benefits, and hopes to balance its business development with the interests of its key stakeholders and operates its business in a sustainable manner. To achieve this vision, the Group has set a sustainability framework that focuses on environmental protection, resource management, employee and community wellbeing and guides the Group's sustainability efforts to ensure that sustainability elements are integrated into our business processes and all business decisions.

Global warming is a major concern of governments worldwide. The Chinese government has developed more rigorous environmental laws and regulations. The Group takes the environmental protection policy of the Chinese government as the development blueprint, aligns with the strategy of safe, harmonious, green development and clean production, and instills the concept of environmental management into the core of its operating activities. In 2020, the Company issued a green bond. The Board considers that the Green Bonds will support the Group to implement resource and energy efficiency measures, and to research and development and introduce the first Electron Beam sterilization (E-beam) process in China to displace toxic gas-based process along its manufacturing process. The plants in Mainland China began to work on clean production in 2022. At the same time, the Group pays attention to and loves nature, and makes joint efforts with employees to build an environment-friendly and resource-saving enterprise.

二、環境、社會及管治的管理

董事會聲明

董事會承擔對ESG事宜及將其融入本集團管理方針與策略的責任，它指導與本集團相關之ESG議題的管理及監察，以及檢討ESG相關目標。

主席報告

本集團一直心繫企業社會責任，矢志兼顧環境、社會和經濟效益，以及希望在業務發展與主要持份者的利益之間取得平衡，並以可持續發展的方式經營業務。為實現這一願景，本集團建立了一個可持續發展框架，重點關注環境保護、資源管理、員工和社會福祉，並指引本集團可持續發展工作，以確保可持續發展要素融入各個營運環節和所有業務決策。

全球暖化是世界各國政府關注的主要問題，中國政府制定更嚴謹的環境法律法規，本集團以中國政府的環保政策作為發展藍圖，堅持安全、和諧、綠色發展及清潔生產的方針，把環境管理思想置入營運活動的核心。於2020年，本公司發行綠色債券，董事會認為，綠色債券將支持本集團實施資源及能源效益措施，以及研究及開發並在製造過程中引進中國首個電子束消毒程序，以取代有毒氣體程序。於2022年，中國國內廠房開展清潔生產工作。同時，本集團關注及愛護大自然，與員工共同努力構建環境友好型與資源節約型的企業。

II. ESG MANAGEMENT (continued)

Chairman's Statement (continued)

Under the COVID-19 pandemic, the employees of the Group show team spirit, rise to the challenge of the crisis and grab the chance, make use of corporate advantages and the accumulated rich industry experience over the years to enable the Group to stand from the severe epidemic. At the same time, the Group provides multi-pronged support to employees to protect them from infection and stop the spread of the COVID-19 in society. The prevention and control measures include implementing the COVID-19 control system, setting up the epidemic prevention and control team, and providing epidemic prevention materials to employees. Despite the severity of the pandemic, the Group still pays attention to the employee remuneration and benefits, career development opportunities and provides a safe working environment, so that employees can work proactively and enthusiastically. The Group strictly adheres to the initial aim of embracing corporate social responsibility, actively participates in public welfare undertakings, and carried out activities such as WEGO Bright Action, WEGO Love Project, WEGO Life Relay Project, etc., donated money and materials during COVID-19 epidemic. However, there might be a long way to fight against the pandemic. The Group hopes that all of the employees and society will continue to put unremitting efforts in leading through the crisis and challenges and make continuous progress towards sustainable development.

二、環境、社會及管治的管理 (續)

主席報告 (續)

在2019冠狀病毒病疫情下，本集團員工展現了團隊精神，面對危機時仍能迎難而上，把握機遇，發揮企業優勢和多年豐富的行業經驗，使本集團能渡過嚴峻疫情的考驗。同時，本集團多管齊下，給予員工支援，保護員工不受感染，遏止2019冠狀病毒病在社會蔓延，防疫措施包括實施2019新型冠狀病毒病管控制度、設立疫情防控小組、提供防疫物資予員工等。無論疫情有多嚴重，本集團始終關注員工的薪酬福利、職業發展機會，提供安全的工作環境，讓員工積極地和熱情地工作。本集團堅守承擔企業社會責任的最初目標，積極支持社會公益和慈善事務，開展了威高光明行動、威高愛心工程、威高生命接力工程等活動，於2019冠狀病毒病疫情期間捐款、捐物等。然而，抗擊疫情任重道遠。本集團希望全體員工和全社會繼續努力不懈，引領企業度過危機和挑戰，在實現可持續發展方面不斷取得進展。

II. ESG MANAGEMENT (continued)

Chairman's Statement (continued)

There was a resurgence in health care services of medical institutions as the pandemic in mainland China was effectively contained. The Group's product and market diversification strategies and resource integration measures have demonstrated continuous anti-risk capabilities. Providing high-quality products and services is one of the core values of the Group. Therefore, the Group vigorously improves the innovation system, adheres to scientific management, improves the quality management system, and has passed a series of international accreditations. The Group adheres to product mix optimisation and adjustment strategy focusing on the introduction of foreign advanced production equipment, and enhances efforts on technological transformation to improve technological standards, production efficiency and product quality. In addition, the Group integrates marketing resources to improve efficiency of new product sales through the sharing of internal channel resources. Building an ecosystem with diversified products and a collaborative and efficient organisational system and through our platform strategy, the Company will provide an enriched product mix and holistic solutions to medical institutions and patients to improving efficiency and quality of service.

二、環境、社會及管治的管理 (續)

主席報告 (續)

隨著中國內地疫情得到有效控制，醫療機構診療服務出現恢復性增長，本集團產品與市場多元化策略及資源整合措施展現出持續抗風險能力。提供高質量產品與服務是本集團的核心價值之一，因此本集團大力完善創新體系，堅持科學管理，完善品質管理體系，並通過了一系列的國際認證。本集團堅持產品結構優化與調整的策略，重點引進國外先進生產設備，加大技術改造投入，提高工藝水準，提升生產效率，改善產品質量。此外，本集團整合營銷資源，通過內部管道資源共用，提升新產品銷售效率；構建產品多元的生態系統；構建協同、高效的組織體系；通過平台化戰略，向醫療機構和患者提供豐富產品組合與整體解決方案，提升服務效率和質量。

II. ESG MANAGEMENT (continued)

Chairman's Statement (continued)

To achieve the above vision, the Group has set a number of environmental and social key performance indicators ("KPI") and taken a top-down approach to disintegrate the KPIs into the functional departments. Not only has the Group improved the well-being of the employees, but it also urged the employees to make changes in different areas, such as reducing greenhouse gas emissions and making good use of resources. ESG matters that the stakeholders of the Group rate as priorities are tracked through the stakeholders' engagement exercise (Please refer to the section "Stakeholders' Engagement" below for details). During the Reporting Period, the Group has made achievements by actively supporting the Group's sustainable development strategies and objectives from the management team and all employees. The relevant scope, progress and achievements relating to the environmental and social KPIs are disclosed in the Report.

The Group has always adhered to the policy of "Pioneering and innovating, realistic and consolidating". By adhering to the mission of "creating a healthy future with white angels", establishing the core values of conscience, sincerity and loyalty, and sticking to the development strategy of "one centre and three adjustments", the Group is committed to building a global company, a world-class enterprise, entering into the ranks of the strongest enterprises of international medical devices, realising the vision of "being the number 1 in China, and a world-class and most respected innovative enterprise of medical devices and medicines". The Group hopes that its professional management team can commit to stable operation and prudent financial management policy, dare to rise to continuous challenges, implement sustainable business strategies and improve business performance, and create more meaningful long-term value for the company and our stakeholders.

二、環境、社會及管治的管理 (續)

主席報告 (續)

為實現上述願景，本集團已設定了一系列環境和社會關鍵績效指標，並採用自上而下的方法將關鍵績效指標分發到各職能部門。本集團不僅改善了員工的福利，而且還敦促本集團員工在減少溫室氣體排放和善用資源等不同領域作出改變。本集團透過持份者溝通活動，跟進持份者重視的ESG相關議題（詳細資料請參考下文「持份者參與」部分）。於報告期內，在管理層和全體員工對本集團可持續發展戰略和目標的積極支援下，本集團取得了一定的成績。環境和社會關鍵績效指標的範圍、進展和成果將在本報告書中披露。

本集團始終堅持「開拓創新，求實鞏固」的方針，秉承「偕同白衣使者，開創健康未來」的使命，樹立良心、誠心、忠心的核心價值觀，堅持「一個中心、三個調整」的發展戰略，致力於打造全球化公司，打造國際一流企業，進入國際醫療器械強企行列，實現「中國最強、國際一流，最受人尊敬的醫療器械和醫藥創新型企業」的願景。本集團希望透過本集團的專業管理團隊，堅持穩健營運和審慎理財的方針，勇於迎接不斷的挑戰，實踐本集團的可持續發展策略，提升業務表現，為企業及持份者創造更多更有意義的長遠價值。

II. ESG MANAGEMENT (continued)

二、環境、社會及管治的管理 (續)

Governance Structure

The Board believes that sound ESG strategies can create investment value for the Group and deliver long-term returns to its stakeholders. The establishment of appropriate governance framework is critical to the Group's successful implementation of ESG sustainability strategy. Therefore, the Group set up the ESG governance structure with clear duties and responsibilities. The Board sets long-term policies and strategies for all sustainability matters, reviews the implementation status and progress of ESG work annually and reports on its performance. The Board will also identify, review and evaluate the Group's corporate responsibility, sustainability and climate change response through internal meetings. The management team reports to the Board on a regular basis to assist the Board in assessing and determining whether the company has established an appropriate and effective internal control system to contain the ESG risks. At the operational level, functional units are responsible for ensuring the integration of sustainability strategies and practices into the Group's business operations and exploring new action plans or initiatives.

The Board
董事會

The Board members are responsible for:
由董事會成員負責：

- Developing long-term sustainable development policies and strategies
- 制定長遠的可持續發展方針及策略
- Assessing and identifying risks and opportunities associated with ESG
- 評估及釐定有關ESG風險及機遇
- Ensuring appropriate and effective ESG risk management and internal monitoring systems
- 確保合適及有效的ESG風險管理及內部監控系統
- Reviewing and approving policies, objectives and action plans or measures related to ESG
- 檢討及批准ESG相關的政策、目標及行動計劃或措施
- Reviewing and approving the ESG report
- 審批ESG報告書

管治架構

董事會相信完善的ESG策略能增加本集團的投資價值並為持份者帶來長遠回報。建立適當的管治框架，對本集團成功實施ESG方面的可持續發展策略至關重要，因此本集團建立了ESG治理架構，並制定明確的職責和責任。董事會針對所有可持續發展事宜制定長遠方針及策略，每年審視ESG相關工作的執行情況與進展，並匯報相關工作表現。董事會還會通過內部會議識別、審核、評估就本集團企業責任、可持續發展及氣候變化應對提出建議。管理團隊定期向董事會進行匯報，以協助董事會評估及釐定公司的內部監控系統是否合適及有效地控制ESG風險。於營運層面方面，各職能部門負責確保將可持續發展策略和實務融入本集團的業務營運中，同時探討新的行動計劃或措施。

II. ESG MANAGEMENT (continued)

二、環境、社會及管治的管理 (續)

Governance Structure (continued)

管治架構 (續)

Management Team 管理團隊

The management team is responsible for:
由管理團隊負責：

- Developing and reviewing ESG-related policies, objectives and action plans or measures
• 制定與檢討ESG相關的政策、目標及行動計劃或措施
- Monitoring and reporting to the Board on the progress and quality of implementation of the action plan or measures
• 監督及向董事會匯報行動計劃或措施的執行進度與質素
- Identifying ESG risks and opportunities
• 識別ESG風險及機遇
- Reviewing the ESG report
• 審閱ESG報告書

Functional Department 職能部門

The functional departments are responsible for:
由職能部門負責：

- Identifying, assessing, formulating and reporting to management on significant ESG issues
• 識別、評估、釐定及向管理層匯報重大ESG議題
- Performing ESG risk management and internal monitoring
• 執行ESG風險管理及內部監控
- Ensuring ESG policies, objectives and action plans or measures are integrating into business operations
• 確保ESG政策、目標及行動計劃或措施融入業務營運中
- Reporting to management on the progress and quality of implementation of the action plan or measures
• 向管理層匯報行動計劃或措施的執行進度與質素

The Board has appointed an independent consultant to assist in collecting data and information on ESG matters and conduct various analysis, and to provide improvement recommendations on ESG performance. The Group has collected and analysed the views of key stakeholders on ESG matters and conducted a materiality assessment to identify important ESG issues for the Group, details of which are disclosed in the sections "Stakeholders' Engagement" and "Materiality Assessment" below. To effectively lead the Group's ESG process, the Board continuously monitors the work of all departments to ensure that they work closely together to achieve the sustainable development goals of operational compliance and social responsibility.

董事會已委聘獨立顧問公司為ESG事宜，進行數據和資料收集及分析工作，並就ESG績效表現提供改善建議。本集團已收集和分析主要持份者對ESG事宜的意見，並進行重要性評估以識別本集團的重要ESG議題，有關詳細內容已於下文「持份者參與」及「重要性評估」部份披露。為有效領導本集團的ESG進程，董事會持續監察各部門的工作，確保各部門之間緊密合作，共同達至合規營運和肩負社會責任的可持續發展目標。

II. ESG MANAGEMENT (continued)

二、環境、社會及管治的管理 (續)

Stakeholders' Engagement

The Group is committed to maintaining the sustainable development of its business, provide support for environmental protection and the communities where the business is located. The Group maintains a close tie with its stakeholders, including government/regulatory organisations, shareholders/investors, employees, customers, suppliers, community, etc. and strives to balance their opinions and interests through constructive communications in order to determine the directions of its sustainable development. The Group assesses and determines its environmental, social and governance risks, and ensures that the relevant risk management measures and internal control systems are operating effectively. The following table shows the means of communication with the stakeholders and the management response to the stakeholders' expectations and concerns:

持份者參與

本集團致力維持業務的可持續發展，為環保及業務所在的社區提供支持。本集團與政府／監管組織、股東／投資者、員工、客戶、供應商、社區等持份者保持密切聯繫，力求透過建設性交流平衡意見與利益，從而確定本集團的可持續發展方向。本集團評估及釐定環境、社會及管治風險，確保相關風險管理及內部監察系統妥善及有效地運行。有關持份者的期望與要求、溝通渠道及管理層的回應如下表：

Stakeholders 持份者	Expectations and concerns 期望與要求	Means of communication 溝通渠道	Management response 管理層回應
Government/regulator organisations 政府／監管組織	<ul style="list-style-type: none"> Compliance with laws and regulations 遵守法律法規 Fulfill tax obligations 履行稅務責任 Safe production 安全生產 Joint anti-epidemic 共同抗疫 	<ul style="list-style-type: none"> Periodic report/announcement 定期報告／臨時公告 Correspondence 往來函件 Handle official business through government affairs website or application 透過政府政務網站或應用程序辦理公務 	<ul style="list-style-type: none"> Uphold integrity and compliance in operations 於營運中秉持誠信及合規 Pay tax on time to contribute to the society 按時繳稅以回饋社會 Establish comprehensive and effective internal control system 建立全面有效的內部控制體系 Implement clean production 推行清潔生產 Cooperate with the government's epidemic prevention policies and guidelines 配合政府的防疫政策與方針

II. ESG MANAGEMENT (continued)

二、環境、社會及管治的管理 (續)

Stakeholders' Engagement

持份者參與 (續)

Stakeholders 持份者	Expectations and concerns 期望與要求	Means of communication 溝通渠道	Management response 管理層回應
Shareholders/investors 股東／投資者	<ul style="list-style-type: none"> Return on investment 投資回報 Information transparency 資訊透明度 Corporate governance system 公司管治制度 Operation of risk management 經營風險管理 Joint anti-epidemic 共同抗疫 	<ul style="list-style-type: none"> Information disclosed on the HKEX website 於聯交所網站披露之信息 The Company's website 本公司網站 General meeting and other shareholders' meetings 股東大會及其他股東會議 	<ul style="list-style-type: none"> Management possesses relevant experience and professional knowledge in business sustainability 管理層具有相關經驗和專業知識，確保業務的可持續性 Ensure transparency and efficient communications by publishing information in websites of HKEX and the Company regularly 透過於聯交所及本公司網站定期發放資訊，確保透明度及有效溝通 Strive to improve internal control and focus on risk management 盡力改善內部監控及風險管理 Adopt effective preventive and control measures 採取有效防控措施 Actively penetrate the integration and product structure adjustments and other strategic means, continue to promote the product penetration rate of core customers, and seek to bring considerable revenue growth 積極透過渠道整合及產品結構調整等的策略手段，持續推進核心客戶的產品滲透率，尋求帶來可觀的收入增長

II. ESG MANAGEMENT (continued)

二、環境、社會及管治的管理 (續)

Stakeholders' Engagement (continued)

持份者參與 (續)

Stakeholders 持份者	Expectations and concerns 期望與要求	Means of communication 溝通渠道	Management response 管理層回應
Employees 員工	<ul style="list-style-type: none"> Labour rights 勞工權益 Career development 事業發展 Compensation and welfare 待遇和福利 Health and safety 健康及安全 Joint anti-epidemic 共同抗疫 	<ul style="list-style-type: none"> Staff activities 員工活動 Employee performance assessment 員工績效考核 Induction and on the job training 入職與在職培訓 Internal meetings and announcements 內部會議及通告 Contact via email, phone and communication application 通過電子郵件、員工郵箱、電話及溝通應用程序聯絡 	<ul style="list-style-type: none"> Set up contractual obligations to protect labour rights 制定合約責任以保護勞工權益 Encourage employees to participate in continuous education and professional training to enhance their skills 鼓勵員工參與持續教育及專業培訓以提高能力 Establish a fair, reasonable and competitive remuneration scheme 建立公平、合理和具競爭力的薪酬體系 Pay attention to occupational health and safety 注重職業健康及安全 Organise employee activities to enhance cohesion 舉辦員工活動以增強凝聚力 Provide anti-epidemic supplies (such as face masks and alcohol) 提供防疫用品 (如口罩及酒精)
Customers 客戶	<ul style="list-style-type: none"> High quality products and services 優質產品與服務 Reasonable price 價格合理 Timely delivery 及時交貨 	<ul style="list-style-type: none"> Business visit 商務拜訪 Contact via email and phone call 通過電子郵件及電話聯絡 	<ul style="list-style-type: none"> Improve the quality of products and services continuously in order to maintain customer satisfaction 持續提供優質產品與服務以滿足客戶 Ensure proper contractual obligations are in place 確保履行合約責任

II. ESG MANAGEMENT (continued)

二、環境、社會及管治的管理 (續)

Stakeholders' Engagement (continued)

持份者參與 (續)

Stakeholders 持份者	Expectations and concerns 期望與要求	Means of communication 溝通渠道	Management response 管理層回應
Suppliers 供應商	<ul style="list-style-type: none"> Stable demand 需求穩定 Good relationship with the Company 與公司保持良好關係 Corporate reputation 企業信譽 	<ul style="list-style-type: none"> Business visit 商務拜訪 Contact via email and phone call 通過電子郵件及電話聯絡 	<ul style="list-style-type: none"> Ensure proper contractual obligations are in place 確保履行合約責任 Maintain strong and long-term relationship with suppliers 保持強大與長期的合作關係 Select suppliers with due care 嚴謹篩選供應商
Communities 社區	<ul style="list-style-type: none"> Environmental Protection 環境保護 Reduce greenhouse gas emissions 減少溫室氣體的排放 Reduce waste generation 減少廢棄物的產生 Effective resource utilisation 有效資源利用 Community contribution 社區參與 Economic development 經濟發展 Joint anti-epidemic 共同抗疫 	<ul style="list-style-type: none"> The Company's official website and information publicity website of government department 本公司網站及政府部門信息公示網站 Community activities 社區活動 	<ul style="list-style-type: none"> Pay attention to the problem of climate change and actively take various clean production measures to encourage employees to actively participate in charity activities and voluntary services 關注氣候變化並積極採取各項清潔生產措施鼓勵員工積極參與慈善活動和志願服務 Encourage employees to actively participate in charitable activities and voluntary services 鼓勵員工積極參與慈善活動和志願服務 Maintain good and stable financial performance and business growth 確保良好的財務業績和業務增長

II. ESG MANAGEMENT (continued)

二、環境、社會及管治的管理 (續)

Materiality Assessment

重要性評估

During the Reporting Period, the Group held discussions with the management and conducted materiality assessment through various channels to identify environmental, social and governance issues that their key stakeholders and the Group are both interested in; and assessed the level of concern as viewed by them; so as to select the relatively important ESG issues. For materiality assessment, the Group has adopted the following three processes:

於報告期內，本集團與管理層進行討論及透過不同渠道，進行重要性評估，列出主要持份者與本集團所關心的環境、社會及管治項目，再評估雙方對各項目的重視程度，從而選擇出相對重要的ESG議題。對於重要性評估，本集團已採取以下三個流程：

Identification 識別	<ul style="list-style-type: none">• Through diverse channels and internal discussion 透過多元渠道及內部討論• Examines and adopts the ESG issues of concern in the past stakeholders' engagement 檢視及採納過往持份者參與活動時所關注的ESG議題• Draws attention to emerging ESG issues 注意新興的ESG議題
Prioritisation 訂立優先次序	<ul style="list-style-type: none">• Synthesises, analyses and evaluates the views of all parties to identify and prioritise potential and important issues 綜合、分析及評估各方意見，以辨識潛在重要性議題，並為此等議題訂立優先次序• Develops materiality matrix based on the importance of the issue to the Group and its key stakeholder 根據議題對本集團及主要持份者的重要程度編製重要性矩陣圖
Validation 驗證	<ul style="list-style-type: none">• Interacts with the management team to validate the results of materiality assessment and ensure that these issues are aligned with the sustainable development direction sought by the Group 與管理團隊互動，以驗證重要性評估結果，確保這些議題與本集團尋求的可持續發展方向一致• Reports the results of materiality assessment to the Board and makes the required disclosures in the ESG Report 將作出所需的重要性評估結果向董事會匯報，並於ESG報告書中作出所需的披露

II. ESG MANAGEMENT (continued)

二、環境、社會及管治的管理 (續)

Materiality Assessment (continued)

The materiality assessment will help the Group to ensure that business development meet the expectations and requirements of stakeholders. The matters of concern to the Group and stakeholders are set out in the following materiality matrix:

重要性評估 (續)

重要性評估有助本集團確保業務發展能夠滿足持份者的期望與要求，本集團和持份者所關心的事項均列載於以下的重要性矩陣圖內：

Materiality Matrix 重要性矩陣

Importance to stakeholders 對持份者的重要性	High 高	<ul style="list-style-type: none"> ◆ Anti-discrimination 反歧視 ◆ Labor rights protection 保障勞工權益 	<ul style="list-style-type: none"> ◆ Employee training and promotion 員工培訓與晉升 ◆ Employee compensation and benefits 員工報酬與福利 ▲ Customer satisfaction 客戶滿意度 	<ul style="list-style-type: none"> ● Discharge of wastewater 廢水排放 ● Discharge of non-hazardous wastes 無害廢棄物排放 ● Discharge of hazardous wastes 有害廢棄物排放 ▲ Product quality and safety 產品質量與安全 ▲ Service quality 服務質素 ▲ Anti-epidemic 防疫抗疫
	Medium 中	<ul style="list-style-type: none"> ▲ Community involvement 社會參與 ● Exhaust gas emission 廢氣排放 	<ul style="list-style-type: none"> ● Emission of greenhouse gas 溫室氣體排放 ● Energy use 能源使用 ▲ Anti-corruption 反貪污 ▲ Intellectual property rights 知識產權 	<ul style="list-style-type: none"> ◆ Occupational health and safety 職業健康與安全 ▲ Operational compliance 營運合規
	Low 低	<ul style="list-style-type: none"> ▲ Protection of customer privacy 保護客戶私隱 ◆ Measures to prevent child labor and forced labor 預防童工及強制勞工的措施 	<ul style="list-style-type: none"> ● Water resources utilization 水資源使用 	<ul style="list-style-type: none"> ● Use of raw materials 原材料使用 ▲ Supplier management 供應商管理 ◆ Talents management 人才管理
		Low 低	Medium 中	High 高

Importance to the Group 對本集團的重要性

● Environment 環境方面 ◆ Employee 員工方面 ▲ Operation 營運方面

III. ENVIRONMENTAL PROTECTION

The Group strictly abides by the environmental protection laws and regulations of the People's Republic of China (the "State"), including the "Environmental Protection Law of the People's Republic of China", the "Air Pollution Prevention and Control Law of the People's Republic of China", the "Water 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 Solid Waste Pollution", the "Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution", the "Energy Conservation Law of the People's Republic of China", laws and regulations of the local government of the United States and other applicable requirements and standards. According to the applicable laws and regulations on environmental protection and making reference to the Group's operating environment, structure, production capabilities, and human resources, the Group established regulations on pollutant management to regulate waste gases, wastewater, noise, and different types of solid wastes generated in operation and production. During the Reporting Period, domestic companies in the PRC conducted compulsory clean production reviews and proposed a number of feasible clean production plans to effectively reduce pollutants and conserve energy, and were rated as the advanced level of clean production in the PRC. The Group continues to reduce the carbon footprint through various policies, measures and actions to heighten all levels awareness of the importance of their impact on the environment, thus reducing the adverse effects on the environment caused by the business activities of enterprises and the personal life of employees. The relevant information will be represented in detail in the sections of "Management of Emissions" and "Management of Resource Utilisation" below.

三、環境保護

本集團嚴格遵守中華人民共和國（「國家」）環境保護的法律法規，包括《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國環境噪聲污染防治法》、《中華人民共和國節約能源法》、美國當地政府的法律法規及其他適用的要求與標準。本集團依照相關的環保法律法規，並按照本集團的經營環境、架構、生產能力及人力資源等制定各類污染物的管理制度，以規範營運及生產過程中所產生的廢氣、廢水、噪音及各種固體廢物。於報告期內，中國國內公司開展強制性清潔生產審核，提出多個可行性清潔生產方案，以有效地減少污染物及節約能源，並被評為國內清潔生產先進水平。為了讓各個層面更加了解自己對環境影響的重要性，本集團不斷透過各種政策、措施和行動，以減少碳足跡，從而減低企業的營業活動與員工的個人生活對環境造成不良影響，有關資料將於下文「排放物的管理」與「資源使用的管理」部分中詳細描述。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

1. Management of Emissions

The Group focuses on the research, development, production and selling of disposable medical supplies and devices for various medicinal uses. The Group understands that the waste gas, wastewater and solid waste, etc. generated in the operation process will have certain impact on the environment. Therefore, the Group includes environmental factors into our business development strategy, and set up safety technology department in the production plant to supervise the implementation of the Group's environmental protection policies by each department, and continuously optimise various environmental protection and pollution prevention measures and equipment, and regularly organise seminars to brainstorm aiming at solving major environmental issues. The Group keeps a close watch on the national environmental protection policy and development, and takes appropriate adjustment measures according to the national environmental protection requirements while conducting various production activities; the Group also refers to the local environmental laws and regulations and integrate the characteristics of different businesses to establish perfect internal rules and regulations, so that all levels of the Group can better understand their work in environmental protection. Moreover, the Group invests resources in effective environmental facilities and equipment to enhance the effectiveness of the Group's environmental protection policies, so as to reduce the generation of pollutants and avoid wasting resources, and accelerate the sustainable development strategy of the Group.

1. 排放物的管理

本集團主要研究、開發、生產及銷售用於多種醫療用途的一次性醫療用品及器械。本集團了解到於營運過程中所產生的廢氣、廢水及固體廢物等會為環境帶來一定的影響，因此本集團把環保因素加入業務發展策略中，於生產廠房設立安全技術部門，監督各部門對本集團環保政策的實施情況，持續優化各項環境保護和污染防治措施與設備，以及定期組織研討會集思廣益以解決重大的環保問題。本集團密切關注國家的環保政策與發展，在進行各種生產活動的同時，應國家的環保要求採取適當的調整措施；本集團亦參照當地的環保法律法規，綜合不同業務的特點，建立完善的內部規章制度，讓本集團各個層面更加了解自己於環境保護方面的工作，同時投入資源於有效的環境設施與設備，加強本集團環保政策的有效性，以減少產生污染物及避免浪費資源，從而加快本集團的可持續發展策略步伐。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

1. Management of Emissions (continued)

1. 排放物的管理 (續)

Management of Exhaust Gas Emission

廢氣排放的管理

The exhaust gas generated during the daily operation and production process of the Group mainly derives from the volatile organic compounds ("VOCs") in the injection molding, extrusion and printing and other processes, the dust in the carton production, powder, granulation and grinding processes, and waste gas generated during the electric welding process, oil fume waste gas during cooking in the canteen, and automobile exhaust generated due to the use of vehicles. The Group has established a rigorous management system for air pollution prevention and control, stipulating the responsibilities of each department in the aspect of waste gas prevention and control. The safety technology department is responsible for supervising and inspecting, and provides rewards and punishment opinions and technical guidance, so as to effectively manage various air pollutants. In addition, the Group sets up appropriate waste gas treatment equipment according to different production processes aiming at strictly complying with the applicable laws, regulations, requirements and standards of the State and various operation sites for the prevention and control of air pollution, and maintain waste gas treatment equipment based on the national and industrial emission standards to ensure that the operation of the equipment and facility is normal and the emission of waste gas is able to meet the standard. The Group has also formulated operating procedures for various types of exhaust gas treatment equipment to strictly prohibit employees from operating in violation of regulations, resulting in excessive emission of waste gas, and to ensure the safety and health of employees. The Group regularly repairs and maintains the equipment. If any abnormal situation is found, the employee must immediately report to the management department and take appropriate actions to prevent major environmental pollution accidents caused by waste gas leakage. The Group works from the source and strictly stipulate that the VOCs content of various raw and auxiliary materials used in the production process must meet the national standards and requirements, and it is strictly prohibited to purchase and use materials containing excessive VOCs, so as to ensure the VOCs pollutants in the exhaust gas is at normal level.

本集團在日常營運及生產過程中所產生的廢氣主要來自注塑、擠出及印刷等工序的揮發性有機化合物（「VOCs」）、紙箱生產、粉料、造粒及打磨等工序的粉塵、焊接過程中產生的電焊廢氣、食堂煮食時產生的油煙廢氣及因使用車輛而產生的汽車尾氣。本集團制定了嚴謹的大氣防治管理制度，規定各部門在廢氣防治方面的職責，由安全技術部進行監督檢查，並提出獎懲意見及進行技術指導，以有效地管理各種大氣污染物。此外，為了嚴格遵守國家與各營運地點對大氣污染防治相關的法律法規、要求與標準，本集團因應不同生產工序而設置適合的廢氣處理設備，以國家與行業的排放標準為目標，維護廢氣治理設備，確保設備施能正常運行及廢氣能達標排放。本集團亦制定各類廢氣治理設備的操作規程，嚴禁員工違規操作而導致廢氣超標排放的情況，同時亦能保障員工的安全與健康。本集團定期維修與保養設備，如發現任何異常狀況，員工必須立即向管理部門匯報並採取適當行動，以防止廢氣洩漏而引致重大的環境污染事故。本集團亦從源頭著手，嚴格規定於生產過程中使用的各種含有VOCs的原、輔材料的VOCs含量必須符合國家的標準與要求，嚴禁採購和使用含量超標的材料，從而確保廢氣中污染物的VOCs含量正常。

III. ENVIRONMENTAL PROTECTION (continued)

1. Management of Emissions (continued)

Management of Exhaust Gas Emission (continued)

In addition to managing the exhaust gas generated during the production process, the Group's pollution prevention and control management system also covers the exhaust gas derived from daily office operations and employee activities. For details of emission reduction measures, please refer to the "Energy Conservation" section of "Management of Resource Utilisation" below.

Management of Wastewater Disposal

The Group has established a management system for wastewater disposal based on the "Water Pollution Prevention and Control Law of the People's Republic of China". The Group assigns employees to be responsible for the treatment of industrial wastewater, monitoring and inspecting the discharge of the production department, and grasping and evaluating the environmental quality. The Group sets up a sewage treatment station within the factory. After multiple harmless treatment procedures, the wastewater is discharged to the local sewage treatment plant for further disposal. The Group also regularly cleans up the sediment in the wastewater pool, strictly prohibit dumping waste oil, chemicals or any material that may cause pipe blockage into the sewer, and cooperate in the regular repair and maintenance of sewage disposal facilities and pipes to ensure their normal and effective operation, so as to eliminate the running, emitting, dripping and leakage of sewage pipes and avoid the secondary pollution to the environment. In addition, the Group entrusts the storage and transportation company holding the "Hazardous Waste Operation Permits" to assist in the treatment of the hazardous wastewater that cannot be treated temporarily.

三、環境保護 (續)

1. 排放物的管理 (續)

廢氣排放的管理 (續)

除了管理生產過程中所產生的廢氣，本集團的污染防治管理制度亦涵蓋辦公室日常營運及員工活動時所產生的廢氣。有關減排措施的詳情請參考下文「資源使用的管理」中的「節約能源」部分。

廢水處置的管理

本集團以《中華人民共和國水污染防治法》為基礎，制定廢水排放的管理制度。本集團指派員工專門負責工業廢水的治理工作，對生產部門排污進行監測及巡檢，掌握和評估環境質量狀況。本集團於廠區內設置污水處理站，經過多重無害化處理程序，將廢水排放到當地污水處理廠作進一步處理。本集團還定期清理廢水池中的沉澱物，嚴禁向下水道傾倒廢油、化學品或任何可能造成管道堵塞的物質，以及配合定期對污水處理設施及管道的維修與保養，能確保它們能正常及有效地運作，以防止污水管道出現跑、冒、滴、漏的狀況，從而避免對環境造成的二次污染。此外，本集團委託持有《危險廢物經營許可證》的儲運公司協助處理暫未能處理的有害廢水。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

1. Management of Emissions (continued)

1. 排放物的管理 (續)

Management of Wastewater Disposal (continued)

廢水處置的管理 (續)

A large amount of waste oil was generated as some plants underwent a major overhaul of production equipment in the previous year. However, the waste oil decreased since no major overhaul was conducted during the Year. Accordingly, the Group generated a total of approximately 53.51 tonnes of hazardous wastewater during the Year, representing a decrease of approximately 11.98 tonnes or 18.29% in hazardous wastewater compared with the previous year. Owing to an increase in production volume and higher water consumption of plants in the United States due to water leakage of water pipes and taps and higher temperatures, the Group generated a total of approximately 28,417,544.06 tonnes of non-hazardous wastewater during the Year, representing an increase of approximately 4,432,268.95 tonnes or 18.48% in non-hazardous wastewater compared with the previous year.

部分廠房於上年度對生產設備進行大型維修，產生大量廢油，但本年度未有進行大型維修，廢油因而減少，因此本集團於本年度所產生的有害廢水較上年度減少約11.98噸或18.29%，共產生有害廢水約53.51噸。由於生產量上升；以及美國廠房因水管、水龍頭漏水及氣溫較高的原因而增加用水量，因此本集團於本年度所產生的無害廢水較上年度增加約4,432,268.95噸或18.48%，共產生無害廢水約28,417,544.06噸。

At the beginning of the Reporting Period, the Group sets targets to reduce the generation of both hazardous wastewater and non-hazardous wastewater this year by 2% respectively when compared with the previous year. The target for the hazardous wastewater generation intensity has been achieved this year. The water consumption of plants in the United States increased due to water leakage of water pipes and taps and temperature issues, so the non-hazardous wastewater production intensity increased this year. Please refer to the table below and the section headed "Summary of Environmental Data and Performance" below for the relevant data.

本集團於報告期初訂立目標，與上年度比較，將本年度的有害廢水及無害廢水產生量密度均減少2%，有害廢水產生量密度已於本年度達成目標。美國廠房因水管、水龍頭漏水及氣溫問題而增加用水量，因此本年度的無害廢水產生量密度增加。有關數據請參閱下表及下文「環境數據表現摘要」一節。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

1. Management of Emissions (continued)

1. 排放物的管理 (續)

Management of Wastewater Disposal
(continued)

廢水處置的管理 (續)

During the Reporting Period, the Group's generation of hazardous and non-hazardous wastewater are as follows

於報告期內，本集團的有害與無害廢水的產生情況如下表：

		2022 2022年度 (Tonnes) (噸)	2021 2021年度 (Tonnes) (噸)
Hazardous Wastewater	有害廢水		
Total	總量	53.51	65.49
Intensity ¹	密度 ¹	0.01	0.02
Non-Hazardous Wastewater	無害廢水		
Total ²	總量 ²	28,417,544.06	23,985,275.11
Intensity ¹	密度 ¹	7,907.13	7,828.28

Notes:

附註：

¹ The intensity is calculated based on the production volume per million units.

¹ 密度是以每一百萬件的生產量計算。

² Some plants of the Group have not kept data of non-hazardous wastewater discharged, so they are calculated based on the actual water consumption.

² 本集團的部分廠房沒有為無害廢水的排放量作出統計，故按照實際用水量計算。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

1. Management of Emissions (continued)

1. 排放物的管理 (續)

Management of Solid Waste Disposal

固體廢物處置的管理

The solid waste generated by the Group in its daily operation mainly includes recyclable waste, non-recyclable waste and hazardous waste, which mainly derive from part of the production processes, daily life of employees, engineering construction, purchased materials, product development and testing, etc.

本集團在日常營運中產生的固體廢物主要包括可回收利用廢物、不可回收利用廢物和危險有害廢物，它們主要產生自部分生產工序、員工日常生活、工程建設、採購材料、產品研發與檢測等。

The Group has formulated relevant management systems to monitor and manage the process of collection, classification, storage and disposal of various solid waste, aiming at complying with the applicable laws, regulations, requirements and standards of the State and operation sites for the prevention and control of environmental pollution by solid waste, and following the principles of comprehensive utilisation and reasonable disposal of solid waste. In addition, the Group hopes to continuously reduce the generation of solid waste through different source waste reduction measures and training. For instance, the Group purchases and uses recyclable and reusable packaging materials as much as possible, properly store raw and auxiliary materials and take purchase restriction measures to avoid the generation of expired materials; we actively seek and develop green technology, and phase out the production process generating solid waste which will cause serious environmental pollution; strictly regulate the employees to operate the production equipment according to the regulations so as to avoid unnecessary waste; continuously educate employees about waste classification to enhance their awareness of environmental protection, thus effectively improving the effectiveness of waste management measures.

為了遵守國家與各營運地點對固體廢物污染環境防治相關的法律法規、要求與標準，以及遵循綜合利用和合理處置固體廢物的原則，本集團制定了相關的管理制度，以監察及管理各類固體廢物從收集、分類、存放至處置的流程。此外，本集團會透過不同的源頭減廢措施及培訓，希望能不斷削減固體廢物的產生，例如：本集團會盡量採購與使用可回收及可重複利用的包裝材料，妥善地儲存原、輔材料及採取限購措施，避免過期材料的產生；積極尋求和開發綠色生產工藝，逐步淘汰會產生嚴重污染環境的固體廢物的生產工藝；嚴格規範員工必須按照規程操作生產設備，避免產生不必要的廢物；持續教育員工廢物分類的知識，以加強他們的環保意識，從而有效地提高廢物管理措施的成效。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

1. Management of Emissions (continued)

1. 排放物的管理 (續)

Management of Solid Waste Disposal
(continued)

固體廢物處置的管理 (續)

For the storage of all kinds of wastes, the Group implements the principle of class-based storage. Recyclable, non-recyclable and hazardous wastes are classified and stored, and the corresponding temporary storage areas are set for different categories of wastes. At the same time, it is forbidden to mix collection, storage, transportation, and disposal of hazardous wastes that are incompatible in nature but have not been safely disposed. In addition, it is strictly forbidden to mix hazardous waste with non-hazardous waste for storage, so as to curb any behavior that may pollute the environment. For the temporary storage area of hazardous waste, the Group have taken measures to prevent scattering, loss, leakage and corrosion in accordance with the "Pollution Control Standard for Hazardous Waste Storage". The containers of various hazardous waste are also labeled with marks, and the containers must be well sealed and free from spillage, so as to avoid any chance of secondary pollution to the environment.

針對各類廢物的存放，本集團實行分類存放的基本原則，將可回收利用、不可回收利用與危險廢物分類存放，為各類廢物設置相應的暫存區域，同時禁止混合收集、儲存、運輸、處置性質不相容而未經安全性處置的危險廢物，以及嚴禁將危險廢物混入非危險廢物中儲存，以遏止任何可能污染環境的行為。對於危險廢物的暫存區域，本集團均按照《危險廢物儲存污染控制標準》採取了防揚散、防流失、防滲漏、防腐的措施，而各類危險廢物的容器亦貼上危險廢物標籤，而容器必須保持密封良好及無溢散，以避免任何對環境造成二次污染的機會。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

1. Management of Emissions (continued)

1. 排放物的管理 (續)

Management of Solid Waste Disposal (continued)

固體廢物處置的管理 (續)

The Group has engaged professional consultants to assist in the disposal of various solid waste. The hazardous solid waste must be handled by licensed hazardous waste treatment service providers promulgated by the Central People's Government of China. The Group have signed contracts with hazardous waste treatment factories to report the transfer of hazardous wastes in real time and establish relevant information management records in accordance with the "Measures for the Management of Hazardous Waste Transfer", and it is not allowed to dump randomly and strictly prevent any improper disposal. For the general non-hazardous solid waste, the Group adopts various recycling methods to increase the utilisation rate of waste as much as possible; if disposal is necessary, the Group also entrusts collectors with local environmental certification for recycling.

本集團已委聘專業顧問協助處置各種固體廢物，有害的固態廢料必須由中國中央人民政府所頒佈的持牌有害廢料處理服務供應商負責，本集團與危廢處理廠家簽訂合同，按照《危險廢物轉移管理辦法》實時上報有害危險廢物的轉移情況，建立相關的信息管理記錄，絕不容許胡亂傾倒及嚴防經任何非正當途徑處置。而對於一般無害固體廢物，本集團盡量採取各種回收利用的手段，以增加廢物的利用率；如必須進行處置，本集團亦會委託符合當地環保認證的收集商進行回收處理。

During the Reporting Period, the Group generated about 272.42 tonnes of hazardous solid waste, representing an increase of about 90.65 tonnes or 49.87% compared with the previous year, and about 3,607.76 tonnes of non-hazardous solid waste, representing an increase of about 332.31 tonnes or 10.15% compared with the previous year.

於報告期內，本集團共產生有害固體廢物約272.42噸，較上年度增加約90.65噸或49.87%，以及無害固體廢物約3,607.76噸，較上年度增加約332.31噸或10.15%。

At the beginning of the Reporting Period, the Group sets targets to reduce the generation of both hazardous solid waste and non-hazardous solid waste this year by 2% when compared with the previous year. The target for the non-hazardous solid waste generation intensity has been achieved this year. Owing to the update of the hazardous waste list since the previous year, the generation of hazardous solid waste has increased, so the hazardous solid waste production intensity increased this year. Please refer to the table below and the section headed "Summary of Environmental Data and Performance" below for the relevant data.

本集團於報告期初訂立目標，與上年度比較，將本年度的有害固體廢物及無害固體廢物產生量密度減少2%，無害固體廢物產生量密度已於本年度達成目標。由於上年度開始更新危廢名錄，增加有害固體廢物產生，因此本年度的有害固體廢物產生量密度增加。有關數據請參閱下表及下文「環境數據表現摘要」一節。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

1. Management of Emissions (continued)

1. 排放物的管理 (續)

Management of Solid Waste Disposal
(continued)

固體廢物處置的管理 (續)

During the Reporting Period, the generation of hazardous and non-hazardous solid waste by the Group are as follows:

於報告期內，本集團的有害及無害固體廢物的產生情況如下表：

		2022 2022年度 (Tonnes) (噸)	2021 2021年度 (Tonnes) (噸)
Hazardous Solid Waste	有害固體廢物		
Total	總量	272.42	181.77
Intensity ¹	密度 ¹	0.08	0.06
Non-Hazardous Solid Waste²	無害固體廢物²		
Total	總量	3,607.76	3,275.45
Intensity ¹	密度 ¹	1.00	1.07

Notes:

- The intensity is calculated based on the production volume per million units.
- The data for the previous year are restated to conform with the current year's presentation.

附註：

- 密度是以每一百萬件的生產量計算。
- 上年度數據需重列作為比較用途。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

1. Management of Emissions (continued)

Management of Greenhouse Gas Emission

The greenhouse gas produced by the Group mainly derives from the use of electricity in offices and factories, and the fuel usage in company's vehicles. In view of more and more rigorous policy on air pollution control in China, the Group adopts low-carbon processes in the operation and production process, reduces the use of resources and maximises the effectiveness of resources to eliminate resource waste and decrease the production of greenhouse gas, aiming at implementing the "Environmental Protection Law of the People's Republic of China" and related laws and regulations. For details on various measures to effectively utilise resources, please refer to the "Energy Conservation" section of the "Management of Resource Utilisation" below.

Compliance

During the Reporting Period, there was no violation or non-compliance incident in relation to environmental protection that had a significant impact on the Group.

2. Management of Resources Utilisation

The Group mainly applies gasoline, diesel, electricity, tap water, paper and other resources in business operations. With the aim of complying with the "Energy Conservation Law of the People's Republic of China", the "Urban Water Conservation Management Regulations" and related laws, regulations and policies regarding resource conservation, and to build a low-carbon and low-consumption operating environment, the Group has formulated relevant internal rules and regulations in each plant area, and continued to identify and review the implementation of various measures on energy conservation and emission reductions to reduce the impact of business activities on the environment. The Group ensures that every employee understands the importance of saving resources, and adopt a number of measures to make full use of resources, maximise their effectiveness, and avoid waste.

1. 排放物的管理 (續)

溫室氣體排放的管理

本集團造成的溫室氣體主要來自辦公室及工廠的電力使用、公司車輛的燃料使用等。在國家對大氣污染日漸嚴謹的整治方針下，為貫徹執行《中華人民共和國環境保護法》及相關法律法規，本集團於營運與生產過程中採取低碳工序、減少資源使用及發揮資源的最大效能，務求杜絕資源浪費的現象，以及減少溫室氣體的產生。有關各種有效利用資源的措施詳情請參考下文「資源使用的管理」中的「節約能源」部分。

合規性

於報告期內，本集團並無發生重大與環境保護有關並對本集團有重大影響的違規或違法事件。

2. 資源使用的管理

本集團於業務營運上主要使用汽油、柴油、電力、自來水及紙張等資源。為了遵守有關《中華人民共和國節約能源法》、《城市節約用水管理規定》及相關節約資源的法律法規與政策，以及建立一個低碳低耗的營運環境，本集團於各廠區制定了相關的內部規章制度，並持續辨識與審視各項節能減排措施的實施情況，以減少經營活動對環境造成的影響。為確保每位員工明白節約資源的重要性，本集團通過多項措施，以充分利用資源，發揮其最大效能，避免浪費。

III. ENVIRONMENTAL PROTECTION (continued)

2. Management of Resources Utilisation (continued)

Conservation of Energy

Conservation of Gasoline, Diesel, Natural Gas and Refrigerants

Gasoline and diesel are mainly used for automobiles, trucks and forklifts. The Group has taken a number of conservation measures to reduce the emissions of waste gas and greenhouse gas. For instance, the driver must apply and obtain approval before using the vehicle, and it is also necessary to plan the route in advance. If passengers go to the destinations which are the same or near to each other, they will be arranged to use the same vehicle to shorten the driving distance and reduce the consumption of gasoline and diesel; the driver must switch off idling vehicles to reduce energy consumption due to idling of the engine. The Group regularly repairs and maintains vehicles to improve the utilisation of energy and reduce fuel consumption and exhaust gas caused by component failures; we also replace old vehicles as needed to increase energy efficiency; we encourage employees to use public transportation or walk for commute. The Group also concerns the carbon emissions caused by business trips, and actively implements a number of measures. For instance, make good use of various communication tools to communicate with business partners to reduce the use of vehicles and the number of business trips, thereby reducing the generation of greenhouse gas and exhaust gas. During the Reporting Period, the Group consumed approximately 45,213.67 liters of gasoline, representing a decrease of approximately 55,158.89 tonnes or 54.95% compared with the previous year. During the Reporting Period, the Group consumed approximately 187,514.21 liters of diesel, representing a decrease of approximately 55,231.99 tonnes or 22.75% compared with the previous year.

三、環境保護 (續)

2. 資源使用的管理 (續)

節約能源

節約使用汽油、柴油、天然氣及製冷劑

汽油及柴油主要用於汽車、貨車、叉車。本集團設有多項節約措施，從而減少廢氣及溫室氣體的排放，例如：使用汽車前司機必須先提出申請，獲得審批後才能使用，並需預先規劃路線，如乘客前往相同或接近的目的地，會安排他們使用同一車輛，以縮短行車路程及減少汽油及柴油的用量；司機必須停車熄匙，減少汽車引擎空轉而消耗能源；本集團定期維修及保養車輛，以提升能源利用效率，以及減少因零件故障而增加消耗燃油和廢氣；亦會因應需要而更換舊車輛，增加能源效益；鼓勵員工多使用公共交通工具或步行上下班等。本集團亦關注差旅帶來的碳排放，並積極推行多項措施，例如：善用各種通訊工具與業務夥伴進行溝通，以減少使用車輛及出差次數，藉此減少產生溫室氣體及廢氣。於報告期內，本集團共消耗汽油約45,213.67公升，較上年度下跌約55,158.89噸或54.95%。本集團於報告期內共使用柴油約187,514.21公升，較上年度下跌約55,231.99噸或22.75%。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

2. Management of Resources Utilisation (continued)

2. 資源使用的管理 (續)

Conservation of Energy (continued)

節約能源 (續)

Conservation of Gasoline, Diesel, Natural Gas and Refrigerants (continued)

節約使用汽油、柴油、天然氣及製冷劑 (續)

Natural gas is mainly used in the glass tube cutting and annealing production process of the molding workshop. Natural gas is used as required. The valve of the natural gas pipeline will be turned off when the natural gas is not used. The power department shall report the consumption of natural gas on a monthly basis, and explain the reasons if the actual consumption exceeds the budget. The Group will inspect and maintain natural gas transmission lines on a regular basis to avoid unnecessary waste caused by leakage, and leakage of natural gas may also cause safety issues. During the Reporting Period, the Group consumed approximately 1,328,337.12 m³ of natural gas, representing an increase of approximately 364,954.81 m³ or 37.88% compared with the previous year.

而天然氣主要用於成型車間玻璃管切割及退火生產工序，天然氣是按需要使用，不使用天然氣時，會關掉天然氣管道閥門。動力部門需每月需匯報天然氣的使用量；如實際用量超出預算，需解釋原因。本集團會定期檢查及維修天然氣輸送管道，避免洩漏而造成不必要的浪費，而洩漏天然氣亦會造成安全問題。於報告期內，本集團使用天然氣約1,328,337.12立方米，較上年度增加約364,954.81立方米或37.88%。

At the beginning of the Reporting Period, the Group sets targets to reduce both gasoline and diesel consumption intensity by 2% and increase natural gas consumption intensity by 2% this year when compared with the previous year. In order to reduce costs and increase efficiency, the Group gradually changed the vehicle usage model in the previous year, sold vehicles for functional departments and reception, and switched to car rental services. The consumption of gasoline and diesel dropped further, resulting in a decrease in their intensity. Due to the new production lines established by the Group during the Year, the commissioning of new production equipment, and the increase in the consumption of natural gas, its intensity has increased. Please refer to the table below and the section headed "Summary of Environmental Data and Performance" below for the relevant data.

本集團於報告期初訂立目標，與上年度比較，將本年度的汽油、柴油及天然氣使用量密度分別減少2%、2%及增加2%。為了降低成本及增加效益，本集團於上年度便逐步改變用車模式，將職能部門及接待用的車輛出售，並改為使用租車服務，汽油及柴油用量進一步減少，其密度因而下降。由於本集團於本年度新增生產線，需進行新生產設備調試，增加天然氣使用量，其密度因而上升。有關數據請參閱下表及下文「環境數據表現摘要」一節。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

2. Management of Resources Utilisation
(continued)

2. 資源使用的管理 (續)

Conservation of Energy (continued)

節約能源 (續)

Conservation of Gasoline, Diesel, Natural Gas and Refrigerants (continued)

節約使用汽油、柴油、天然氣及製冷劑 (續)

During this Reporting Period, the Group's use of energy and Scope 1¹ greenhouse gas emitted are as follows:

於報告期內，本集團使用能源及所排放的範圍一¹溫室氣體的情況如下表：

		2022 2022年度	CO ₂ equivalent emissions 二氧化碳 當量排放量 (Tonnes) (噸)	2021 ³ 2021年度 ³	CO ₂ equivalent emissions 二氧化碳 當量排放量 (Tonnes) (噸)
		Consumption 使用量		Consumption 使用量	
Gasoline	汽油	45,213.67 litres 45,213.67公升	122.43	100,372.56 litres 100,372.56公升	271.77
Diesel	柴油	187,514.21 litres 187,514.21公升	495.64	242,746.20 litres 242,746.20公升	642.67
Natural Gas	天然氣	1,328,337.12 m³ 1,328,337.12立方米	2,556.23	963,382.31 m ³ 963,382.31立方米	1,853.91
Refrigerants	製冷劑	11.34 kilograms 11.34公斤	19.56	47.62 kilograms 47.62公斤	78.13
<i>Group's Total Emission</i> 集團排放總量			3,193.86		2,846.48
<i>Group's Emission Intensity²</i> 集團排放量密度 ²			0.89		0.93

Notes:

附註：

¹ Scope 1 refers to the greenhouse gas emissions directly generated by the Group's business, including combustion of gasoline, diesel, natural gas, refrigerants, etc.

¹ 範圍一是指本集團業務直接產生的溫室氣體排放，包括燃燒汽油、柴油、天然氣、製冷劑等。

² The intensity is calculated based on the production volume per million units.

² 密度是以每一百萬件的生產量計算。

³ The data for the previous year are restated to conform with the current year's presentation.

³ 上年度數據需重列作為比較用途。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

2. Management of Resources Utilisation (continued)

2. 資源使用的管理 (續)

Conservation of Energy (continued)

節約能源 (續)

Conservation of Electricity and Steam

節約使用電力及蒸氣

The Group controls energy usage and enhances the efficiency of resource utilisation through daily management in the office area. The Group promotes the use of high-efficiency and energy-saving lamps. If the light during the day can meet the working requirements, the lamps must be turned off. Moreover, the Group requires employees to check and ensure that electrical appliances, computers and other electrical equipment used by themselves and their departments have been turned off when they are off duty, and that the dust screens of air conditioners are regularly cleaned to save electricity. LED lighting system is set up in each office to reduce electricity consumption.

本集團於辦公室區域透過日常管理，控制能源使用和提升資源使用效益。本集團推廣使用高效節能燈具，白天的光線如果能滿足工作要求，必須將照明燈關掉。本集團要求員工下班時檢查及確保自己及其部門使用的電器、電腦等用電設備已關掉，定期清洗空調機的隔塵網，做到節約用電。於各辦事處，建立LED照明系統以減少耗電量。

The Engineering Department actively carried out energy-saving reconstruction of various production and electrical equipment in the factory area, and implemented corrective measures of energy use based on the load or the equipment usage to control the electricity consumption effectiveness of the plant. The energy saving reconstruction of high-energy-consuming machine tools was performed for orthopedics business, and the Group actively checked for leakages in compressed air pipes and various joints and repaired them in time to prevent air compressors from operating under air leaks. The Group replaced some ordinary motors with permanent magnet motors; installed power saving transformers; in the off-season of electricity consumption, the transformers that are not in use were reported to be stopped; and the production plan was reasonably arranged to achieve the purpose of energy saving and consumption reduction. The Group also encourages employees to reduce incorrect use of equipment, thereby reducing unnecessary energy consumption. During the Reporting Period, the Group consumed approximately 169,540.38 megawatt hours ("MWh") of electricity, representing an increase of approximately 26,624.03 MWh or 18.63% compared with the previous year, mainly due to an increase in production and household electricity consumption arising from growing production and headcount.

工程部於工廠區域積極對各項生產及用電設備進行節能改造，根據設備的負載或使用狀況進行能源使用的改善措施，以控制廠房用電效益。骨科業務對高能耗的機床進行節能改造，而且積極對壓縮空氣管道及各接頭排查漏氣的情況並及時進行維修，以防止空壓機在漏氣的情況下操作。本集團將部分普通電機更換為永磁電機；安裝了節電變壓器；於用電淡季，報停不使用的變壓器；合理安排生產計劃，以達政節能降耗之目的。本集團亦鼓勵員工減少不正確使用設備，從而降低不必要的耗能機會。於報告期內，本集團共消耗電力約169,540.38兆瓦時，較上年度增加約26,624.03兆瓦時或18.63%，主要是由於生產量及員工人數上升，生產用電及生活用電因而增加。

III. ENVIRONMENTAL PROTECTION (continued)

2. Management of Resources Utilisation (continued)

Conservation of Energy (continued)

Conservation of Electricity and Steam (continued)

Steam is mainly used in heating supply, air conditioning, the sterilization process of prefilled syringes and drying of semi-finished products and granules, etc. The steam used by the Group is mainly purchased from suppliers. Although the use of steam does not produce any greenhouse gases, it is necessary to burn fuel to produce steam, resulting in greenhouse gas and exhaust gas emission. Therefore, the Group takes different measures to save the use of steam. For instance, limit the use of air-conditioners and heating according to seasonal and temperature change, adjust the temperature reasonably, and it is strictly prohibited to turn on the air-conditioners while opening the doors and windows; close the steam pipe valve when not using steam. The power department is required to report the steam usage on a monthly basis, and to explain reason under the circumstance that the actual amount exceeds the budget. During the Reporting Period, the Group used approximately 154,246.66 tonnes of steam, representing an increase of approximately 32,152.50 tonnes or 26.33 % compared with the previous year, which was mainly attributable to the growing production.

At the beginning of the Reporting Period, the Group sets a target to decrease the consumption of electricity and steam this year by 2% respectively when compared with the previous year. Owing to higher domestic electricity consumption resulting from the increase in the number of employees, the electricity consumption intensity increased accordingly. During the Year, the Group concentrated on the production of protective clothing, masks, and other products due to the COVID-19 pandemic. Steam was needed in the production workshop for cooling and heating, resulting in higher consumption of steam than expected, and its intensity increased accordingly. Please refer to the table below and the section headed "Summary of Environmental Data and Performance" below for the relevant data.

三、環境保護 (續)

2. 資源使用的管理 (續)

節約能源 (續)

節約使用電力及蒸氣 (續)

蒸氣主要用於供應暖氣、推動空調機、預灌封注射器的滅菌程序、烘乾半成品與粒料等，本集團所使用的蒸氣主要是向供應商購買的。雖然使用蒸氣本身不會產生任何溫室氣體，但需要燃燒燃料來產生蒸氣，導致溫室氣體及廢氣的排放；因此本集團採取不同措施，以節約使用蒸氣，例如：按季節及氣溫變化情況限時使用空調機及暖氣，合理地調節溫度，嚴禁打開門窗開空調機；不使用蒸氣時，會關掉蒸氣管道閥門。動力部門需每月需匯報蒸氣的使用量；如實際用量超出預算，需解釋原因。於報告期內，本集團共使用蒸氣約154,246.66噸，較上年度增加約32,152.50噸或26.33%，這主要是由於生產量上升。

本集團於報告期初訂立目標，與上年度比較，將本年度的電力及蒸氣使用量均減少2%。由於員工人數增加，生活用電增加，用電量密度因而上升。而本集團於本年度因2019冠狀病毒病疫情而集中生產防護服、口罩等產品，生產車間需要使用蒸氣供應冷、暖氣，導致蒸氣使用量比預期多，以致其密度上升。有關數據請參閱下表及下文「環境數據表現摘要」一節。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

2. Management of Resources Utilisation (continued)

2. 資源使用的管理 (續)

Conservation of Energy (continued)

節約能源 (續)

Conservation of Electricity and Steam (continued)

節約使用電力及蒸氣 (續)

During this Reporting Period, the Group's use of electricity and the Scope 2¹ greenhouse gas ("GHG") emitted are as follows:

於報告期內，本集團使用電力及所排放的範圍二¹溫室氣體的情況如下表：

		2022 2022年度		2021 2021年度	
		Consumption 使用量	CO ₂ equivalent emissions 二氧化碳 當量排放量 (Tonnes) (噸)	Consumption 使用量	CO ₂ equivalent emissions 二氧化碳 當量排放量 (Tonnes) (噸)
Electricity	電力	169,540.38 MWh 169,540.38兆瓦時	101,426.26	142,916.35 MWh 142,916.35兆瓦時	85,708.66
Steam ²	蒸氣 ²	154,246.66 Tonnes 154,246.66噸	Not applicable 不適用	122,094.16Tonnes 122,094.16噸	Not applicable 不適用
Group's Total Emission 集團排放總量			101,426.26		85,708.66
Group's Emission Intensity ³ 集團排放量密度			28.22		27.97

Notes:

附註：

¹ Scope 2 refers to the Group's business indirect GHG emissions, including consumption of purchased electricity emissions, including consumption of purchased electricity.

¹ 範圍二是指本集團業務內部消耗購回來的電力所引致的「間接能源」溫室氣體排放。

² Steam is produced by burning wood, plant, biomass fuel or other energy sources in a boiler to provide heat energy, and the exhaust gas (such as sulfur dioxide, nitrogen oxide, dust, etc.) and greenhouse gas will be formed during the process of burning fuel. The Group purchases steam from suppliers. However, the suppliers fail to provide the type and composition of fuel used for steam production, and such information will affect the calculation of emission coefficient of exhaust gas and greenhouse gas, resulting in that the Group does not have reliable information on emission coefficient to calculate the emission of greenhouse gas and exhaust gas. Therefore, the Group has not disclosed the relevant data in this report.

² 蒸氣是於鍋爐中燃燒木材、植物、生物質燃料或其他能源提供熱能而產生的；而燃燒燃料過程中會產生廢氣（如二氧化硫、氮氧化物、粉塵等）及溫室氣體。本集團向供應商購買蒸氣，由於供應商未能提供其生產蒸氣所使用的燃料種類及組成，此等信息會影響計算廢氣及溫室氣體的排放係數；導致本集團暫未有可靠的排放係數資料用於計算溫室氣體及廢氣的排放量，因此本集團沒有於此報告中披露相關數據。

³ The intensity is calculated based on the production volume per million units.

³ 密度是以每一百萬件的生產量計算。

III. ENVIRONMENTAL PROTECTION (continued)

2. Management of Resources Utilisation (continued)

Conservation of Water

The Group mainly uses water sources supplied by the government. At present, the water supply can meet the needs of daily operation. Although the Group has not encountered any problems in obtaining applicable water sources during this Reporting Period, the Group is clearly aware of the importance of water resources to production, construction and living. Therefore, the Group encourages our employees to develop good water use habits, improve their awareness of water conservation, and hope to conduct the most basic environmental education from the source. Moreover, the Group actively implements different water use measures, attempt to develop water recycling technology, increase the reuse rate of water resources, improve the method of using water in operation and reduce the discharge of wastewater, aiming at reducing the Group's needs of water resources. All production departments and offices regularly check the water facilities, pipes, faucet, etc. within their area to prevent waste of water. Once any employee finds that the pipeline and valve are damaged and leaking, he should immediately inform the Maintenance Department for repair. About 50% of the wastewater will be recycled to reduce the generation of various cleaning wastewater in the factory area. The condensed water produced by the chiller and heat exchanger in the Group's machine room is pumped to the cooling pool and the water treatment pool of the needle making workshop, and the actual water saving is calculated by two separate water meters equipped on the water delivery pipeline, so as to save the water cost. After treatment in the sewage treatment center, the domestic sewage will be recycled and used in the landscape lake in the park as its supplementary water source, so as to save water.

三、環境保護 (續)

2. 資源使用的管理 (續)

節約用水

本集團主要使用政府供應的水源，現時的水源供應能滿足日常營運的需求，本集團雖然於本報告期內沒有就求取適用水源上遇到任何問題，但本集團清楚知道水資源對於生產建設及生活需要的重要性，因此本集團讓員工培養良好的用水習慣，提高員工節約用水的意識，希望從源頭著手進行最基本的環保教育。此外，本集團積極實施不同的用水措施，為了減少本集團對水資源的需求，努力開發水循環利用技術，提高水資源的重複利用率，改善營運中用水的方法及減少廢水的排放。各生產部門及辦公室須定期檢查其範圍內的用水設施、管道、水龍頭等，以防止浪費用水；如發現管道、閥門有損壞漏水的情況，應立即通知維修部門進行維修。為減少於工廠區域產生的各類清洗廢水，約50%的廢水會循環使用。本集團的機房製冷機和換熱器產生的冷凝水通過水泵輸送到冷卻水池和製針車間水處理水池，通過輸水管道上兩塊單獨的水錶，計算實際的省水量，從而節省用水成本。生活污水經污水處理中心處理後，回用於園區內的景觀湖作為湖景的補充水源，以節約用水。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

2. Management of Resources Utilisation
(continued)

2. 資源使用的管理 (續)

Conservation of Water (continued)

節約用水 (續)

The higher production volume as well as higher water consumption of plants in the United States due to water leakage of water pipes and taps and higher temperature, the Group consumed a total of approximately 28,854,603.12 tonnes of water during the Reporting Period, representing an increase of approximately 4,562,525.84 tonnes or 18.78% compared with the previous year.

由於生產量上升；以及美國廠房因水管、水龍頭漏水及氣溫較高的原因而增加用水量，因此本集團於報告期內的用水量較上年度上升約4,562,525.84噸或18.78%，共使用水資源約28,854,603.12噸。

At the beginning of the Reporting Period, the Group sets a target to reduce the water consumption intensity this year by 2% when compared with the previous year. The water consumption of plants in the United States increased due to water leakage of water pipes and taps and temperature issues, so the water consumption intensity increased this year. Please refer to the table below and the section headed "Summary of Environmental Data and Performance" below for the relevant data.

本集團於報告期初訂立目標，與上年度比較，將本年度的用水量密度減少2%，美國廠房因水管、水龍頭漏水及氣溫問題而增加用水量，因此本年度的用水量密度增加。有關數據請參閱下表及下文「環境數據表現摘要」一節。

During this Reporting Period, the Group's use of water resources are as follows:

於報告期內，本集團水資源的使用情況如下表：

		2022 2022年度 (Tonnes) (噸)	2021 2021年度 (Tonnes) (噸)
Water Resources	水資源		
Total	總量	28,854,603.12	24,292,077.28
Intensity ¹	密度 ¹	8,028.74	7,928.42

Note:

附註：

1 The intensity is calculated based on the production volume per million units.

1 密度是以每一百萬件的生產量計算。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

2. Management of Resources Utilisation
(continued)

2. 資源使用的管理 (續)

Conservation of Paper

節約用紙

The Group actively promotes the “paperless office” and encourages employees to distribute information and documents in electronic format via the online office system so as to reduce photocopying and printing; encourages employees to implement the principle of “think clearly before print”, carefully choose the documents needs to be printed to reduce the use of paper. Employees are required to use double-sided printing and reuses paper as much as possible, puts the double-sided wasted paper into the recycled paper collection box. Moreover, the Group has established paper procurement and requisition procedures to effectively regulate and improve the paper-using habits of each department. During the Reporting Period, the Group consumed approximately 44.47 tonnes of paper, representing an increase of approximately 9.70 tonnes or 27.90% compared with the previous year, which was mainly attributable to the growing production.

本集團積極推廣「無紙化辦公室」，主張充分利用網上辦公系統，鼓勵員工以電子檔案形式傳遞信息及文件，以減少影印及列印；鼓勵員工貫徹「列印前想清楚」的原則，謹慎選擇所需要列印的文件，以減少使用紙張。在影印或打印文件時，員工須盡量雙面列印，循環使用單面列印的紙張，並將兩面都已使用過的廢紙放入再造紙收集箱。本集團亦透過建立紙張採購及領用程序，有效地規範及改善各部門的用紙習慣。於報告期內，本集團共消耗紙張約44.47噸，較上年度增加約9.70噸或27.90%，這主要是由於生產量上升。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

3. The Environment and Natural Resources

Being a socially responsible enterprise, protecting the nature and the environment has become an important part of the Group's corporate culture. The Group continuously identifies, evaluates, manages and reviews the implementation and effectiveness of the environmental management system to enable all levels of the Group to better understand the negative impact of resource use habits and the business activities on the environment. We have rooted environmental awareness in all levels of the Group through various policies, measures and actions, and we require employees to pay attention to their own behaviors and be responsible for the environment, improve the resource use habit, and strive to eliminate the Group's potential adverse effects on the environment (please refer to the "Management of Emissions" and "Management of Resource Utilisation" sections above for details.). In the future, the Group will continue to invest resources in appropriate environmental protection projects, and re-identify the source of waste generated in the operation process and the impact on the environment when using resources so as to establish an environmental management system in line with national standards. Moreover, the Group will also increase and improve various environmental protection facilities and ancillary equipment, hoping to fulfill social responsibilities and obligations during business development so as to realise the coordinated growth of enterprise, society and environment, and meanwhile meeting the customers' increasing concern for environmental protection and contributing to environmental protection.

3. 環境及天然資源

作為一家對社會負責任的企業，保護大自然與環境已成為本集團企業文化的重要環節。為了讓本集團的各個層面更加了解各人使用資源的習慣及營業活動對環境所造成的負面影響，本集團持續辨識、評估、管理及審視環境管理制度的實施情況與成效，不斷透過各種政策、措施和行動，將環保意識紮根於本集團的各個層面，提高員工的環保意識，要求員工注意自身的行為並對環境負責，改善員工使用資源的習慣，努力消除本集團對環境的潛在不利影響（詳細資料請參考上文「排放物的管理」與「資源使用的管理」部分）。本集團今後將不斷投放資源於合適的環保項目，並重新辨識作業流程中產生廢物的源頭及使用資源時對環境的影響，以建立符合國家標準的環境管理制度，此外，本集團還會增加及改善各項環保設施與配套設備，希望在經營發展過程中履行社會職責和義務，實現企業、社會及環境的協調發展，亦希望能夠同時滿足客戶對環保日益關注的要求及為保護環境出一分力。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

4. Climate change

Climate change is making extreme weather events more frequent and severe, often causing catastrophic damage. Climate change is also changing seasonal and annual patterns of temperature, precipitation and other weather phenomena, increasing heavy rainfall, rising tides and flooding risks, which may cause severe damage to assets such as buildings, warehouses and stored goods, resulting in economic losses. In the long term, climate change may lead to sea level rise, long-term changes in climate patterns of chronic heat waves (such as persistently higher temperatures, etc.). The unprecedented crisis from global spread of COVID-19 has created significant challenges around the world, the risks of climate change is still imminent. Understanding these trends and the relationship with our business can help the Group to prepare, analyse possible risks and opportunities, help seize the opportunities of potential benefits and establish the response capacity of the Group in the long run.

4. 氣候變化

氣候變化使各種極端天氣變得更頻繁，情況更為惡劣，經常造成災難性的損失；氣候變化還正在改變溫度、降水和和其他天氣現象的季節性和年度模式，增加暴雨、潮位上升和洪水災害的風險，可能對建築物、倉庫和儲存貨物等資產造成嚴重破壞，從而造成經濟損失。長遠而言，氣候變化可能導致海平面上升、慢性熱浪的氣候模式的長期變化（如持續較高的溫度等）。正當前所未有的2019冠狀病毒病危機在全球造成重大的挑戰時，氣候變化的風險仍迫在眉睫，通過了解這些趨勢與自身業務的關連，有助本集團作好準備，分析可能出現的風險和機遇，長遠而言有助把握機遇的潛在得益及建立本集團的應對能力。

III. ENVIRONMENTAL PROTECTION (continued)

三、環境保護 (續)

4. Climate change (continued)

Climate change is a major concern of governments around the world. Governments may change relevant policies, laws and regulations to deal with climate change. Therefore, the Group needs to change internal policies and measures, increasing the risk of facing relevant laws and regulations, which may increase operating costs and affect product demand. Both enterprises and society focus on energy conservation and emission reduction, so the Group is committed to reducing carbon emissions and waste generated by each production plant and office. The Group reduces the consumption of electricity, water, paper and gasoline used by vehicles from the source and follows the principle of Use Less, Fully Exploit, Seek Alternatives, Fix and Reuse, Rethink, through daily management and strengthens education and publicity, and actively takes technically feasible and economically reasonable measures, so as to reduce operating costs, reduce carbon emissions and waste, and actively explore new models of low carbon development. At the same time, the Group has formulated scientific reasonable and realistic goals, indicating that the Company has a directional and purposeful plan for reducing greenhouse gas emissions, and is prepared in advance to respond to national-level regulatory policies of climate change. Besides, the ESG targets of the Group provide benchmarks and future directions for the annual review of progress in greenhouse gas reduction and energy transition, and motivate more efficient actions to address climate change.

4. 氣候變化 (續)

氣候變化是世界各國政府關注的主要問題，各國政府可能改變相關政策、法律法規以應對氣候變化，本集團因而需改變內部政策及措施，增加面對相關法律法規的風險，這可能增加營運成本及影響產品需求。企業與社會皆著重節能減排，因此本集團致力減少各生產廠房及辦公室的碳排放及廢物的產生。本集團從源頭著手，降低電力、水、紙張及公司車用燃料的消耗，並遵循減少使用、物盡其用、替代使用、修復再用、重新思考的原則，透過日常管理及加強教育與宣傳，強化能源節約與能效提升理念，積極採取技術上可行與經濟上合理的措施，於降低營運成本之餘，減少碳排放及廢物的產生，積極探索低碳發展新模式。同時，本集團制定科學合理與現實可行的目標，說明企業有方向性和目的地規劃溫室氣體減排路徑，提前做好應對國家層面的氣候變化監管政策的準備。此外，本集團的ESG目標為每年檢討溫室氣體減排和能源轉型進展提供參考的基準和未來的發展方向，並激勵採取更有效率的應對氣候變化的行動。

IV. EMPLOYMENT AND LABOUR PRACTICES

Employees are the Group's most valuable assets. The Group strives to provide a non-discrimination, equal, harmonious and safe workplace. The human resources strategies are formulated for the long-term benefit of the Group and take into account the sustainability strategies in setting commensurate salary and benefits, providing staff training for personal and career development, establishing an equal and competitive mechanism to regulate the process for employees' promotion and advancement, so as to create incentives to attract, develop, retain and reward talents. The Group's human resources policies vary by locations to comply with the local labour laws and regulations.

The Group has strictly complied with the relevant laws and regulations on employment and labour of Mainland China and Hong Kong, including the "Constitution of the People's Republic of China", the "Labour Law of the People's Republic of China", the "Law of the People's Republic of China on Protection of Minors", the "Provisions on the Special Protection on Minor Workers", the "Provisions on the Prohibition of Using Child Labour", the "Law of the People's Republic of China on the Protection of Women's Rights and Interests", the "Insurance Law of the People's Republic of China", the "Labour Contract Law of the People's Republic of China", the "Social Insurance Law of the People's Republic of China", the "Regulations on Work Related Injury Insurances", the "Trade Union Law of the People's Republic of China", the "Employment Promotion Law of the People's Republic of China", the "Labour Dispute Mediation and Arbitration Law of the People's Republic of China", the "Law of the People's Republic of China on the Protection of Disabled Persons", the "Individual Income Tax Law of the People's Republic of China", the "Implementing Regulations of the Labour Contract Law of the People's Republic of China", the "Prevention and Treatment of Occupational Diseases Law of the People's Republic of China" and the "Production Safety Law of the People's Republic of China" of Mainland China, laws and regulations of the local government of the United States and other applicable requirements and standards. Relevant information will be described in detail in the sections headed "Employment", "Health and Safety" and "Labour Standards" below.

四、僱傭及勞工常規

本集團一直視員工為最寶貴的資產，努力締造非歧視、平等、和諧及安全的工作環境。人力資源政策以本集團的整體長遠利益為依歸，並配合可持續發展策略，本集團訂定相稱的薪酬與福利、提供個人與職業發展培訓，於內部建立平等的競爭機制，規範員工晉升與晉級的流程，以創造有利條件吸引、發展、挽留和獎勵人才。本集團因應各地不同的勞工法律、法規而調整和制定適合當地企業的政策。

本集團嚴格遵守中國內地及香港有關僱傭及勞工的法規，包括中國內地的《中華人民共和國憲法》、《中華人民共和國勞動法》、《中華人民共和國未成年人保護法》、《未成年工特殊保護規定》、《禁止使用童工規定》、《中華人民共和國婦女權益保障法》、《中華人民共和國保險法》、《中華人民共和國勞動合同法》、《中華人民共和國社會保險法》、《工傷保險條例》、《中華人民共和國工會法》、《中華人民共和國就業促進法》、《中華人民共和國勞動爭議調解仲裁法》、《中華人民共和國殘疾人保障法》、《中華人民共和國個人所得稅法》、《中華人民共和國勞動合同法實施條例》、《中華人民共和國職業病防治法》、《中華人民共和國安全生產法》，以及美國當地政府的法律法規及其他適用的要求與標準。有關資料將於下文「僱傭」、「健康與安全」及「勞工準則」部分中詳細描述。

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

四、僱傭及勞工常規 (續)

1. Employment

The Group has established an internal management system which specifies the requirements for recruitment, promotion, dismissal, working hours, rest periods, compensation, welfare and other benefits.

Recruitment, promotion, dismissal, equal opportunity, diversity and antidiscrimination

The Group has always advocated equal job opportunities and respects personal privacy. The Group always insists “talent-oriented” in its recruitment process, and has formulated relevant management policy to regulate the recruitment process and selected talents from multiple channels in accordance with applicable laws and regulations of each business location. These laws and regulations make clear requirements for employees’ remuneration, dismissal, recruitment, vacation, diversity, anti-discrimination, benefits and other benefit. The department head defines the job responsibilities and requirements of each position, and the human resources department will screen applicants according to the requirements. The appropriate candidates would be selected based on their work experience, professional knowledge, academic background, communication skill to provide equal job opportunities, and regardless of their race, gender, age, nationality, religion or marital status. The policy applies to all phases of the employment relationship, including but not limited to hiring, promotion, performance appraisal, training, personal development and termination. The Group handles the dismissal of employees and compensates them in accordance with the local laws and regulations.

1. 僱傭

本集團制定了內部管理制度，對招聘、晉升、解僱、工作時數、假期、薪酬、福利及其他待遇等方面作出明確要求。

招聘、晉升、解僱、平等機會、多元化及反歧視

本集團一向提倡平等工作機會及尊重個人私隱。於招聘過程中一直堅持「擇優錄用」的理念，本集團制定了相關管理制度規範員工聘用流程，並根據各營業地點的適用法律法規，從多個渠道選拔人才。該等法律法規對員工的薪酬、解僱、招聘、假期、多元化、反歧視、福利及其他待遇作出明確要求。部門主管為各個職位確定工作責任與要求，人力資源部門會按照要求篩選合適的應聘者。各個職位均以工作經驗、專業知識、學歷、溝通技巧及表達能力等因素作為僱傭標準，為不同種族、性別、年齡、國籍、宗教信仰或婚姻狀況的人士提供平等的工作機會。此等政策適用於不同階段的僱傭關係，包括但不限於招聘、晉升、績效考核、培訓、個人發展及終止聘用。如因解僱員工而須作出賠償，本集團均按照當地的法律法規執行。

IV. EMPLOYMENT AND LABOUR PRACTICES
(continued)

1. Employment (continued)

***Recruitment, promotion, dismissal,
equal opportunity, diversity and
antidiscrimination*** (continued)

In order to enhance employees' work quality and efficiencies, the Group conducts periodic and systematic performance appraisal and fairly assesses the level of awards, salary increment and/or promotion recommendations based on a number of criteria, including working experience, seniority, knowledge and skills, performance, contributions, etc. During the performance appraisal process, the department head communicates and discusses with the employees and sets up work goals and self-development plan for the coming year, and arranges appropriate training programs for employees to develop their potential.

On the basis of equality, the Group hopes to identify talents who are committed and dedicated to work. The Group has confidence and high hopes on those employees who are willing to take responsibility, keep learning, continuously improving their abilities and willing to move forward with the Group.

四、僱傭及勞工常規 (續)

1. 僱傭 (續)

***招聘、晉升、解僱、平等機會、
多元化及反歧視*** (續)

為了提升員工的工作質素與辦事效率，本集團定期進行系統化的績效考核並按照多項標準作出評估，包括工作經驗、年資、知識技能、表現及貢獻等，以使公平地發放員工獎金、調整薪酬及／或考慮晉升建議。於績效考核的過程中，部門主管與下屬員工溝通與討論，為員工制訂來年的工作目標及發展計劃，安排適當的培訓活動，引發員工潛能。

在工作平等的基礎上，本集團期望發掘能投入工作、敬業及勇於承擔責任的人才，並且對不斷學習、持續改善自身能力及願意與本集團一同向前發展的員工寄予信心和厚望。

IV. EMPLOYMENT AND LABOUR PRACTICES 四、僱傭及勞工常規 (續)
(continued)

1. Employment (continued)

Recruitment, promotion, dismissal, equal opportunity, diversity and antidiscrimination (continued)

At the end of the Reporting Period, the number of the Group's employees was 11,633 (2021: 11,123) and its distribution is as follows:

1. 僱傭 (續)

招聘、晉升、解僱、平等機會、多元化及反歧視 (續)

於報告期末，本集團的僱員人數為11,633名（2021年：11,123名），其分佈情況如下表：

		2022 2022年度	2021 2021年度
Gender	性別		
Male	男性	56.27%	56.21%
Female	女性	43.73%	43.79%
Employment Type	僱傭類別		
Full-time	全職	100.00%	100.00%
Age Group	年齡組別		
18-30	18-30	37.64%	35.04%
31-45	31-45	49.45%	50.67%
46-60	46-60	11.82%	13.23%
>60	>60	1.09%	1.06%
Geographical Region	地區		
Mainland China	中國內地	93.35%	93.32%
The United States	美國	6.62%	6.66%
Other	其他	0.03%	0.02%

IV. EMPLOYMENT AND LABOUR PRACTICES 四、僱傭及勞工常規 (續)
(continued)

1. Employment (continued)

Recruitment, promotion, dismissal, equal opportunity, diversity and antidiscrimination (continued)

During the Reporting Period, the Group's average monthly employee turnover rate is as follows:

1. 僱傭 (續)

招聘、晉升、解僱、平等機會、多元化及反歧視 (續)

於報告期內，本集團僱員平均每月流失率如下表：

		2022 2022年度	2021 2021年度
Gender	性別		
Male	男性	2.99%	1.97%
Female	女性	2.56%	2.10%
Age Group	年齡組別		
18-30	18-30	4.12%	2.68%
31-45	31-45	1.90%	1.60%
46-60	46-60	2.47%	1.99%
>60	>60	2.57%	1.83%
Geographical Region	地區		
Mainland China	中國內地	2.86%	2.01%
The United States	美國	1.98%	2.27%

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

1. Employment (continued)

Remuneration, welfare and other Compensation

The Group conducts internal reviews on all levels of employee remuneration on a regular basis, and endeavors to establish a fair, reasonable and competitive remuneration system based on the latest compensation data in the industry. The staff remuneration level is determined based on each position's requirements in terms of knowledge, skills, experience and education background. All production plants and offices determine employee benefits according to the situation at their locations, and some production plants and offices implement remuneration system that provides both salaries and performance-based bonuses.

The basic remuneration of employees includes salaries, overtime pay, various allowances and bonuses. The employees in the mainland China also enjoy other benefits, including employee dormitories, canteens, employee shuttle service, festive lucky money packets and gifts, Women's Day gifts, hospitalization medicare, physical examination, student grant for children of employees, etc. In addition to providing basic medical insurance and life insurance for American employees, Argon Medical also provides educational assistance and employee assistance programs to subsidise employees' continuous learning and provide problem assessment and professional consulting services for them and their immediate family members.

四、僱傭及勞工常規 (續)

1. 僱傭 (續)

薪酬、福利及其他待遇

本集團定期對內考察員工各級薪酬水平，並以行業內最新的薪酬數據為基準，力求建立公平、合理及極具競爭力的薪酬體系。員工的薪酬是按照每個職位所要求的知識、技能、經驗和教育程度等因素而釐定。各生產廠房和辦公室按當地情況釐定員工待遇，部分地區的生產廠房和辦公室實行崗位工資和績效獎金相結合的薪酬制度。

員工的基本待遇包括工資、加班費、各類津貼及獎金等。中國內地員工還享有其他福利，包括員工宿舍、食堂、員工廠車接送服務、節日利是與禮品、三八婦女節禮品、住院醫療保險、身體檢查、員工子女助學金等。愛琅醫療除了為美國員工提供基本醫療保險及人壽保險外，還提供教育援助及員工援助計劃，資助員工不斷學習及為他們和其直系親屬提供問題評估和專業諮詢服務。

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

1. Employment (continued)

Remuneration, welfare and other Compensation (continued)

The Group has been supporting the rehabilitation program for the disabled. During the Reporting Period, it hired approximately 800 employees with physical disabilities to arrange jobs suitable for their abilities and skills, hoping that they would be able to support themselves. The Group will send condolences to disabled employees who have difficulties in life every year to reduce the burden on the family and society. It has established a special office for disabled employees to be responsible for the daily management of disabled employees, as well as a psychological counseling room to provide psychological counseling to disabled employees. Besides, the Group has established free meal reception windows and dormitories for disabled employees in the canteen. The dormitories are equipped with televisions, wireless internet, heating, fans and other facilities. The Group pays attention to the travel issues of disabled employees, and provides them with free shuttles, builds barrier-free passages in production workshops, dormitories, canteens and other places, and installs handrails on stairs to allow them to travel "barrier-free".

In accordance with the local labour laws and social security laws and regulations, the Group provides social security benefits for all employees. For example, the Group contributes to various social security scheme (including endowment insurance, medical insurance, unemployment insurance, work injury insurance and maternity insurance) and housing provident fund for the employees in mainland China and contributes to the Mandatory Provident Fund Scheme for Hong Kong employees.

四、僱傭及勞工常規 (續)

1. 僱傭 (續)

薪酬、福利及其他待遇 (續)

本集團一直支持殘疾人士康復計劃，於報告期內，本集團聘請了近800名身體殘障的員工，安排適合他們能力和技術的工作，希望他們能自食其力。本集團每年會送慰問金予有生活困難的殘障員工，減輕家庭和社會的負擔，並專門建立了殘疾員工工作辦公室，負責殘疾員工的日常管理，以及配置心理諮詢室，對殘疾員工進行心理諮詢。此外，本集團於食堂建立了殘疾員工免費領飯窗口及宿舍，宿舍配置了電視、無線網路、暖氣、風扇等設施，本集團關注殘疾員工的出行問題，為他們提供免費班車，並在生產車間、宿舍、食堂等地方建設無障礙通道，在樓梯安裝扶手，讓他們「無障礙出行」。

本集團按照當地的勞動法及社會保障的法律法規，為員工提供社會保險福利項目，例如：為內地業務員工繳納各項社會保險費（包括養老保險、醫療保險、失業保險、工傷保險及生育保險）和住房公積金，以及為香港員工繳納強積金計劃供款。

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

1. Employment (continued)

Remuneration, welfare and other Compensation (continued)

The Group attaches importance to employees' health and encourages work-life balance, and protects their rights of rest days and holidays in accordance with the local labour laws. In order to strengthen the cohesion among employees, enhance their sense of belonging and reduce their work stress, the Group organises various types of leisure activities, including basketball, badminton, football and singing competition, outreach activities, etc.

Working Hours and Rest Periods

The Group attaches importance to employees' health and work-life balance and protects the employees' entitlement to rest days and holidays. Employees' work hours are set in compliance with local labour laws. All employees are entitled to rest days and holidays, for example, annual leaves, marriage leaves, maternity leaves, funeral leaves and work injury leaves.

Impact of COVID-19 pandemic

The Group did not reduce the employee benefits or lay off employees during the COVID-19 pandemic outbreak in 2022. For the sake of employees' health and safety, the Group has formulated an emergency plan for epidemic prevention and control, and has adopted a number of epidemic prevention measures. Please refer to the "Health and Safety" section below for details.

四、僱傭及勞工常規 (續)

1. 僱傭 (續)

薪酬、福利及其他待遇 (續)

本集團重視員工的健康，提倡工作與生活平衡的概念，並依照當地的勞動法訂立員工工作時數及保障員工休息日及休假的權利。為了增強員工之間的凝聚力、提升歸屬感及減輕工作壓力，本集團組織不同類型的工餘活動，如籃球、羽毛球、足球、唱歌等比賽、拓展活動等。

工作時數及假期

本集團重視員工的健康，鼓勵大家維持工作與生活平衡，並依照當地的勞動法訂立員工工作時數及保障員工休息休假的權利，所有員工均享有休息日及法定假日（如年假、婚假、產假、喪假、工傷假等）。

2019冠狀病毒病的影響

本集團於二零二二年的2019冠狀病毒病爆發期間沒有削減員工待遇或裁減員工。為了員工健康及生命安全著想，本集團制定了防疫防控的應急預案，並採取了多項防疫措施，詳細資料請參考下文「健康與安全」部分。

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

2. Health and Safety

The Group always pays attention to the health of its employees and workplace safety and recognizes that the corporate itself is the body responsible for production safety. It should adhere to the philosophy of “people-oriented and safety first” and assume the responsibility to prevent and avoid occupational hazards. To comply with the relevant local safety production laws and regulations, the Group has formulated relevant safety management systems and emergency incident plans with reference to the production environment of each plant, and provide effective safety management mechanisms and incident handling guidelines to prevent, control, and eliminate the loss caused by the emergency incidents and ensure the safety of the employees. Employees at all levels will sign the safety responsibility statements, and follow strictly the requirement as stated thereon.

Safety Production Structure

To comply with the Production Safety Law of the People’s Republic of China and relevant local laws and regulations and to manage production safety more effectively, the companies in mainland China formulated management regimes in respect of work safety, including a management system for work safety target, accountability system for work safety, management system for identification and evaluation of hazard sources, management system for occupational health, management system for fire safety, and established safety management departments. The safety management departments are responsible for organising the formulation and assessment of annual safety production targets of all functional departments and companies and organising trainings to ensure that all employees clearly understand their own safety responsibilities.

四、僱傭及勞工常規 (續)

2. 健康與安全

本集團一向著重員工的健康及其工作環境的安全，認為企業本身是安全生產工作的責任主體，應堅持「以人為本、安全第一」的理念，強化和落實預防及避免員工受到職業性危害的責任。為了符合當地有關安全生產的法律法規，本集團就各廠房的生產環境制定了相關的安全管理制度及緊急事故應急預案，提供有效的安全管理機制及事故處理指引，以預防、控制及消除突發事件所造成的損失及保障員工的安全，逐級簽訂安全責任書，並嚴格按安全責任書履行安全職責。

安全生產架構

為了符合《中華人民共和國安全生產法》及當地相關法律法規，以及更有效地管理安全生產工作，中國內地公司制定了安全生產方面的管理制度，包括安全生產目標管理制度、安全生產責任制度、危險源辨識與評價管理制度、職業健康管理制、消防安全管理制度等，並建立安全管理部門。安全管理部門負責組織各職能部門和下轄各公司年度安全生產目標制定和考核工作，並組織培訓，確保所有員工清楚了解自身的安全職責。

IV. EMPLOYMENT AND LABOUR PRACTICES (continued)

四、僱傭及勞工常規 (續)

2. Health and Safety (continued)

2. 健康與安全 (續)

Safety training

安全培訓

Training is closely related to safe workplace and occupational health. The Group prepares an annual safety training plan based on the actual situation of each department. The Group enhances the employee's awareness on occupational health and safety, raises their consciousness and improves their professional skills, especially for those job positions with significant potential safety hazards, and enable them to perform their duties in a safe environment, by providing an all-round safety training program and explaining to their employees about the enterprise development strategy. Employees have to report to the management immediately when incident occurs or be aware of any potential hazards. Employees are required to undergo various types of machine operation training, understand the production process and guidelines of the production department, the operation technology of each facility, and accept safety education from the production department and team. In order to strengthen employees' occupational safety awareness, the Group regularly organises job technical training to ensure that employees can meet the safety standards in terms of thinking, knowledge and technology. During the Reporting Period, the companies in mainland China organised a number of training courses on safety, including the training on establishment of efficient emergency management systems of enterprises, training on identification and control of hazard sources, training on adverse events of medical equipment, fire safety knowledge, training on occupational disease and health, training for health officers, operation and safety regulations of each production process and post, emergency drill for all kinds of safety accidents (such as handling drills for accidents related to the use of hazardous chemicals, fire accidents, accidents of special equipment, environmental accidents, accidents related to mechanical injury). Staff of special work types (e.g. electricians, welders, etc.), must receive relevant professional safety training and possess valid license from the government authority before they are put to work. The Group will continue to provide training to minimise occupational health and safety risks during the production process.

培訓工作與安全工作環境、職業健康有著密不可分的關係，本集團結合各部門的實際情況，編製年度安全培訓計劃。本集團透過全面的安全培訓計劃及向員工講解企業方針，提升員工的職業健康與安全意識教育，增強員工的自覺性及提高員工的專業技能，尤其是負責存在重大安全隱患崗位的員工，使其能於安全的環境下履行職責；如發現事故及安全隱患，需立即向管理層報告。員工需接受各類型的機器操作訓練，了解生產部門的工作流程和指引、各項設施的操作技術，並接受生產部門及班組的安全教育。為了加強員工的職業安全意識，本集團定期組織崗位技術培訓，確保員工於思想上、知識上和技術上均能達到安全標準履行其職責。於報告期內，中國內地公司組織了多項安全培訓課程，包括企業高效應急管理體系建設培訓、危險源辨識與管控培訓、醫療器械不良事件培訓、消防安全知識、職業病健康培訓、衛生管理員培訓、各個生產工序與崗位的操作及安全規程、各類安全事故應急演練（如危險化學品使用事故、火災事故、特種設備事故、環境事故、機械傷害事故處置演練）等。特殊工種員工（如電工、焊工等）必須接受相關的專業安全知識培訓及獲得由政府部門發出的資格證，才能擔任此等職務。本集團將繼續提供各種培訓，以減低生產過程中對職業健康與安全構成風險。

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

2. Health and Safety (continued)

Safe Working Environment

To implement the safety production direction of “safety-foremost with prevention-oriented and comprehensive treatment”, the safety technology department organises regular safety meetings to continuously discuss issues related to safety production and employees’ occupational health with relevant departments. In addition, the safety technology department is responsible for monitoring and management of hazards to ensure that safety hazards in the production workshop can be identified in a timely manner, take appropriate measures to eliminate or control risks, and post occupational hazard notification cards in the production plants to remind and warn employees of various sources of hazards and related preventive measures, so as to ensure the employees are working in a safe environment. The engineering department is responsible for the maintenance of production machines. In case of fault, it is necessary to report for repair immediately to ensure that the employees work in a safe environment. In order to ensure that the machinery and equipment are in good condition to reduce the risk of safety accidents, the engineering department regularly inspects the production machinery and equipment and fire-fighting facilities (including fire extinguishers, fire hoses, etc.). If abnormal conditions are found, immediate repairs must be arranged.

四、僱傭及勞工常規 (續)

2. 健康與安全 (續)

安全工作環境

為了貫徹「安全第一、預防為主、綜合治理」的安全生產方針，安全技術部定期組織安全會議，與相關部門持續討論安全生產與員工職業健康相關事宜。此外，安全技術部負責危害因素的監督管理工作，確保能及時辨識生產廠房內的安全隱患，採取適當的措施消除或控制風險，以及於生產廠房張貼職業病危害告知卡，時刻提醒及警告員工各類危害源及相關的防範措施，務求讓員工能在安全的環境下工作。工程部負責生產機器的維護，如果有故障，需馬上上報維修，確保員工在安全的環境下工作。為確保機器設備處於良好的狀態，以減少發生安全事故的風險，工程部定期檢查生產機器設備及消防設備（包括滅火筒、滅火喉等），如發現異常情況，須立即進行檢修。

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

2. Health and Safety (continued)

Occupational health of employees

In accordance with the applicable local laws and regulations related to safety production and prevention and control of occupational diseases, the Group established management policies related to occupational health, labour protective supplies, etc., and constantly improve it to protect the health and rights of workers. The Group provides employees with labour protective supplies (such as masks, protective gloves, protective clothing, goggles, earmuffs, safety shoes, etc.) that meet national standards, supervise and educate employees to wear and use the same according to regulations, and set up strict safety work and fire safety guidelines. Since the production process involves chemical substances and noise that can affect the employee's health, some companies in mainland China engage qualified agencies to inspect the occupational hazards of each job position periodically. The inspection covers dust, carbon monoxide, nitrogen oxides, noise, etc. The inspection results of noise in a small number of job positions failed to meet the requirements of occupational exposure limits.

四、僱傭及勞工常規 (續)

2. 健康與安全 (續)

員工職業健康

按照當地安全生產、職業病防治的相關法律法規，本集團建立職業健康、勞動防護用品等管理制度，並不斷加以完善，以保護勞動者健康及其權益。本集團為員工提供符合國家標準的勞動防護用品（如口罩、防護手套、防護衣、眼罩、耳罩、安全鞋等），監督及教育員工按照規定佩戴及使用，並且設立嚴謹的安全工作及消防指引。由於生產過程涉及影響員工健康的化學物質及噪音，部分中國內地公司定期委託持證資質單位檢測各個工作崗位的職業病危害因素，檢測內容包括粉塵、一氧化碳、氮氧化物、噪音等，少部分崗位的噪音檢測結果未符合職業接觸限值的要求。

IV. EMPLOYMENT AND LABOUR PRACTICES
(continued)

2. Health and Safety (continued)

Argon Medical

To ensure that employees are equipped with sufficient knowledge and skills to carry out their work safely, Argon Medical organised pieces of training on standard operating procedures of all production processes, procedures for assessment of health hazards, procedures for wearing protective clothing, protection of private health information, risk management procedures, disaster recovery plans, and others during the Reporting Period. Argon Medical developed emergency plans for various types of emergencies (such as environmental accidents, fire, gas leakage, and others), specifying the responsibilities of each department and the corresponding emergency measures, to effectively and quickly deal with emergencies to ensure the safety of employees at the accident site. Argon Medical sets up the accident reporting mechanism. In the case that accidents occur on employees during work, relevant employees are required to complete the medical authorisation form, and the employees will be sent to medical institutions for treatment immediately. The employees' supervisors and those who witness the accidents are required to complete the relevant forms to record the process of the accident and to provide relevant measures to prevent similar accident from happening in the future, so as to ensure the safety of employees. Besides, in order to provide their employees with a drug-free, alcohol-free, smoke-free and anti-violent working environment, Argon Medical sets out in the employee handbook about the work rules policies and disciplinary actions for violations of the rules.

四、僱傭及勞工常規 (續)

2. 健康與安全 (續)

愛琅醫療

為了確保員工具足夠的知識和技能安全地履行工作，愛琅醫療於報告期內組織了各程生產流程標準作業程序、危害健康評估程序、防護服著裝程序、保護私人健康信息、風險管理流程、災難恢復計劃等培訓。愛琅醫療已制定各類型的突發事件（如環境事故、火災、天然氣洩漏等）的應急預案，訂明各部門的職責和相應的應急措施，以有效地及迅速地處理突發事件，確保事故現場的員工安全。愛琅醫療設有意外報告機制，如員工於工作期間發生意外，相關員工需要填寫醫療授權書，並會立刻送去認可的醫療機構接受治療，而主管及目擊意外的員工需要填寫相關表格記錄意外發生過程及日後防範同類型意外再發生的相關措施，以保障員工安全。此外，為了讓員工於無毒品、無酒精、無煙及反暴力的環境工作，愛琅醫療於員工手冊列明工作守則及違反守則的紀律處分。

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

四、僱傭及勞工常規 (續)

2. Health and Safety (continued)

In respect of the outbreak of COVID-19, for the sake of employees' health and safety, the Group has implemented various preventive measures according to the actual situation of different business locations, and details are as follows:

- Launched COVID-19 prevention and control policy, and set up epidemic prevention and control team to cope with the situation of possible spread of the COVID-19 in the offices, production plants, dormitories and canteens;
- Issued notices of epidemic prevention from time to time to remind employees to take prevention measures against epidemic;
- Conducted sterilization in the entire factory area, including offices, production workshops, dormitories, canteens, washrooms, etc. and keep sterilization record;
- Strictly controlled the access of personnel to the production plant area. All employees and visitors must wear masks, measure body temperature, fill in personal health conditions form and sanitize their hands and ensure those personnel access to the production plant area do not have any suspected symptoms of infection;
- Ensured sufficient stock of the COVID-19 prevention materials such as thermometers, disinfection sprayers, hand sanitizers, masks, medical gloves, ultraviolet lamps for disinfection;

2. 健康與安全 (續)

對於2019冠狀病毒病，為了員工健康及安全著想，本集團按照不同營業所在地的實際情況，採取不同的防疫措施，詳情如下：

- 制定2019新型冠狀病毒病管控制度及設立疫情防控小組，以應對於辦公室、生產廠房、宿舍及食堂有可能引致2019冠狀病毒病擴散的情況；
- 不定時發出疫情防護通知，提醒員工做好防疫措施，預防染病；
- 每天於整個生產廠區，包括辦公室、生產車間、宿舍、食堂、洗手間等地方進行全面消毒，並作出消毒記錄；
- 嚴格管控人員進出生產廠區，所有員工及到訪人員必須佩戴口罩、量度體溫、填寫個人健康狀況表格及消毒雙手，並確定沒有任何疑似感染徵狀方可進入生產廠區；
- 確保體溫計、消毒噴霧器、消毒洗手液、口罩、醫用手套、消毒用紫外線燈具等預防2019冠狀病毒病物資儲備充足；

IV. EMPLOYMENT AND LABOUR PRACTICES
(continued)

四、僱傭及勞工常規 (續)

2. Health and Safety (continued)

- Employees must wear mask at work and be aware of hand hygiene;
- Distributed mask user manual to employees to ensure that employees use masks correctly in order to effectively prevent the spread of epidemic;
- Cancelled all gatherings and reduce the time of staying outside during the severe period of epidemic; and
- Tried not to hold meetings, tried to use cloud office, WeChat, telephone, SMS and other electronic communication methods, and reminded employees to maintain safe distance from others.

During the Reporting Period, the number of lost working days due to work injury is as follows:

2. 健康與安全 (續)

- 員工於上班時必須佩戴口罩，注意雙手衛生；
- 向員工分發口罩使用手冊，確保員工正確地使用口罩，才能有效地防止疫情擴散；
- 於疫情嚴重期間，取消所有聚會，減少在外逗留時間；及
- 盡量不召開會議，盡量使用雲辦公、微信、電話、短信等電子方式溝通，提醒員工保持安全的社交距離。

於報告期內，本集團僱員因工傷損失工作日數如下表：

	2022 2022年度	2021 2021年度
Lost Working Days due to Work Injury 因工傷損失工作日數	928 days 928天	468 days 468天

IV. EMPLOYMENT AND LABOUR PRACTICES
(continued)

四、僱傭及勞工常規 (續)

2. Health and Safety (continued)

2. 健康與安全 (續)

During the Reporting Period, the number and rate of work-related fatalities are as follows:

於報告期內，本集團因工亡故的人數及比率如下表：

		2022 2022年度	2021 2021年度	2020 2020年度
Work-related fatalities:	因工亡故的員工：			
- No. of staff	- 人數	1 person 1人	-	1 person 1人
- Rate	- 比率	0.01%	-	0.01%

3. Development and Training

3. 發展及培訓

An excellent corporate team is the most important for the sustainable and long-term business development of the Group. Therefore, we discover and cultivate professional talents through strict recruitment systems, standards, and procedures, and introduced competition mechanisms. We also encourage employees to continue their education and lifelong learning. In addition to meeting the needs of business development, the Group also improves the quality, professional skills, and knowledge of its employees through continuous training.

優秀的企業團隊對本集團的可持續及長遠業務發展最為重要，因此通過嚴格的聘任制度、標準和程序，引入競爭機制，藉此發掘和培育專業人才，並鼓勵員工持續進修及終身學習。除配合業務發展需要外，本集團還通過持續培訓提升員工的質素、職業技能和知識。

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

3. Development and Training (continued)

Newly recruited employees in the mainland China must participate in induction training. The training aims to introduce the Group's background and business, corporate culture and operation model, industry knowledge, organisational structure, employee handbook, rules and regulations, and operational safety, etc. They must pass an assessment before they can be put to work. In addition to basic training, the Group also provides employees with skills training, professional training and management training according to the requirements of different positions. Senior management personnel are provided with training covering legal knowledge and management skills. Middle management personnel are provided with training in the fields of engineering technology and quality control. General salesperson are provided with training on product knowledge, sales knowledge and legal training related to work risks. For production employees, the main focus of the training content is production operation skills and safety training. The training is mainly in the form of lectures and online self-study. In addition, employees must also participate in three-level safety training to enable employees to understand the relevant production safety laws and regulations of the state, learn safety knowledge, acquaint themselves with the key safety production work of each position (please refer to the "Health and Safety" section below for details of workplace safety training). The Group hopes to lay a solid foundation for the long-term development of employees by enabling employees to master professional theories and possess professional knowledge and new knowledge for overcoming challenges ahead. Argon Medical provides employees with hazard reporting

四、僱傭及勞工常規 (續)

3. 發展及培訓 (續)

中國內地新入職員工必須參加入職培訓，該培訓旨在介紹集團背景與業務、企業文化與運作模式、行業知識、組織架構、員工手冊、規章制度、營運安全等，他們須通過考核才能上任。除了基礎培訓，本集團還針對不同崗位，為員工提供技能培訓、專業培訓及管理培訓。高級管理人員獲提供涵蓋法律領域、管理技能的培訓，中層管理人員參加工程技術及質量控制領域的培訓，一般銷售員工獲提供產品知識、銷售知識及與工作風險相關的法律培訓。對於生產員工，培訓內容的主要重點在於生產操作技能及安全培訓。培訓以課堂講授及網上平台自學方式為主。此外，員工還須參加三級安全培訓，讓員工了解國家安全生產的相關法律法規、學習安全知識、熟習各崗位的安全生產工作及掌握安全生產重點(有關安全工作培訓的詳情，請參閱下文「健康與安全」一節)。本集團希望透過使員工掌握專業理論，具備專業知識和迎接挑戰所需的新知識，為員工及集團的長遠發展打好基礎。愛琅醫療為員工提供危害通報培訓，內容包括員工的責任、危害通報計劃的組成部分、認識各種危害通報標籤及如何尋找危害通報的相關資料等，目的是為了提高員工的安全意識。於報告期

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

四、僱傭及勞工常規 (續)

3. Development and Training (continued)

training, which includes employee responsibilities, different components of the hazard reporting plan, understanding of various hazard reporting labels and where to find relevant materials for hazard reporting, etc., and the purpose is to enhance the employees' safety awareness. During the Reporting Period, the companies in mainland China provided employees with new hire induction training, training on the Environmental Protection Law of the People's Republic of China, training on finance, training on the Seven Habits of Highly Effective People, training on team development, training on bidding, training on newly developed products, training on quality management (please refer to the "Product Responsibility" section below for details), training on the management of work safety and employees' occupational health (please refer to the "Health and Safety" section below for details), etc. Argon Medical provided employees with training on environmental protection, supplier management, product quality management, human resources, and other aspects, such as pollution control philosophy, hazardous and non-hazardous waste management, supplier qualification and approval procedures, inspection and testing, quality system manual, good documentation standards, talent selection, and development.

3. 發展及培訓 (續)

內，中國內地公司為員工提供新入職員工培訓、中華人民共和國環境保護法培訓、財務培訓、高效能人士的七個習慣培訓、團隊拓展培訓、招投標培訓、新研發產品培訓、品質管理培訓 (詳情請參閱下文「產品責任」一節)、安全生產與員工職業健康管理培訓 (詳情請參閱下文「健康與安全」一節) 等。而愛琅醫療為員工提供與環境保護、供應商管理、產品品質管理、人力資源等方面的培訓，例如：污染控制理念、危險與無害廢物管理、供應商資格和批准程序、檢驗與檢測、質量體系手冊、良好的文件規範、人才選拔與發展等。

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

四、僱傭及勞工常規 (續)

3. Development and Training (continued)

During the Reporting Period, the percentage of the Group's employees trained¹ is as follows:

		2022 2022年度	2021 ³ 2021年度 ³
Gender	性別		
Male	男性	43.10%	50.64%
Female	女性	57.36%	64.90%
Employee Category	職級組別		
Senior management	高級管理層	84.51%	59.04%
Middle management	中級管理層	59.71%	51.67%
Ordinary staff	普通員工	48.60%	57.08%

於報告期內，本集團的受訓僱員百分比¹如下表：

During the Reporting Period, the average training hours² per the Group's employee are as follows:

		2022 2022年度	2021 ³ 2021年度 ³
Gender	性別		
Male	男性	7.99	8.67
Female	女性	9.34	10.50
Employee Category	職級組別		
Senior management	高級管理層	24.49	18.80
Middle management	中級管理層	17.31	15.75
Ordinary staff	普通員工	8.18	9.19

於報告期內，本集團僱員的平均受訓時數²如下表：

Notes:

- ¹ "The percentage of employees trained" refers to the number of the Group's employees trained during the Reporting Period divided by the sum of employees of the Group at the end of the year and the resigned employees during the Reporting Period.
- ² "The average training hours" refers to the number of training hours provided by the Group to the employees within the Reporting Period divided by the sum of employees of the Group at the end of the year and the resigned employees during the Reporting Period.
- ³ The data for the previous year are restated to conform with the current year's presentation.

附註：

- ¹ 「受訓員工百分比」是指本集團於報告期內受訓僱員人數除以本集團年底僱員人數及於報告期內離職僱員人數總和。
- ² 「平均受訓時數」是指本集團於報告期內為僱員提供培訓的總時數除以本集團年底僱員人數及於報告期內離職僱員人數總和。
- ³ 上年度數據需重列作為比較用途。

IV. EMPLOYMENT AND LABOUR PRACTICES

(continued)

四、僱傭及勞工常規 (續)

4. Labour Standards

The Group cherishes human rights and protects labour rights and interests, and do not allow to hire child labour and forced labour. The Group examines the identification documents of the candidates in the hiring process to prevent employment of child labour. The Group also strictly implements various measures to prevent any form of forced labour; for example, labour contract is signed by the employee on a fair and voluntary basis, ensure employees do not need to bear any onboarding costs, never deduct wages, benefits or property of employees, detention of employee's identity card or other identification documents is strictly prohibited, any form of physical abuse, assault, body search or insult, or forcing an employee to work by means of violence, threat or unlawful restriction of personal freedom are all forbidden. Employees' consent for working overtime is required to avoid involuntary overtime work, and the employees are compensated as appropriate in accordance with the applicable labour laws and regulations. In addition, the legal affairs department regularly reviews employment regulations to ensure that the Group's human resources management policies comply with the relevant labour laws and regulations. During this reporting period, the Group did not involve in any violation of the laws and regulations related to child and forced labour.

Compliance

During the Reporting Period, there were no confirmed violations of laws and regulations related to employment, labour practices, health and safety and labour standards with significant impact on the Group.

4. 勞工準則

本集團重視人權及保護勞工權益，不容許僱用童工及強制勞工。本集團在招聘過程中核對應聘者的身份證明文件，以防止聘用童工。本集團還嚴格執行各種措施，以防止任何形式的強制勞工，例如：在平等自願的基礎上與員工簽訂勞動合同；確保員工入職時不需承擔任何僱傭費用；絕不剋扣員工的工資、福利或財產；絕不扣留身份證或其他身份證明文件；嚴禁暴力、威脅或非法限制人身自由等手段強迫員工勞動。為了避免非自願性加班，任何加班安排必須獲得員工同意，並按照適用法律法規給予員工補償。此外，法律事務部定期審核僱傭條例，確保本集團的人事管理制度符合相關勞動法律法規。於報告期內，本集團沒有違反任何與童工和強制勞工有關的法律法規。

合規性

於報告期內，並無涉及與僱傭、勞工措施、健康與安全及勞工準則相關並對本集團有重大影響的已確認違法、違規事件。

V. OPERATING PRACTICES

1. Supply Chain Management

The Group hopes to establish long-term and stable strategic partnership with competent suppliers; and develop together with suppliers on an equal and win-win basis. Before the Group concludes contracts with our major business partners, the Group insists on performing an assessment about the quality and ethical standards of our business partners based on different criteria. The Group has developed strict internal rules and regulations, an evaluation system for new supplier selection, alternative suppliers selection and relationship continuity; and a “list of qualified suppliers” is established. When selecting new suppliers, the Group needs to assess the suppliers’ qualifications, management systems, production equipment, etc. After the trial use of the new raw materials found acceptable, the Group will select the best suppliers to continue the relationship; and we will require the suppliers to have accredited qualification and good internal management system, stable quality, punctual delivery, legal compliance, possess the required professional technical competence/quality, etc. This is to ensure that suppliers are competitive and the products and services provided by them are of good quality. We enter into annual contracts and long-term quality standard agreements with critical suppliers in order to ensure stable quality of materials.

Argon Medical also maintains the list of qualified suppliers and the policy on supplier qualifications and selection. The list of qualified suppliers is reviewed and assessed at least once every year and to decide whether to keep the supplier on the list. The assessment criteria included the quality of products, and the punctuality of supplies delivery, etc. Besides, Argon Medical conducts onsite vendor visits and inspect the raw materials and products. The number of onsite visits will be increased if the supplier is new to the company.

五、營運慣例

1. 供應鏈管理

本集團希望與有實力的供應商建立長期、穩定的戰略合作關係；在平等、雙贏的基礎上，與供應商共同發展。本集團堅持與主要業務夥伴訂立合約之前，本集團會根據不同方面的標準評估業務夥伴的質素及道德標準，本集團制訂了嚴謹的內部規章制度，對供應商的初選、備選和續用設有評審制度，並編製了合格供應商名單。於挑選新供應商時，本集團需考核供應商的資質、管理系統、生產設備等方面；當新原材料經過試用合格後，本集團會選擇與最優質的供應商合作，要求供應商具認可資格、有良好的內部管理制度、品質穩定、準時交貨、合法合規、具應有專業技術／質素等，確保供應商具競爭性和其提供的產品和服務具高質素。為確保材料質量的穩定性，對主要供應商簽訂年度合同及長期的質量協議。

愛琅醫療亦設有合格供應商名單和供應商資格及採納政策，每年最少一次審視該名單上的供應商是否仍然符合資格，並根據供應商的產品質量及能否按時交貨等準則來評分。此外，愛琅醫療還需實地考察供應商的原材料及產品，如是新供應商的話，實地考察的次數會相應增加。

V. OPERATING PRACTICES (continued)

五、營運慣例 (續)

1. Supply Chain Management (continued)

During the Reporting Period, the number and geographical distribution of the suppliers that have business with the Group are as follows:

		2022 2022年度	2021 2021年度
Country	國家		
China	中國	2,274	2,581
The United States	美國	1,283	979
Other countries	其他國家	98	102

2. Product Responsibility

“Self-improvement, Innovation and Development, Keep Improving, and Pursuit of Excellence” are the corporate spirit of the Group. The Group adheres to the quality policy of “Meeting and Striving to Exceed the Greatest Needs of Customers”, and by monitoring the process of product quality and customer service, it maintains a good relationship with customers, communicate to ensure that customer needs and expectations are understood and met, and hopefully to customer satisfaction, and to make continuous improvements to its products and services.

1. 供應鏈管理 (續)

於報告期內，與本集團有業務往來的供應商數量及地理分佈如下表：

		2022 2022年度	2021 2021年度
Country	國家		
China	中國	2,274	2,581
The United States	美國	1,283	979
Other countries	其他國家	98	102

2. 產品責任

「自強不息、創新發展，精益求精、追求卓越」是本集團的企業精神，本集團本著「滿足並努力超越顧客的最大需求」的品質方針，通過監察產品質量與顧客服務的過程，保持與顧客的溝通，確保理解和滿足顧客的需求和期望，並希望了解客戶的滿意情況，對我們的產品和服務不斷作出改進。

V. OPERATING PRACTICES (continued)

2. Product Responsibility

Management of Product Quality

The Group is committed to satisfying customers with quality products. With technological advancement and improved living standards, customers are increasingly demanding for product quality. Therefore, the Group implements effective quality control and keeps improving product quality. Employees themselves are experts in their jobs, and their wisdom, valuable experience, and advice on quality improvement play a significant role for products. The companies in Mainland China hold monthly quality meetings attended by middle and senior management personnel to review and study the problems the Group encountered during the production and operation process. Through the internal review or invitation of external review for departments of production, research and development, quality, sales and other departments, the Group will develop relevant improvement measures for the problems found. The Group does not conduct animal testing for its products.

Argon Medical has a quality management system, prepares the relevant quality control manual and index for the product production processes and different stages in accordance with the requirements under ISO13485 and the standards of the U.S. Food and Drug Administration and the Public Health Agency of Canada to design, develop and manufacture products in compliance with the requirements of such standards, so as to ensure that the quality of products is in line with the international standards. The corporate management team of Argon Medical sets out the quality policy for the company and communicates with employees at all levels on a regular basis. The quality policy emphasises on how employees collaborate closely with their customers and understand the customers' requirements on products, so as to provide better products, and deliver and fulfill the orders punctually. The customer satisfaction stems from each employee's persistence on product quality.

五、營運慣例 (續)

2. 產品責任 (續)

產品質量管理

本集團承諾以優質的產品滿足客戶。隨著科技水平與生活水準的不斷提高，客戶對產品的品質要求日益嚴謹，因此本集團實施有效的品質管理和持續的品質改善。員工本身是工作崗位上的專家，他們的智慧、寶貴經驗、以及對品質改良所提出來的意見，對產品起著極大的作用。中國內地公司每月會召開中層管理人員以上參加的質量會議，檢討和研究本集團在生產與經營過程中遇到的問題，通過本集團內部審查或邀請外部審查部門對生產、研發、質量、銷售等多部門進行定期審核，發現問題後會制定相關改善措施。本集團沒有為產品進行動物測試。

愛琅醫療設有品質管理系統，在產品的生產過程和各範疇根據ISO13485、美國食品藥品監督管理局和加拿大衛生部標準對這些程序的索引來訂立相關的品質控制手冊，根據其規定的標準進行設計、開發和生產，以確保產品的品質符合國際標準。愛琅醫療的企業管理團隊為公司制定了質量政策，並定期與各級員工進行溝通，此質量政策強調了員工如何與客戶努力緊密合作，了解客戶對產品要求，從而提供更優質的產品，並按時交付訂單，客戶的滿意度源於每位員工對產品質量的堅持。

V. OPERATING PRACTICES (continued)

2. Product Responsibility (continued)

Management of Product Quality

The Group believes that employee quality has a positive impact on product quality, thereby regularly providing training on product quality management. During the Year, the training organised by domestic companies in the PRC includes post-operation management procedures of quality personnel, Good Pharmacovigilance Practice, the Measures for the Reporting and Monitoring of Adverse Drug Reactions, the Measures for the Supervision and Administration of Drug Distribution, and others. During the Year, the training organised by Argon Medical includes quality system manual, verification of software in quality system, training on inspection and testing, quality records, and sample retention, so as to ensure that the quality inspectors possess the latest skill and knowledge. The Group also hopes that employees can gain a sense of satisfaction and accomplishment at work, seize every opportunity to improve the product quality with the Group together and move towards a higher quality goal.

Management of Customer Service

If a customer finds that there is a problem with the quality of the product or the product does not meet its needs, the customer can process their request through our after-sales service mechanism and the problematic product could be returned to us according to the Product Returns Process. Besides, when we receive customer complaints about our products, we will follow the Feedback and Compliant Processing Procedures to improve the quality of our products.

五、營運慣例 (續)

2. 產品責任 (續)

產品質量管理

本集團相信員工質素會對產品質量產生正面的影響，因此本集團定期為員工提供有關產品品質管理的培訓，中國國內公司於本年度組織的培訓內容包括品質人員崗位操作管理規程、藥物警戒品質管制規範、藥品不良反應報告和監測管理辦法、藥品流通監督管理辦法等；而愛琅醫療於本年度組織的培訓內容包括質量體系手冊、質量體系軟件驗證、檢驗與檢測培訓、質量記錄和樣品保留等，以確保品質管理員擁有最新的技術和知識。本集團亦希望員工於工作上獲得滿足感和成就感之餘，能與本集團共同把握每次改良產品品質的機會，向更高品質的目標邁進。

客戶服務管理

如果客戶發現產品質量出現問題或產品不符合其需求，客戶可透過本集團的售後服務機制處理，根據所制定的程序回收有問題的產品。另外，如接獲客戶投訴本集團的產品，本集團會根據所制定的反饋及投訴程序，改善產品的質素。

V. OPERATING PRACTICES (continued)

2. Product Responsibility (continued)

Management of Customer Service
(continued)

During the Reporting Period, the number of products and service-related complaints received by the Group is as follows:

	2022 2022年度	2021 2021年度
Products and service-related complaints received	8,867	6,753

Recall of Products

During the Reporting Period, the Group did not have goods sold or shipped by the Group that need to be recalled for safety and health reasons.

Customer Data Protection and Privacy Policies

Privacy and confidentiality is one of the core values of the Group. Customer information will be handled with due care and confidentially. As far as any confidential information obtained through business relationships is concerned, unless required by law or professional authority or duty, employees cannot disclose any information to third parties without prior appropriate authorisation.

Maintenance and Protection of Intellectual Property Rights

The Group respects intellectual property rights, and employees are not allowed to own or use copyrighted materials without the permission of the copyright owner.

五、營運慣例 (續)

2. 產品責任 (續)

客戶服務管理 (續)

於報告期內，本集團接獲關於產品及服務的投訴數目如下表：

	2022 2022年度	2021 2021年度
接獲關於產品及服務的投訴	8,867	6,753

回收產品

於報告期內，本集團沒有已售或已運送產品中因安全與健康理由而須回收的產品。

客戶資料保障及私隱政策

私隱保密是本集團的核心價值之一，客戶資料會嚴謹及機密處理，就透過業務關係獲取的任何機密資料而言，除非擁有法律或專業權限或職責需要，在未獲適當授權下，員工不會向第三方披露任何資料。

維護及保障知識產權

本集團尊重知識產權，未經版權擁有者的允許，員工不得擁有或使用受版權保護的材料。

V. OPERATING PRACTICES (continued)

2. Product Responsibility (continued)

Compliance

During the Reporting Period, there was no identified violations related to goods and services with a significant impact on the Group, and we have not received any complaints about violations of customer privacy, loss of customer information and breach of intellectual property rights.

3. Anti-corruption

Maintaining high ethical standards is one of the core values of the Group. The Group adopts a zero-tolerance attitude towards all kinds of corruption, bribery and extortion. In order to comply with the relevant laws and regulations of each operating location, the Group has formulated an employee handbook or related rules and regulations to strictly regulate the behavior of employees, and stipulate the improper solicitation, acceptance of bribes or other illegal benefits (such as property, banquet activities), etc., and stated clearly the severe penalties in case of violations. The Group demands all employees to build a habit of strictly abiding by the rules and regulations, and eliminate all bribery and/or corruption offences. For employees who violate the company's code of conduct, the company will impose disciplinary action or punishment of dismissal. During the Reporting Period, the Group organized "Reshaping Responsibility Missions and Practicing the Three Hearted Culture" for employees, implemented the Group's political, ideological and work spirit, further strengthened corporate governance, standardized employee behavior, and avoided various risks. It includes the "WEGO Ten Articles", which includes anti-bribery, preventing illegal transactions and other violations; and the Group requires employees to sign the "WEGO Ten Articles" commitment letter. These measures show the Group's determination to combat corruption and uphold integrity. We hope to contribute to building a clean and honest social environment.

五、營運慣例 (續)

2. 產品責任 (續)

合規性

於報告期內，本集團沒有涉及與商品及服務責任相關並對本集團有重大影響之已確認違法、違規事件，亦沒有收到關於違反顧客私隱、遺失顧客資料、知識產權的投訴。

3. 反貪污

維持高道德標準是本集團核心價值之一，本集團對各種貪污、賄賂及勒索情況採取零容忍態度。為了符合各營運所在地相關的法律法規，本集團制定員工手冊或相關的規章制度，對員工的行為作出嚴格規範，對於不當索取、收受賄賂或其他非法利益（如財物、宴請活動）等，訂明嚴厲的罰則。本集團要求所有員工養成嚴格遵守規章制度的習慣，杜絕一切行賄及／或受賄行為，對於違反公司守則的員工，公司會作出紀律處分或辭退作為懲罰。於報告期內，本集團為員工組織「重塑責任使命、踐行三心文化」，貫徹本集團政治思想工作精神，進一步加強企業治理，規範員工行為，規避各類風險，內容包括《威高十條》，其中的內容有反行賄受賄行為、杜絕不正當交易等違規行為；而且本集團要求員工簽署《威高十條》承諾書，此等舉措證明本集團反腐倡廉的決心，希望為構建清廉的社會環境盡一分力。

V. OPERATING PRACTICES (continued)

3. Anti-corruption (continued)

Compliance

During the Reporting Period, there was no legal litigation involving corruption of the Group or its employees.

VI. COMMUNITY INVESTMENT

As a good corporate citizen, the Group proactively participates in social welfare and donation activities. During the Reporting Period, Argon Medical sponsored a number of funds or charity activities, such as fire safety education activities, sports competitions, history museums, etc., supported students through tutoring and scholarships and offered grants for educational research. The Group has always operated and paid taxes in accordance with the law, and spared no effort to help resolve local employment pressures. The Group prepares for employees to plan well after retirement and provide social insurance benefits for all employees. The Group has always maintained a good operating environment and development order, and have made certain contributions to maintaining social stability and building a harmonious community.

五、營運慣例 (續)

3. 反貪污 (續)

合規性

於報告期內，並沒有涉及指控本集團或本集團員工貪污的訴訟案件。

六、社區投資

作為良好的企業公民，本集團積極參與社會公益及捐款活動。於報告期內，愛琅醫療贊助多個基金或公益活動，例如：贊助消防安全教育活動、運動比賽、歷史博物館等、通過輔導和獎學金支援學生、提供教育研究補助金。本集團向來依法經營納稅，不遺餘力地協助解決當地的就業壓力。本集團為員工好好計劃退休生活後的生活作準備，為所有員工提供社會保險福利項目。本集團一直保持良好的營運環境及發展秩序，在保持社會穩定及建設和諧社區方面，有一定的貢獻。

VII. ENVIRONMENTAL PERFORMANCE DATA
SUMMARY

七、環境數據表現摘要

	Unit 單位	2022 2022年度	2021 ⁵ 2021年度 ⁵
Greenhouse Gas Emission³ 溫室氣體排放量³			
Scope 1 ¹ : 範圍一:			
Total 總量	Tonnes 噸	3,193.86	2,846.48
Intensity ⁴ 密度 ⁴	Tonnes 噸	0.89	0.93
Scope 2 ² : 範圍二:			
Total 總量	Tonnes 噸	101,426.26	85,708.66
Intensity ⁴ 密度 ⁴	Tonnes 噸	28.22	27.97
Air Emission 廢氣排放量			
Nitrogen oxides 氮氧化物	Kilograms 公斤	3,911.31	2,699.84
Sulfur oxides 硫氧化物	Kilograms 公斤	3.68	5.38
Particulate matters 顆粒物	Kilograms 公斤	290.20	193.46
Hazardous Waste Generated 有害廢物產生量			
Wastewater: 廢水:			
Total 總量	Tonnes 噸	53.51	65.49
Intensity ⁴ 密度 ⁴	Tonnes 噸	0.01	0.02
Solid Waste: 固體廢物:			
Total 總量	Tonnes 噸	272.42	181.77
Intensity ⁴ 密度 ⁴	Tonnes 噸	0.08	0.06

VII. ENVIRONMENTAL PERFORMANCE DATA SUMMARY (continued) **七、環境數據表現摘要** (續)

	Unit 單位	2022 2022年度	2021 ⁵ 2021年度 ⁵
Non-Hazardous Waste Generated 無害廢物產生量			
Wastewater: 廢水：			
Total 總量	Tonnes 噸	28,417,544.06	23,985,275.11
Intensity ⁴ 密度 ⁴	Tonnes 噸	7,907.13	7,828.28
Solid Waste: 固體廢物：			
Total 總量	Tonnes 噸	3,607.76	3,275.45
Intensity ⁴ 密度 ⁴	Tonnes 噸	1.00	1.07
Packaging Materials Used for Finished Products 製成品所用包裝材料使用量			
Total 總量	Tonnes 噸	25,694.50	24,700.90
Intensity ⁴ 密度 ⁴	Tonnes 噸	7.15	8.06

VII. ENVIRONMENTAL PERFORMANCE DATA **七、環境數據表現摘要 (續)**
SUMMARY (continued)

	Unit 單位	2022 2022年度	2021 ⁵ 2021年度 ⁵
Energy and Water Resources			
Consumption			
能源及水資源使用量			
Electricity:			
電力：			
Total	MWh	169,540.38	142,916.35
總量	兆瓦時		
Intensity ⁴	MWh	47.17	46.64
密度 ⁴	兆瓦時		
Steam:			
蒸氣：			
Total	Tonnes	154,246.66	122,094.16
總量	噸		
Intensity ⁴	Tonnes	42.92	39.85
密度 ⁴	噸		
Gasoline:			
汽油：			
Total	litres	45,213.67	100,372.56
總量	公升		
Intensity ⁴	litres	12.58	32.76
密度 ⁴	公升		
Diesel:			
柴油：			
Total	litres	187,514.21	242,746.20
總量	公升		
Intensity ⁴	litres	52.18	79.23
密度 ⁴	公升		
Natural Gas:			
天然氣：			
Total	m ³	1,328,337.12	963,382.31
總量	立方米		
Intensity ⁴	m ³	369.61	314.43
密度 ⁴	立方米		
Refrigerants:			
製冷劑：			
Total	Kilograms	11.34	47.62
總量	公斤		
Intensity ⁴	Kilograms	0.003	0.02
密度 ⁴	公斤		
Water Resources:			
水資源：			
Total	Tonnes	28,854,603.12	24,292,077.28
總量	噸		
Intensity ⁴	Tonnes	8,028.74	7,928.42
密度 ⁴	噸		

**VII. ENVIRONMENTAL PERFORMANCE DATA
SUMMARY** (continued)

Notes:

- ¹ Scope 1 refers to the greenhouse gas emissions directly generated by the Group's business, including combustion of gasoline, diesel, natural gas, refrigerants, etc.
- ² Scope 2 refers to the Group's business "indirect energy" GHG emissions, including consumption of purchased electricity.
- ³ The abovementioned carbon emissions are calculated with reference to the emission factors published by the "China Regional Grid Baseline Emission Factors" issued by the Climate Change Department of the Ministry of Ecology and Environment of the PRC and the "Reporting Guidance on Environmental Key Performance Indicators" issued by The Stock Exchange of Hong Kong Limited.
- ⁴ The intensity is calculated based on the production volume per million units.
- ⁵ Some data for the previous year are restated to conform with the current year's presentation.

七、環境數據表現摘要 (續)

附註：

- ¹ 範圍一是指本集團業務直接產生的溫室氣體排放，包括燃燒汽油、柴油、天然氣、製冷劑等。
- ² 範圍二是指本集團業務內部消耗購回來的電力所引致的「間接能源」溫室氣體排放。
- ³ 上述碳排放之計算參照中國生態環境部應對氣候變化司公佈之《中國區域電網基準線排放因子》及香港聯合交易所有限公司《環境關鍵績效指標匯報指引》的排放系數。
- ⁴ 密度是以每一百萬件的生產量計算。
- ⁵ 上年度部分數據需重列作為比較用途。

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
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A. Environmental
A. 環境

Aspect A1 層面A1	Emissions 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.	107-117
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。	112, 116, 120, 123, 157-158
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)。	120, 123, 157
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)。	112, 116, 157

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
A. Environmental (continued) A. 環境 (續)		
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)。	112, 116, 158
KPI A1.5 關鍵績效指標A1.5	Description of emissions 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。	109-110, 117-123
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。	110-116
Aspect A2 層面A2		
Use of Resources 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。	117-126
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 (MWh) 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(以兆瓦時計算)及密度(如以每產量單位、每項設施計算)。	120, 123, 159

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
A. Environmental (continued) A. 環境 (續)		
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)。	125, 159
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。	118-123
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. 描述求取適用水源上可有任何問題，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。	124-125
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。	158

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
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A. Environmental (continued)
A. 環境 (續)

Aspect A3 層面A3	The Environment and Natural Resources 環境及天然資源	
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天然資源造成重大影響的政策。	127
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 the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	127
Aspect A4 層面A4	Climate Change 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。	128-129
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。	128-129

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
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B. Social
B. 社會

Aspect B1 層面B1	Employment 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.	130-137, 149
KPI B1.1 關鍵績效指標B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region. 按性別、僱傭類型(如全職或兼職)、年齡組別及地區劃分的僱員總數。	133
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僱員流失比率。	134

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
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B. Social (continued)
B. 社會 (續)

Aspect B2 層面B2	Health and Safety 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僱員避免職業性危害的： (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 providing a safe working environment and protecting employees from occupational hazards.	138-144, 149
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。	145
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。	144
KPI B2.3 關鍵績效指標B2.3	Description of occupational health and safety measures adopted, and 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。	138-144

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
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B. Social (continued)
B. 社會 (續)

Aspect B3 層面B3	Development and Training 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。	145-147
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). 按性別及僱員類別 (如高級管理層、中級管理層) 劃分的受訓僱員百分比。	148
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。	148

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
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B. Social (continued)
B. 社會 (續)

Aspect B4 層面B4	Labor Standards 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.	149
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以避免童工及強制勞工。	149
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。	149

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
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B. Social (continued)
B. 社會 (續)

Aspect B5 層面B5	Supply Chain Management 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政策。	150
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。	151
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, and 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，以及相關執行及監察方法。	150
KPI B5.3 關鍵績效指標B5.3	Description of practices used to identify environmental and social risks. 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。	150
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. 描述在揀選供應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。	150

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
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B. Social (continued)
B. 社會 (續)

Aspect B6 層面B6	Product Responsibility 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、標籤及私隱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.	151-155
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。	154
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。	154

VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
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B. Social (continued)
B. 社會 (續)

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。	154
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。	152-153
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私隱政策，以及相關執行及監察方法。	154

**Aspect B7
層面B7** **Anti-corruption
反貪污**

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.	155
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VIII. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED (continued)

八、香港聯合交易所有限公司的《環境、社會及管治報告指引》(續)

General Disclosure/KPIs 一般披露／ 關鍵績效指標	Reporting Guideline 報告指引	Page 頁數
B. Social (continued) B. 社會 (續)		
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. 於報告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。	156
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。	155
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。	155
Aspect B8 層面B8	Community Investment 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 take into consideration the 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。	156
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)。	156
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)。	156



**TO THE SHAREHOLDERS OF
SHANDONG WEIGAO GROUP MEDICAL POLYMER
COMPANY LIMITED**

山東威高集團醫用高分子製品股份有限公司

(A joint stock limited company established in the People's Republic of China)

**致山東威高集團醫用高分子製品股份
有限公司股東**

(於中華人民共和國成立的股份有限公司)

OPINION

We have audited the consolidated financial statements of Shandong Weigao Group Medical Polymer Company Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 179 to 403, which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the HKICPA. 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 are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本行已完成審核第179至403頁所載山東威高集團醫用高分子製品股份有限公司（「貴公司」）及其附屬公司（統稱為「貴集團」）的綜合財務報表，該等綜合財務報表包括於二零二二年十二月三十一日的綜合財務狀況表、及截至該日止年度的綜合損益及其他全面收入報表、綜合權益變動報表及綜合現金流量報表，及該等綜合財務報表附註（包括主要會計政策的概要）。

本行認為，綜合財務報表按照香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）真實及公平地反 貴集團於二零二二年十二月三十一日的綜合財務狀況，以及截至該日止年度的綜合財務表現及其綜合現金流量狀況，並已依據香港公司條例的披露規定妥為編製。

意見基準

本行是按照香港會計師公會頒佈的香港核數準則（「香港核數準則」）進行審核工作。本行於該等標準項下之責任進一步詳述於本報告「核數師就審核綜合財務報表須承擔的責任」一節。根據香港會計師公會的專業會計師道德守則（「守則」），本行獨立 貴集團，並根據守則履行吾等其他道德責任。本行相信，吾等所取得的審核憑證已足夠及適當地為吾等的審核意見提供基礎。

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 matter 關鍵審核事項

Impairment assessment of goodwill 商譽減值評估

We identified impairment assessment of the goodwill of interventional products cash generating unit with amount of RMB3,199,417,000, including Argon Medical Devices Holding, Inc. ("Argon"), as a key audit matter due to its significance to the consolidated financial statements and the significant management estimate involved in assessing the impairment of goodwill.

吾等已確認介入產品現金產生單位之商譽(金額為人民幣3,199,417,000元)減值評估(包括愛琅醫療器械控股有限公司(「愛琅」))作為關鍵審核事項,乃由於其對於綜合財務報表具有重大影響及評估商譽減值時涉及重大的管理層估計。

In estimating the recoverable amount of the cash generating unit to which goodwill has been allocated, the management has made a number of significant assumptions in the value in use calculation. The key assumptions mainly include discount rate and revenue growth rates applied.

於估計商譽獲分配的現金產生單位之可回收金額時,管理層於使用價值計算中使用若干重大假設。關鍵假設主要包括所使用的貼現率和收入增長率。

Details of significant judgments and assumptions in the impairment assessment are disclosed in notes 5 and 18 to the consolidated financial statements.

減值評估中的重大判斷及假設詳情於綜合財務報表附註5及18中披露。

關鍵審核事項

關鍵審核事項為吾等的專業判斷中,審核本期綜合財務報表中最重要的事項。本行於審核整體綜合財務報表及就此形成意見時處理此等事項,而不會就此等事項單獨發表意見。

How our audit addressed the key audit matter 處理關鍵審核事項之方法

Our procedures in relation to the impairment assessment of the goodwill of interventional products cash generating unit from acquisition of Argon included:

吾等就收購愛琅的介入產品現金產生單位之商譽減值評估的審核程序包括:

- Understanding the internal controls relevant to the impairment assessment of the goodwill;
- 了解與商譽減值評估有關之內部控制;
- Evaluating the valuation methodology and long-term growth rate with the assistance of our internal valuation specialists;
- 在內部估值專家的協助下評估估值方法及長期增長率;
- Evaluating the discount rate, including developing a range of independent estimates and comparing those with the discount rate selected by the management, with the assistance of our internal valuation specialists; and
- 在我們內部估值專家的協助下評估貼現率,包括編製一系列獨立估算,並將其與管理層選擇的貼現率比較;及
- Evaluating the revenue growth rates by comparing with historical performance and industry data.
- 通過與過往表現及行業數據比較評估收入增長率。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do 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 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, 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.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE 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 HKFRSs issued by the HKICPA 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事對其他資料負責。其他資料包括年報內所載的資料，惟不包括綜合財務報表及吾等就此作出之核數師報告。

吾等對綜合財務報表作出的意見並未涵蓋其他資料。吾等不對其他資料發表任何形式的核證結論。

就審核綜合財務報表而言，吾等的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已完成的工作認為其他資料出現重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對董事認為為使綜合財務報表的編製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。

在編製綜合財務報表時，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，除非董事有意貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督貴集團的財務報告過程。

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 solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism 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.

核數師就審核綜合財務報表須承擔的責任

本行的目標乃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，並出具包括本行意見的核數師報告，並按照協定的委聘條款僅向閣下（作為整體）報告，除此之外本報告別無其他目的。本行概不就本報告的內容對任何其他人士負責或承擔責任。合理保證為高水平的保證，但不能保證按照香港核數準則進行的審核總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其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。

作為根據香港核數準則進行審核其中一環，本行運用專業判斷，保持專業懷疑態度。本行亦：

- 識別及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，設計及執行審核程序以應對該等風險，以及獲取充足及適當的審核憑證，作為本行意見的基礎。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出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計在有關情況下屬適當的審核程序，但目的並非對集團內部控制的有效性發表意見。

**AUDITOR'S RESPONSIBILITIES FOR THE
AUDIT OF THE CONSOLIDATED FINANCIAL
STATEMENTS** (continued)

**核數師就審核綜合財務報表須承
擔的責任 (續)**

- 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.
- 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.
- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。
- 對董事採用持續經營會計基礎的適當性作出結論，並根據所獲取的審核憑證，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 貴集團的持續經營能力產生重大疑慮。倘本行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，則修訂本行的意見。本行的結論乃基於直至核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致 貴集團不能持續經營業務。
- 評估綜合財務報表的整體列報方式、結構及內容(包括披露)事項以及綜合財務報表是否公平反映相關交易及事項。
- 貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以便對綜合財務報表發表意見。本行負責 貴集團審核的方向、監督及執行。本行為審核意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

We communicate with those charged with governance 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 those charged with governance 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 those charged with governance, 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 the independent auditor's report is Tung Wai Lung Ricky.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
30 March 2023

核數師就審核綜合財務報表須承 擔的責任 (續)

本行與治理層溝通審核的計劃範圍及時間以及重大審核發現等，其中包括本行在審核中識別出內部控制的任何重大不足之處。

本行亦向治理層提交聲明，表明本行已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理被認為會影響本行獨立性的所有關係及其他事項，以及在適用的情況下為消除威脅而採取的行動或相關的防範措施。

從與治理層溝通的事項中，本行確定該等對本期綜合財務報表的審計最為重要的事項，因而構成關鍵審計事項。本行在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見的情況下，合理預期倘於本行之報告中註明某事項造成的負面後果超過產生的公眾利益，則本行決定不應在報告中註明該事項。

出具獨立核數師報告的審核項目合夥人為董偉龍。

德勤•關黃陳方會計師行
執業會計師

香港
二零二三年三月三十日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收入報表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

		NOTES	Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2021 RMB'000 (restated) 截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
		附註		
Revenue	收入	6	13,619,007	13,208,942
Cost of sales	銷售成本		(6,505,925)	(5,856,049)
Gross profit	毛利		7,113,082	7,352,893
Other income, gains and losses	其他收入、收益及虧損	7	444,765	(61,362)
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模型下之減值虧損 (扣除撥回)	8	(33,332)	(25,741)
Selling expense	銷售開支		(2,427,077)	(2,695,065)
Administrative expenses	行政開支		(1,116,689)	(1,118,816)
Research and development expenses	研發開支		(546,552)	(503,080)
Finance costs	融資成本	9	(191,401)	(140,441)
Share of results of associates	應佔聯營公司業績		77,906	69,988
Share of results of joint ventures	應佔合營企業業績		(2,801)	(531)
Profit before tax	除稅前溢利		3,317,901	2,877,845
Income tax expense	所得稅開支	10	(424,267)	(420,066)
Profit for the year	年內溢利		2,893,634	2,457,779
Other comprehensive income (expense)	其他全面收入 (開支)			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益之項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額		356,458	(81,482)
Total comprehensive income for the year	年內全面收入總額		3,250,092	2,376,297
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利		2,723,309	2,275,929
Profit for the year attributable to non-controlling interests	非控股權益應佔年內溢利		170,325	181,850
			2,893,634	2,457,779

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收入報表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

		NOTE	Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		附註	截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Total comprehensive income for the year attributable to:	下列各項應佔年內全面收入總額：			
Owners of the Company	本公司擁有人		3,053,141	2,206,128
Non-controlling interests	非控股權益		196,951	170,169
			3,250,092	2,376,297
Earnings per share	每股盈利			
Basic (RMB per share)	基本 (每股人民幣元)	14	0.60	0.51
Diluted (RMB per share)	攤薄 (每股人民幣元)		0.60	0.50

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2022 於二零二二年十二月三十一日

	NOTES	31/12/2022 RMB'000	31/12/2021 RMB'000 (restated)
	附註	二零二二年 十二月 三十一日 人民幣千元	二零二一年 十二月 三十一日 人民幣千元 (經重列)
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	15 6,342,212	5,782,227
Right-of-use assets	使用權資產	16 515,221	476,317
Investment properties	投資物業	17 140,785	133,788
Goodwill	商譽	18 3,638,741	3,348,497
Deposits paid for acquiring property, plant and equipment	就收購物業、廠房及設備之已付按金	455,570	467,730
Intangible assets	無形資產	19 1,722,176	1,798,577
Interests in associates	於聯營公司的權益	20 1,375,302	1,139,691
Interests in joint ventures	於合營企業的權益	21 358,035	180,757
Financial assets at fair value through profit or loss	按公平值計入損益計量之金融資產	22 120,301	100,943
Deferred tax assets	遞延稅項資產	23 159,453	157,042
Finance lease receivables	應收融資租賃款項	24 23,037	40,959
Loan receivables	應收貸款	25 184,165	318,811
Prepayments	預付款項	27 70,536	79,353
Other non-current assets	其他非流動資產	-	293,247
		15,105,534	14,317,939
Current assets	流動資產		
Inventories	存貨	26 2,315,343	1,781,735
Loan receivables	應收貸款	25 627,626	428,514
Trade and other receivables	應收貿易賬款及其他應收款項	27 7,024,893	6,070,207
Debt instruments at fair value through other comprehensive income	按公平值計入其他全面收入計量之債務工具	28 495,337	425,316
Finance lease receivables	應收融資租賃款項	24 70,831	85,122
Financial assets at fair value through profit or loss	按公平值計入損益計量之金融資產	22 -	10,000
Pledged/restricted bank deposits	已抵押／受限制銀行存款	29 694,084	760,895
Cash and bank balances	現金及銀行結餘	30 6,862,278	6,698,029
		18,090,392	16,259,818
Current liabilities	流動負債		
Financial liabilities at fair value through profit or loss	按公平值計入損益計量之金融負債	22 -	56,694
Trade and other payables	應付貿易賬款及其他應付款項	31 4,370,333	4,009,609
Contract liabilities	合約負債	32 370,150	317,025
Borrowings	借款	33 960,808	601,328
Tax payable	應付稅項	35 179,144	150,670
Deferred income	遞延收入	36 13,110	8,816
Lease liabilities	租賃負債	29,323	22,988
Provisions	撥備	11,655	10,606
		5,934,523	5,177,736
Net Current Assets	流動資產淨額	12,155,869	11,082,082
Total Assets less Current Liabilities	總資產減流動負債	27,261,403	25,400,021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2022 於二零二二年十二月三十一日

		NOTES	31/12/2022 RMB'000	31/12/2021 RMB'000 (restated)
		附註	二零二二年 十二月 三十一日 人民幣千元	二零二一年 十二月 三十一日 人民幣千元 (經重列)
Capital and Reserves	資本及儲備			
Share capital	股本	37	457,063	457,063
Reserves	儲備		21,211,874	18,949,583
Equity attributable to owners of the Company	本公司擁有人應佔權益		21,668,937	19,406,646
Non-controlling interests	非控股權益		1,777,666	1,640,359
Total Equity	權益總額		23,446,603	21,047,005
Non-current Liabilities	非流動負債			
Financial liabilities at fair value through profit or loss	按公平值計入損益計量之金融負債	22	-	199
Borrowings	借款	33	2,403,212	2,462,688
Bonds payable	應付債券	34	993,977	992,549
Deferred income	遞延收入	35	69,094	91,148
Deferred tax liabilities	遞延稅項負債	23	199,797	222,620
Lease liabilities	租賃負債	36	104,077	57,857
Contract liabilities	合約負債	32	7,642	3,305
Provision	撥備		37,001	522,650
			3,814,800	4,353,016
			27,261,403	25,400,021

The consolidated financial statements on pages 179 to 403 were approved and authorised for issue by the board of directors on 30 March 2023 and are signed on its behalf by:

第179至403頁的綜合財務報表已獲董事會於二零二三年三月三十日批准及授權刊發，並由以下董事代表董事會簽署：

LONG Jing
龍經

DIRECTOR
董事

CONG Rinan
叢日楠

DIRECTOR
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動報表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium reserve	Statutory surplus reserve	Translation reserve	Share- based payments reserve	Other reserves	Retained profits	Total	Non- controlling interests	Total Equity
		RMB'000	RMB'000	RMB'000 (Note a)	RMB'000	RMB'000	RMB'000 (Note b)	RMB'000	RMB'000	RMB'000	RMB'000
		股本	股份溢價 儲備	法定盈餘 儲備	匯兌儲備	以股份 為基礎付款 儲備	其他儲備	保留溢利	總計	非控股權益	權益總額
		人民幣千元	人民幣千元	人民幣千元 (附註a)	人民幣千元	人民幣千元	人民幣千元 (附註b)	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2021	於二零二一年一月一日	452,233	2,575,060	257,956	(93,271)	99,561	1,280,529	13,461,512	18,033,580	845,108	18,878,688
Restatements due to business combination under common control in 2022 (note 3(a))	因二零二二年同一控制下的業務合併而重列 (附註3(a))	-	-	3,315	-	-	6,630	98,459	108,404	-	108,404
At 1 January 2021 (restated)	於二零二一年一月一日 (經重列)	452,233	2,575,060	261,271	(93,271)	99,561	1,287,159	13,559,971	18,141,984	845,108	18,987,092
Profit for the year (restated)	本年度溢利 (經重列)	-	-	-	-	-	-	2,275,929	2,275,929	181,850	2,457,779
Other comprehensive expense for the year	年內其他全面開支	-	-	-	(69,801)	-	-	-	(69,801)	(11,681)	(81,482)
Total comprehensive (expenses) income for the year (restated)	年內全面 (開支) 收入總額 (經重列)	-	-	-	(69,801)	-	-	2,275,929	2,206,128	170,169	2,376,297
Consideration for business combination under common control in 2021 (note 3)	二零二一年同一控制下的業務合併之代價 (附註3)	-	-	-	-	-	(1,202,366)	-	(1,202,366)	-	(1,202,366)
Deemed disposal of partial interest in a subsidiary (note c)	視作出售於一間附屬公司之部分權益 (附註c)	-	-	-	-	-	761,120	-	761,120	621,165	1,382,285
Adoption of share award scheme (note 38 (a)(c))	採納股份激勵計劃 (附註38(a)(c))	4,830	168,084	-	-	-	(160,539)	-	12,375	-	12,375
Recognition of equity-settled share-based payments (note 38)	確認以權益結算之以股份為基礎付款 (附註38)	-	-	-	-	72,575	-	-	72,575	3,917	76,492
Repurchase of shares under a share award scheme (note 38 (a))	根據股份激勵計劃回購股份 (附註38(a))	-	-	-	-	(20,636)	343	-	(20,293)	-	(20,293)
Recognition of sales of repurchased shares under a share award scheme (note 38 (a))	確認出售根據股份激勵計劃的回購股份 (附註38(a))	-	-	-	-	-	88,411	-	88,411	-	88,411
Dividends recognised as distribution (note 13)	確認為分派的股息 (附註13)	-	-	-	-	-	-	(653,288)	(653,288)	-	(653,288)
At 31 December 2021 (restated)	於二零二一年十二月三十一日 (經重列)	457,063	2,743,144	261,271	(163,072)	151,500	774,128	15,182,612	19,406,646	1,640,359	21,047,005
At 31 December 2021 (restated)	於二零二一年十二月三十一日 (經重列)	457,063	2,743,144	261,271	(163,072)	151,500	774,128	15,182,612	19,406,646	1,640,359	21,047,005
Profit for the year	本年度溢利	-	-	-	-	-	-	2,723,309	2,723,309	170,325	2,893,634
Other comprehensive income for the year	年內其他全面收入	-	-	-	329,832	-	-	-	329,832	26,626	356,458
Total comprehensive income for the year	年內全面收入總額	-	-	-	329,832	-	-	2,723,309	3,053,141	196,951	3,250,092
Consideration for business combination under common control in 2022 (note 3)	二零二二年同一控制下的業務合併之代價 (附註3)	-	-	-	-	-	(288,000)	-	(288,000)	-	(288,000)
Adoption of share award scheme (note 38 (a)(c))	採納股份激勵計劃 (附註38(a)(c))	-	-	-	-	-	46,958	-	46,958	-	46,958
Recognition of equity-settled share-based payments (note 38)	確認以權益結算之以股份為基礎付款 (附註38)	-	-	-	-	90,092	-	-	90,092	1,675	91,767
Repurchase of shares under a share award scheme (note 38 (a))	根據股份激勵計劃回購股份 (附註38(a))	-	-	-	-	(19,965)	(15,283)	-	(35,248)	-	(35,248)
Recognition of sales of repurchased shares under a share award scheme (note 38 (a))	確認出售根據股份激勵計劃的回購股份 (附註38(a))	-	-	-	-	-	25,572	-	25,572	-	25,572
Dividends recognised as distribution (note 13)	確認為分派的股息 (附註13)	-	-	-	-	-	-	(680,319)	(680,319)	(61,319)	(741,638)
Other equity changes of an associate	聯營公司其他權益變動	-	-	-	-	-	50,095	-	50,095	-	50,095
At 31 December 2022	於二零二二年十二月三十一日	457,063	2,743,144	261,271	166,760	221,627	593,470	17,225,602	21,668,937	1,777,666	23,446,603

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動報表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

Notes:

附註：

- (a) The Articles of Association of the Company and its subsidiaries established in PRC (as defined in note 1) require the appropriation of 10% of profit after taxation (prepared under the generally accepted accounting principles in the PRC) each year to the statutory surplus reserve until the balance reaches 50% of the registered share capital. According to the provisions of the Articles of Association of the PRC companies, in normal circumstances, the statutory surplus reserve shall only be used for making up losses, capitalisation into capital and expansion of its production and operation. For the capitalisation of statutory surplus reserve into capital, the remaining amount of such reserve shall not be less than 25% of the registered capital.
- (a) 本公司及其於中國成立之附屬公司的組織章程細則(定義見附註1)規定將其各年稅後溢利(根據中國公認會計原則編製)的10%分派至法定盈餘儲備,直至法定盈餘儲備的結餘達註冊股本的50%為止。根據中國公司的組織章程細則的條文規定,在一般情況下,法定盈餘儲備僅可用作彌補虧損、撥充股本及擴充生產及營運。將法定盈餘儲備撥充股本後,該儲備的餘額不得低於註冊股本的25%。
- (b) Other reserves mainly represent the difference between the amounts by which the non-controlling interests are adjusted and the fair value of the consideration paid to acquire the additional interest in subsidiaries, and the cost of the ordinary shares held by the trustees under share award scheme.
- (b) 其他儲備主要指就收購附屬公司額外權益經調整的非控股權益的金額與所支付的代價的公平值之間的差額,及受託人根據股份激勵計劃持有普通股的成本之間的差額。
- (c) On 30 June 2021, Shandong Weigao Orthopedic Device Company Limited (“Weigao Orthopaedic”), the subsidiary of the Company, completed its listing on the Science and Technology Innovation Board of the Shanghai Stock Exchange and the initial public offering of the ordinary shares (the “Offering”). Weigao Orthopaedic received total net proceeds of RMB1,382,285,000 from the Offering, among which RMB761,120,000 were recognised in other reserves.
- (c) 於二零二一年六月三十日,本公司的附屬公司山東威高骨科材料股份有限公司(「威高骨科」)完成於上海證券交易所科技創新板上市及普通股初始公開發售(「發售」)。威高骨科自發售收取總所得款項淨額人民幣1,382,285,000元,其中人民幣761,120,000元於其他儲備確認。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

		Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
OPERATING ACTIVITIES	經營業務		
Profit before tax	除稅前溢利	3,317,901	2,877,845
Adjustments for:	經作出下列調整：		
Interest income	利息收入	(116,419)	(72,888)
Finance costs	融資成本	191,401	140,441
Depreciation of property, plant and equipment	物業、廠房及設備折舊	510,998	459,029
Depreciation of right-of-use assets	使用權資產折舊	37,160	31,092
Depreciation of investment properties	投資物業折舊	3,853	5,216
Allowances for credit losses	信貸虧損撥備	33,332	25,741
Allowances for inventories	存貨撥備	13,078	6,956
Impairment losses on intangible assets	無形資產減值虧損	10,806	-
Amortisation of intangible assets	無形資產攤銷	250,501	241,333
Share-based payment expenses	以股份為基礎之付款開支	91,767	76,492
Share of results of associates	應佔聯營公司業績	(77,906)	(69,988)
Share of results of joint ventures	應佔合營企業業績	2,801	531
Gain on deemed disposal of investment in an associate	視為出售於一間聯營公司投資之收益	(100,398)	-
Gain on disposal of structured deposit	出售結構性存款的收益	(163)	-
Gain on disposal of investments in subsidiaries	出售於附屬公司之投資的收益	(47,832)	-
Gain on currency forward	貨幣遠期之收益	(34,500)	-
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)/虧損	(60,908)	2,928
Loss on currency option	貨幣期權虧損	1,289	6,289
Release of deferred income	遞延收入解除	(24,097)	(18,539)
Gain from changes in fair value of financial assets at fair value through profit or loss	按公平值計入損益計量之金融資產公平值變動收益	(19,557)	(3,323)
Exchange (gain)/loss	匯兌(收益)/虧損	(148,611)	52,549
		3,834,496	3,761,704
Movements in working capital	營運資金變動		
Increase in inventories	存貨增加	(538,447)	(180,408)
Increase in trade and other receivables	應收貿易賬款及其他應收款項增加	(801,923)	(44,881)
Decrease in finance lease receivables	應收融資租賃款項減少	29,659	93,526
Increase in loan receivables	應收貸款增加	(61,291)	(308,967)
(Increase)/decrease in debt instruments at fair value through other comprehensive income	按公平值計入其他全面收入計量之債務工具(增加)/減少	(70,021)	52,777
Decrease/(increase) in other non-current assets	其他非流動資產減少/(增加)	296,995	(296,995)
Increase/(decrease) in trade and other payables	應付貿易賬款及其他應付款項增加/(減少)	430,321	(72,758)
Increase in contract liabilities	合約負債增加	57,462	3,915
Increase in deferred income	遞延收入增加	6,337	33,361
(Decrease)/increase in provisions	撥備(減少)/增加	(485,649)	526,847

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

		Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Cash generated from operations	經營所得現金	2,697,939	3,568,121
Income taxes paid	已付所得稅	(483,365)	(481,428)
NET CASH FROM OPERATING ACTIVITIES	經營業務所得現金淨額	2,214,574	3,086,693
INVESTING ACTIVITIES	投資業務		
Purchases of property, plant and equipment	購買物業、廠房及設備	(614,066)	(652,355)
Purchases of intangible assets	購買無形資產	(43,669)	(46,198)
Payments for right-for-use assets	使用權資產付款	(2,934)	-
Deposits paid for acquiring property, plant and equipment	就收購物業、廠房及設備支付的按金	(455,570)	(467,731)
Net cash outflow on acquisition of a subsidiary (note 39)	收購一間附屬公司的現金流出淨額 (附註39)	-	(10,287)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	5,747	49,187
Interest received	已收利息	107,385	61,454
Withdrawal of pledged/restricted bank deposits	提取已抵押/受限制銀行存款	573,134	680,080
Placement of pledged/restricted bank deposits	存入已抵押/受限制銀行存款	(506,323)	(1,100,846)
Purchase of time deposits	購買定期存款	(1,443,435)	-
Disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產	(29,937)	(38,275)
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益之金融資產	-	3,800
Investment in joint ventures	於合營企業的投資	(179,000)	-
Investment in an associate	於一間聯營企業的投資	(8,000)	-
Disposal of an associate	出售一間聯營企業	790	-
Disposal of subsidiaries	出售附屬公司	26,915	-
Repayment of loan receivables	償還應收貸款	-	3,192
NET CASH USED IN INVESTING ACTIVITIES	投資業務所用現金淨額	(2,568,963)	(1,517,979)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

		Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2021 RMB'000 (restated) 截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
FINANCING ACTIVITIES	融資業務		
Repayments of borrowings	償還借款	(874,672)	(716,441)
Repayments of lease liabilities	償還租賃負債	(32,724)	(25,837)
New borrowings raised	新增加之借款	967,944	519,009
Interest paid	已付利息	(184,619)	(127,114)
Dividends paid	已付股息	(741,638)	(653,288)
Capital injection by non-controlling shareholders	非控股股東注資	-	1,382,285
Proceeds from adoption of share award scheme	採納股份激勵計劃所得款項	-	172,914
Repurchase of shares under a share award scheme	根據股份激勵計劃回購股份	(35,248)	(72,864)
Sales of repurchase of shares under a share award scheme	出售根據股份激勵計劃的回購股份	-	88,411
Net cash flow on business combination under common control (note 3)	共同控制下的業務合併之現金流量淨額(附註3)	(120,000)	(1,115,000)
NET CASH USED IN FINANCING ACTIVITIES	融資業務所用之現金淨額	(1,020,957)	(547,925)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加淨額	(1,375,346)	1,020,789
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	於年初的現金及現金等價物	6,698,029	5,731,678
Effect of foreign exchange rate changes	外匯匯率變動的影響	96,160	(54,438)
CASH AND CASH EQUIVALENTS AT END OF YEAR, represented by bank balances and cash	於年末的現金及現金等價物，指銀行結餘及現金	5,418,843	6,698,029

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

1. GENERAL INFORMATION

Shandong Weigao Group Medical Polymer Company Limited (the “Company”) was established and registered as a joint stock company with limited liability in the People’s Republic of China (the “PRC”) under the Company Law of the PRC on 28 December 2000 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is Weigao Holding Company Limited (“Weigao Holding”), a company registered in the PRC with limited liability. Its ultimate controlling party is Chen Xue Li. The address of the registered office and principal place of business of the Company is No.1, Weigao Road, Weihai Torch Hi-Tech Science Park, Shandong Province, PRC.

The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in the research and development, production and sale of medical device products, orthopaedic products, interventional products, pharma packaging products and blood management products, and operate financing business.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the functional currency of the Company.

1. 一般資料

山東威高集團醫用高分子製品股份有限公司(「本公司»)於二零零零年十二月二十八日根據中華人民共和國(「中國»)公司法在中國成立及註冊為股份有限公司，及其股份於香港聯合交易所有限公司(「聯交所»)主板上市。本公司直接控股公司為威高集團有限公司(「威高集團公司»),其為於中國註冊的有限責任公司。其最終控股方為陳學利。本公司之註冊辦事處及主要營業地點為中國山東省威海火炬高技術產業開發區威高路1號。

本公司及其附屬公司(以下統稱「本集團»)主要從事研究及開發、生產及銷售醫療器械產品、骨科產品、介入產品、藥品包裝產品及血液管理產品，及經營融資業務。

綜合財務報表以本公司的功能貨幣人民幣(「人民幣»)呈列。

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2022 for the preparation of the consolidated financial statements:

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020

2. 應用香港財務報告準則（「香港財務報告準則」）修訂本

於本年度強制生效的香港財務報告準則修訂本

於本年度，本集團已首次應用香港會計師公會（「香港會計師公會」）頒佈的下列香港財務報告準則修訂本，有關準則於二零二二年一月一日或之後開始的本集團年度期間強制生效，以編製綜合財務報表：

香港財務報告準則第3號（修訂本）	提述概念框架
香港財務報告準則第16號（修訂本）	二零二一年六月三十日後與Covid-19相關的租金優惠
香港會計準則第16號（修訂本）	物業、廠房及設備—擬定用途前的所得款項
香港會計準則第37號（修訂本）	有償合約—履行合約的成本
香港財務報告準則（修訂本）	香港財務報告準則之年度改進（二零一八年至二零二零年）

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17 (including the October 2020 and February 2020 Amendments to HKFRS 17)	Insurance Contracts ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ³
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ³
Amendments to HKAS 1	Non-current Liabilities with Covenants ³
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies ¹
Amendments to HKAS 8	Definition of Accounting Estimates ¹
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹

2. 應用香港財務報告準則(「香港財務報告準則」)修訂本(續)

已頒佈但尚未生效的新訂香港財務報告準則及修訂本

本集團尚未提早應用下列已頒佈但尚未生效的新訂香港財務報告準則及修訂本：

香港財務報告準則第17號(包括香港財務報告準則第17號二零二零年十月及二零二零年二月修訂本)	保險合約 ¹
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之資產出售或投入 ²
香港財務報告準則第16號(修訂本)	售後租回交易中的租賃負債 ³
香港會計準則第1號(修訂本)	負債分類為流動或非流動 ³
香港會計準則第1號(修訂本)	附帶契諾的非流動負債 ³
香港會計準則第1號及香港財務報告準則實務報告第2號(修訂本)	會計政策披露 ¹
香港會計準則第8號(修訂本)	會計估計之定義 ¹
香港會計準則第12號(修訂本)	與單一交易產生之資產及負債相關之遞延稅項 ¹

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

- 1 Effective for annual periods beginning on or after 1 January 2023.
- 2 Effective for annual periods beginning on or after a date to be determined.
- 3 Effective for annual periods beginning on or after 1 January 2024.

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”)

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation*.

2. 應用香港財務報告準則（「香港財務報告準則」）修訂本（續）

已頒佈但尚未生效的新訂香港財務報告準則及修訂本（續）

- 1 於二零二三年一月一日或之後開始的年度期間生效。
- 2 於待釐定日期或之後開始的年度期間生效。
- 3 於二零二四年一月一日或之後開始的年度期間生效。

除下文所述的新訂香港財務報告準則及修訂本外，本公司董事預期應用所有其他新訂香港財務報告準則及修訂本，於可預見未來將不會對綜合財務報表構成重大影響。

香港會計準則第1號（修訂本）負債分類為流動或非流動及相關香港詮釋第5號的修訂本（二零二零年）（「二零二零年修訂本」）及香港會計準則第1號（修訂本）附帶契諾的非流動負債（「二零二二年修訂本」）

該等二零二零年修訂就評估自報告日期起至少十二個月之延遲結算權利提供澄清及額外指引，以將負債分類為流動或非流動，當中：

- 澄清倘負債具有可由對手選擇透過轉讓實體本身的權益工具進行結清之條款，則僅當實體採用香港會計準則第32號「金融工具：呈列」將選擇權單獨確認為權益工具時，該等條款方不會影響其分類為流動或非流動。

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Amendments to HKAS 1 the 2020 Amendments and the 2022 Amendments

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that the classification should not be affected by management intentions or expectations to settle the liability within 12 months.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the requirements introduced by the 2020 Amendments have been modified by the 2022 Amendments. The 2022 Amendments specify that only covenants with which an entity is required to comply with on or before the end of the reporting period affect the entity’s right to defer settlement of a liability for at least twelve months after the reporting date. Covenants which are required to comply with only after the reporting period do not affect whether that right exists at the end of the reporting period.

In addition, the 2022 Amendments specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if the entity classify liabilities arising from loan arrangements as non-current when the entity’s right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period.

2. 應用香港財務報告準則（「香港財務報告準則」）修訂本（續）

香港會計準則第1號（修訂本）二零二零年修訂本及二零二二年修訂本（續）

- 訂明負債應根據報告期末存有之權利分類為流動或非流動。該等修訂特別澄清該分類不受管理層在十二個月內結清負債之意圖或預期所影響。

就以遵守契約為條件的自報告日期起至少十二個月的延遲結付權利而言，二零二零年修訂本所引入的要求已被二零二二年修訂本修改。二零二二年修訂本訂明，實體須於報告期間末或之前遵守的契約方會影響實體於報告日期後至少十二個月內延遲結付負債的權利。僅須於報告期間後遵守的契約對該權利於報告期間末是否存在並無影響。

此外，二零二二年修訂本訂明有關資料的披露要求，使財務報表使用者了解在該實體將貸款安排產生的負債分類為非流動，而實體延遲結付該等負債的權利視乎實體於報告期間後十二個月內是否遵守契約的情況下，則負債可能須於報告期間後十二個月內償還的風險。

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Amendments to HKAS 1 the 2020 Amendments and the 2022 Amendments (continued)

The 2022 Amendments also defer the effective date of applying the 2020 Amendments to annual reporting periods beginning on or after 1 January 2024. The 2022 Amendments, together with the 2020 Amendments, are effective for annual reporting periods beginning on or after 1 January 2024, with early application permitted. If an entity applies the 2020 amendments for an earlier period after the issue of the 2022 Amendments, the entity should also apply the 2022 Amendments for that period.

As at 31 December 2022, the Group’s right to defer settlement for borrowings and bonds payable of RMB2,022,345,000 are subject to compliance with certain financial ratios within 12 months from the reporting date. Such borrowings were classified as non-current as the Group met such ratios at 31 December 2022. Upon the application of the 2022 Amendments, such borrowings will still be classified as non-current as the covenants which the Group is required to comply with only after the reporting period do not affect whether that right exists at the end of the reporting date and such borrowing will still be classified as non-current.

Except as described above, the application of the 2020 and 2022 Amendments will not affect the classification of the Group’s other liabilities as at 31 December 2022.

2. 應用香港財務報告準則（「香港財務報告準則」）修訂本（續）

香港會計準則第1號（修訂本）二零二零年修訂本及二零二二年修訂本（續）

二零二二年修訂本亦將應用二零二零年修訂本的生效日期推遲到二零二四年一月一日或之後開始的年度報告期間。二零二二年修訂本連同二零二零年修訂本於二零二四年一月一日或之後開始的年度報告期間生效，並允許提早應用。倘實體在頒佈二零二二年修訂本後的早期應用二零二零年修訂本，該實體亦應在該期間應用二零二二年修訂本。

於二零二二年十二月三十一日，本集團遞延結算借款及應付債券人民幣2,022,345,000元的權利受限於遵守自報告日期起計十二個月內的若干財務比率。由於本集團於二零二二年十二月三十一日達到該比率，該等借款分類為非流動。於應用二零二二年修訂本後，該等借款仍將分類為非流動，原因為本集團僅須於報告期後遵守的契諾並不影響該權利於報告期末是否存在，且該借款仍將分類為非流動。

除上文所述者外，應用二零二零年及二零二二年修訂本將不會影響本集團於二零二二年十二月三十一日的其他負債分類。

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3. MERGER ACCOUNTING AND RESTATEMENTS

The Group accounts for all its business combinations involving entities under common control using the principles of merger accounting.

(a) Merger accounting in the year ended 31 December 2022

In the current year, the Company acquired 100% interests in Weihai Weigao Medical Materials Co., Ltd. (“Weigao Medical Materials”) from Weigao Holding with a total cash consideration of RMB288,000,000 (the “Acquisition”). The Company acquired control over Weigao Medical Materials on 9 September 2022.

Weigao Medical Materials is engaged in the research and development, manufacturing and sales of infection protection products, disposable interventional surgery auxiliary kits, disposable sterile surgical kits and disease control protection products.

Weigao Medical Materials was established on 13 March 2002, which was held by Weigao Holding, and thereby the Group and Weigao Medical Materials came under common control of Weigao Holding. Since Weigao Medical Materials and the Group has been under common control by Weigao Holding before and after the acquisition, the Group has applied the principles of merger accounting with reference to Accounting Guideline 5 Merger Accounting for Common Control Combinations to the Acquisition issued by the HKICPA as if the common control combination had been effected since the establishment of Weigao Medical Materials.

3. 合併會計與重列

本集團對其所有涉及共同控制下實體之業務合併，均採用合併會計法原則入賬。

(a) 截至二零二二年十二月三十一日止年度之合併會計

於本年度，本公司以總現金代價人民幣288,000,000元向威高集團公司收購威海威高醫用材料有限公司（「威高醫用材料」）的100%股權（「收購事項」）。本公司於二零二二年九月九日取得對威高醫用材料的控制權。

威高醫用材料從事感染防護產品、一次性使用介入手術輔助包、一次性使用無菌手術包及疾控防護產品的研發、製造及銷售。

威高醫用材料於二零零二年三月十三日成立，由威高集團公司持有，因此本集團與威高醫用材料受威高集團公司共同控制。由於威高醫用材料及本集團於收購前後一直受威高集團公司共同控制，故本集團已就收購事項應用合併會計準則並參考香港會計師公會頒佈的會計指引第5號共同控制下業務合併的合併會計處理，猶如共同制下的業務合併已自威高醫用材料成立起生效。

3. MERGER ACCOUNTING AND RESTATEMENTS (continued)**(a) Merger accounting in the year ended 31 December 2022** (continued)

The consolidated statement of financial position of the Group as at 31 December 2021 have been restated to include the assets and liabilities of Weigao Medical Materials as if they were within the Group since 13 March 2002. The consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows for the year ended 31 December 2021 have also been restated to include the results and the cash flows of Weigao Medical Materials.

The effects of the application of merger accounting on the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2021 are as follows. Line items that were not affected by the changes have not been included.

3. 合併會計與重列 (續)**(a) 截至二零二二年十二月三十一日止年度之合併會計** (續)

本集團於二零二一年十二月三十一日的綜合財務狀況表已重列，以包括威高醫用材料的資產及負債，猶如該等資產及負債自二零零二年三月十三日起已在本集團內。截至二零二一年十二月三十一日止年度的綜合損益及其他全面收入報表及綜合現金流量報表亦已重列，以包括自威高醫用材料的業績及現金流量。

採用合併會計法對截至二零二一年十二月三十一日止年度之綜合損益及其他全面收入報表之影響如下。未受變動影響的項目並未列入。

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. MERGER ACCOUNTING AND RESTATEMENTS (continued)

(a) Merger accounting in the year ended 31 December 2022 (continued)

		The year ended 31 December 2021 as previously reported RMB'000 截至 二零二一年 十二月三十一日 止年度 (如先前呈報) 人民幣千元	Adjustments RMB'000 調整 人民幣千元	The year ended 31 December 2021 as restated RMB'000 截至 二零二一年 十二月三十一日 止年度 (經重列) 人民幣千元
Revenue	收入	13,151,719	57,223	13,208,942
Cost of sales	銷售成本	(5,882,315)	26,266	(5,856,049)
Gross profit	毛利	7,269,404	83,489	7,352,893
Other income, gains and losses	其他收入、收益及虧損	(64,157)	2,795	(61,362)
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模型下之減值虧損 (扣除撥回)	(26,982)	1,241	(25,741)
Selling expense	銷售開支	(2,661,695)	(33,370)	(2,695,065)
Administrative expenses	行政開支	(1,111,777)	(7,039)	(1,118,816)
Research and development expenses	研發開支	(492,133)	(10,947)	(503,080)
Finance costs	融資成本	(140,396)	(45)	(140,441)
Profit before tax	除稅前溢利	2,841,721	36,124	2,877,845
Income tax expense	所得稅開支	(415,093)	(4,973)	(420,066)
Profit for the year	年內溢利	2,426,628	31,151	2,457,779
Total comprehensive income for the year	年內全面收入總額	2,345,146	31,151	2,376,297
Profit for the year attributable to: Owners of the Company	下列各項應佔年內溢利： 本公司擁有人	2,244,778	31,151	2,275,929
Total comprehensive income for the year attributable to: Owners of the Company	下列各項應佔年內全面收入總額： 本公司擁有人	2,174,977	31,151	2,206,128

The basic earnings per share during the year ended 31 December 2021 changed from RMB0.50 per share to RMB0.51 per share due to the application of merger accounting.

(a) 截至二零二二年十二月三十一日止年度之合併會計 (續)

由於採用合併會計法，截至二零二一年十二月三十一日止年度的每股基本盈利自每股人民幣0.50元變為每股人民幣0.51元。

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3. MERGER ACCOUNTING AND RESTATEMENTS (continued)

3. 合併會計與重列 (續)

(a) Merger accounting in the year ended 31 December 2022 (continued)

(a) 截至二零二二年十二月三十一日止年度之合併會計 (續)

The effects of the application of merger accounting on the consolidated statement of financial position as at 31 December 2021 are summarised below. Line items that were not affected by the changes have not been included.

採用合併會計法對於二零二一年十二月三十一日之綜合財務狀況表之影響概列如下。未受變動影響的項目並未列入。

		As at 31 December 2021 as previously reported RMB'000 於二零二一年 十二月三十一日 (如先前呈報) 人民幣千元	Adjustments RMB'000 調整 人民幣千元	As at 31 December 2021 as restated RMB'000 於二零二一年 十二月三十一日 (經重列) 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	5,719,370	62,857	5,782,227
Interests in associates	於聯營企業的權益	1,138,901	790	1,139,691
Deferred tax assets	遞延稅項資產	156,462	580	157,042
Total Non-current assets	非流動資產總額	14,253,712	64,227	14,317,939
Current assets	流動資產			
Inventories	存貨	1,734,557	47,178	1,781,735
Trade and other receivables	應收貿易賬款及其他應收款項	6,045,579	24,628	6,070,207
Debt instruments at fair value through other comprehensive income	按公平值計入其他全面收入計量之債務工具	419,752	5,564	425,316
Cash and cash equivalents	現金及現金等價物	6,628,927	69,102	6,698,029
Total Current assets	流動資產總額	16,113,346	146,472	16,259,818
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他應付款項	3,952,044	57,565	4,009,609
Contract liabilities	合約負債	310,866	6,159	317,025
Tax payable	應付稅項	149,633	1,037	150,670
Total Current liabilities	流動負債總額	5,112,975	64,761	5,177,736
Net Current Assets	流動資產淨額	11,000,371	81,711	11,082,082
Total Assets less Current Liabilities	總資產減流動負債	25,254,083	145,938	25,400,021
Capital and reserves	資本及儲備			
Reserve	儲備	18,810,028	139,555	18,949,583
Equity attributable to owners of the Company	本公司擁有人應佔權益	19,267,091	139,555	19,406,646
Non-Current liabilities	非流動負債			
Deferred income	遞延收入	84,765	6,383	91,148
Total Non-Current liabilities	非流動負債總額	4,346,633	6,383	4,353,016

3. MERGER ACCOUNTING AND RESTATEMENTS (continued)

(b) Merger accounting in the year ended 31 December 2021

During the year ended 31 December 2021, Shandong Weigao Blood Technology, the subsidiary of the Company acquired 100% interests in Wego Healthcare Fund Holding Corporation (“Wego Healthcare”) from Weigao Holding with a total net cash consideration of RMB1,202,366,000. The Company acquired control over Wego Healthcare on 3 March 2021.

Wego Healthcare was incorporated in the United States on 15 November 2016, and it is an investment holding company. The principal assets of Wego Healthcare are (i) 100% interest in Rad Source Technologies, Inc (“Rad Source”); and (ii) 19.8% interest in Weihai Shangyuan Phase 1 Venture Capital Partnership (Limited Partnership) (“Weihai Shangyuan Fund”).

Rad Source is engaged in production of proprietary X-ray based irradiation machines that are used for blood irradiation, cannabis industry, small animal research and other research applications.

Through step acquisition, Weigao Holding obtained 100% interests in Wego Healthcare on 24 December 2018 with a cash consideration of RMB423,000,000. Since 24 December 2018, thereby the Group and Wego Healthcare came under common control of Weigao Holding. Since Wego Healthcare and the Group are under common control by Weigao Holding before and after the acquisition, the Group has applied the principles of merger accounting with reference to Accounting Guideline 5 Merger Accounting for Common Control Combinations to the Acquisition issued by the HKICPA as if the common control combination had been effected since 24 December 2018.

3. 合併會計與重列 (續)

(b) 截至二零二一年十二月三十一日止年度之合併會計

截至二零二一年十二月三十一日止年度，本公司附屬公司山東威高血液技術有限公司向威高集團公司收購於Wego Healthcare Fund Holding Corporation (「Wego Healthcare」) 的全部權益，總現金代價淨額為人民幣1,202,366,000元。本公司於二零二一年三月三日獲得Wego Healthcare的控制權。

Wego Healthcare於二零一六年十一月十五日於美國註冊成立並為一家投資控股公司。Wego Healthcare的主要資產為(i) Rad Source Technologies, Inc (「Rad Source」) 之全部權益；及(ii)威海尚元壹期創業投資合夥企業(有限合夥)(「威海尚元基金」)之19.8%權益。

Rad Source從事生產用於血液輻射、大麻行業、小型動物研究及其他研究設備的X射線輻照儀專利產品。

通過階段收購，威高集團公司於二零一八年十二月二十四日以現金代價人民幣423,000,000元獲得Wego Healthcare的全部權益。因此，自二零一八年十二月二十四日起，本集團及Wego Healthcare由威高集團公司共同控制。由於Wego Healthcare及本集團於收購事項前後均由威高集團公司共同控制，故本集團參考香港會計師公會發佈的會計指引第5號共同控制合併下的合併會計處理對收購事項採用合併會計原則，猶如共同控制合併自二零一八年十二月二十四日起已進行。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

4. 編製綜合財務報表基準及主要會計政策

4.1 編製綜合財務報表基準

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。就編製綜合財務報表之目的而言，當可合理預期該等資料會影響主要使用者之決策，該等資料則被視為屬重大。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例規定的適用披露。

除於各報告期末若干金融工具按公平值計量外，綜合財務報表乃以歷史成本為基礎編製，如下文載列之會計政策所詳述。

歷史成本一般以換取貨品及服務所作出代價之公平值為基準。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.1 Basis of preparation of consolidated financial statements (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 *Lease*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.1 編製綜合財務報表基準 (續)

公平值指市場參與者之間於計量日期進行的有序交易中出售一項資產所收取的價格或轉移一項負債所支付的價格，無論該價格為直接觀察得出或採用其他估值技術作出的估計。在對資產或負債的公平值作出估計時，本集團考慮了市場參與者於計量日期為該資產或負債進行定價時將會考慮的該等特徵。在該等綜合財務報表中計量及／或披露的公平值均按此基礎予以確定，惟香港財務報告準則第2號以股份為基準付款範圍內的以股份為基礎付款交易、根據香港財務報告準則第16號租賃入賬的租賃交易、以及與公平值類似但並非公平值的計量（例如，香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值）除外。

就於隨後期間按公平值及將使用不可觀察輸入數據計量公平值的估值技術交易的金融工具而言，估值技術會予以校準，以便在首次確認時使估值技術結果與交易價相等。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.1 Basis of preparation of consolidated financial statements (continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

4.2 Significant accounting policies

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.1 編製綜合財務報表基準 (續)

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，概述如下：

- 第一級輸入數據指該實體於計量日期可以取得的相同資產或負債於活躍市場的報價（未經調整）；
- 第二級輸入數據指就資產或負債直接或間接地可觀察的輸入數據（第一級內包括的報價除外）；及
- 第三級輸入數據指資產或負債的不可觀察輸入數據。

4.2 主要會計政策

綜合基準

綜合財務報表包含本公司以及本公司及其附屬公司所控制的實體的財務報表。當本公司符合以下情況，即取得控制權：

- 有權控制被投資方；
- 因其參與被投資方業務而獲得或有權獲得可變回報；及
- 有能力以其權力影響其回報。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Basis of consolidation (continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

綜合基準 (續)

倘有事實及情況顯示上述三項控制權要素有一項或多項出現變動，則本集團會重新評估其是否控制被投資方。

附屬公司於本集團取得附屬公司的控制權時開始綜合入賬，並於本集團喪失對附屬公司的控制權時終止。特別是，年內收購或出售附屬公司的收入及開支自本集團取得控制權當日起直至本集團不再控制附屬公司之日止於綜合損益及其他全面收入表列賬。

損益及各其他全面收入項目歸屬於本公司擁有人及非控股權益。附屬公司的全面收入總額會歸屬於本公司擁有人及非控股權益，即使其將導致非控股權益為赤字結餘。

本集團於必要時會對附屬公司的財務報表作出調整，以使附屬公司的會計政策與本集團的會計政策相符一致。

與本集團成員公司間交易有關的所有集團內資產及負債、權益、收入、開支及現金流量均於綜合賬目時悉數對銷。

於附屬公司之非控股權益與本集團於當中的權益分開呈列，指現時擁有之權益且賦予持有人權利於清盤時按比例分佔相關附屬公司淨資產。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Basis of consolidation (continued)

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

綜合基準 (續)

本集團於現有附屬公司的擁有權權益的變動

並無導致本集團失去附屬公司控制權的本集團於附屬公司的擁有權權益變動，乃按權益交易入賬。本集團相關權益部分(包括儲備)及非控股權益的賬面金額，乃予以調整以反映彼等於附屬公司相關權益的變動，包括按照本集團與非控股權益之權益比例，將本集團與非控股權益之間相關儲備重新歸屬。

重新分配相關權益部分後非控股權益數額的調整額與已付或已收代價公平值之間的任何差額，乃於權益直接確認，並歸本公司擁有人。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Basis of consolidation (continued)

Changes in the Group's interests in existing subsidiaries (continued)

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interest (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified that to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

綜合基準 (續)

本集團於現有附屬公司的擁有權益的變動 (續)

當本集團失去一間附屬公司之控制權時，盈虧於損益內確認，並按：(i)已收代價公平值及任何保留權益公平值總額與(ii)本公司擁有人應佔之附屬公司資產(包括商譽)及負債以及任何非控股權益之先前賬面值之差額計算。所有先前於其他全面收入確認之有關該附屬公司之款項，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬(適用香港財務報告準則之規定／許可條文重新分類至損益或轉撥至另一類權益)。於失去控制權當日在前附屬公司保留之任何投資之公平值根據香港財務報告準則第9號金融工具，在其後入賬時被列作初步確認之公平值，或(如適用)初步確認於聯營公司或共同控制實體之投資之成本。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Business combinations or asset acquisitions

Optional concentration test

The Group can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and bank balances, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

Asset acquisitions

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

業務合併或資產收購

可選集中度測試

本集團可選擇以逐項交易基準應用可選集中度測試，可對所收購之一組活動及資產是否並非一項業務作簡化評估。倘所收購總資產的公允值幾乎全部都集中在單一可識別資產或一組類似可識別資產中，則符合集中度測試。評估之總資產不包括現金及銀行結餘、遞延稅項資產、及遞延稅項負債影響產生之商譽。倘符合集中度測試，該組活動及資產被釐定為並非業務及毋須作進一步評估。

資產收購

倘本集團收購一組不構成一項業務之資產及負債，本集團通過將購買價首先按彼等各自的公平值分配至金融資產/金融負債，識別及確認個別可識別的已收購資產及承擔的負債，購買價的剩餘結餘屆時按購買日期彼等相關公平值分配至其他可識別資產及負債。該交易不會產生商譽或溢價購買收益。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Business combinations or asset acquisitions (continued)

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses, other than business combination under common control, are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

業務合併或資產收購 (續)

業務合併

業務為一組綜合活動及資產，包括一項輸入及一個實質流程，且兩者可為創造輸出的能力作出重大貢獻。倘所收購流程對持續生產產出的能力至關重要，包括擁有執行相關流程所需技能、知識或經驗的有組織員工，或對持續生產產出的能力有重大貢獻，且被視為獨特或稀缺，或在持續生產產出的能力方面沒有重大成本、努力或延遲的情況下無法被替代，則所收購流程被視為實質性。

收購業務（共同控制下的業務合併除外）以收購法入賬。於業務合併轉移之代價以公平值計量，其計算乃按於收購日期本集團轉移資產、本集團向被收購方之前擁有人所承擔之負債及本集團用以換取被收購方之控制權而發行之股本權益之公平值總和。收購相關成本一般在發生時於損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Business combinations or asset acquisitions (continued)

Business combinations (continued)

For business combinations in which the acquisition date is on or after 1 January 2022, the identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in *the Conceptual Framework for Financial Reporting 2018 issued in June 2018* (the “Conceptual Framework”) except for transactions and events within the scope of HKAS 37 or HK(IFRIC)-Int 21, in which the Group applies HKAS 37 or HK(IFRIC)-Int 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognised.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

業務合併或資產收購 (續)

業務合併 (續)

就收購日期於二零二二年一月一日或之後的業務合併而言，所收購的可識別資產及所承擔的負債必須符合二零一八年六月發佈的二零一八年財務報告概念框架（「概念框架」）內資產及負債的定義，惟香港會計準則第37號或香港（國際財務報告詮釋委員會）—詮釋第21號範圍內的交易及事件除外，於該情況下，本集團應用香港會計準則第37號或香港（國際財務報告詮釋委員會）—詮釋第21號而非概念框架以識別其於業務合併中所承擔的負債。或然資產不予確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Business combinations or asset acquisitions (continued)

Business combinations (continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits*, respectively.
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

業務合併或資產收購 (續)

業務合併 (續)

於收購日期，可識別之已收購資產及已承擔負債乃按公平值確認，惟：

- 遞延稅項資產或負債及員工福利安排之相關資產或負債分別按照香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*來確認和計量；
- 租賃負債按剩餘租賃付款（定義見香港財務報告準則第16號）的現值確認及計量，猶如收購的租賃於收購日為新租賃，惟(a)租賃期限於收購日期12個月內結束；或(b)相關資產為低價值的租賃除外。使用權資產按與相關租賃負債相同的金額確認及計量，並進行調整以反映與市場條件相比租賃的有利或不利條款。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Business combinations or asset acquisitions (continued)

Business combinations (continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

業務合併或資產收購 (續)

業務合併 (續)

商譽乃按已轉移之代價，被收購方之非控股權益金額及收購方以往持有被收購方之股本權益(如有)之公平值的總和，超出於收購日期可識別之已收購資產及已承擔負債之淨額計量。倘重新評估後，可識別之已收購資產及已承擔負債之淨額，超出已轉移之代價、被收購方之非控股權益金額及收購方以往持有被收購方之股本權益(如有)之公平值的總和時，超出之金額即時於損益中確認為議價收購收益。

屬現有擁有權益並賦予持有人可於清盤時按比例攤佔相關附屬公司之資產淨額之非控股權益，按非控股權益比例攤佔被收購方之可識別淨資產之已確認金額或按公平值作初始計量。計量基準之選擇乃按逐筆交易為基礎作出。其他類型之非控股權益，乃按公平值計量。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Merger accounting for business combination involving businesses under common control

The consolidated financial statements incorporate the financial statements items of the combining businesses in which the common control combination occurs as if they had been combined from the date when the combining businesses first came under the control of the controlling party.

The net assets of the combining businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining businesses from the earliest date presented or since the date when the combining businesses first came under the common control, where this is a shorter period.

The comparative amounts in the consolidated financial statements are presented as if the businesses had been combined at the beginning of the previous reporting period or when they first came under common control, whichever is shorter.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

涉及共同控制業務的業務合併的合併會計法

綜合財務報表包括發生共同控制合併的合併業務的財務報表項目，猶如該等合併業務自其首次受控制方控制當日起已經合併。

對於控制方而言，合併業務的資產淨值乃按現有賬面值進行合併。共同控制合併時並無就商譽或溢價收購利得確認金額。

綜合損益及其他全面收入報表包括自最早呈列日期或合併業務首次受共同控制當日（以期限較短者為準）起各合併業務的業績。

合併財務報表中的比較數額乃按猶如有關業務已於先前報告期初或首次受共同控制時（以期限較短者為準）合併的方式呈列。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's relevant cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

商譽

收購業務產生之商譽按收購業務日期的成本(見上述會計政策)減任何累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至預期可受惠於收購的協同效益的本集團之各有關現金產生單位或現金產生單位組合，而該單位或單位組合指就內部管理目的監控商譽的最低水平且不超過經營分類。

獲分配商譽的現金產生單位(或現金產生單位組合)會每年或於有跡象顯示該單位可能出現減值時更頻繁進行減值測試。就報告期內收購所產生的商譽而言，獲分配商譽的現金產生單位(或現金產生單位組合)會於該報告期末前進行減值測試。倘可收回金額低於其賬面值，則減值虧損會先分配以調減任何商譽的賬面值，其後則按該單位(或現金產生單位組合)內各項資產的賬面值的比例分配至該單位的其他資產。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Goodwill (continued)

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

The Group's policy for goodwill arising on the acquisition of an associate and joint venture is described below.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

商譽 (續)

於出售相關現金產生單位或現金產生單位組別中任何現金產生單位時，商譽的應佔金額計入釐定的出售損益金額。當本集團出售現金產生單位(或現金產生單位組別中的一個現金產生單位)內的業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金單位(或現金產生單位組別)部分的相對價值計量。

本集團有關收購聯營公司及合營企業產生的商譽的政策載於下文。

於聯營公司及合營企業的投資

聯營公司指本集團對其擁有重大影響力的實體。重大影響力是有權參與被投資方的財務及經營決策，而不是控制或共同控制該等政策。

合營企業指一項合營安排，對安排擁有共同控制權之訂約方據此對合營安排之資產淨值擁有權利。共同控制指按照合約協定對一項安排所共有之控制，共同控制僅在有關活動要求享有控制權之訂約方作出一致同意之決定時存在。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Investments in associates and joint ventures (continued)

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate or joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

於聯營公司及合營企業的投資 (續)

聯營公司及合營企業之業績、資產及負債利用權益會計法載入該等綜合財務報表內。作會計權益法用途的聯營公司及合營企業的財務報表乃按與本集團就同類交易及同類情況下事項的統一會計政策編製。根據權益法，於聯營公司或合營企業的投資乃初步於綜合財務狀況表按成本值確認，並於其後作出調整以確認本集團應佔聯營公司或合營企業的損益及其他全面收入。損益及其他全面收入除外，聯營公司或合營企業的淨資產變動不會入賬，除非該等變動導致本集團持有的所有權權益出現變動。當本集團應佔一間聯營公司或合營企業虧損超出本集團於該聯營公司或合營企業的權益時（包括任何實際上構成本集團於聯營公司或合營企業投資淨值一部分的長期權益），本集團會終止確認其應佔的進一步虧損。當本集團產生法定或推定責任或代表聯營公司或合營企業付款時，方會確認額外虧損。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Investments in associates and joint ventures (continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

於聯營公司及合營企業的投資 (續)

於被投資方成為一家聯營公司或合營企業當日，對於聯營公司或合營企業的投資採用權益法入賬。於收購一間聯營公司或合營企業的投資時，投資成本超過本集團分佔該被投資方可識別資產及負債公平淨值的任何部分乃確認為商譽，並計入投資之賬面值。本集團應佔可識別資產及負債的公平淨值超出投資成本的任何差額，於重新評估後即時於投資被收購之期間於損益確認。

本集團評估是否有客觀證據表明於聯營公司或合營企業的權益可能出現減值。如存在任何客觀證據，則將投資的全部賬面值（包括商譽）作為單一資產根據香港會計準則第36號，透過比較其可收回金額（使用價值與公平值減銷售成本之較高者）與賬面值而測試有否減值。任何確認的減值虧損並未分配予任何資產（包括商譽），屬投資賬面值之一部份。倘其後投資的可收回金額增加，則根據香港會計準則第36號確認該減值虧損的撥回。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Investments in associates and joint ventures (continued)

When the Group reduces its ownership interest in an associate or joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

於聯營公司及合營企業的投資 (續)

當本集團減少其於聯營公司或合營企業之所有者權益但本集團繼續採用權益法時，本集團將此前計入其他全面收入內與任何減少所有者權益相關之收益或虧損部份重新分類至損益（前提為此項收益或虧損於出售相關資產或負債時將重新分類至損益）。

倘集團實體與本集團聯營公司或合營企業進行交易，則與聯營公司或合營企業進行交易所產生之溢利及虧損乃按與本集團無關之於聯營公司或合營企業之權益於本集團之綜合財務報表內確認。

客戶合約收入

本集團於完成履約責任時（即當貨品或服務按特定履約責任之「控制權」轉移予客戶時）確認收入。

履約責任指個別的商品或服務（或一組商品或服務）或一系列大致相同的個別商品或服務。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Revenue from contracts with customers
(continued)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

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 HKFRS 9. 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.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

客戶合約收入 (續)

倘符合以下其中一項條件，則控制權隨時間轉移，而收入將參照完全履行相關履約責任的進展情況而隨時間確認：

- 於本集團履約時，客戶同時收取及耗用本集團履約所帶來的利益；
- 於本集團履約時，自本集團之履約產生及提升一項由客戶控制的資產；或
- 本集團之履約並無產生對本集團有替代用途的資產，且本集團可享有強制執行權利，以收回至今已履約部份的款項。

否則，收入於客戶取得明確商品或服務的控制權時確認。

合約資產指本集團就向客戶換取本集團已轉讓的商品或服務收取代價的權利（尚未成為無條件）。其根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價僅隨時間推移即成為到期支付。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Revenue from contracts with customers (continued)

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.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Variable consideration

For contracts that contain variable consideration (i.e. sales with a right of return), the Group estimates the amount of consideration to which it will be entitled using the expected value method, which better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of each reporting period and the changes in circumstances during each reporting period.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

客戶合約收入 (續)

合約負債指本集團因已自客戶收取代價(或到期的代價金額)，而須向客戶轉讓商品或服務之責任。

與相同合約有關的合約資產及合約負債按淨額入賬及呈列。

可變代價

對於包含可變代價之合約(即附帶退貨權的銷售)，本集團採用預期價值法(該方法能更好的預測本集團將享有的代價金額)估計其將有權獲得之代價金額。

可變代價之估計金額乃計入交易價內，前提是計入後有很大可能不會導致於未來(當與可變代價相關之不確定性於其後變得確定時)出現顯著收入撥回。

於各報告期末時，本集團會更新估計交易價(包括更新其就可變代價之估計是否有限度而作出之評估)，以忠實反映於各報告期末之現況及於各報告期間之情況變動。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Revenue from contracts with customers
(continued)

Sale with a right of return/exchange

For a sale of products with a right of return/exchange for dissimilar products, the Group recognises all of the following:

- (a) revenue for the transferred products in the amount of consideration to which the Group expects to be entitled (therefore, revenue would not be recognised for the products expected to be exchanged);
- (b) a contract liability; and
- (c) an asset (and corresponding adjustment to cost of sales) for its right to recover products from customers and are presented as right to returned goods asset.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

客戶合約收入 (續)

附帶退貨／換貨權的銷售

就附有退回／更換不同產品權利的產品銷售而言，本集團確認以下各項：

- (a) 按本集團預計有權收取的代價金額確認已轉讓產品的收益 (因此，將不會就預計換貨的產品確認收益)；
- (b) 合約負債；及
- (c) 就其自客戶收回產品的權利確認資產 (及對銷售成本作相應調整)，並呈列為擁有被退回產品資產的權利。

主事人與代理人

倘向客戶提供商品或服務涉及另一方，本集團會釐定其承諾性質是否為其本身提供指定商品或服務的履約責任 (即本集團為主事人)，抑或是安排另一方提供該等商品或服務 (即本集團為代理人)。

倘本集團於向客戶轉移指定商品或服務前控制該商品或服務，則為主事人。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Revenue from contracts with customers (continued)

Principal versus agent (continued)

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

客戶合約收入 (續)

主事人與代理人 (續)

倘本集團的履約責任為安排另一方提供指定商品或服務，則為代理人。在這一情況下，本集團於指定商品或服務轉讓予客戶之前，不控制由另一方提供的該商品或服務。倘本集團作為代理人行事，其所確認收入的金額為就安排另一方提供指定商品或服務作為交換應收取的任何費用或佣金。

租賃

租賃的定義

倘合約為換取代價而授予在一段期間內已識別資產的使用控制權，則該合約屬於租賃或包含租賃。

就於首次應用日期或之後訂立或修改或業務合併所致的合約而言，本集團於開始、修改日期或收購日期(倘適用)根據香港財務報告準則第16號項下的定義評估合約是否屬於租賃或包含租賃，惟倘合約條款及條件隨後有所變動，該合約將不獲重新評估。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Leases (continued)

The Group as a lessee

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of buildings and equipment that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

租賃 (續)

本集團作為承租人

短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於租期自開始日期起為12個月或以下的樓宇及設備租賃，且並不包括購買選擇權。其亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃之租賃付款於租期內按直線法確認為開支。

使用權資產

使用權資產的成本包括：

- 租賃負債初始計量的金額；
- 於開始日期或之前作出的任何租賃付款減去所收取的任何租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團拆除及移除相關資產、還原該資產所處位置或將相關資產恢復至租賃條款及條件規定的狀況將產生的預計成本。

使用權資產按成本減去任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量予以調整。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Leases (continued)

The Group as a lessee (continued)

Right-of-use assets (continued)

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

使用權資產 (續)

本集團合理確定於租賃期結束時將取得相關已租賃資產所有權的使用權資產自開始日期起至可使用年期結束止予以折舊。否則，使用權資產於其估計可使用年期及租賃期（以較短者為準）按直線法折舊。

本集團將使用權資產於綜合財務狀況表內單獨呈列。

可退還租賃按金

已付可退還的租賃按金按香港財務報告準則第9號入賬，並初步按公平值計量。初始確認時對公平值的調整被視為額外租賃付款並包含於使用權資產之成本中。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Leases (continued)

The Group as a lessee (continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

租賃負債

於租賃開始日期，本集團按當日未支付的租賃付款的現值確認及計量租賃負債。在計算租賃付款的現值時，倘租賃中隱含的利率不易釐定，則本集團使用在租賃開始日期的增量借款利率。

租賃付款包括：

- 固定付款（包括實質固定付款）減任何應收租賃優惠；
- 剩餘價值擔保下本集團預期應付的金額；
- 倘本集團合理確定將行使購買選擇權的行權價。

於開始日期後，租賃負債按利息累增及租賃付款調整。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Leases (continued)

The Group as a lessee (continued)

Lease liabilities (continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

租賃負債 (續)

倘出現以下情況，本集團重新計量租賃負債（並對相關使用權資產作出相應調整）：

- 租賃期變動或行使購買權的評估變動，在各情況下，相關租賃負債透過於重新評估當日使用經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因進行市場租金調查後市場租金變動而出現變動，在此情況下，相關租賃負債透過使用初始貼現率貼現經修訂租賃付款而重新計量。

本集團在綜合財務狀況表中將租賃負債作為單獨的項目呈列。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Leases (continued)

The Group as a lessee (continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

租賃修改

倘出現以下情況，本集團將租賃修改按單獨租賃入賬：

- 修改透過增加一項或多項相關資產的使用權而擴大租賃範圍；及
- 租賃代價增加的金額為與範圍擴大相稱之獨立價格金額及反映特定合約情況而對獨立價格作出的任何適當調整。

就不按單獨租賃入賬的租賃修改而言，本集團透過於修改生效日期使用經修訂貼現率貼現經修訂租賃付款，根據經修訂租賃的租賃期，重新計量經修訂租賃。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Leases (continued)

The Group as lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at commencement date at amounts equal to net investments in the leases, measured using the interest rate implicit in the respective leases. Initial direct costs are included in the initial measurement of the net investments in the leases. Interest income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

租賃 (續)

本集團作為出租人

租賃之分類及計量

本集團為出租人之租賃乃分類為融資或經營租賃。當租賃條款將相關資產擁有權附帶的絕大部分風險及回報轉移至承租人時，該合約乃分類為融資租賃。所有其他租賃乃分類為經營租賃。

根據融資租賃應收承租人的款項於開始日期確認為應收款項，其金額等於租賃淨投資，並使用各個租賃中隱含的利率計量。初始直接成本包括在租賃淨投資的初始計量中。利息收入被分配至會計期間，以反映本集團有關租賃的未償還淨投資的固定定期收益率。

經營租約的租金收入以直線法按有關租約年期於損益中確認。於磋商及安排經營租約時引致的初步直接成本乃加至租賃資產的賬面值，及相關成本按租約年期以直線法確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Leases (continued)

The Group as lessor (continued)

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Sale and leaseback transactions

The Group applies the requirements of HKFRS 15 to assess whether sale and leaseback transaction constitutes a sale by the Group.

The Group as a buyer-lessor

For a transfer of asset that does not satisfy the requirements of HKFRS 15 to be accounted for as a sale of asset, the Group as a buyer-lessor does not recognise the transferred asset and recognises a loan receivable equal to the transfer proceeds within the scope of HKFRS 9.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

租賃 (續)

本集團作為出租人 (續)

可退還租賃按金

已收到的可退還租賃按金根據香港財務報告準則第9號進行核算，並初始按公平值計量。初始確認時的公平值調整視為承租人的額外租賃付款額。

售後租回交易

本集團將按香港財務報告準則第15號的規定評估售後租回交易是否構成本集團的銷售。

本集團作為買方出租人

就不符合香港財務報告準則第15號入賬作資產出售規定的資產轉讓，本集團作為買家—出租人不會確認獲轉讓資產，而確認相等於香港財務報告準則第9號範圍內轉讓所得款項的應收貸款。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests in associates and joint ventures.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rate prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

外幣

在編製各個別集團實體的財務報表時，以實體功能貨幣以外貨幣(外幣)進行的交易按交易日通用的匯率記錄。於報告期末，以外幣列值的貨幣項目以該日通用的匯率重新換算。以外幣歷史成本計算的非貨幣項目不會重新換算。

結算及重新換算貨幣項目時產生的匯兌差額會於產生期間在損益確認，惟應收或應付海外業務的貨幣項目的匯兌差額除外，就此，有關結算未納入計劃中亦無可能產生(因此形成海外業務投資淨額部分)，且就出售或部份出售本集團於聯營公司及合營企業權益而初步於其他全面收入中確認並自權益中重新分類至損益。

為呈報綜合財務報表，本集團海外業務的資產及負債乃按報告期末的通用匯率換算為本集團的呈列貨幣(即人民幣)，而其收支按年內平均匯率換算。所產生的匯兌差額(如有)會在其他全面收入確認並於權益內的匯兌儲備項下累計(倘適用，則歸屬於非控股權益)。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Foreign currencies (continued)

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associate that does not result in the Group losing significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired and liabilities assumed arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

外幣 (續)

此外，倘部分出售附屬公司並不會導致本集團失去對該附屬公司之控制權，按比例所佔累計匯兌差額乃重新歸於非控股權益，且不會於損益確認。就所有其他部分出售（即並不導致本集團失去重大影響力之聯營公司部分出售）而言，按比例所佔之累計匯兌差額乃重新分類至損益。

收購境外業務及承擔負債產生的可辨認資產商譽及公平值調整均視為該境外業務的資產及負債，按各報告期末的現行匯率換算。所產生的匯兌差額於其他全面收入確認。

借貸成本

收購、建造或生產合資格資產所直接產生的借貸成本乃撥充該等資產的成本，直至有關資產大致上可作擬定用途或銷售為止，而合資格資產為需較長時間預備以用於擬定用途或銷售的資產。

於相關資產準備用於其釐定用途或出售後仍未償還的任何特定借款計入一般借款池，以計算一般借款的資本化比率。特定借貸於撥作合資格資產的支出前用作臨時投資所賺取的投資收入，會從可撥充資本的借貸成本中扣除。

所有其他借貸成本於其產生年度在損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

Retirement benefit costs

Payments to defined contribution retirement benefit plans and state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

政府補助

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方會予以確認。

政府補助按系統化基準於本集團將由補助擬補償的相關成本確認為開支的各期間在損益內確認。具體而言，主要條件為本集團應購買、興建或以其他方式收購非流動資產的政府補助乃於綜合財務狀況表確認為遞延收入並且在有關資產的可使用年期內有系統及合理地轉移至損益內。

用作補償本集團已產生支出或虧損或旨在為本集團提供即時財務資助(而無未來相關成本)之應收的收入有關政府補助，乃於應收期間於損益內確認。有關補助呈列於「其他收入」。

退休福利成本

向定額供款退休福利計劃、國家管理退休金計劃付款均在僱員提供服務可獲供款時確認為開支。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

Share-based payments

Equity-settled share-based payment transactions

Shares/Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration of all non-market vesting considerations is expensed on a straight-line basis over the vesting period based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of the reporting period, the Group revises its estimates of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting condition. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share-based payments reserve.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

短期僱員福利

短期僱員福利按僱員提供福利時預期將支付的福利未貼現金額確認。所有短期僱員福利確認為開支，除非其他香港財務報告準則要求或准許將福利納入資產的成本。

以股份為基礎付款

以股權結算之股份基礎付款交易

授予僱員之股份/購股權計劃

向僱員及提供類似服務之其他人士作出之以股權結算之股份基礎付款乃按股本工具於授出日期之公平值計量。

不計及所有非市場歸屬代價，以股權結算之股份基礎付款於授出日期釐定之公平值乃於歸屬期內按直線法根據本集團將最終歸屬的股本工具的估計支銷，並相應增加權益（股份付款儲備）。於報告期末，本集團根據對所有相關非市場歸屬條件的評估修訂其對預期歸屬的股本工具數目的估計。修訂原先估計的影響（如有）於損益內確認，因此，累計開支反映經修訂估計，並對以股份為基礎付款儲備作相應調整。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Share-based payments (continued)

Equity-settled share-based payment transactions (continued)

Shares/Share options granted to employees (continued)

When the award shares/share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to other reserve. When the award shares/share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to retained profits.

When shares granted are vested, the amount previously recognised in share-based payments reserve will be transferred to other reserve.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

以股份為基礎付款 (續)

以股權結算之股份基礎付款 交易 (續)

授予僱員之股份/購股權計劃 (續)

倘獎勵股份／購股權獲行使，先前於股份付款儲備內確認之金額將轉撥至其他儲備。倘獎勵股份／購股權於歸屬日期後或直至到期日仍未獲行使而獲沒收，先前於股份付款儲備內確認之金額將轉撥至保留溢利。

倘授出的股份獲歸屬，先前於股份付款儲備內確認之金額將轉撥至其他儲備。

稅項

所得稅開支指現時應付的稅項及遞延稅項總和。

現時應付的稅項以年內的應納稅溢利為基礎。由於於其他年度應納稅或可扣稅的收支及不應納稅或不可扣稅的項目，應納稅溢利有別於除稅前溢利。本集團目前的稅務責任乃採用報告期末已製定或大致上已製定的稅率計算。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Taxation (continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

稅項 (續)

遞延稅項就綜合財務報表內資產及負債的賬面值與用以計算應納稅溢利的相關稅基的暫時差額而確認。遞延稅項負債一般就所有應納稅暫時差額確認。倘有應納稅溢利將可用以抵銷可動用可扣稅暫時差額，遞延稅項資產一般就所有可扣稅暫時差額確認。倘暫時差額來自一項不會影響應納稅溢利或會計溢利的交易的其他資產及負債的初步確認（業務合併除外），則該等資產及負債不會予以確認。此外，倘初步確認商譽產生暫時差額，則遞延稅項發債予以確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and an associate and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

稅項 (續)

遞延稅項負債乃按因於附屬公司及聯營公司之投資及於合營企業的權益而產生的應課稅暫時差額而確認，惟若本集團可令暫時差額撥回及暫時差額有可能未必於可見將來撥回之情況除外。與該等投資及權益相關的可扣稅暫時差額所產生的遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差額的益處且預計於可見將來可以撥回時確認。

於各報告期末審閱遞延稅項資產的賬面值，及倘應納稅溢利不再足夠收回全部或部分資產，即減少遞延稅項資產的賬面值。

遞延稅項資產及負債乃根據於報告期末已實施或大致上已實施的稅率(及稅法)，按預期於負債清償或資產變現期間適用的稅率計算。

遞延稅項負債與資產的計算，反映按照本集團於報告期末時預期收回或清償資產及負債賬面值的方式所產生稅務結果。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Taxation (continued)

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

稅項 (續)

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就租賃交易（其減稅歸屬於租賃負債）而言，本集團對租賃交易整體應用香港會計準則第12號所得稅之規定。使用權資產與租賃負債之臨時差額以淨額估算。由於使用權資產折舊超過租賃負債主要部分之租金，而導致可扣除臨時淨差額。

當有法定可執行權利將當期稅項資產抵銷當期稅項負債時，以及當它們與同一稅務機關對同一應課稅實體徵收的所得稅有關時，遞延所得稅資產和負債均予以抵銷。

即期及遞延稅項於損益內確認，惟倘即期及遞延稅項涉及於其他全面收入或直接在權益確認項目，則即期及遞延稅項亦會分別於其他全面收入或直接於權益內確認。倘因業務合併之初步會計方法而產生即期或遞延稅項，有關稅務影響會計入業務合併之會計方法內。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Freehold land is stated at cost less any recognised impairment loss. Freehold land is not depreciated.

Surgical instruments produced by the Group that are dedicated for use with the Group's orthopaedic implant products commence depreciation upon they are provided to the distributors that in the location for their intended use.

Buildings in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備為持有用於生產或供應貨物或服務的有形資產，或用於行政用途之樓宇（不包括下文所述的在建物業），物業、廠房及設備乃按照成本減其後累計折舊及其後累計減值虧損（如有）於綜合財務狀況表列賬。

自由保有土地按成本減任何已確認減值虧損列賬。自由保有土地未折舊。

本集團所生產專門配合本集團的骨科植入物產品使用的手術工具將於提供予所在地的分銷商作其擬定用途時開始計提折舊。

在建以作生產、供應及行政用途的樓宇按成本減任何已確認減值虧損列賬。成本包括使資產達到能夠按照管理層擬定的方式開展經營所必要的位置及條件而直接產生的任何成本（包括測試相關資產是否正常運作的成本），及就合資格資產而言，根據本集團會計政策資本化的借款成本。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Property, plant and equipment (continued)

Ownership interests in leasehold land and building

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is presented as “right-of-use assets” in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

物業、廠房及設備 (續)

於租賃土地及樓宇的擁有權權益

當本集團就於物業的擁有權權益(包括租賃土地及樓宇成分)付款時,全部代價於租賃土地及樓宇成分之間按初始確認時的相對公平值的比例分配。

於相關付款能夠可靠分配的情況下,租賃土地的權益於綜合財務狀況表內呈列為「使用權資產」。當代價無法在相關租賃土地的非租賃樓宇成分及未分割權益之間可靠分配時,整項物業分類為物業、廠房及設備。

折舊乃確認以撇銷按直線法在其估計可使用年期內的資產(自由土地及在建資產除外)成本減其剩餘價值。估計可使用年期、殘值和折舊方法會在每個報告期末覆核,並採用未來適用法對任何估計變更的影響進行核算。

物業、廠房及設備項目於出售或預期日後繼續使用資產時不再產生經濟利益時終止確認。處置或報廢物業、廠房及設備項目所產生的損益釐定為資產的銷售所得款項與賬面值的差額並於損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Transfers

Transfers to, or from, investment property when, and only when, there is a change in use, evidenced by end of owner-occupation, for a transfer from owner-occupied property to investment property; or commencement of owner-occupation, for a transfer from investment property to owner-occupied property.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

投資物業

投資物業指持作賺取租金及／或作資本增值的物業。

投資物業初步乃以成本(包括任何直接應佔開支)計值。初步確認後,投資物業乃按成本減其後累計折舊及任何累計減值虧損計值。確認折舊以便於經考慮投資物業的估計剩餘價值後採用直線法按估計使用年限撇銷其成本。

當投資物業出售或永久停止使用及預計不會從出售該項物業中獲得未來經濟收益時,即取消確認該項投資物業。取消確認某項物業所產生的任何收益或虧損(按出售所得款項淨額與該資產的賬面值兩者之差額計算),於取消確認物業的期間於損益表中確認。

轉移

當且僅當存在業主佔用結束而自業主佔用物業轉至投資物業;或開始業主佔用而自投資物業轉至業主佔用物業證明用途改變時,才可轉入或轉出投資物業。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

無形資產

獨立收購的無形資產

個別收購且具備有限可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損入賬。攤銷於其估計可使用年期內按直線基準確認。估計可使用年期及攤銷法於各報告期末檢討，而估計之任何變動影響按未來適用法予以入賬。

內部產生無形資產—研發開支

研究活動的支出在其產生的期間內列為一項開支。

當且僅當以下所有各項得到證明時，開發活動（或內部項目的開發階段）引致的內部產生的無形資產方予以確認：

- 在技術上可完成該無形資產以使其能使用或出售；
- 有完成該無形資產並使用或出售的意圖；
- 有能力使用或出售該無形資產；

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Intangible assets (continued)

Internally-generated intangible assets – research and development expenditure (continued)

- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

無形資產 (續)

內部產生無形資產－研發開支 (續)

- 該無形資產如何產生潛在未來經濟利益；
- 具有足夠技術、財務及其他資源，以完成該無形資產的開發，並使用或出售該無形資產；及
- 歸屬於該無形資產開發階段的支出能可靠計量。

內部產生的無形資產的初步確認金額是自無形資產首次滿足上述確認條件的日期後所產生支出的總額。如果不能確認內部產生的無形資產，則開發支出應於其產生期間於損益中確認。

在初步確認後，內部產生的無形資產採用與獨立收購的無形資產相同的基準，按成本減累計攤銷及累計減值虧損（如有）呈報。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Intangible assets (continued)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

無形資產 (續)

於業務合併中收購的無形資產

於業務合併中收購的無形資產乃以獨立於商譽的方式確認，並於收購日期初步按公平值(被視為其成本)確認。

於初步確認後，於業務合併中收購且具備有限可使用年期的無形資產按成本減累計攤銷及累計減值虧損根據與獨立收購無形資產的相同基準呈報。

取消確認無形資產

無形資產於出售或當預期使用或出售時不會帶來未來經濟利益時取消確認。終止確認無形資產所產生的收益或虧損乃以出售所得款項淨額與該項資產賬面值之間的差額計量，並於該項資產終止確認時於損益表中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Impairment on property, plant and equipment, right-of-use assets, and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, intangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, (if any).

The recoverable amount of property, plant and equipment, right-of-use assets, and intangible assets are estimated individually, when it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

除商譽外之物業、廠房及設備、使用權資產及無形資產減值

於報告期末，本集團審閱其有限使用年期之物業、廠房及設備、使用權資產及無形資產之賬面值，以確定是否有任何跡象顯示該等資產出現減值虧損。倘有任何該等跡象存在，將估計相關資產之可收回金額以釐定其減值虧損 (如有)。

物業、廠房及設備、使用權資產及無形資產的可回收金額單獨估計，倘不能估計個別資產之可收回金額時，本集團則估計該資產所屬之現金產生單位之可收回金額。

此外，本集團對是否有跡象顯示公司資產可能出現減值進行評估。倘存在有關跡象，於可識別合理及一致的分配基準時，公司資產亦會分配至個別現金產生單位，否則會被分配至最小之現金產生單位組合 (就其可制定合理及一致的分配基準時)。

可收回金額為公平值減出售成本及使用價值之較高者。評估使用價值時，乃使用能反映現行市場所評估金錢之時間價值之稅前貼現率貼現至其現在價值，而該資產 (或現金產生單位) 之預計未來現金流量則未有調整相關風險。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Impairment on property, plant and equipment, right-of-use assets, and intangible assets other than goodwill (continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

除商譽外之物業、廠房及設備、使用權資產及無形資產減值 (續)

倘一項資產(或現金產生單位)之估計可收回金額低於其賬面值,則該資產(或現金產生單位)之賬面值將調低至其可收回金額。就未能按合理一致的基準分配至現金產生單位的企業資產或部分企業資產,本集團會比較一個組別的現金產生單位賬面值(包括已分配至該組現金產生單位的企業資產或部分企業資產的賬面值)與該組現金產生單位的可收回金額。於分配減值虧損時,首先分配減值虧損以減少任何商譽的賬面值(如適用),然後按比例根據該單位或本集團現金產生單位各資產的賬面值分配至其他資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零之中的最高值。已另行分配至資產之減值虧損數額按比例分配至該單位其他資產。減值虧損會即時於損益確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Impairment on property, plant and equipment, right-of-use assets, and intangible assets other than goodwill (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or A group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or the group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

除商譽外之物業、廠房及設備、使用權資產及無形資產減值 (續)

倘減值虧損其後撥回，該項資產（或現金產生單位或本集團現金產生單位）之賬面值將增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超過倘若該資產（或現金產生單位或本集團現金產生單位）於過往年度並無確認減值虧損所釐定之賬面值。減值虧損撥回隨即於損益內確認。

現金及現金等價物

現金及現金等價物於綜合財務狀況表呈列，包括：

- (a) 現金，其包括手頭現金及活期存款，不包括受監管限制而導致有關結餘不再符合現金定義的銀行結餘；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Cash and cash equivalents (continued)

- (b) cash equivalents, which comprise of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

現金及現金等價物 (續)

- (b) 現金等價物，其包括短期（通常原到期日為三個月或更短）、可隨時轉換為確切數額現金且價值變動風險不大的高流動性投資。現金等價物持作滿足短期現金承擔，而非用於投資或其他目的。

就綜合現金流量表而言，現金及現金等價物包括上文定義的現金及現金等價物。

存貨

存貨按成本與可變現淨值兩者中較低者列賬。存貨成本按加權平均法釐定。可變現淨值指存貨估計售價減所有估計完成成本及就進行銷售而言屬必要的成本。進行銷售的必要成本包括銷售直接應佔的增量成本及為進行銷售本集團須產生的非增量成本。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for the expected cost of assurance-type warranty obligations under the relevant contracts with customers for sales of products are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

撥備

當本集團因某一已發生事件而承擔現時責任(法定或推定)，而本集團很可能須履行該責任，且責任金額能可靠地估計時，便會確認撥備。

確認為撥備的金額為於報告期末履行現時責任所需代價的最佳估計，當中計及與責任有關的風險及不明朗因素。當撥備使用履行現時責任所需估計現金流量計量時，其賬面值為該等現金流量的現值(倘金錢時間價值的影響屬重大)。

倘結算撥備所需的部分或全部經濟利益預計可自第三方收回，且幾乎肯定能收回償付金額及應收款項能可靠計量，則應收款項確認為資產。

為進行產品銷售的有關客戶合約項下的保證類型擔保責任的預計成本撥備於有關產品銷售日期，按董事履行本集團責任所需開支的最佳估計確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because the amount of the obligation cannot be measured with sufficient reliability.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated financial statements.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

或有負債

或有負債為過往事件產生的現時責任，惟由於責任之金額不能充分可靠的計量而未進行確認。

倘本集團共同或個別地對一項責任負責，則預計將由另一訂約方履行的一部分責任將視作或有負債及不會於綜合財務報表確認。

本集團持續評估或有負債以釐定帶有經濟利益的資源流出是否已成為可能。倘若其可能需要就一項先前作為或有負債處理之項目付出未來經濟利益，則於可能出現變動之報告期間之綜合財務報表內確認撥備，惟在不能作出可靠估計的極少數情況下則除外。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具

金融資產及金融負債乃於某集團實體成為工具合約條文的訂約方時確認。金融資產的所有日常買賣乃按交易日基準確認及終止確認。常規方式買賣乃指遵循一般法規或市場慣例在設定的時限內交付資產的金融資產買賣。

金融資產及金融負債初步按公平值計量，根據香港財務報告準則第15號初始計量的來自客戶合約的應收貿易賬款除外。收購或發行金融資產及金融負債（按公平值計入損益（「按公平值計入損益」）計量的金融資產或金融負債除外）直接應佔的交易成本乃於初步確認時，計入金融資產或金融負債的公平值內或自當中扣除（如適用）。收購按公平值計入損益計量的金融資產或金融負債直接產生的交易成本即時於損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest/dividend income which are derived from the Group's ordinary course of business are presented as other income.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

實際利率法是計算金融資產或金融負債攤銷成本及按有關期間分配利息收入及利息開支的方法。實際利率是將估計日後現金收入及付款(包括所付或所收屬於實際利率組成部分的一切費用及代價、交易成本及其他溢價或折扣)按金融資產或金融負債的預期年期或(如適用)較短期間準確貼現至初步確認時賬面淨值的利率。

本集團日常業務產生的利息／股息收入列示為其他收入。

金融資產

金融資產的分類及後續計量

符合下列條件的金融資產其後按攤銷成本計量：

- 金融資產乃按旨在收取合約現金流量的業務模式持有；及
- 合約條款於指定日期產生純粹為支付未償還本金及利息的現金流量。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及後續計量 (續)

符合下列條件的金融資產其後按公平值計入其他全面收入計量(「按公平值計入其他全面收入計量」):

- 金融資產乃按旨在同時出售及收取合約現金流量的金融資產的業務模式持有；及
- 合約條款於指定日期產生純粹為支付未償還本金及利息的現金流量。

所有其他金融資產其後按公平值計入損益計量。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及後續計量 (續)

(i) 攤銷成本及利息收入

其後按攤銷成本及債務工具計量的金融資產及其後按公平值計入其他全面收入計量的應收款項的利息收入乃使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外（見下文）。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(ii) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method are recognised in profit or loss. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts of these debt instruments. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及後續計量 (續)

(ii) 分類為按公平值計入其他全面收入計量之債務工具

由於按實際利率法計算的利息收入而分類為按公平值計入其他全面收入計量之債務工具的賬面值的後續變動在損益中確認。該等債務工具賬面值的的所有其他變動均於其他全面收入中確認，並於儲備項下累計。減值準備於損益中確認，並在不減少該等債務工具賬面值的的情況下對其他全面收入作出相應調整。當終止確認該等債務工具時，先前於其他全面收入確認的累計收益或虧損將重新分類至損益。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other income, gains and losses” line item.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及後續計量 (續)

(iii) 按公平值計入損益計量之金融資產

金融資產如不符合按攤銷成本計量或按公平值計入其他全面收入計量的計量標準，則按公平值計入損益計量。

於各報告期末，按公平值計入損益計量之金融資產按公平值計量，而任何公平值收益或虧損於損益中確認。於損益中確認的收益或虧損淨額包括就金融資產所賺取的任何股息或利息，並計入「其他收入、收益及虧損」項目內。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including trade and other receivables, loan receivables and debt instruments at FVTOCI, pledged bank deposits, bank balances and cash), and other items (finance lease receivables and financial guarantee contracts) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值

本集團根據預期信貸虧損(「預期信貸虧損」)模式對根據香港財務報告準則第9號進行減值評估的金融資產(包括應收貿易賬款及其他應收款項、應收貸款及按公平值計入其他全面收入計量之債務工具、已抵押銀行存款以及銀行結餘及現金)及其他項目(應收融資租賃款項及金融擔保合約)進行減值評估。預期信貸虧損的金額於各呈報日期更新，以反映自首次確認起的信貸風險變動。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables and lease receivables. The ECL for these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

整個週期的預期信貸虧損指相關工具於預計年期內所有可能的違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指於呈報日期後12個月內可能發生的違約事件預計產生的該部分整個週期的預期信貸虧損。評估乃根據本集團過往信貸虧損經驗為基礎，並就債務人特定因素、整體經濟環境及報告日期當前及未來情況預測的評估作出調整。

本集團一直就應收貿易賬款及應收租賃款項確認整個週期的預期信貸虧損。對債務人具有重大結餘的該等資產的預期信貸虧損單獨進行評估及／或一併使用合適組別的撥備矩陣進行評估。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

對於所有其他工具，本集團按12個月預期信貸虧損的相同金額計量該財務工具的損失撥備，除非當自首次確認以來信貸風險顯著上升，在此情況下，本集團確認整個週期的預期信貸虧損。評估整個週期的預期信貸虧損是否應確認乃基於自首次確認以來發生違約的可能性或風險顯著上升。

(i) 信貸風險顯著上升

於評估信貸風險是否自初始確認以來顯著上升時，本集團會將金融工具於呈報日期發生違約的風險與金融工具於初始確認日期發生違約的風險進行比較。作出評估時，本集團會考慮合理及具支持性的定量及定性資料，包括過往經驗及可以合理成本及努力獲得的前瞻性資料。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(i) 信貸風險顯著上升(續)

具體而言，在評估信貸風險是否顯著上升時，會考慮以下資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外界市場指標顯著惡化，例如：債務人的信貸息差、信貸違約掉期價格大幅上升；
- 現有或預期的商業、金融或經濟狀況的不利變動，導致債務人償還債項能力大幅下降；
- 債務人經營業績的實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境有實際或預期的重大不利變動，導致債務人償還債項的能力大幅下降。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk (continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group's debt instruments at FVTOCI only comprise bills receivable that are issued and guaranteed by the reputable PRC banks and therefore are considered to be low credit risk.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(i) 信貸風險顯著上升 (續)

儘管如此，倘債務工具於呈報日期被確定信貸風險較低，則本集團假設該債務工具的信貸風險自初始確認以來並無大幅上升。倘若債務工具符合以下條件，則被確定信貸風險較低：i) 違約風險低，ii) 借款人於近期內具有雄厚實力履行其合約現金流責任，及iii) 經濟及商業狀況的不利變化從長遠來看，可能但未必會降低借款人履行合約現金流責任的能力。本集團之按公平值計入其他全面收入計量之債務工具僅包括由聲譽良好的中國銀行發行及擔保的應收票據且因此被視為具有較低信貸風險。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing impairment. The Group considers the changes in the risk that the specified debtor will default on the contract.

(i) Significant increase in credit risk

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

就財務擔保合約而言，本集團不可撤回成為該承擔的相關方當日，被視為評估減值的首次確認日。本集團會考慮該特定債務人違約所引起的風險變動。

(i) 信貸風險顯著增加

本集團定期監控用以識別信貸風險有否顯著增加的標準之效益，且修訂標準(如適當)來確保標準能在金額逾期前識別信貸風險顯著增加。

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- a) significant financial difficulty of the issuer or the borrower;
- b) a breach of contract, such as a default or past due event;
- c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) the disappearance of an active market for that financial asset because of financial difficulties.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(iii) 信用減值金融資產

金融資產在一項或以上事件 (對該金融資產估計未來現金流量構成不利影響) 發生時維持信用減值。金融資產維持信用減值的證據包括有關下列事件的可觀察數據：

- a) 發行人或借款人的重大財困；
- b) 違反合約 (如違約或逾期事件)；
- c) 借款人的貸款人因有關借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠；
- d) 借款人將可能陷入破產或其他財務重組；或
- e) 由於出現財務困難，金融資產活躍市場消失。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(iv) 撇銷政策

資料顯示對手方處於嚴重財困及無實際收回可能時(例如對手方被清盤或已進入破產程序時)，本集團則撇銷金融資產。經考慮法律意見後(倘合適)，遭撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成取消確認事項。任何其後收回在損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables and finance lease receivables using a provision matrix taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(v) 預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約虧損(即違約時虧損大小)及違約時風險敞口之函數。違約概率及違約虧損之評估乃基於歷史數據及前瞻性資料。預期信貸虧損的預估乃無偏概率加權平均金額，以各自發生違約的風險為權重確定。本集團使用可行權宜方法，運用撥備矩陣預估應收貿易賬款之預期信貸虧損及應收融資租賃款項，當中考慮過往信貸損失經驗及毋須繁苛成本或工作即可獲得之前瞻性資料。

一般而言，預期信貸虧損為根據合約應付本集團的所有合約現金流與本集團預期將收取的現金流之間的差額，並按初始確認時釐定的實際利率貼現。就租賃應收款項而言，釐定預期信貸虧損所用的現金流與根據香港財務報告準則第16號租賃計量租賃應收款項所用的現金流一致。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

- (v) Measurement and recognition of ECL (continued)

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

Lifetime ECL for certain trade receivables and finance lease receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

- (v) 預期信貸虧損之計量及確認(續)

就財務擔保合約而言，本集團僅須在債務人違反所擔保工具條款的情況下付款。因此，預期信貸虧損乃補償持有人就所產生信貸損失之預期款項之現值，減任何本集團預期從該持有人、債務人或任何其他方所收取之任何金額。

若干應收貿易賬款及應收融資租賃款項的存續期預期信貸虧損為計及逾期資料及相關信貸資料(包括前瞻性宏觀經濟資料)共同作考慮。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(v) Measurement and recognition of ECL (continued)

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(v) 預期信貸虧損之計量及確認 (續)

就共同評估而言，本集團於制定分組時將計及以下特點：

- 逾期狀況；
- 貸方性質、規模及所處行業；及
- 外部信貸評級 (倘有)。

歸類工作經管理層定期檢討，以確保各組別成份繼續分擔類似信貸風險特性。

利息收入乃根據金融資產的總賬面值計算，惟金融資產出現信貸減值則除外，在此情況下，利息收入根據金融資產的攤銷成本計算。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

- (v) Measurement and recognition of ECL (continued)

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

Except for investments in debt instruments that are measured at FVTOCI and financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of receivables from factoring business, loan receivables and trade and other receivables where the corresponding adjustment through a loss allowance account.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

- (v) 預期信貸虧損之計量及確認(續)

就財務擔保合約而言，虧損撥備乃根據香港財務報告準則第9號釐定之虧損撥備與初步確認金額當中較高者，減去(倘適用)擔保期間所確認累計收入。

除按公平值計入其他全面收入計量的債務工具及金融擔保合約的投資外，本集團通過調整金融資產的賬面值於損益中確認所有金融工具的減值收益或虧損，惟保理業務應收款項、應收貸款以及應收貿易賬款及其他應收款項除外，在此情況下，有關相應調整透過虧損撥備賬確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the reserve is reclassified to profit or loss.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

終止確認金融資產

倘從資產收取現金流量之合約權利已到期，或金融資產已轉讓且本集團已將其於金融資產擁有權之絕大部份風險及回報轉移至另一實體，則金融資產將被取消確認。倘若本集團保留已轉讓金融資產擁有權之絕大部份風險及回報，則本集團繼續確認金融資產並同時就所得收益確認抵押借款。

當以攤銷成本計量的金融資產終止確認時，資產的賬面值與已收及應收代價款項總額之間的差額將於損益中確認。

於終止確認分類為按公平值計入其他全面收入計量的債務工具投資時，先於儲備中累計的累計收益或虧損將重新分類至損益。

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4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融負債及權益

分類為負債或權益

負債及股本工具乃根據合約安排的性質與金融負債及股本工具的定義分類為金融負債或權益。

股本工具

股本工具乃證明實體於扣減所有負債後的資產中擁有剩餘權益之任何合約。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which HKFRS 3 applies, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at amortised cost

Financial liabilities including borrowings, bonds payable and trade and other payables are subsequently measured at amortised cost, using the effective interest method.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

按公平值計入損益計量之金融負債

倘金融負債是(i)香港財務報告準則第3號所適用的企業合併中通過收購方確認的或有對價，(ii)為交易而持有或(iii)被指定為按公平值計入損益計量，則應歸類為按公平值計入損益計量之金融負債。

滿足下述條件的金融負債應被歸類為交易而持有之金融負債：

- 發生金融負債的目的主要是為近期購回；或
- 在初始確認時是本集團集中管理的可辨認金融工具組合的一部分，並且近期實際採用短期獲利方式對該組合進行管理；或
- 是一項衍生工具，但為金融擔保合約或被指定為有效對沖工具的衍生工具除外。

按攤銷成本計量之金融負債

金融負債(包括借款、應付債券以及應付貿易賬款及其他應付款項)其後按攤銷成本採用實際利率法計量。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

財務擔保合約

財務擔保合約乃要求發行人根據一項債務工具之條款，因特定債務人未能於到期日償還款項而需支付特定款項以補償合約持有人所招致損失之一項合約。財務擔保合約於首次確認時以其公平值計量。於首次確認後則以下列較高者計量：

- 按香港財務報告準則第9號所確定虧損撥備金額；及
- 於首次確認之金額減於擔保期間之累計攤銷(如適用)。

終止確認金融負債

當及僅當本集團的責任獲解除、取消或屆滿時，本集團便會終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價之間的差額於損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Changes in the basis for determining the contractual cash flows as a result of interest rate benchmark reform

For changes in the basis for determining the contractual cash flows of a financial liability to which the amortised cost measurement applies as a result of interest rate benchmark reform, the Group applies the practical expedient to account for these changes by updating the effective interest rate, such change in effective interest rate normally has no significant effect on the carrying amount of the relevant financial liability.

A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if and only if, both these conditions are met:

- the change is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis (ie the basis immediately preceding the change).

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

4. 編製綜合財務報表基準及主要會計政策 (續)

4.2 主要會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

因利率基準改革而導致釐定合約現金流基準之變動

就因利率基準改革而導致釐定按攤銷成本計量之金融負債之合約現金流基準之變動而言，本集團採用可行權宜方法，以更新實際利率將該等變動入賬。此實際利率之變動一般而言對相關金融負債之賬面值並無顯著影響。

僅當符合下述兩個條件時，釐定合約現金流之基準須因應利率基準改革而變動：

- 該變動是利率基準改革之直接後果；及
- 釐定合約現金流之新基準在經濟上等同於先前基準（即緊接變動前之基準）。

衍生金融工具

衍生工具初步按衍生工具合約訂立日期的公平值確認，其後按其於報告期末的公平值重新計量。所產生的收益或虧損即時於損益中確認。

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment assessment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit (or group of cash-generating units) and a suitable discount rate in order to calculate the present value.

Where the actual future cash flows are less than expected, or changes in facts and circumstances which results in downward revision of future cash flows or upward revision of the discount rate, a material impairment loss/further impairment loss may arise. Details of the recoverable amount calculation are disclosed in note 18.

5. 估計不明朗因素的主要來源

以下為有關未來的主要假設，而於各報告期末具有重大風險會導致資產及負債的賬面值於未來財政年度內需要作出重大調整的估計不確定因素的其他主要來源。

商譽減值評估

釐定商譽是否減值需要估計獲分配有關商譽之現金產生單位（或一組現金產生單位）之可收回金額，即使用價值或公允值減出售成本兩者之較高者。計算使用價值須要本集團對預期可自現金產生單位（或本集團現金產生單位）獲得之未來現金流量，以及適合計算所得現值之折現率作出估計。

倘未來實際現金流量較預期為少，或事實及情況有變以致未來現金流量向下調整或折現率向上調整，則可能產生重大減值虧損／進一步減值虧損。可回收金額計算詳情於附註18中披露。

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6. REVENUE AND SEGMENT INFORMATION

6. 收入及分部資料

The Group is principally engaged in the research and development, production and sale of medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products, and operates financing business.

For management purposes, the Group is currently organised into six operating divisions – medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products and others, among which interventional products were produced by Argon. These divisions are the basis of the internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (Managing Director) in order to allocate resources to segments and to assess their performance.

Principal activities of the Group's operating and reportable segments are as follows:

Medical device products	– production and sale of clinical care, wound management, medical testing, anesthesia and surgical related products and other consumables
Orthopaedic products	– production and sale of orthopaedic products
Interventional products	– production and sale of tumour and blood vessel interventional instruments
Pharma packaging products	– production and sale of pre-filled syringes and flushing syringes
Blood management products	– production and sale of blood collection, irradiation, storage, separation and sterilization products
Others	– finance lease and factoring business

本集團主要從事研發、生產及銷售醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品，及經營融資業務。

就管理而言，本集團目前分為六個經營分部—醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品及其他，其中介入產品由愛琅生產。該等分部乃按本集團各部的內部呈報基準劃分，定期由主要營運決策者（董事總經理）審核，以分配資源至分部並評估其表現。

本集團經營及可呈報分部的主要業務如下：

醫療器械產品	– 生產及銷售臨床護理、創傷護理、醫學檢驗、麻醉及手術相關產品以及其他耗材
骨科產品	– 生產及銷售骨科產品
介入產品	– 生產及銷售腫瘤及血管介入器械
藥品包裝產品	– 生產及銷售預充式注射器及沖管注射器
血液管理產品	– 生產及銷售血液採集、輻射、貯存、分離及滅菌消毒產品
其他	– 融資租賃及保理業務

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. REVENUE AND SEGMENT INFORMATION (continued)

6. 收入及分部資料 (續)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments:

分部收入及業績

本集團按可報告分部分析之收入及業績如下：

For the year ended 31 December 2022

截至二零二二年十二月三十一日止年度

		Medical device products	Orthopaedic products	Interventional products	Pharma packaging products	Blood management products	Others	Eliminations	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		醫療器械產品	骨科產品	介入產品	藥品包裝產品	血液管理產品	其他	抵減	合計
		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	人民幣千元	人民幣千元	人民幣千元
Revenue	收入								
External sales	外部銷售	6,859,029	1,830,419	1,726,167	2,105,432	1,097,960	-	-	13,619,007
Inter-segment sales	內部分部銷售	4	-	-	-	-	-	(4)	-
Total	合計	6,859,033	1,830,419	1,726,167	2,105,432	1,097,960	-	(4)	13,619,007
Segment profit	分部溢利	1,297,951	576,049	147,448	895,983	210,587	64,017	-	3,192,035
Depreciation of investment properties	投資物業之折舊								(3,853)
Unallocated other income, gains and losses	未分配其他收入、收益及虧損								64,273
Rental income of investment properties	投資物業之租金收入								12,321
Interest income from bank deposits	銀行存款之利息收入								116,419
Gain on disposal of investments in subsidiaries	出售於附屬公司投資之收益								47,832
Gain from changes in fair value of financial instruments at FVTPL	按公平值計入損益計量之金融工具公平值變動收益								19,557
Gain on currency forward	遠期貨幣之收益								34,500
Gain on deemed disposal of investments in an associate	視為出售於一間聯營公司投資之收益								100,398
Share of results of associates	應佔聯營公司業績								77,906
Share of results of joint ventures	應佔合營企業業績								(2,801)
Share-based payment expenses	以股份為基礎的付款開支								(81,077)
Net loss of litigation	訴訟損失淨額								(259,609)
Profit before tax	除稅前溢利								3,317,901

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6. REVENUE AND SEGMENT INFORMATION (continued) 6. 收入及分部資料 (續)

Segment revenues and results (continued)

分部收入及業績 (續)

For the year ended 31 December 2021

截至二零二一年十二月三十一日止年度

		Medical device products RMB'000 (restated) 醫療器械產品 (經重列) 人民幣千元	Orthopaedic products RMB'000 骨科產品 人民幣千元	Interventional products RMB'000 介入產品 人民幣千元	Pharma packaging products RMB'000 藥品包裝產品 人民幣千元	Blood management products RMB'000 血液管理產品 人民幣千元	Others RMB'000 其他 人民幣千元	Eliminations RMB'000 抵減 人民幣千元	Total RMB'000 (restated) 合計 (經重列) 人民幣千元
Revenue	收入								
External sales	外部銷售	6,520,865	2,126,594	1,544,266	2,040,355	976,862	-	13,208,942	
Inter-segment sales	內部分部銷售	109	-	-	-	-	(109)	-	
Total	合計	6,520,974	2,126,594	1,544,266	2,040,355	976,862	-	13,208,942	
Segment profit	分部溢利	962,825	761,831	151,200	855,265	169,932	74,576	-	2,975,629
Depreciation of investment properties	投資物業之折舊								(5,216)
Unallocated other income, gains and losses	未分配其他收入、收益及虧損								20,821
Rental income of investment properties	投資物業之租金收入								12,070
Interest income from bank deposits	銀行存款之利息收入								72,888
Gain from changes in fair value of financial instruments at FVTPL	按公平值計入損益計量之金融工具公平值變動收益								3,323
Share of results of associates	應佔聯營公司業績								69,988
Share of results of joint ventures	應佔合營企業業績								(531)
Share-based payment expenses	以股份為基礎的付款開支								(41,275)
Net loss of litigation	訴訟損失淨額								(229,852)
Profit before tax	除稅前溢利								<u>2,877,845</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. REVENUE AND SEGMENT INFORMATION (continued)

Segment revenues and results (continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Segment profit represents the profit earned by each segment without allocation of depreciation and rental income of investment properties, other income, gains and losses of the corporate function, interest income from bank deposits, gain on disposal of investments in subsidiaries, gain from changes in fair value of financial instruments at FVTPL, gain on currency forward, gain on deemed disposal of investments in an associate, share of results of associates, share of results of joint ventures, share based payment expenses recognised for grantees of the management of the Group and net loss of litigation. This is the measure reported to the Managing Director for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

6. 收入及分部資料 (續)

分部收入及業績 (續)

經營分部的會計政策與附註4所述的本集團會計政策相同。分部溢利指各分部所賺取的溢利，未計及投資物業之折舊及租金收入、企業職能的其他收入、收益及虧損、銀行存款利息收入、出售於附屬公司投資之收益、按公平值計入損益計量之金融工具公平值變動收益、遠期貨幣之收益、視為出售於一間聯營公司投資之收益、應佔聯營公司業績、應佔合營企業業績、就本集團管理層之擔保確認之以股份為基礎的付款開支以及訴訟損失淨額。此為向董事總經理就資源分配及表現評估呈報的計量方式。

內部分部銷售按現行市場價格收取。

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. REVENUE AND SEGMENT INFORMATION

(continued)

6. 收入及分部資料 (續)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

Segment assets

分部資產及負債

本集團按可報告及經營分部分析之資產及負債如下：

分部資產

		31/12/2022	31/12/2021
		RMB'000	RMB'000
			(restated)
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Medical device products	醫療器械產品	10,442,063	10,089,310
Orthopaedic products	骨科產品	3,039,450	2,859,211
Interventional products	介入產品	5,918,361	5,645,171
Pharma packaging products	藥品包裝產品	2,853,330	2,252,660
Blood management products	血液管理產品	1,051,854	930,599
Others	其他	1,169,640	892,598
Total segment assets	分部總資產	24,474,698	22,669,549
Financial assets at FVTPL	按公平值計入損益計量之 金融資產	120,301	110,943
Interests in associates	於聯營公司的權益	1,375,302	1,139,691
Interests in joint ventures	於合營企業的權益	358,035	180,757
Investment properties	投資物業	140,785	133,788
Deferred tax assets	遞延稅項資產	159,453	157,042
Pledged/restricted bank deposits	已抵押／受限制銀行存款	694,084	760,895
Cash and bank balances	現金及銀行結餘	5,873,268	5,425,092
Consolidated assets	綜合資產	33,195,926	30,577,757

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. REVENUE AND SEGMENT INFORMATION

(continued)

Segment assets and liabilities (continued)

Segment liabilities

6. 收入及分部資料 (續)

分部資產及負債 (續)

分部負債

		31/12/2022	31/12/2021
		RMB'000	RMB'000
			(restated)
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Medical device products	醫療器械產品	4,825,734	4,587,596
Orthopaedic products	骨科產品	872,959	844,824
Interventional products	介入產品	2,886,469	2,890,818
Pharma packaging products	藥品包裝產品	419,208	361,895
Blood management products	血液管理產品	323,020	297,418
Others	其他	59,055	58,649
Total segment liabilities	分部總負債	9,386,445	9,041,200
Deferred tax liabilities	遞延稅項負債	199,797	222,620
Financial liabilities at FVTPL	按公平值計入損益計量之 金融負債	-	56,893
Other payables	其他應付款項	163,081	210,039
Consolidated liabilities	綜合負債	9,749,323	9,530,752

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than financial assets at FVTPL, interests in associates, interests in joint ventures, investment properties, deferred tax assets, pledged/restricted bank deposits and part of cash and bank balances.
- all liabilities are allocated to operating segments other than deferred tax liabilities, financial liabilities at FVTPL and part of other payables.

為監控分部表現及在分部之間分配資源：

- 所有資產分配至經營分部，惟按公平值計入損益計量之金融資產、於聯營公司的權益、於合營企業的權益、投資物業、遞延稅項資產、已抵押／受限制銀行存款以及部分現金及銀行結餘除外。
- 所有負債分配至經營分部，惟遞延稅項負債、按公平值計入損益計量之金融負債及部分其他應付款項除外。

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. REVENUE AND SEGMENT INFORMATION (continued)

6. 收入及分部資料 (續)

Other segment information

其他分部資料

For the year ended 31 December 2022

截至二零二二年十二月三十一日止年度

		Medical device products	Orthopaedic products	Interventional products	Pharma packaging products	Blood management products	Others	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		醫療器械產品	骨科產品	介入產品	藥品包裝產品	血液管理產品	其他	合計
		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	人民幣千元	人民幣千元
Amounts included in the measure of segment profit or segment assets:	計量分部溢利或分部資產時應計款項：							
Additions to property, plant and equipment	新增物業、廠房及設備	206,135	163,665	51,390	629,251	52,861	39	1,103,341
Allowances for credit losses	信貸虧損撥備	12,531	8,161	487	7,199	-	4,954	33,332
Allowances for inventories	存貨撥備	(16)	7,453	1,806	-	3,835	-	13,078
Impairment losses on intangible assets	無形資產減值虧損	-	-	10,806	-	-	-	10,806
Amortisation of intangible assets	無形資產攤銷	280	5,844	231,198	819	12,360	-	250,501
Depreciation of property, plant and equipment	物業、廠房及設備折舊	258,602	87,447	20,112	110,373	34,447	17	510,998
Depreciation of right-of-use assets	使用權資產折舊	22,650	3,697	6,133	-	4,680	-	37,160
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備 (收益) / 虧損	(67,421)	(217)	6,323	127	280	-	(60,908)
Research and development expenditure	研發開支	308,088	107,767	27,196	62,126	41,375	-	546,552
Share-based payment expenses	以股份為基礎的付款開支	-	2,638	8,052	-	-	-	10,690
Government grants	政府補助	(17,699)	(13,220)	(6,795)	(1,372)	(350)	(3,186)	(42,622)
Rebate of value added tax ("VAT")	增值稅 (「增值稅」) 退款	(80,165)	-	-	-	-	(1,911)	(82,076)

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. REVENUE AND SEGMENT INFORMATION

(continued)

6. 收入及分部資料 (續)

Other segment information (continued)

其他分部資料 (續)

For the year ended 31 December 2021

截至二零二一年十二月三十一日止年度

	Medical device products	Orthopaedic products	Interventional products	Pharma packaging products	Blood management products	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(restated)						(restated)
	醫療器械產品	骨科產品	介入產品	藥品包裝產品	血液管理產品	其他	合計
	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	人民幣千元	人民幣千元
	(經重列)						(經重列)

Amounts included in the measure of segment profit or segment assets:	計量分部溢利或分部資產時應計款項：							
Additions to property, plant and equipment	新增物業、廠房及設備	544,235	133,679	55,075	142,020	18,673	-	893,682
Allowances for credit losses	信貸虧損撥備	10,262	10,129	322	1,407	-	3,621	25,741
Allowances for inventories	存貨撥備	1,180	3,672	1,472	-	632	-	6,956
Amortisation of intangible assets	無形資產攤銷	257	6,603	221,765	821	11,887	-	241,333
Depreciation of property, plant and equipment	物業、廠房及設備折舊	198,976	82,668	17,523	128,251	31,502	109	459,029
Depreciation of right-of-use assets	使用權資產折舊	19,818	3,054	5,305	-	2,915	-	31,092
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備虧損/(收益)	1,487	108	482	(49)	900	-	2,928
Research and development expenditure	研發開支	291,071	121,225	16,842	43,283	30,659	-	503,080
Share-based payment expenses	以股份為基礎的付款開支	2,886	5,139	26,506	268	418	-	35,217
Government grants	政府補助	(22,287)	(15,178)	(32)	(65)	-	-	(37,562)
VAT	增值稅	(76,438)	-	-	-	-	(1,143)	(77,581)

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6. REVENUE AND SEGMENT INFORMATION

(continued)

6. 收入及分部資料 (續)

Revenue from major products and services

The following is an analysis of the Group's revenue from its major products and services.

主要產品及服務收入

以下為本集團來自其主要產品及服務之收入分析。

		Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Sale of medical device products	銷售醫療器械產品	4,726,552	4,632,034
– Clinical care	– 臨床護理	615,596	660,016
– Anesthesia and surgical related products	– 麻醉及手術相關產品	325,680	294,833
– Medical testing	– 醫學檢驗	979,131	705,304
– Other consumables	– 其他耗材	1,830,419	2,126,594
Sale of orthopaedic products	銷售骨科產品	1,938,237	1,772,944
Sale of interventional products	銷售介入產品	2,105,432	2,040,355
Sale of pharma packaging products	銷售藥品包裝產品	1,097,960	976,862
Sale of blood management products	銷售血液管理產品	13,619,007	13,208,942

Information about major customers

There is no single customer contributing over 10% of total sales of the Group for both years.

主要客戶的資料

於兩個年度內，概無單一客戶銷售額超逾本集團總銷售額的10%。

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. REVENUE AND SEGMENT INFORMATION (continued)

Geographical information

Information about the Group's revenue from external customers is presented based on the location of the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

6. 收入及分部資料 (續)

地區資料

本集團來自外部客戶之收入之資料乃按客戶位置呈列。本集團非流動資產之資料乃按資產地理位置呈列。

		Revenue from external customers		Non-current assets	
		Year ended			
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
		RMB'000	RMB'000	RMB'000	RMB'000
			(restated)		(restated)
		來自外部客戶之收入		非流動資產	
		截至	截至	二零二二年	二零二一年
		十二月	十二月	十二月	十二月
		三十一日	三十一日	三十一日	三十一日
		止年度	止年度	止年度	止年度
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(經重列)		(經重列)
PRC	中國	10,453,877	10,552,660	9,621,959	8,846,563
United States	美國	1,272,330	1,145,923	5,366,273	5,363,655
Europe, the Middle East and Africa	歐洲、中東及非洲	563,217	501,919	99,582	89,593
Other districts	其他地區	1,329,583	1,008,440	17,720	18,128
		13,619,007	13,208,942	15,105,534	14,317,939

Transaction price allocated to the remaining performance obligation for contracts with customers

As a practical expedient of HKFRS 15, the Group need not disclose the transaction price allocated to these unsatisfied contracts with customers that has an original expected duration of one year or less.

分配至客戶合約之餘下履約責任的交易價

作為香港財務報告準則第15號的權宜方式，本集團毋須披露分配至該等原預計期限為一年或更短的未履行客戶合約的交易價。

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7. OTHER INCOME, GAINS AND LOSSES

7. 其他收入、收益及虧損

		Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Other income:	其他收入：		
Rebate of VAT (note a)	增值稅退款(附註a)	82,076	77,581
Government grants (note b)	政府補助(附註b)	42,622	37,562
Operating rental income	經營租金收入	12,321	12,070
Finance lease income	融資租賃收入	5,902	11,565
Interest income from bank deposits	銀行存款之利息收入	116,419	72,888
Interest income from factoring business	保理業務之利息收入	13,808	21,483
Interest income from loan receivables	應收貸款之利息收入	50,062	50,289
		323,210	283,438
Other gains and losses:	其他收益及虧損：		
Impairment losses on intangible assets	無形資產減值虧損	(10,806)	-
Impairment losses on inventories	存貨之減值虧損	(13,078)	(6,956)
Net exchange gain/(loss)	匯兌收益／(虧損)淨額	138,325	(39,357)
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房及設備收益／(虧損)	60,908	(2,928)
Gain on disposal of investments in subsidiaries	出售於附屬公司之投資之收益	47,832	-
Gain on deemed disposal of investments in an associate (note 20)	視作出售於一間聯營公司之投資之收益(附註20)	100,398	-
Gain from changes in fair value of financial instruments measured at FVTPL	按公平值計入損益計量之金融工具公平值變動收益	19,557	3,323
Gain on disposal of structured deposit	出售結構性存款的收益	163	-
Donation paid	已付捐贈	(577)	(41,807)
Loss on currency option	貨幣期權虧損	(1,289)	(6,289)
Gain/(loss) on Structured Cross Currency Swap	結構性交叉貨幣置換收益／(虧損)	3,383	(22,453)
Gain on currency forward	遠期貨幣之收益	34,500	-
Net loss of litigation (note c)	訴訟損失淨額(附註c)	(259,609)	(229,852)
Others	其他	1,848	1,519
		121,555	(344,800)
		444,765	(61,362)

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7. OTHER INCOME, GAINS AND LOSSES

(continued)

Notes:

- (a) As Weihai Jierui Medical Products Company Limited (“Jierui”), one of the subsidiary of the Company, was recognised as a “Social Welfare Entity”, the Tax Bureau in Weihai granted a rebate of VAT paid by Jierui with effect from 1 May 1999 on the basis of “payment first then rebate”. Pursuant to Caishui [2016] No.52 issued by the State Council, with effect from 1 May 2016, Jierui was granted a rebate of VAT determined with reference to the number of staff with physical disability. For each staff with physical disability, four times of the minimum salary approved by the local government in Weihai is granted to Jierui as rebate of VAT.

Pursuant to Caishui [2016] No.36, Shangdong Weigao Financial Leasing Co., Ltd., one of the subsidiary of the Company, is entitled to immediate tax rebates upon collection when the actual VAT tax burden rate exceeds 3%.

- (b) During the year, government grants were awarded to the Group mainly for business development and certain research and development expenses occurred and were recognised as other income when the government grants were received. There were no unfulfilled conditions in the year in which they were recognised.
- (c) A subsidiary of the Group (the “Subsidiary”) is a defendant involving in a number of product liability claims of the Group. For the year ended 31 December 2021, the Group had a net loss amount of RMB229,852,000 related to such claims based on the best estimation of the injury alleged, the results of related litigation, and the degree of responsibility that may be inferred to the Subsidiary, while taking into account the insurance coverage.

The Subsidiary entered into a conditional master settlement agreement with the lead counsel for the plaintiffs (the “Agreement”) to resolve and settle the vast majority of the outstanding claims against the Subsidiary (the “Settlement”). The Agreement became binding upon the Subsidiary after the receipt of a release executed by 90 percent of the claimants covered by the Settlement. As of 31 December 2022, this condition has been satisfied and the Subsidiary has authorised settlement payments to the plaintiffs who have agreed to participate in the Settlement by executing a release of their claims against the Subsidiary, as the result, the Group recorded cumulative pre-tax provision of RMB667,047,000 in respect of the Subsidiary’s obligation for product liability claims under the Agreement.

7. 其他收入、收益及虧損 (續)

附註：

- (a) 由於本公司的附屬公司威海潔瑞醫用製品有限公司(「潔瑞」)獲確認為「社會福利企業」，因此威海稅務局向潔瑞授出增值稅退稅，由一九九九年五月一日起生效，原則為「先付款後退還」。根據國務院發出之財稅[2016]第52號文件，由二零一六年五月一日起生效，潔瑞獲授予的增值稅退稅乃參考殘障員工之數目釐定。就每名殘障員工而言，潔瑞將獲授相當於由威海市地方政府所批准之最低薪金四倍之金額，作為增值稅退稅。

根據財稅[2016]第36號文件，本公司的附屬公司山東威高融資租賃有限公司有權於實際增值稅稅務負擔超過3%時，立即獲退稅款。

- (b) 年內，本集團主要就業務發展及產生的特定研發開支獲獎勵政府補助，並於收取政府補助時確認為其他收入。在確認年度內概無未達成條件。
- (c) 本集團一間附屬公司(「附屬公司」)乃涉及本集團多宗產品責任索賠的被告。於截至二零二一年十二月三十一日止年度，本集團根據對所稱傷害的最佳估計、相關訴訟的結果以及可能推斷出的附屬公司的責任程度，並考慮保險涵蓋範圍，錄得與有關索賠有關的損失淨額人民幣229,852,000元。

附屬公司與原告首席律師訂立有條件和解總協議(「協議」)，以解決及和解針對附屬公司的多數未決索賠(「和解」)。於收到和解所涉百分之九十索賠方簽立的免責書後，協議對附屬公司具約束力。截至二零二二年十二月三十一日，該條件已達成，附屬公司授權向同意以簽立對附屬公司索賠之免責書的方式參與和解的原告支付和解款，因此，本集團就協議項下附屬公司的產品責任索賠責任錄得累計稅前撥備人民幣667,047,000元。

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7. OTHER INCOME, GAINS AND LOSSES (continued)

Notes: (continued)

(c) (continued)

For the number of plaintiffs who may, but have not yet agreed to participate in the Settlement, and the number of plaintiffs who declined to participate in the Settlement, the Group recorded pre-tax provision of RMB35,742,000 based on the best estimation of the injury alleged, the results of related litigation, and the degree of responsibility that may be inferred to the Subsidiary.

The Subsidiary had obtained product liability insurance and its insurers have already paid the Subsidiary an aggregate amount of RMB203,491,000. During the year ended 31 December 2022, the net loss related to the product liability claims by considering the provision and insurance coverage is recorded with an amount of RMB259,609,000.

The Group reserves the right to seek recovery of certain of these losses from the entity that previously owned the relevant products, including taking necessary legal actions.

7. 其他收入、收益及虧損 (續)

附註：(續)

(c) (續)

就可能同意但尚未同意參與和解的原告數目以及拒絕參與合計的原告數目，本集團根據對所稱傷害的最佳估計、相關訴訟的結果以及可能推斷出的附屬公司的責任程度，錄得稅前撥備人民幣35,742,000元。

附屬公司已投購產品責任保險，且附屬公司已自保險公司取得共人民幣203,491,000元的賠償。於截至二零二二年十二月三十一日止年度，經考慮撥備及保險覆蓋範圍，錄得與產品責任索賠相關的損失淨額人民幣259,609,000元。

本集團保留自之前擁有相關產品的實體追回若干該等損失的權利，包括採取必要法律行動。

8. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

8. 預期信貸虧損模式下之減值虧損，扣除撥回

		Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2021 RMB'000 (restated) 截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Impairment losses (recognised)/ reverse on:	就下列項目 (確認) / 撥回的 減值虧損：		
– trade receivables	– 應收貿易賬款	(32,952)	(16,049)
– loan receivables	– 應收貸款	3,175	(7,721)
– other receivables	– 其他應收款項	573	4
– receivables from factoring business	– 來自保理業務之應收款項	(1,574)	382
– finance lease receivables	– 應收融資租賃款項	(2,554)	(2,357)
		(33,332)	(25,741)

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9. FINANCE COSTS

9. 融資成本

		Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Interest on bank loans and other borrowings	銀行貸款及其他借款利息	150,148	97,306
Interest on bonds payable	應付債券利息	35,900	39,467
Interest on lease liabilities	租賃負債利息	5,353	3,668
		191,401	140,441

10. INCOME TAX EXPENSE

10. 所得稅開支

		Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Current enterprise income tax (Over)/under provision in prior years	即期企業所得稅 過往年度(超額撥備)/ 撥備不足	468,289	492,497
Deferred tax	遞延稅項	(1,466) (42,556)	8,082 (80,513)
		424,267	420,066

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the Company and certain PRC subsidiaries is 15% for the years ended 31 December 2022 and 2021.

根據《中華人民共和國企業所得稅法》(「企業所得稅法」)及《企業所得稅法實施條例》，本公司及若干中國附屬公司於截至二零二二年及二零二一年十二月三十一日止年度之稅率為15%。

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10. INCOME TAX EXPENSE (continued)

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. The subsidiaries in the U.S. are subject to federal income tax at a tax rate of 21% and state income tax.

The Company, Jierui, Weigao Orthopaedic and Shandong Weigao Purui Pharmaceutical Packaging Co., Ltd (“Weigao Purui”) were recognised as Shandong Province New and High Technical Enterprises (山東省高新技術企業) from the year 2020 to 2022; the subsidiary of the Company, Weigao Medical Materials was recognised as Shandong Province New and High Technical Enterprises from the year 2021 to 2023, and, the subsidiaries of the Company, Changzhou Jianli Bangde Medical Devices Co., Ltd and Weihai Weigao Jiesheng Medical Devices Co., Ltd. were recognised as New and High Technical Enterprises from the year 2019 to 2021 and renewed the certificate in December 2022 for another term of three years from 2022 to 2024. In accordance with the “Notice of the State Tax Bureau of the Ministry of Finance Regarding Certain Preferential Treatment Policies on Enterprise Income Tax”, New and High Technical Enterprise was subject to income tax at a tax rate of 15%.

The State Taxation Administration of the PRC announced in September 2022 that enterprises accredited as “New and High Technical Enterprise” would be entitled to claim 100% of the purchase price for equipment and appliances newly purchased during the period from 1 October 2022 to 31 December 2022 as tax deductible expenses and 100% additional deduction for the year ended 31 December 2022.

Jierui has been recognised as a “Social Welfare Entity”. Pursuant to Caishui [2016] No. 52 issued by the State Council, with effect from 1 May 2016, Social Welfare Entity is subject to income tax rate of 15%, and an amount equivalent to the total salaries paid to staff with physical disability is further deducted from the taxable income of Jierui. The tax charge provided for the years ended 31 December 2022 and 2021 were made after taking these tax incentives into account.

10. 所得稅開支 (續)

其他司法權區產生的稅項按相關司法權區的現行稅率計算。於美國的附屬公司須按21%的稅率繳納聯邦所得稅及須繳納州所得稅。

本公司、潔瑞、威高骨科及山東威高普瑞醫藥包裝有限公司(「威高普瑞」)獲確認為二零二零年度至二零二二年度山東省高新技術企業；本公司附屬公司威高醫用材料獲確認為二零二一年度至二零二三年度山東省高新技術企業，且本公司附屬公司常州健力邦德醫療器械有限公司及威海威高潔盛醫療器材有限公司獲確認為二零一九年度至二零二一年度高新技術企業，並於二零二二年十二月將證書另續期三年，由二零二二年至二零二四年。根據《財政部國家稅務總局關於企業所得稅若干優惠政策的通知》，高新技術企業可按15%稅率繳付所得稅。

中國國家稅務總局於二零二二年九月宣佈，獲認定為「高新技術企業」的企業在二零二二年十月一日至二零二二年十二月三十一日期間新購置的設備及器具，將有權於截至二零二二年十二月三十一日止年度申請100%的購買價作為可扣稅開支及進行100%加計扣除。

潔瑞獲確認為「社會福利企業」。根據國務院發出之財稅[2016]第52號文件，自二零一六年五月一日起，社會福利企業須按15%稅率繳付所得稅，及相等於支付予殘障員工薪金總額之金額進一步自潔瑞的應課稅收入中扣減。截至二零二二年及二零二一年十二月三十一日止年度作出之稅項開支撥備已計及該等稅務優惠。

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10. INCOME TAX EXPENSE (continued)

The charge for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 所得稅開支 (續)

本年度的支出與綜合損益及其他全面收入報表中的除稅前溢利對賬如下：

		Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2021 RMB'000 (restated) 截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Profit before tax	除稅前溢利	3,317,901	2,877,845
Taxation at income tax rate of 15% (2021: 15%)	按15%所得稅稅率計算的稅項 (二零二一年：15%)	497,685	431,677
Tax effect of share of associates	應佔聯營公司之稅務影響	(26,655)	(10,498)
Tax effect of share of joint ventures	應佔合營企業之稅務影響	424	89
Tax effect of income not taxable for tax purpose	就稅務而言毋須課稅收入之稅務影響	(2,677)	(2,378)
Effect of additional tax deduction for research and development expenses	有關研發費用之額外稅務扣減之影響	(64,509)	(59,377)
Tax effect of additional deduction for purchase of equipment and appliances	購置設備及器具額外扣減之稅務影響	(34,512)	-
Additional tax benefit to a Social Welfare Entity	社會福利企業之額外稅務優惠	(5,059)	(4,900)
Utilisation of tax losses previously not recognised	動用過往未確認的稅項虧損	(12,671)	(3,375)
Utilisation of deductible temporary difference previously not recognised	動用過往未確認的可抵扣暫時性差異	(81)	(771)
Tax effect on tax losses and deductible temporary difference not recognised	未確認的稅項虧損及可抵扣暫時性差異的稅務影響	11,408	21,677
Tax effect on expenses not deductible for tax purpose	就稅務而言不可抵扣開支的稅務影響	22,359	23,834
State and local income taxes for U.S. subsidiaries	適用於美國附屬公司的國家及地方所得稅	(6,218)	(4,928)
Effect on different tax rates of subsidiaries	不同稅率對附屬公司的影響	46,239	20,934
(Over)/under provision in prior years	過往年度(超額撥備)/撥備不足	(1,466)	8,082
Income tax expense for the year	年內所得稅開支	424,267	420,066

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11. PROFIT FOR THE YEAR

11. 年內溢利

		Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Profit for the year has been arrived at after charging and crediting:	年內溢利經扣除及計入下列項目後達致：		
Allowances for credit losses	信貸虧損撥備	33,332	25,741
Allowances for inventories	存貨撥備	13,078	6,956
Allowances for intangible assets	無形資產撥備	10,806	–
Amortisation of intangible assets	無形資產攤銷	250,501	241,333
Auditors' remuneration	核數師酬金	8,915	7,677
Depreciation of property, plant and equipment	物業、廠房及設備折舊	510,998	459,029
Depreciation of investment properties	投資物業折舊	3,853	5,216
Depreciation of right-of-use assets	使用權資產折舊	37,160	31,092
Lease expenses related to short-term lease	與短期租賃有關的租賃開支	7,298	8,231
Lease liabilities interest expense	租賃負債利息支出	5,353	3,668
Cost of inventories recognised as an expense	確認為開支的存貨成本	6,505,925	5,856,049
Staff costs, including directors' and supervisors' remuneration	員工成本(包括董事及監事薪酬)		
– Retirement benefits scheme contributions	– 退休福利計劃供款	179,662	136,156
– Salaries and other allowances	– 薪金及其他津貼	1,907,358	1,855,455
– Share-based payment expenses (note 38)	– 以股份為基礎的付款開支(附註38)	91,767	76,492
Total staff costs	員工成本總額	2,178,787	2,068,103
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備(收益)／虧損	(60,908)	2,928

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12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS

12. 董事、監事及僱員酬金

Directors' and supervisors' emoluments

Details of the emoluments paid or payable by the entities comprising the Group to the directors, chief executive and supervisors of the Company are as follows:

董事及監事酬金

本集團實體已付或應付本公司董事、行政總裁及監事酬金詳情如下：

		Year ended 31/12/2022 截至二零二二年十二月三十一日止年度					
	Fee	Salaries and other allowances	Retirement benefits schemes contributions	Performance related bonus (note a)	Share-based payment expenses	Total	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	袍金	薪金及其他津貼	退休福利計劃供款	表現相關花紅(附註a)	以股份為基礎的付款開支	總計	
	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	人民幣千元	
Executive directors	執行董事						
Mr. Long Jing (note b)	龍經先生(附註b)	-	1,422	43	553	12,090	
Mr. Cong Rinan (note c) (chief executive officer)	叢日楠先生(附註c) (行政總裁)	-	950	43	605	4,955	
Mr. Lu Junqiang (note d)	盧均強先生(附註d)	-	583	26	309	1,558	
Mr. Ni Shili (note d)	倪世利先生(附註d)	-	440	15	209	4,693	
		-	3,395	127	1,676	23,296	
Non-executive directors	非執行董事						
Mr. Tang Zhengpeng (note e)	湯正鵬先生(附註e)	-	-	-	-	-	
Mr. Chen Lin (note e)	陳林先生(附註e)	-	-	-	-	-	
Mr. Lian Xiaoming (note f)	連小明先生(附註f)	-	-	-	-	-	
		-	-	-	-	-	

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

12. 董事、監事及僱員酬金 (續)

Directors' and supervisors' emoluments
(continued)

董事及監事酬金 (續)

		Year ended 31/12/2022 截至二零二二年十二月三十一日止年度					
		Fee	Salaries and other allowances	Retirement benefits schemes contributions	Performance related bonus (note a)	Share-based payment expenses	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		袍金	薪金及其他津貼	退休福利計劃供款	相關花紅(附註a)	以股份為基礎的付款開支	總計
		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	人民幣千元
Independent non-executive directors	獨立非執行董事						
Mr. Li Guohui (note g)	李國輝先生(附註g)	97	-	-	-	-	97
Mrs. Meng Hong (note h)	孟紅女士(附註h)	30	-	-	-	-	30
Mr. Li Qiang (note i)	李強先生(附註i)	-	-	-	-	-	-
Mr. Lo Wai Hung (note j)	盧偉雄先生(附註j)	75	-	-	-	-	75
Mrs. Fu Mingzhong (note j)	付明仲女士(附註j)	89	-	-	-	-	89
Mrs. Wang Jinxia (note j)	王錦霞女士(附註j)	120	-	-	-	-	120
		411	-	-	-	-	411
Supervisors	監事						
Mr. Song Dapeng (note k)	宋大鵬先生(附註k)	-	-	-	-	-	-
Mr. Yue Chunliang (note l)	岳春良先生(附註l)	-	59	2	38	504	603
Mr. Zhang Zhuangqiu (note n)	張壯秋先生(附註n)	-	290	29	290	1,007	1,616
Mr. Hu Yunyong (note m)	胡雲涌先生(附註m)	-	-	-	-	-	-
Mrs. Gu Meijun	谷美君女士	-	-	-	-	-	-
		-	349	31	328	1,511	2,219
		411	3,744	158	2,004	19,609	25,926

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

12. 董事、監事及僱員酬金 (續)

Directors' and supervisors' emoluments (continued)

董事及監事酬金 (續)

		Year ended 31/12/2021 截至二零二一年十二月三十一日止年度					
	Fee RMB'000	Salaries and other allowances RMB'000	Retirement benefits schemes contributions RMB'000	Performance related bonus (note a) RMB'000	Share-based payment expenses RMB'000	Total RMB'000	
	袍金 人民幣千元	薪金及 其他津貼 人民幣千元	退休福利 計劃供款 人民幣千元	表現 相關花紅 (附註a) 人民幣千元	以股份 為基礎的 付款開支 人民幣千元	總計 人民幣千元	
Chief executive and executive director	行政總裁兼執行董事						
Mr. Long Jing (note b)	-	1,019	46	712	5,283	7,060	
Mr. Cong Rinan (note c)	-	903	45	526	1,709	3,183	
	-	1,922	91	1,238	6,992	10,243	
Executive directors	執行董事						
Mr. Zhang Huawei (note o)	-	1,425	-	876	-	2,301	
Mr. Wang Yi (note o)	-	1,117	-	685	-	1,802	
	-	2,542	-	1,561	-	4,103	
Non-executive directors	非執行董事						
Mr. Tang Zhengpeng (note e)	-	-	-	-	-	-	
Mr. Chen Lin (note e)	-	-	-	-	-	-	
Mr. Lian Xiaoming (note f)	-	-	-	-	-	-	
	-	-	-	-	-	-	

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

12. 董事、監事及僱員酬金 (續)

Directors' and supervisors' emoluments (continued)

董事及監事酬金 (續)

		Year ended 31/12/2021 截至二零二一年十二月三十一日止年度					
	Fee RMB'000 袍金 人民幣千元	Salaries and other allowances RMB'000 薪金及其他津貼 人民幣千元	Retirement benefits schemes contributions RMB'000 退休福利計劃供款 人民幣千元	Performance related bonus (note a) RMB'000 表現相關花紅 (附註a) 人民幣千元	Share-based payment expenses RMB'000 以股份為基礎的付款開支 人民幣千元	Total RMB'000 總計 人民幣千元	
Independent non-executive directors	獨立非執行董事						
Mr. Lo Wai Hung (note j)	166	-	-	-	-	166	
Mrs. Fu Mingzhong (note j)	120	-	-	-	-	120	
Mrs. Wang Jinxia (note j)	120	-	-	-	-	120	
	406	-	-	-	-	406	
Supervisors	監事						
Mr. Yue Chunliang (note l)	-	147	29	113	256	545	
Mr. Hu Yunyong (note m)	-	-	-	-	-	-	
Mrs. Gu Meijun	-	-	-	-	-	-	
	-	147	29	113	256	545	
	406	4,611	120	2,912	7,248	15,297	

Notes:

附註：

- (a) Approved by the Remuneration Committee, the performance related bonus payment is determined by reference to the individual performance of the directors and the chief executive. The chief executive, executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' and supervisors' emoluments shown above were for their services as directors of the Company.
- (a) 經薪酬委員會批准，表現相關花紅付款乃參考董事及行政總裁之個人表現而釐定。上述行政總裁及執行董事的酬金與彼等在管理本公司及本集團事務的服務有關。上述非執行董事及監事的酬金與彼等作為本公司董事的服務有關。
- (b) Mr. Long Jing has re-elected as an executive director of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company. Mr Long Jing resigned as chief executive officer of the Company with effect from 30 March 2021 and has been appointed as Chairman and authorised representative of the Company with effect on the same day.
- (b) 經本公司股東週年大會批准，龍經先生已獲重選為本公司執行董事，自二零二二年六月六日起生效。龍經先生已辭任本公司行政總裁，自二零二一年三月三十日起生效，並已獲委任為本公司主席兼授權代表，於同日生效。
- (c) Mr. Cong Rinan has been appointed as chief executive officer of the Company with effect from 30 March 2021, and has been appointed as executive director of the Company with effect from 24 May 2021.
- (c) 叢日楠先生已獲委任為本公司行政總裁，自二零二一年三月三十日起生效，及已獲任為本公司執行董事，自二零二一年五月二十四日起生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

Directors' and supervisors' emoluments (continued)

Notes: (continued)

- (d) Mr. Lu Junqiang and Mr. Ni Shili have been appointed as executive directors of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company.
- (e) Mr. Tang Zhengpeng and Mr. Chen Lin have been appointed as non-executive director of the Company with effect from 8 March 2021 by approval of extraordinary general meeting of the Company.
- (f) Mr. Lian Xiaoming has resigned as a non-executive director of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company, who has been firstly appointed as a non-executive director of the Company with effect from 24 May 2021.
- (g) Mr. Li Guohui has been appointed as an independent non-executive director of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company.
- (h) Mrs. Meng Hong has been appointed as an independent non-executive director of the Company with effect from 28 September 2022 by approval of extraordinary general meeting of the Company.
- (i) Mr. Li Qiang has been appointed as an independent non-executive director of the Company with effect from 30 December 2022 by approval of extraordinary general meeting of the Company.
- (j) Mr. Lo Wai Hung, Mrs. Fu Mingzhong and Mrs. Wang Jinxia have resigned as independent non-executive directors of the Company with effect from 6 June 2022, 28 September 2022 and 30 December 2022, respectively, who have been originally re-elected as independent non-executive director of the Company with effect from 24 May 2021.
- (k) Mr. Song Dapeng has been appointed as supervisor of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company.

12. 董事、監事及僱員酬金 (續)

董事及監事酬金 (續)

附註：(續)

- (d) 經本公司股東週年大會批准，盧均強先生及倪世利先生已獲委任為本公司執行董事，自二零二二年六月六日起生效。
- (e) 經本公司股東特別大會批准，湯正鵬先生及陳林先生已獲委任為本公司非執行董事，自二零二一年三月八日起生效。
- (f) 經本公司股東週年大會批准，連小明先生已辭任本公司非執行董事，自二零二二年六月六日起生效，而其自二零二一年五月二十四日起首次獲委任為本公司非執行董事。
- (g) 經本公司股東週年大會批准，李國輝先生已獲委任為本公司獨立非執行董事，自二零二二年六月六日起生效。
- (h) 經本公司股東特別大會批准，孟紅女士已獲委任為本公司獨立非執行董事，自二零二二年九月二十八日起生效。
- (i) 經本公司股東特別大會批准，李強先生已獲委任為本公司獨立非執行董事，自二零二二年十二月三十日起生效。
- (j) 盧偉雄先生、付明仲女士及王錦霞女士已辭任本公司獨立非執行董事，分別自二零二二年六月六日、二零二二年九月二十八日及二零二二年十二月三十日起生效，而彼等最初自二零二一年五月二十四日起已獲重選為本公司獨立非執行董事。
- (k) 經本公司股東週年大會批准，宋大鵬先生已獲委任為本公司監事，自二零二二年六月六日起生效。

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

12. 董事、監事及僱員酬金 (續)

Directors' and supervisors' emoluments (continued)

董事及監事酬金 (續)

Notes: (continued)

附註：(續)

- (l) Mr. Yue Chunliang has resigned as supervisor of the Company with effect from 22 April 2022.
- (m) Mr. Hu Yunyong has resigned as supervisor of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company.
- (n) Mr. Zhang Zhuangqiu has been elected as supervisor of the Company with effect from 22 April 2022.
- (o) Mr. Zhang Huawei and Mr. Wang Yi have resigned as executive director of the Company with effect from 30 March 2021.

- (l) 岳春良先生已辭任本公司監事，自二零二二年四月二十二日起生效。
- (m) 經本公司股東週年大會批准，胡雲涌先生已辭任本公司監事，自二零二二年六月六日起生效。
- (n) 張壯秋先生已獲選舉為本公司監事，自二零二二年四月二十二日起生效。
- (o) 張華威先生及王毅先生已辭任本公司執行董事，自二零二一年三月三十日起生效。

Five highest paid employees

五名最高酬金僱員

The five highest paid employees of the Group during the year included three directors (2021: one director), details of whose remuneration are set out above. Details of the remuneration for the year of the remaining two (2021: four) highest paid employees who are neither a director nor chief executive of the Group are as follows:

於年內本集團五名最高薪酬僱員包括三名董事(二零二一年：一名董事)，其薪酬詳情載列於上文。其餘兩名(二零二一年：四名)最高薪酬僱員(非本集團董事或主要行政人員)年內的薪酬詳情如下：

		Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2021 RMB'000 截至 二零二一年 十二月 三十一日 止年度 人民幣千元
Salaries and other benefits	薪金及其他津貼	12,960	21,155

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

Five highest paid employees (continued)

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

Emoluments bands in Hong Kong Dollars ("HKD")		Year ended 31/12/2022 No. of employees 截至二零二二年十二月三十一日止年度 僱員人數	Year ended 31/12/2021 No. of employees 截至二零二一年十二月三十一日止年度 僱員人數
HKD3,500,001 to HKD4,000,000	3,500,001港元至4,000,000港元	-	1
HKD4,000,001 to HKD4,500,000	4,000,001港元至4,500,000港元	-	2
HKD4,500,001 to HKD5,000,000	4,500,001港元至5,000,000港元	1	-
HKD10,000,001 to HKD15,000,000	10,000,001港元至15,000,000港元	1	-
HKD13,000,001 to HKD13,500,000	13,000,001港元至13,500,000港元	-	1

During the year ended 31 December 2022, no emoluments were paid by the Group to any of the executive directors, non-executive director, independent non-executive directors, supervisors, or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2021:nil). None of the directors, supervisors and chief executive has waived any emoluments during the year ended 31 December 2022 (2021: nil).

12. 董事、監事及僱員酬金 (續)

五名最高酬金僱員 (續)

薪酬介乎於以下範圍且並非本公司董事之最高薪酬僱員人數如下：

Year ended 31/12/2022 No. of employees 截至二零二二年十二月三十一日止年度 僱員人數	Year ended 31/12/2021 No. of employees 截至二零二一年十二月三十一日止年度 僱員人數
-	1
-	2
1	-
1	-
-	1

於截至二零二二年十二月三十一日止年度內，本集團並無支付酬金予任何執行董事、非執行董事、獨立非執行董事、監事或五名最高薪酬僱員作為吸引加入本集團或於加入本集團時的獎勵，或作為離職補償(二零二一年：無)。概無董事、監事及行政總裁於截至二零二二年十二月三十一日止年度(二零二一年：無)放棄任何酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

13. DIVIDENDS

13. 股息

		Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2021 RMB'000 截至 二零二一年 十二月 三十一日 止年度 人民幣千元
Dividends recognised as distribution during the year:	年內確認為分派的股息		
2022 Interim – RMB0.086 (2021: Interim – RMB0.077) per share	二零二二年中期股息每股人民幣0.086元(二零二一年：中期股息每股人民幣0.077元)	393,074	348,220
2021 Final – RMB0.065 (2020: Final – RMB0.068) per share	二零二一年末期股息每股人民幣0.065元(二零二零年：末期股息每股人民幣0.068元)	297,091	307,519
Total	總計	690,165	655,739
Less: distribution to the shares hold by the trustees under a share award scheme (note 38(a))	減：向受託人根據股份激勵計劃持有之股份的分派(附註38(a))	9,846	2,451
		680,319	653,288

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2022 of RMB0.079 (2021: RMB0.065) per share, amounting to RMB361,080,000 (2021: RMB297,091,000) in total, has been proposed by the directors and is subject to approval by the shareholders in the forthcoming general meeting.

於報告期末後，董事建議派付截至二零二二年十二月三十一日止年度的末期股息每股人民幣0.079元(二零二一年：人民幣0.065元)，合共人民幣361,080,000元(二零二一年：人民幣297,091,000元)。該建議須經股東在即將舉行的股東大會上批准後，方可作實。

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

Earnings figures are calculated as follows:

14. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據下列數據計算：

盈利數據計算如下：

		Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	2,723,309	2,275,929
Earnings for the purpose of basic earnings per share	就每股基本盈利而言的盈利	2,723,309	2,275,929
Effect of dilutive potential ordinary shares:	普通股潛在攤薄的影響：		
Adjustment to the share of profit of subsidiary based on dilution of their earnings per share	根據每股盈利的攤薄調整應佔附屬公司溢利	(862)	(923)
Earnings for the purpose of diluted earnings per share	就每股攤薄盈利而言的盈利	2,722,447	2,275,006

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

14. EARNINGS PER SHARE (continued)

14. 每股盈利 (續)

		Year ended 31/12/2022 '000 截至 二零二二年 十二月 三十一日 止年度 千股	Year ended 31/12/2021 '000 截至 二零二一年 十二月 三十一日 止年度 千股
Number of shares	股份數目		
Number of shares for the purpose of basic earnings per share	就計算每股基本盈利而言的股份數目	4,505,556	4,500,994
Effect of dilutive potential ordinary shares:	普通股潛在攤薄的影響：		
Incentive shares	激勵股份	21,093	15,329
Weighted average number of ordinary shares for the purpose of diluted earnings per share	就計算每股攤薄盈利而言的普通股加權平均數	4,526,649	4,516,323

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Construction In progress RMB'000	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Furniture, Fixtures equipment and tools RMB'000	Freehold Land RMB'000	Total RMB'000
		在建工程 人民幣千元	建築物 人民幣千元	廠房及機器 人民幣千元	汽車 人民幣千元	傢俱、 固定裝置 及工具 人民幣千元	自由保有 土地 人民幣千元	總計 人民幣千元
COST	成本							
At 31 December 2020 (restated)	於二零二零年 十二月三十一日 (經重列)	1,058,645	3,271,938	2,181,051	111,535	907,503	7,954	7,538,626
Additions	添置	430,769	-	360,417	8,106	94,390	-	893,682
Transfer	轉撥	(911,271)	502,070	329,697	-	79,504	-	-
Transfer from investment properties	轉撥自投資物業	-	64,657	-	-	-	-	64,657
Transfer to investment properties	轉撥至投資物業	-	(60,695)	-	-	-	-	(60,695)
Acquisition of a subsidiary (note 39)	收購一間附屬公司 (附註39)	-	4,140	4,622	-	-	-	8,762
Disposals	出售	-	-	(36,088)	(43,763)	(60,880)	-	(140,731)
Exchange adjustments	匯兌調整	(1,002)	(1,187)	(2,790)	(127)	(1,604)	(182)	(6,892)
At 31 December 2021(restated)	於二零二一年 十二月三十一日 (經重列)	577,141	3,780,923	2,836,909	75,751	1,018,913	7,772	8,297,409
Additions	添置	734,966	10,959	276,245	12,845	68,326	-	1,103,341
Transfer	轉撥	(548,155)	76,645	403,981	-	67,529	-	-
Transfer from investment properties	轉撥自投資物業	-	72,758	-	-	-	-	72,758
Transfer to investment properties	轉撥至投資物業	-	(88,306)	-	-	-	-	(88,306)
Disposals	出售	-	(14,196)	(50,132)	(6,976)	(63,345)	-	(134,649)
Exchange adjustments	匯兌調整	5,606	5,510	12,722	143	5,875	718	30,574
At 31 December 2022	於二零二二年 十二月三十一日	769,558	3,844,293	3,479,725	81,763	1,097,298	8,490	9,281,127

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15. PROPERTY, PLANT AND EQUIPMENT (continued)

15. 物業、廠房及設備 (續)

		Construction In progress RMB'000	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Furniture, Fixtures equipment and tools RMB'000	Freehold Land RMB'000	Total RMB'000
		在建工程 人民幣千元	建築物 人民幣千元	廠房及機器 人民幣千元	汽車 人民幣千元	傢俱、 固定裝置 及工具 人民幣千元	自由保有 土地 人民幣千元	總計 人民幣千元
DEPRECIATION AND IMPAIRMENT	折舊及減值							
At 31 December 2020 (restated)	於二零二零年 十二月三十一日 (經重列)	10,776	531,209	1,036,237	55,987	504,652	-	2,138,861
Provided for the year	年內撥備	-	119,339	207,659	7,809	124,222	-	459,029
Transfer from investment properties	轉撥自投資物業	-	10,226	-	-	-	-	10,226
Transfer to investment properties	轉撥至投資物業	-	(3,970)	-	-	-	-	(3,970)
Eliminated on disposals	於出售時抵銷	-	-	(15,649)	(17,814)	(53,850)	-	(87,313)
Exchange adjustments	匯兌調整	-	(207)	(724)	(25)	(695)	-	(1,651)
At 31 December 2021 (restated)	於二零二一年 十二月三十一日 (經重列)	10,776	656,597	1,227,523	45,957	574,329	-	2,515,182
Provided for the year	年內撥備	-	136,785	226,877	6,198	141,138	-	510,998
Transfer from investment properties	轉撥自投資物業	-	6,124	-	-	-	-	6,124
Transfer to investment properties	轉撥至投資物業	-	(10,822)	-	-	-	-	(10,822)
Eliminated on disposals	於出售時抵銷	-	(7,895)	(25,207)	(4,050)	(53,262)	-	(90,414)
Exchange adjustments	匯兌調整	-	1,117	3,693	141	2,896	-	7,847
At 31 December 2022	於二零二二年 十二月三十一日	10,776	781,906	1,432,886	48,246	665,101	-	2,938,915
CARRYING VALUES	賬面值							
At 31 December 2022	於二零二二年 十二月三十一日	758,782	3,062,387	2,046,839	33,517	432,197	8,490	6,342,212
At 31 December 2021 (restated)	於二零二一年 十二月三十一日 (經重列)	566,365	3,124,326	1,609,386	29,794	444,584	7,772	5,782,227

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15. PROPERTY, PLANT AND EQUIPMENT

(continued)

The above items of property, plant and equipment, other than construction in progress and freehold land, are depreciated on a straight-line basis after taking into account of their estimated residual values and at the following rates per annum:

Buildings	3.2-9.5%
Plant and machinery	9.5-19.0%
Motor vehicles	19.0-31.7%
Furniture, fixtures equipment and tools	19.0-47.5%

As at 31 December 2022, total net book value of Property, Plant and Equipment served as collateral for the Group's borrowing amounted to RMB239,785,000 (2021: RMB44,915,000).

15. 物業、廠房及設備 (續)

上述的物業、廠房及設備項目(在建工程及自由保有土地除外)以直線法就計入其估計剩餘價值後,按下列年率折舊:

建築物	3.2 — 9.5%
廠房及機器	9.5 — 19.0%
汽車	19.0 — 31.7%
傢俱、固定裝置及工具	19.0 — 47.5%

於二零二二年十二月三十一日,作為本集團借款抵押品的物業、廠房及設備的賬面淨值總額為人民幣239,785,000元(二零二一年:人民幣44,915,000元)。

16. RIGHT-OF-USE ASSETS

16. 使用權資產

		Leasehold land RMB'000 租賃土地 人民幣千元	Leased properties RMB'000 租賃物業 人民幣千元	Office equipment RMB'000 辦公室設備 人民幣千元	Total RMB'000 總計 人民幣千元
As at 31 December 2022	於二零二二年 十二月三十一日				
Carrying amount	賬面值	384,239	130,087	895	515,221
As at 31 December 2021	於二零二一年 十二月三十一日				
Carrying amount	賬面值	396,468	78,730	1,119	476,317
For the year ended 31 December 2022	截至二零二二年 十二月三十一日止年度				
Depreciation charge	折舊費用	9,830	26,650	680	37,160
For the year ended 31 December 2021	截至二零二一年 十二月三十一日止年度				
Depreciation charge	折舊費用	9,845	20,578	669	31,092

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16. RIGHT-OF-USE ASSETS (continued)

16. 使用權資產 (續)

		Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2021 RMB'000 截至 二零二一年 十二月 三十一日 止年度 人民幣千元
Expense relating to short-term leases	短期租賃開支	7,298	8,231
Total cash outflow for leases	租賃現金流出總額	40,022	34,068
Additions to right-of-use assets	新增使用權資產	77,166	71,897

For both years, the Group leases various offices and equipment for its operations. Lease contracts are entered into for fixed term of 1 year to 12 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Details of the lease maturity analysis of lease liabilities are set out in note 36.

本集團於兩個年度租賃各種辦公室及設備用於營運。租賃合約按1至12年的固定期限訂立。租賃條款乃在個別基礎上磋商，包括各種不同條款及條件。於釐定租期及評估不可撤回期間的時長時，本集團應用合約的定義並釐定合約可強制執行的期間。

租賃負債的租賃到期時間分析詳情載於附註36。

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17. INVESTMENT PROPERTIES

17. 投資物業

		RMB'000 人民幣千元
COST		
At 1 January 2021	成本 於二零二一年一月一日	170,941
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	60,695
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	(64,657)
At 31 December 2021	於二零二一年十二月三十一日	<u>166,979</u>
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	88,306
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(72,758)</u>
At 31 December 2022	於二零二二年十二月三十一日	<u>182,527</u>
DEPRECIATION		
At 1 January 2021	折舊 於二零二一年一月一日	34,231
Provided for the year	年內撥備	5,216
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	3,970
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(10,226)</u>
At 31 December 2021	於二零二一年十二月三十一日	<u>33,191</u>
Provided for the year	年內撥備	3,853
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	10,822
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(6,124)</u>
At 31 December 2022	於二零二二年十二月三十一日	<u>41,742</u>
CARRYING VALUES		
At 31 December 2022	賬面值 於二零二二年十二月三十一日	<u>140,785</u>
At 31 December 2021	於二零二一年十二月三十一日	<u>133,788</u>

17. INVESTMENT PROPERTIES (continued)

The fair value of the Group's investment properties of approximately RMB150,142,000 as at 31 December 2022 (2021: RMB173,925,000) has been determined by the Company.

The fair value was determined based on the income approach, where the market rentals of all lettable units of the properties are assessed and discounted at the market yield expected by investors for this type of properties. The market rentals are assessed by reference to the rentals achieved in the lettable units of the properties as well as other lettings of similar properties in the neighbourhood. The discount rate is determined by reference to the yields derived from analysing the sales transactions of similar commercial properties in the PRC and adjusted to take into account the market expectation from property investors to reflect factors specific to the Group's investment properties. There has been no change from the valuation technique used in the prior year.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

17. 投資物業 (續)

本集團投資物業於二零二二年十二月三十一日的公平值約為人民幣150,142,000元(二零二一年：人民幣173,925,000元)，該公平值已由本公司釐定。

公平值乃按收入法釐定，而物業所有可出租單位之市場租金則按投資者對此類物業預期之市場收益率評估及貼現。市場租金乃參考物業之可出租單位可得租金及該區其他類似物業之出租情況予以評估。貼現率乃參考中國同類商用物業之銷售交易分析所得之收益率予以釐定，並就物業投資者之市場預期作出調整，以反映本集團投資物業之特定因素。去年所用的估值方法並無變動。

於估計該等物業的公平值時，其最佳用途乃為其現有用途。

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17. INVESTMENT PROPERTIES (continued)

Details of the Group's investment properties and information about the fair value hierarchy as at the end of the reporting period are as follows:

The carrying value of investment properties shown above comprise of buildings erected on:

17. 投資物業 (續)

於報告期末，本集團有關公平值等級的投資物業及資料詳情如下：

以上所述投資物業的賬面值包括建於下述土地上之建築物：

		31/12/2022		31/12/2021	
		二零二二年十二月三十一日		二零二一年十二月三十一日	
		Carrying amount RMB'000 賬面值 人民幣千元	Fair value at level 3 hierarchy RMB'000 第三級公平值 人民幣千元	Carrying amount RMB'000 賬面值 人民幣千元	Fair value at level 3 hierarchy RMB'000 第三級公平值 人民幣千元
Land in PRC	於中國的土地				
Medium term lease	中期租約	140,785	150,142	133,788	173,925

The above investment properties are depreciated on a straight-line basis at 3.2% per annum.

上述投資物業按直線法以年率3.2%予以折舊。

18. GOODWILL

18. 商譽

		Year ended 31/12/2022	Year ended 31/12/2021
		截至 二零二二年 十二月 三十一日 止年度 RMB'000 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 RMB'000 人民幣千元
Cost	成本		
At 1 January	於一月一日	3,348,497	3,414,210
Arising on acquisition of a subsidiary (note 39)	收購一間附屬公司產生 (附註39)	-	7,637
Exchange adjustments	匯兌調整	290,244	(73,350)
At 31 December	於十二月三十一日	3,638,741	3,348,497

18. GOODWILL (continued)**18. 商譽** (續)**Impairment testing on goodwill**

The Group uses operating divisions as the basis for reporting segment information. For the purposes of impairment testing, goodwill has been allocated to the following groups of cash generating units (“CGUs”). The carrying amounts of goodwill as at 31 December 2022 and 2021 are as follows:

Medical device products	醫療器械產品
Orthopaedic products	骨科產品
Interventional products	介入產品
Blood management products	血液管理產品

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The management considers that groups of CGUs are represented by different groups of subsidiaries for the purpose of goodwill impairment testing.

The recoverable amounts of the groups of CGUs of medical device products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 5-year period (2021: 5-year), and discount rate of 14% (2021: 14%). The cash flows for the following years are extrapolated using a steady 2.5% growth rate (2021: 2.5%). A key assumption for the value in use calculations is the budgeted growth rate, which is determined based on past performance and management's expectations for the market development.

商譽減值測試

本集團使用經營分部作為其報告分部資料的基準。為進行減值測試，商譽被分配到以下現金產生單位（「現金產生單位」）組別。於二零二二年及二零二一年十二月三十一日，商譽之賬面值如下：

31/12/2022	31/12/2021
RMB'000	RMB'000
二零二二年	二零二一年
十二月	十二月
三十一日	三十一日
人民幣千元	人民幣千元
32,215	32,215
173,966	173,966
3,199,417	2,928,886
233,143	213,430
3,638,741	3,348,497

本集團每年測試商譽減值，或倘有跡象顯示商譽可能已減值，則會更頻密測試減值。

就商譽減值測試而言，管理層認為現金產生單位組別指不同的附屬公司組別。

醫療器械產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之五年（二零二一年：五年）財政預算及貼現率14%（二零二一年：14%）為基礎。將來年度的現金流量採用2.5%（二零二一年：2.5%）的穩定增長率推算。計算使用價值之主要假設為預算增長率，乃按過往表現及管理層對市場發展之預期而釐定。

18. GOODWILL (continued)**Impairment testing on goodwill** (continued)

The recoverable amounts of the groups of CGUs of orthopaedic products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 5-year period (2021: 5-year), and discount rate of 14% (2021: 14%). The cash flows for the following years are extrapolated using a steady 2.5% growth rate (2021: 2.5%). A key assumption for the value in use calculations is the budgeted growth rate, which is determined based on past performance and management's expectations for the market development.

The recoverable amounts of the groups of CGUs of interventional products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 10-year period (2021:10-year), and discount rate of 13% (2021: 11%). The cash flows for the following years are extrapolated using a steady 3% growth rate (2021: 2.5%). A key assumption for the value in use calculations is the budgeted growth rate, which is determined based on past performance and management's expectations for the market development.

The recoverable amounts of the groups of CGUs of Blood management products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 5-year period (2021:5-year), and discount rate of 15% (2021: 14.5%). The cash flows for the following years are extrapolated using a steady 2.5% growth rate (2021: 2.5%). A key assumption for the value in use calculations is the budgeted growth rate, which is determined based on past performance and management's expectations for the market development.

The recoverable amount is significantly above the carrying amount of each CGUs. Management of the Group believes that any reasonably possible change in any of these assumptions would not result in impairment.

18. 商譽 (續)**商譽減值測試** (續)

骨科產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之五年(二零二一年：五年)財政預算及貼現率14%(二零二一年：14%)為基礎。將來年度的現金流量採用2.5%(二零二一年：2.5%)的穩定增長率推算。計算使用價值之主要假設為預算增長率，乃按過往表現及管理層對市場發展之預期而釐定。

介入產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之十年(二零二一年：十年)財政預算及貼現率13%(二零二一年：11%)為基礎。將來年度的現金流量採用3%(二零二一年：2.5%)的穩定增長率推算。計算使用價值之主要假設為預算增長率，乃按過往表現及管理層對市場發展之預期而釐定。

血液管理產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之五年(二零二一年：五年)財政預算及貼現率15%(二零二一年：14.5%)為基礎。將來年度的現金流量採用2.5%(二零二一年：2.5%)的穩定增長率推算。計算使用價值之主要假設為預算增長率，乃按過往表現及管理層對市場發展之預期而釐定。

各現金產生單位的可收回金額大幅高於其賬面值。本集團管理層認為，任何該等假設的任何合理可能的變化均不會導致減值。

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19. INTANGIBLE ASSETS

19. 無形資產

		Development Costs RMB'000 開發成本 人民幣千元	Product Technology RMB'000 產品技術 人民幣千元	Customer Relationship RMB'000 客戶關係 人民幣千元	Trademarks RMB'000 商標 人民幣千元	Total RMB'000 總計 人民幣千元
COST						
At 31 December 2020	於二零二零年十二月三十一日	96,598	1,376,691	1,140,306	169,647	2,783,242
Addition	添置	29,405	2,144	-	-	31,549
Exchange adjustments	匯兌調整	(4,713)	(29,750)	(27,121)	(3,879)	(65,463)
At 31 December 2021	於二零二一年十二月三十一日	121,290	1,349,085	1,113,185	165,768	2,749,328
Addition	添置	29,159	1,942	-	-	31,101
Exchange adjustments	匯兌調整	12,231	117,427	100,812	15,311	245,781
At 31 December 2022	於二零二二年十二月三十一日	162,680	1,468,454	1,213,997	181,079	3,026,210
AMORTISATION						
At 31 December 2020	於二零二零年十二月三十一日	-	358,401	323,500	41,860	723,761
Charge for the year	年內開支	-	115,249	112,020	14,064	241,333
Exchange adjustments	匯兌調整	-	(8,454)	(8,698)	(1,120)	(18,272)
At 31 December 2021	於二零二一年十二月三十一日	-	465,196	426,822	54,804	946,822
Charge for the year	年內開支	-	118,218	116,803	15,480	250,501
Exchange adjustments	匯兌調整	-	42,599	43,054	5,579	91,232
At 31 December 2022	於二零二二年十二月三十一日	-	626,013	586,679	75,863	1,288,555
IMPAIRMENT						
At 31 December 2020	於二零二零年十二月三十一日	4,021	-	-	-	4,021
Exchange adjustments	匯兌調整	(92)	-	-	-	(92)
At 31 December 2021	於二零二一年十二月三十一日	3,929	-	-	-	3,929
Impairment loss recognised in the year	年內已確認減值虧損	10,806	-	-	-	10,806
Exchange adjustments	匯兌調整	744	-	-	-	744
At 31 December 2022	於二零二二年十二月三十一日	15,479	-	-	-	15,479
CARRYING VALUES						
At 31 December 2022	賬面值 於二零二二年十二月三十一日	147,201	842,441	627,318	105,216	1,722,176
At 31 December 2021	於二零二一年十二月三十一日	117,361	883,889	686,363	110,964	1,798,577

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

Product technology	10-12 years
Customer relationship	8-11 years
Trademarks	11-12 years

As at 31 December 2022, total net book value of intangible assets served as collateral for the Group's borrowing amounted to RMB1,461,558,000 (2021: RMB1,558,472,000).

上述無形資產具有有限可使用年期。該等無形資產於以下期間按直線法攤銷：

產品技術	10-12年
客戶關係	8-11年
商標	11-12年

於二零二二年十二月三十一日，作為本集團借款抵押品的無形資產的賬面淨值總額為人民幣1,461,558,000元（二零二一年：人民幣1,558,472,000元）。

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

20. INTERESTS IN ASSOCIATES

20. 於聯營公司的權益

		31/12/2022	31/12/2021
		RMB'000	RMB'000
			(restated)
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Cost of investment in associates	投資聯營公司的成本	1,045,898	938,290
Share of post-acquisition profits and other comprehensive income	應佔收購後利潤及其他全面收入	329,404	201,401
		1,375,302	1,139,691

Details of the Group's associates at the end of the reporting period are as follow:

於報告期末，本集團的聯營公司詳情如下：

Name of entity	Country of incorporation/ registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activity
			31/12/2022	31/12/2021	31/12/2022	31/12/2021	
實體名稱	註冊成立/ 註冊所在國家	主要營業地點	本集團所持 所有權益比例		本集團所持 投票權比例		主營業務
			二零二二年 十二月 三十一日	二零二一年 十二月 三十一日	二零二二年 十二月 三十一日	二零二一年 十二月 三十一日	
Shandong Weigao Blood Purification Products Co., Ltd. ("Weigao Blood Purification")	PRC	PRC	26.5506%	28.0871%	26.5506%	28.0871%	Manufacture and sale of hemodialysis equipment, dialyzer, dialysis pipeline, peritoneal dialysis fluid, and provide related dialysis service
山東威高血液淨化製品股份有限公司 (「威高血液淨化」)	中國	中國					製造及銷售血液透析設備、透析機、透析管道、腹膜透析液，並提供相關透析服務
Weihai Weigao Medical Disinfection Supply Co., Ltd. ("Weigao Medical Disinfection")	PRC	PRC	-	20%	-	20%	Manufacture and sale of medical devices
威海威高醫療消毒供應有限公司 (「威高醫療消毒」)	中國	中國					製造及銷售醫療器械

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

20. INTERESTS IN ASSOCIATES (continued)

20. 於聯營公司的權益 (續)

Name of entity 實體名稱	Country of incorporation/ registration 註冊成立/ 註冊所在國家	Principal place of business 主要營業地點	Proportion of ownership interest held by the Group 本集團所持所有權益比例		Proportion of voting rights held by the Group 本集團所持投票權比例		Principal activity 主營業務
			31/12/2022 二零二二年十二月三十一日	31/12/2021 二零二一年十二月三十一日	31/12/2022 二零二二年十二月三十一日	31/12/2021 二零二一年十二月三十一日	
Hunan Smart Medi-label System Info & Tech Ltd. ("Hunan Smart Medi-label") 湖南醫標通信息科技有限公司 (「湖南醫標通」)	PRC 中國	PRC 中國	20%	-	20%	-	Information technology services provider 信息技術服務提供商

Summarised financial information of a material associate

Summarised financial information in respect of the Group's material associate is set out below. The summarised financial information represents amounts shown in the associate's financial statements prepared in accordance with HKFRSs.

The associates are accounted for using the equity method in the consolidated financial statements.

重大聯營公司之財務資料概要

有關本集團的重大聯營公司之財務資料概要載列如下。財務資料概要指於根據香港財務報告準則編製之聯營公司財務報表中列示之金額。

聯營公司使用權益法於綜合財務報表入賬。

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

20. INTERESTS IN ASSOCIATES (continued)

20. 於聯營公司的權益 (續)

Weigao Blood Purification

威高血液淨化

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Current assets	流動資產	2,425,008	1,910,875
Non-current assets	非流動資產	4,156,328	4,204,651
Current liabilities	流動負債	(1,556,879)	(2,057,789)
Non-current liabilities	非流動負債	(128,487)	(131,922)
		Year ended	Year ended
		31/12/2022	31/12/2021
		RMB'000	RMB'000
		截至	截至
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		止年度	止年度
		人民幣千元	人民幣千元
Revenue	收入	3,450,929	3,078,505
Profit for the year	本年度溢利	316,426	249,182
Profit for the year attributable to owners of the Weigao Blood Purification	威高血液淨化擁有人應佔本年度溢利	316,426	249,182

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20. INTERESTS IN ASSOCIATES (continued)

20. 於聯營公司的權益 (續)

Weigao Blood Purification (continued)

威高血液淨化 (續)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Weigao Blood Purification recognised in the consolidated financial statement:

上文概述之財務資料與於綜合財務報表確認的於威高血液淨化權益之賬面值的對賬：

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Adjusted net assets of Weigao Blood Purification	威高血液淨化之經調整資產淨值	4,774,712	3,676,409
Proportion of the Group's ownership interest in Weigao Blood Purification	本集團於威高血液淨化之所有權權益比例	26.5506%	28.0871%
The Group's share of net assets of Weigao Blood Purification	本集團應佔威高血液淨化資產淨值	1,267,715	1,032,597
Goodwill	商譽	100,489	106,304
Carrying amount of the Group's interest in Weigao Blood Purification	本集團於威高血液淨化權益之賬面值	1,368,204	1,138,901

Note:

During the year ended 31 December 2022, third party investors injected RMB625,000,000 to Weigao Blood Purification, which resulted in a dilution of the Group's interest in Weigao Blood Purification from 28.0871% to 26.5506%. The gain on deemed disposal of partial interest, representing the difference between the share of net asset value before and after the dilution, amounting to RMB100,398,000 is recognised in profit or loss.

Weigao Medical Materials held a 20% interest in Weigao Medical Disinfection and accounted for the investment as an associate. In August 2022, Weigao Medical Materials disposed 20% interest in Weigao Medical Disinfection to a follow subsidiary of the Group for proceeds of RMB790,000.

附註：

截至二零二二年十二月三十一日止年度，第三方投資者向威高血液淨化注資人民幣625,000,000元，導致本集團於威高血液淨化的權益由28.0871%攤薄至26.5506%。視作出售部分權益之收益（即攤薄前後分佔資產淨值差額）人民幣100,398,000元於損益確認。

威高醫用材料持有威高醫療消毒的20%權益，並將投資作為聯營公司入賬。於二零二二年八月，威高醫用材料向本集團同系附屬公司出售威高醫療消毒的20%權益，所得款項為人民幣790,000元。

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

21. INTERESTS IN JOINT VENTURES

21. 於合營企業的權益

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Cost of investment in joint ventures	投資合營企業的成本	361,730	182,730
Share of post-acquisition loss and other comprehensive income	應佔收購後虧損及其他全面收入	(3,332)	(531)
Exchange adjustments	匯兌調整	(363)	(1,442)
		358,035	180,757

Details of the Group's joint ventures at the end of the reporting period are as follow:

於報告期末，本集團的合營企業詳情如下：

Name of entity	Country of incorporation/ registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activity
			31/12/2022	31/12/2021	31/12/2022	31/12/2021	
實體名稱	註冊成立/ 註冊所在國家	主要營業地點	本集團所持 所有權權益比例		本集團所持 投票權比例		主營業務
			二零二二年 十二月 三十一日	二零二一年 十二月 三十一日	二零二二年 十二月 三十一日	二零二一年 十二月 三十一日	
Qingdao Songyuan First Phase Medical Investment Partnership (Limited Partnership) ("Qingdao Songyuan")	PRC	PRC	38.5%	38.5%	38.5%	38.5%	Investment in companies in medical industry
青島松源壹期醫療投資合夥企業(有限合夥)(「青島松源」)	中國	中國					投資於醫療行業公司
Weihai Shangyuan Fund	PRC	PRC	19.8%	19.8%	19.8%	19.8%	Venture capital business
威海尚元基金	中國	中國					創業投資
Shandong Baiqing Energy Technology Co., Ltd ("Baiqing Energy")	PRC	PRC	50%	-	50%	-	Technical service provider
山東柏清能源科技有限公司(「柏清能源」)	中國	中國					技術服務供應商

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

21. INTERESTS IN JOINT VENTURES (continued)

Note:

On 24 December 2020, the Group entered into a partnership agreement, together with other six parties to establish Qingdao Songyuan to invest in company running business in medical industry. The total subscribed capital of Qingdao Songyuan is RMB2,000,000,000, of which RMB770,000,000 is subscribed by the Group. As at 31 December 2022, the Group invested RMB308,000,000 to Qingdao Songyuan, the remaining RMB462,000,000 is to be invested within 5 years after the establishment of the partnership.

On 12 October 2020, Wego Healthcare entered into a partnership agreement, together with other seven parties to establish Weihai Shangyuan Fund. The total subscribed capital of Weihai Shangyuan Fund is RMB303,000,000, of which RMB60,000,000 is subscribed by Wego Healthcare. As at 31 December 2022, Wego Healthcare invested USD4,280,000 (equivalent to RMB29,808,000) to Weihai Shangyuan Fund.

The Group invested in Qingdao Songyuan and Weihai Shangyuan Fund as limited partner. The director of the Company considered that the interests the Group held over Qingdao Songyuan and Weihai Shangyuan Fund carry rights that are substantively the same as the investee's ordinary shares and provides current access to the returns associated with its ownership interest in the investee, which is driven by the investee's financial performance.

In October 2022, the Company invested into Baiqing Energy with amounts of RMB25,000,000, and hold 50% ownership interests over Baiqing Energy.

The Group had joint arrangements with other parties whereby the parties that have joint control of the arrangement and have rights to the net assets of the joint arrangement, the Group accounted the investments in Qingdao Songyuan, Weihai Shangyuan Fund and Baiqing Energy as interests in a joint venture using the equity method.

21. 於合營企業的權益 (續)

附註：

於二零二零年十二月二十四日，本集團與其他六方訂立合夥協議，成立青島松源，以投資於從事醫療行業的公司。青島松源的總認繳資本為人民幣2,000,000,000元，其中人民幣770,000,000元由本集團認繳。於二零二二年十二月三十一日，本集團向青島松源投資人民幣308,000,000元，其餘人民幣462,000,000元將在合夥企業成立後5年內投資。

於二零二零年十月十二日，Wego Healthcare與其他七方訂立合夥協議，成立威海尚元基金。威海尚元基金的總認繳資本為人民幣303,000,000元，其中人民幣60,000,000元由Wego Healthcare認繳。於二零二二年十二月三十一日，Wego Healthcare向威海尚元基金投資4,280,000美元（相等於人民幣29,808,000元）。

本集團作為有限合夥人投資青島松源及威海尚元基金。本公司董事認為，本集團持有青島松源及威海尚元基金的權益與被投資方的普通股具有實質相同的權利，並提供當前獲取與其在被投資方的所有者權益相關的回報的途徑，此乃受被投資方的財務表現驅動。

於二零二二年十月，本公司投資柏清能源，投資額為人民幣25,000,000元，並持有柏清能源50%的所有權。

本集團與其他方訂有合營安排，據此，各方對該安排具有共同控制權且對該合營安排的淨資產享有權利，本集團使用權益法將於青島松源、威海尚元基金及柏清能源的投資入賬列為於一間合營企業的權益。

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21. INTERESTS IN JOINT VENTURES (continued)

Summarised financial information of material joint venture

Summarised financial information in respect of the Group's material joint venture is set out below. The summarised financial information represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRSs.

The joint ventures are accounted for using the equity method in the consolidated financial statements.

Qingdao Songyuan

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Current assets	流動資產	435,026	279,023
Non-current assets	非流動資產	361,070	120,000
Non-current liabilities	非流動負債	(1,304)	-
		Year ended	Year ended
		31/12/2022	31/12/2021
		RMB'000	RMB'000
		截至	截至
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		止年度	止年度
		人民幣千元	人民幣千元
Investment income	投資收入	71	-
Loss for the year	本年度虧損	(4,230)	(978)

21. 於合營企業的權益 (續)

重大合營企業之財務資料概要

有關本集團的重大合營企業之財務資料概要載列如下。財務資料概要指於根據香港財務報告準則編製之合營企業財務報表中列示之金額。

合營企業使用權益法於綜合財務報表入賬。

青島松源

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21. INTERESTS IN JOINT VENTURES (continued)

21. 於合營企業的權益 (續)

Summarised financial information of material joint venture (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Qingdao Songyuan recognised in the consolidated financial statement:

重大合營企業之財務資料概要 (續)

上文概述之財務資料與於綜合財務報表確認的於青島松源權益之賬面值的對賬：

		31/12/2022 RMB'000 二零二二年 十二月 三十一日 人民幣千元	31/12/2021 RMB'000 二零二一年 十二月 三十一日 人民幣千元
Net assets of Qingdao Songyuan	青島松源之資產淨值	794,792	399,023
Proportion of the Group's ownership interest in Qingdao Songyuan	本集團於青島松源之所有權權益比例	38.5%	38.5%
Carrying amount of the Group's interest in Qingdao Songyuan	本集團於青島松源權益之賬面值	305,995	153,624

Aggregate information of joint ventures that are not individually material

個別並不重大之合營企業之匯總資料

		31/12/2022 RMB'000 二零二二年 十二月 三十一日 人民幣千元	31/12/2021 RMB'000 二零二一年 十二月 三十一日 人民幣千元
The Group's share of loss	本集團應佔虧損	(1,172)	(154)
The Group's share of total comprehensive expenses	本集團應佔全面開支總額	(1,172)	(154)

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22. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

22. 按公平值計入損益計量之金融工具

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Unlisted investments:	非上市投資：		
– Structured Cross Currency Swap (note a)	– 結構性交叉貨幣置換 (附註a)	–	(35,883)
– Currency option (note b)	– 貨幣期權 (附註b)	–	(20,811)
– Interest rate swap (note c)	– 利率互換 (附註c)	572	(199)
– Investment funds (note d)	– 投資基金 (附註d)	119,729	100,943
Structured deposit (note e)	結構性存款 (附註e)	–	10,000
		120,301	54,050
Analysed for reporting purposes as:	就呈報目的分析為：		
– Current liabilities	– 流動負債	–	(56,694)
– Non-current liabilities	– 非流動負債	–	(199)
– Current assets	– 流動資產	–	10,000
– Non-current assets	– 非流動資產	120,301	100,943
		120,301	54,050

Notes:

- (a) As at 31 December 2021, the Group holds a Structured Cross Currency Swap which is issued by HSBC Bank (China) Company Limited to exchange periodic interest obligation and principal payments for stated period of time. During the year ended 31 December 2022, the Group disposed Structured Cross Currency Swap with payment of RMB32,500,000 to HSBC Bank (China) Company Limited.

附註：

- (a) 於二零二一年十二月三十一日，本集團持有HSBC Bank (China) Company Limited發行的結構性交叉貨幣置換，以於規定期間內交換定期利息責任及本金款項。截至二零二二年十二月三十一日止年度，本集團向HSBC Bank (China) Company Limited出售支付款項為人民幣32,500,000元的結構性交叉貨幣置換。

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22. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

(continued)

Notes: (continued)

- (b) As at 31 December 2021 the Group holds a currency option which was issued by HSBC Bank (China) Company Limited to fix exchange rate of USD against RMB at maturity date of 27 April 2022, with principal amount of USD40,000,000. The Group early terminated the currency option with payment of RMB22,100,000 to HSBC Bank (China) Company Limited on 4 January 2022.
- (c) As at 31 December 2022 and 2021, the Group held an interest rate swap which was issued by HSBC Bank (China) Company Limited to exchange floating interest rate with fixed interest rate, matured on 21 June 2024, with principal amount of RMB300,000,000.
- (d) As at 31 December 2022, the amount of RMB95,408,000 represents 11.76% (2021: RMB78,092,000 represents 11.76%) of the interest in a health science fund. The amount of RMB24,321,000 represents 4.47% (2021: RMB22,851,000 represents 4.47%) of the interest in an investment fund.
- (e) As at 31 December 2021, the structured deposit was issued by a bank in the PRC with expected rate of return (not guaranteed) which is linked to interest rates, currency, stock index and commodity price.

22. 按公平值計入損益計量之金融工具 (續)

附註：(續)

- (b) 於二零二一年十二月三十一日，本集團持有HSBC Bank (China) Company Limited發行的貨幣期權，以於二零二二年四月二十七日到期日期將美元兌人民幣的匯率固定，本金額為40,000,000美元。本集團提前終止其貨幣期權，於二零二二年一月四日向HSBC Bank (China) Company Limited支付人民幣22,100,000元。
- (c) 於二零二二年及二零二一年十二月三十一日，本集團持有HSBC Bank (China) Company Limited發行的於二零二四年六月二十一日到期的利率互換，以固定利率交換浮動利率，本金額為人民幣300,000,000元。
- (d) 於二零二二年十二月三十一日，金額人民幣95,408,000元(二零二一年：人民幣78,092,000元；11.76%)指健康科學基金之11.76%權益。金額人民幣24,321,000元(二零二一年：人民幣22,851,000元；4.47%)指一項投資基金之4.47%權益。
- (e) 於二零二一年十二月三十一日，結構性存款由中國一間銀行發行，預期收益率(非保證)與利率、貨幣、股票指數及商品價格掛鈎。

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23. DEFERRED TAXATION

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purpose.

23. 遞延稅項

為呈列綜合財務狀況表，若干遞延稅項資產及負債已被抵銷。就財務申報目的作出之遞延稅項結餘分析如下。

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Deferred tax assets	遞延稅項資產	159,453	157,042
Deferred tax liabilities	遞延稅項負債	(199,797)	(222,620)
		(40,344)	(65,578)

The followings are the major deferred tax assets and liabilities recognised and movements thereon during the current and prior reporting year:

於本報告年度及過往報告年度，已確認的主要遞延稅項資產及負債及其變動載列如下：

		Deferred income	Time difference of property, plants and equipment	Time difference of intangible assets	Unrealised profit	Share-based payments reserve	Unpaid bonus and salary	US research and development expenses	Impairment of assets	Interest deduction limited	Deductible losses	Time Difference of changes in fair value	Contract liabilities	Provision	Others (note)	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
									(restated)							(restated)
		物業、廠房及設備的遞延收入	無形資產的時間差	未變現溢利	以股份為基礎的付款儲備	未支付花紅及薪金	美國研發開支	資產減值	利息抵扣限額	可抵扣虧損	公平值變動時間差	合約負債	撥備	其他(附註)	總計	
		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	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	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
At 31 December 2020	於二零二零年十二月三十一日	9,799	(13,273)	(310,724)	27,339	23,907	1,879	(21,476)	48,769	27,602	4,595	12,882	7,083	-	29,879	(151,739)
(Charge) credit to profit or loss (restated)	(扣除自)計入損益(經重列)	(20)	(6,710)	37,187	6,854	13,167	-	(7,624)	2,708	(7,891)	(3,256)	(1,620)	1,532	54,770	(8,584)	80,513
Exchange adjustments	匯兌調整	-	689	6,505	(8)	(312)	-	581	(54)	(538)	(30)	-	-	(644)	(541)	5,648
At 31 December 2021 (restated)	於二零二一年十二月三十一日(經重列)	9,779	(19,294)	(267,032)	34,185	36,762	1,879	(28,519)	51,423	19,173	1,309	11,262	8,615	54,126	20,754	(65,578)
(Charge) credit to profit or loss	(扣除自)計入損益	(1,910)	(37,541)	39,766	9,866	17,875	-	(10,784)	2,796	29,116	41,146	(11,348)	(1,047)	(48,683)	13,304	42,556
Exchange adjustments	匯兌調整	-	(3,193)	(22,885)	32	1,706	-	(3,014)	179	2,875	1,570	-	-	3,285	2,123	(17,322)
At 31 December 2022	於二零二二年十二月三十一日	7,869	(60,028)	(250,151)	44,083	56,343	1,879	(42,317)	54,398	51,164	44,025	(86)	7,568	8,728	36,181	(40,344)

Note: The others mainly comprised transaction cost, prepaid expense, inventory capitalisation adjustment etc., due to the time differences under U.S. income tax code.

附註：其他主要包括美國所得稅法項下時間差產生的交易成本、預付開支、存貨資本化調整等。

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23. DEFERRED TAXATION (continued)

At the end of reporting period, no deferred tax asset has been recognised in relation to the following deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

23. 遞延稅項 (續)

於報告期末，概無就以下可扣稅減暫時差異確認遞延稅項資產，因為應課稅溢利不可能用於抵銷可扣稅暫時差異。

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Arising from impairment of assets	自資產減值產生	39,468	25,413
Arising from other temporary differences	自其他暫時差異產生	-	3,972
		39,468	29,385

As at 31 December 2022, the Group has estimated unused tax losses of approximately RMB123,152,000 (2021: RMB160,713,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams. The above tax losses will be expired in the following years:

於二零二二年十二月三十一日，本集團擁有可供抵銷未來溢利的估計未使用稅項虧損約人民幣123,152,000元(二零二一年：人民幣160,713,000元)。由於未能預測未來的溢利來源，故並無就稅項虧損確認遞延稅項資產。上述稅項虧損將於下列年限到期：

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
2022	二零二二年	-	5,590
2023	二零二三年	1,168	6,279
2024	二零二四年	8,943	15,267
2025	二零二五年	20,728	39,332
2026	二零二六年	51,595	94,245
2027	二零二七年	40,718	-
		123,152	160,713

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24. FINANCE LEASE RECEIVABLES

The Group entered into certain finance lease agreements as a lessor for equipment. The average terms of finance leases entered into usually range from one to three years. All interest rates inherent in the leases are fixed at the contract date over the leases terms.

24. 應收融資租賃款項

本集團(作為設備出租人)訂立若干融資租賃協議。融資租賃平均租期通常訂立為介乎一至三年。有關租賃之全部利率均根據租期於合約日期釐定。

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Analysed for reporting purposes as:	就呈報目的分析為：		
Current assets	流動資產	70,831	85,122
Non-current assets	非流動資產	23,037	40,959
		93,868	126,081

		Minimum lease receivables		Present value of minimum lease receivables	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
		RMB'000	RMB'000	RMB'000	RMB'000
		應收最低租賃款項		應收最低租賃款項之現值	
		二零二二年	二零二一年	二零二二年	二零二一年
		十二月	十二月	十二月	十二月
		三十一日	三十一日	三十一日	三十一日
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Finance lease receivables comprise	應收融資租賃款項包括				
Within one year	於一年內	90,093	100,865	84,365	94,792
In more than one year but not more than two years	超過一年但不超過兩年	20,795	38,532	18,765	34,462
In more than two years but not more than five years	超過兩年但不超過五年	5,204	9,443	4,518	8,053
Unguaranteed residual values	無擔保剩餘價值	116,092	148,840	107,648	137,307
Less: unearned finance income allowance for credit losses	減：未賺取融資收益 信貸虧損撥備	(8,444)	(11,533)	-	-
		(13,780)	(11,226)	(13,780)	(11,226)
Present value of minimum lease payment receivables	應收最低租賃款項之現值	93,868	126,081	93,868	126,081

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24. FINANCE LEASE RECEIVABLES (continued)

Effective interest rates implicit in the above finance leases range from 6.00% to 8.00% per annum (2021: 5.18% to 9.44%).

Finance lease receivables are secured over the machineries leased. The Group is not permitted to sell or re-pledge the collateral in the absence of default by the lessee.

As at 31 December 2022, the carrying amount of the finance lease receivables due from fellow subsidiaries is RMB60,877,000 (2021: RMB53,571,000).

Details of impairment assessment of financial lease receivables are set out in note 42.

25. LOAN RECEIVABLES

24. 應收融資租賃款項 (續)

上述融資租賃內含之實際年利率介乎6.00厘至8.00厘(二零二一年: 5.18厘至9.44厘)。

應收融資租賃款項以所租機器作抵押。本集團不允許在承租人未違約情況下出售或再抵押抵押品。

於二零二二年十二月三十一日，應收融資租賃款項的賬面值包括應收同系附屬公司款項人民幣60,877,000元(二零二一年: 人民幣53,571,000元)。

應收融資租賃款項減值評估詳情載於附註42。

25. 應收貸款

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Fixed-rate loan receivables (note a)	固定利率應收貸款(附註a)	772,435	707,845
Variable-rate loan receivables (note b)	浮動利率應收貸款(附註b)	61,646	64,945
Less: Allowance for credit losses	減: 信貸虧損撥備	(22,290)	(25,465)
		811,791	747,325
Analysed for reporting purposes as:	就呈報目的分析為:		
Current assets	流動資產	627,626	428,514
Non-current assets	非流動資產	184,165	318,811
		811,791	747,325

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25. LOAN RECEIVABLES (continued)

Notes:

- (a) As at 31 December 2022, the carrying amount of RMB344,175,000 represents the loan provided to third parties are secured by various equipment, carrying the effective interest rates range from 6.00% to 8.00%. (2021: RMB340,713,000, the effective interest rates range from 5.22% to 14%). As at 31 December 2022, the carrying amount of RMB428,260,000 loan receivables due from fellow subsidiaries, carrying the effective interest rates range from 6.00% to 8.00% (2021: RMB367,132,000, carrying the effective interest rates range from 6.35% to 8.00%).
- (b) As at 31 December 2022, one of the subsidiary of the Company provided loan with principal amount of RMB29,692,000 to the eligible employees of Weigao Orthopedic to partially fund the subscription of share award scheme granted to them, with a period of five years (2021: RMB29,692,000), bearing the benchmark lending rate that published by the People's Bank of China. As at 31 December 2022, the accrued interest of the loan included in the balance of loan receivable was RMB1,925,000 (2021: RMB1,604,000). Detail of the share award scheme of Weigao Orthopedic are set out in note 38 (c).

During the year ended 31 December 2022 and 2021, RMB17,027,000 loan was provided by the subsidiary of the Company to an employee of Weigao Orthopaedic with a period of five years. The loans are unsecured, bearing the benchmark lending rate that published by the People's Bank of China. As at 31 December 2022, the accrued interest of the loan included in the balance of loan receivable was RMB1,502,000 (2021: RMB1,122,000).

Details of impairment assessment of loan receivables are set out in note 42.

25. 應收貸款 (續)

附註：

- (a) 於二零二二年十二月三十一日，賬面值人民幣344,175,000元指提供予第三方之貸款，並以各設備作擔保，實際利率範圍介乎6.00厘至8.00厘(二零二一年：人民幣340,713,000元，實際利率範圍介乎5.22厘至14厘)。於二零二二年十二月三十一日，應收貸款賬面值包括應收同系附屬公司貸款人民幣428,260,000元，實際利率範圍介乎6.00厘至8.00厘(二零二一年：人民幣367,132,000元，實際利率範圍介乎6.35厘至8.00厘)。
- (b) 於二零二二年十二月三十一日，本公司一間附屬公司向威高骨科之合資格僱員提供本金額人民幣29,692,000元之貸款，以部分撥付授予彼等股份激勵計劃的認購，為期五年(二零二一年：人民幣29,692,000元)，及按中國人民銀行公佈的基準貸款利率計息。於二零二二年十二月三十一日，計入應收貸款結餘之應計貸款利息為人民幣1,925,000元(二零二一年：人民幣1,604,000元)。威高骨科股份激勵計劃的詳情載於附註38(c)。

截至二零二二年及二零二一年十二月三十一日止年度，本公司附屬公司向威高骨科一名僱員提供人民幣17,027,000元之貸款，為期五年。該等貸款為無抵押，及按中國人民銀行公佈的基準貸款利率計息。於二零二二年十二月三十一日，計入應收貸款結餘之應計貸款利息為人民幣1,502,000元(二零二一年：人民幣1,122,000元)。

應收貸款減值評估詳情載於附註42。

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26. INVENTORIES

26. 存貨

		31/12/2022	31/12/2021
		RMB'000	RMB'000
			(restated)
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Raw materials	原料	660,103	369,638
Finished goods	製成品	1,655,240	1,412,097
		2,315,343	1,781,735

As at 31 December 2022, total net book value of inventories served as collateral for the Group's borrowing amounted to RMB289,204,000 (2021: RMB212,104,000).

於二零二二年十二月三十一日，用作本集團借款抵押品的存貨總賬面淨值為人民幣289,204,000元（二零二一年：人民幣212,104,000元）。

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27. TRADE AND OTHER RECEIVABLES

27. 應收貿易賬款及其他應收款項

		31/12/2022	31/12/2021
		RMB'000	RMB'000
			(restated)
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Trade receivables	應收貿易賬款	5,724,899	5,289,657
Less: Allowance for credit losses	減：信貸虧損撥備	(291,024)	(257,763)
		5,433,875	5,031,894
Receivables from factoring business	來自保理業務之應收款項	232,945	74,936
Less: Allowance for credit losses	減：信貸虧損撥備	(2,418)	(844)
		230,527	74,092
Other receivables	其他應收款項	712,152	524,366
Less: Allowance for credit losses	減：信貸虧損撥備	(1,588)	(2,161)
		710,564	522,205
Prepayments	預付款項	720,463	521,369
		7,095,429	6,149,560
Analysed for reporting purposes as:	就呈報目的分析為：		
Current assets	流動資產	7,024,893	6,070,207
Non-current assets	非流動資產	70,536	79,353
		7,095,429	6,149,560

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27. TRADE AND OTHER RECEIVABLES

(continued)

As at 31 December 2022, trade receivables from contracts with customers amounted to RMB5,724,899,000 (2021: RMB5,289,657,000).

Included in trade receivables are an amount due from fellow subsidiaries of RMB2,899,573,000 (2021: RMB2,061,446,000), an amount due from a holding company of RMB2,952,000 (2021: RMB2,470,000), and an amount due from an associate of RMB28,063,000 (2021: RMB46,277,000), an amount due from associates of a holding company of RMB867,000 (2021: RMB918,000).

Included in receivables from factoring business are an amount due from fellow subsidiaries of RMB144,700,000 (2021: RMB6,000,000). The amounts are due in one year with effective interest rates range from 4.75% to 8.57% per annum (2021: 8% per annum).

Included in other receivables are an amount due from fellow subsidiaries of RMB69,624,000 (2021: RMB87,834,000), an amount due from a holding company of RMB386,960,000 (2021: RMB349,028,000), an amount due from an associate of RMB11,810,000 (2021: nil), an amount due from associates of a holding company of RMB194,000 (2021: RMB18,000). The amounts are unsecured and repayable on demand.

Included in prepayments are an amount paid to fellow subsidiaries of RMB139,457,000 (2021: RMB77,030,000), an amount paid to a holding company of nil (2021: RMB908,000), and an amount paid to an associate of RMB6,620,000 (2021: RMB402,000).

27. 應收貿易賬款及其他應收款項 (續)

於二零二二年十二月三十一日，來自客戶合約的應收貿易賬款為人民幣5,724,899,000元（二零二一年：人民幣5,289,657,000元）。

應收貿易賬款包括應收同系附屬公司款項人民幣2,899,573,000元（二零二一年：人民幣2,061,446,000元）、應收一間控股公司款項人民幣2,952,000元（二零二一年：人民幣2,470,000元）及應收一間聯營公司款項人民幣28,063,000元（二零二一年：人民幣46,277,000元）及應收一間控股公司的聯營公司款項人民幣867,000元（二零二一年：人民幣918,000元）。

來自保理業務之應收款項包括應收同系附屬公司款項人民幣144,700,000元（二零二一年：人民幣6,000,000元）。該等款項於一年內到期，實際年利率介乎4.75厘至8.57厘（二零二一年：年利率8.00厘）。

其他應收款項包括應收同系附屬公司款項人民幣69,624,000元（二零二一年：人民幣87,834,000元）、應收一間控股公司款項人民幣386,960,000元（二零二一年：人民幣349,028,000元）、應收一間聯營公司款項人民幣11,810,000元（二零二一年：零）及應收一間控股公司的聯營公司款項人民幣194,000元（二零二一年：人民幣18,000元）。該等款項為無抵押及須於要求時償還。

預付款項包括已付同系附屬公司款項人民幣139,457,000元（二零二一年：人民幣77,030,000元）、已付一間控股公司款項零（二零二一年：人民幣908,000元）及已付一間聯營公司款項人民幣6,620,000元（二零二一年：人民幣402,000元）。

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27. TRADE AND OTHER RECEIVABLES

(continued)

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the invoice date at the end of the reporting period.

0 to 90 days	0至90天
91 to 180 days	91至180天
181 to 365 days	181至365天
Over 365 days	365天以上

As at 31 December 2022, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB1,847,501,000 which are past due (2021: RMB1,366,168,000).

As at 31 December 2022, total net book value of trade and other receivables served as collateral for the Group's borrowing amounted to RMB210,937,000 (2021: RMB180,649,000).

Details of impairment assessment of trade and other receivables are set out in note 42.

27. 應收貿易賬款及其他應收款項 (續)

於報告期末，按發票日呈列的應收貿易賬款（經扣減信貸虧損撥備）之賬齡分析如下。

31/12/2022	31/12/2021
RMB'000	RMB'000
二零二二年	二零二一年
十二月	十二月
三十一日	三十一日
人民幣千元	人民幣千元
	(經重列)
2,591,833	2,527,004
1,034,805	1,178,068
1,082,247	1,009,814
724,990	317,008
5,433,875	5,031,894

於二零二二年十二月三十一日，本集團的應收貿易賬款結餘已包括賬面總值為人民幣1,847,501,000元（二零二一年：人民幣1,366,168,000元）已逾期的應收賬款。

於二零二二年十二月三十一日，作為本集團借款抵押品的應收貿易賬款及其他應收款項的賬面淨值總額為人民幣210,937,000元（二零二一年：人民幣180,649,000元）。

應收貿易賬款及其他應收款項的減值評估詳情載於附註42。

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28. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

28. 按公平值計入其他全面收入計量之債務工具

		31/12/2022	31/12/2021
		RMB'000	RMB'000
			(restated)
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Unlisted investments:	非上市投資：		
– Bills receivable	– 應收票據	495,337	425,316

As at 31 December 2022, the Group endorsed bills receivable of RMB361,125,000 (2021: RMB449,848,000) for the settlement of trade and other payables. In the opinion of the directors of the Company, the Group has transferred the significant risks and rewards relating to these bills receivable, and the Group's obligations to the corresponding counterparties were discharged in accordance with the commercial practice in the PRC and the risk of the default in payment of the endorsed bills receivable is low because all endorsed bills receivable are issued and guaranteed by the reputable PRC banks. As a result, the relevant assets and liabilities were derecognised. The maximum exposure to the Group that may result from the default of these endorsed bills receivable are RMB361,125,000 (2021: RMB449,848,000). All bills received by the Group are with a maturity period of less than one year.

As at 31 December 2022, the Group has pledged bills receivable of RMB107,611,000 (2021: RMB54,188,000) to secure the letter of credit.

於二零二二年十二月三十一日，本集團已背書應收票據人民幣361,125,000元(二零二一年：人民幣449,848,000元)以支付應付貿易賬款及其他應付款項。本公司董事認為，本集團已轉移有關該等應收票據的重大風險及回報，而本集團對相對應手的責任已根據中國商業慣例獲解除。鑒於所有已背書應收票據均由聲譽良好的中國銀行發出及擔保，故已背書應收票據出現拖欠付款的風險低。因此，相關資產及負債已取消確認。本集團可能因該等已背書應收票據出現拖欠付款所蒙受的最大風險為人民幣361,125,000元(二零二一年：人民幣449,848,000元)。本集團收到的所有票據均於一年內到期。

於二零二二年十二月三十一日，本集團已抵押應收票據人民幣107,611,000元(二零二一年：人民幣54,188,000元)用於取得信用證。

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29. PLEDGED/RESTRICTED BANK DEPOSITS

As at 31 December 2022, pledged/restricted bank balances represent deposits pledged to banks to secure trade facilities such as bills payable and letter of credit and short-term borrowing amounting to RMB694,084,000 (2021: RMB760,895,000). The pledged bank deposits will be released upon the settlement of relevant bank borrowings.

The pledged bank balances carry fixed interest rates which range from 0.01% to 4.00% per annum as at 31 December 2022 (2021: 0.01% to 2.25% per annum).

30. CASH AND BANK BALANCES

Cash and cash equivalents

Cash and cash equivalents include demand deposits and short-term deposits for the purpose of meeting the Group's short term cash commitments, with amount of RMB5,418,843,000 as at 31 December 2022 (2021: RMB6,698,029,000); which carry interest at market rates range from nil to 1.89% (2021: nil to 4.125%).

As at 31 December 2022, cash and cash equivalents included deposits of RMB162,595,000 (2021: RMB180,168,000), carrying interest rates at 0.35% (2021: 1.495% to 4.125% per annum), in an associate of a holding company.

As at 31 December 2022, cash and cash equivalents served as collateral for the Group's borrowing amounted to RMB155,910,000 (2021: RMB266,646,000).

Time deposits

The Group's time deposits were issued by banks with original maturity over three months, with amount of RMB1,443,435,000, the interest rates of the time deposits range from 1.30% to 4.90% per annum as at 31 December 2022.

29. 已抵押／受限制銀行存款

於二零二二年十二月三十一日，已抵押／受限制銀行結餘指抵押予銀行以擔保貿易融資（例如應付票據及信用證及短期借款）之存款金額人民幣694,084,000元（二零二一年：人民幣760,895,000元）。已抵押銀行存款將於償還相關銀行借款後解除。

於二零二二年十二月三十一日，已抵押銀行結餘按固定利率介乎每年0.01厘至4.00厘（二零二一年：每年0.01厘至2.25厘）計息。

30. 現金及銀行結餘

現金及現金等價物

現金及現金等價物包括用於滿足本集團短期現金承諾的活期存款及短期存款，於二零二二年十二月三十一日金額為人民幣5,418,843,000元（二零二一年：人民幣6,698,029,000元）；按市場利率介乎零至1.89厘（二零二一年：零至4.125厘）計息。

於二零二二年十二月三十一日，現金及現金等價物包括一間控股公司之一間聯營公司之按金人民幣162,595,000元（二零二一年：人民幣180,168,000元），按利率0.35厘（二零二一年：年利率1.495厘至4.125厘）計息。

於二零二二年十二月三十一日，用作本集團借款抵押品的現金及現金等價物為人民幣155,910,000元（二零二一年：人民幣266,646,000元）。

定期存款

於二零二二年十二月三十一日，本集團的定期存款由銀行發行，原到期日為三個月以上，金額為人民幣1,443,435,000元，定期存款的年利率介乎1.30厘至4.90厘。

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31. TRADE AND OTHER PAYABLES

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

31. 應付貿易賬款及其他應付款項

於報告期末，按發票日期呈列的應付貿易賬款的賬齡分析如下：

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元 (經重列)
0 to 90 days	0至90天	1,069,565	799,141
91 to 180 days	91至180天	106,287	264,365
181 to 365 days	181至365天	106,814	134,470
Over 365 days	365天以上	159,742	97,253
Trade payables	應付貿易賬款	1,442,408	1,295,229
Bills payable	應付票據	278,783	332,164
Other tax payables	其他應付稅項	192,851	119,922
Construction cost and retention payables	建築成本及應付保留金	88,513	71,731
Selling expense payables	應付銷售開支	839,398	909,212
Other payables	其他應付款項	1,528,380	1,281,351
		4,370,333	4,009,609

The normal credit period taken for trade purchases is 30 days to 180 days. All the bills payable will mature within six months.

貿易採購的正常信貸期為30天至180天。所有應付票據均將於六個月內到期。

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31. TRADE AND OTHER PAYABLES (continued)

Included in trade payables are an amount due to fellow subsidiaries of RMB383,211,000 (2021: RMB324,044,000.00), an amount due to an associate of RMB68,437,000 (2021: RMB45,102,000), an amount due to a holding company of RMB1,235,000 (2021: RMB3,000), and an amount due to associates of a holding company of RMB8,260,000 (2021: RMB660,000). The amounts are unsecured, interest-free and repayable within credit period.

Included in other payables are an amount due to fellow subsidiaries of RMB17,940,000 (2021: RMB9,442,000), an amount due to an associate of RMB571,000 (2021: RMB571,000), an amount due to a holding company of RMB217,860,000 (2021: RMB58,367,000), and an amount due to an associate of a holding company of RMB17,634,000 (2021: RMB690,000). The amounts are unsecured, interest-free and repayable on demand.

32. CONTRACT LIABILITIES

Sales of goods	銷售商品
Current	流動
Non-Current	非流動

31. 應付貿易賬款及其他應付款項 (續)

應付貿易賬款包括應付同系附屬公司款項人民幣383,211,000元(二零二一年: 人民幣324,044,000.00元)、應付一間聯營公司款項人民幣68,437,000元(二零二一年: 人民幣45,102,000元)、應付一間控股公司款項人民幣1,235,000元(二零二一年: 人民幣3,000元)及應付一間控股公司的聯營公司款項人民幣8,260,000元(二零二一年: 人民幣660,000元)。該等款項為無抵押、免息及於信貸期內償還。

其他應付款項包括應付同系附屬公司款項人民幣17,940,000元(二零二一年: 人民幣9,442,000元)、應付一間聯營公司款項人民幣571,000元(二零二一年: 人民幣571,000元)、應付一間控股公司款項人民幣217,860,000元(二零二一年: 人民幣58,367,000元)及應付一間控股公司的一間聯營公司款項人民幣17,634,000元(二零二一年: 人民幣690,000元)。該等款項為無抵押、免息及於要求時償還。

32. 合約負債

		31/12/2022 RMB'000	31/12/2021 RMB'000 (restated)
		二零二二年 十二月 三十一日 人民幣千元	二零二一年 十二月 三十一日 人民幣千元 (經重列)
Sales of goods	銷售商品	377,792	320,330
Current	流動	370,150	317,025
Non-Current	非流動	7,642	3,305
		377,792	320,330

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32. CONTRACT LIABILITIES (continued)

The revenue recognised in the current year relates to carried-forward contract liabilities amounted to RMB317,025,000. RMB370,150,000 contract liabilities will be recognised as revenue during the year ended 31 December 2023.

Included in contract liabilities are an amount received from fellow subsidiaries of RMB37,520,000 (2021: RMB35,507,000), amount received from ultimate holding company of RMB6,000 (2021: RMB11,000), amount received from an associate of a holding company of RMB2,199,000 (2021: nil), and amount received from an associate of RMB1,878,000 (2021: nil).

32. 合約負債 (續)

本年度確認的與結轉合約負債相關的收入為人民幣317,025,000元。於截至二零二三年十二月三十一日止年度，合約負債人民幣370,150,000元將確認為收入。

合約負債包括已收同系附屬公司款項人民幣37,520,000元(二零二一年：人民幣35,507,000元)、已收最終控股公司款項人民幣6,000元(二零二一年：人民幣11,000元)、已收控股公司之聯營公司款項人民幣2,199,000元(二零二一年：零)及已收聯營公司款項人民幣1,878,000元(二零二一年：零)。

33. BORROWINGS

33. 借款

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Bank borrowings at variable-rate (note a)	按浮動利率計息的銀行借款 (附註a)	2,566,523	2,264,020
Bank borrowings at fixed-rate (note b)	按固定利率計息的銀行借款 (附註b)	797,497	799,996
		3,364,020	3,064,016
Secured (note c)	有抵押 (附註c)	3,192,923	2,991,845
Unsecured	無抵押	171,097	72,171

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33. BORROWINGS (continued)

33. 借款 (續)

The borrowings are repayable as follows:

借款須於下列期間償還：

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Within one year	於一年內	960,808	601,328
More than one year but not exceeding two years	於一年以上但不超過兩年	1,904,318	214,092
More than two years but not exceeding five years	於兩年以上但不超過五年	498,894	2,248,596
		3,364,020	3,064,016
Less: Amount due within one year shown under current liabilities	減：列為流動負債而於一年以內到期的款項	(960,808)	(601,328)
Amount due after one year shown under non-current liabilities	列為非流動負債而於一年後到期的款項	2,403,212	2,462,688

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33. BORROWINGS (continued)

Notes:

- (a) As at 31 December 2022, the variable-rate borrowings carry interest rates ranged from 0.5% to 7.03% per annum (2021: 1.35% to 5.3% per annum).
- (b) As at 31 December 2022, the fixed-rate borrowings carry interest rates ranged from 3.08% to 3.43% per annum (2021: 3.08% to 9.48% per annum).
- (c) On 31 March 2020, the Company entered into a loan agreement with International Finance Corporation, in the aggregate principal amount of RMB500,000,000, bearing fixed interest rate of 3.43% per annum. The borrowing are secured by equity interests of Jierui, Weigao Purui, Shandong Weigao Financial Leasing Co.,Ltd, Shanghai Weigao Financing Lease Co.,Ltd that owned by the Group. On 25 August 2022, the Company and International Finance Corporation agreed to replace the Weigao Purui equity interests pledge with property, plant and equipment of the Company. As at 31 December 2022, certain property, plant and equipment of the Company with a total carrying value of RMB627,948,000 were pledged.

As at 31 December 2022, the balance included loans of RMB17,100,000 (2021: nil) secured by pledge of certain of the Group's finance lease receivables of RMB17,100,000 (2021: nil).

On 12 September 2019, Argon entered into Tranche A Credit Agreement ("Tranche A"), with principal amount of USD325,000,000 (equivalent to RMB2,267,265,000), bearing variable interest at GBP London Interbank Offered Rate ("LIBOR") plus 2.625% (2021: plus 2.125%), and includes a revolving credit facility bearing interest at the same rate. As of 31 December 2022, the amount utilised under the revolving credit facility was USD33,000,000 (equivalent to RMB229,832,000). WW Medical and Healthcare Holdings Corporation ("WW Holding") entered into Tranche B Facility Agreement ("Tranche B") with principal amount of USD75,000,000 (equivalent to RMB523,215,000), bearing variable interest at LIBOR plus 2.4% (2021: 2.4%). As at 31 December 2022, the principal of Tranche A and Tranche B outstanding amounted to USD340,598,000 (equivalent to RMB2,372,127,000).

33. 借款 (續)

附註：

- (a) 於二零二二年十二月三十一日，浮動利率借款按介於每年0.5厘至7.03厘之間的利率（二零二一年：每年1.35厘至5.3厘）計息。
- (b) 於二零二二年十二月三十一日，固定利率借款按介乎每年3.08厘至3.43厘的利率（二零二一年：每年3.08厘至9.48厘）計息。
- (c) 於二零二零年三月三十一日，本公司與國際金融公司訂立本金總額為人民幣500,000,000元的貸款協議，固定年利率為3.43厘。該借款以本集團擁有的潔瑞、威高普瑞、山東威高融資租賃有限公司及上海威高融資租賃有限公司的股權提供擔保。於二零二二年八月二十五日，本公司與國際金融公司同意以本公司的物業、廠房及設備取代威高普瑞股權質押。於二零二二年十二月三十一日，本公司賬面總值為人民幣627,948,000元的若干物業、廠房及設備已作質押。

於二零二二年十二月三十一日，結餘包括貸款人民幣17,100,000元（二零二一年：零），通過抵押本集團人民幣17,100,000元（二零二一年：零）之若干應收融資租賃款項提供擔保。

於二零一九年九月十二日，愛琅訂立本金額為325,000,000美元（相等於人民幣2,267,265,000元）的Tranche A信貸協議（「Tranche A」），浮動利率為英鎊倫敦銀行同業拆放利率（「LIBOR」）加2.625厘（二零二一年：加2.125厘），及包括以相同利率計息的循環信貸融資。截至二零二二年十二月三十一日，循環信貸融資項下已動用金額為33,000,000美元（相等於人民幣229,832,000元）。WW Medical and Healthcare Holdings Corporation（「WW Holding」）訂立本金額為75,000,000美元（相等於人民幣523,215,000元）的Tranche B融資協議（「Tranche B」），浮動利率為LIBOR加2.4厘（二零二一年：2.4厘）。於二零二二年十二月三十一日，Tranche A及Tranche B的未償還本金為340,598,000美元（相等於人民幣2,372,127,000元）。

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33. BORROWINGS (continued)

Outstanding debt as of 31 December 2022 excluding debt discount, matures as follows:

33. 借款 (續)

截至二零二二年十二月三十一日，除債務貼現外的未償債務期限如下：

		31/12/2022 RMB'000 二零二二年 十二月 三十一日 人民幣千元
Within one year	於一年內	470,328
More than one year but not exceeding two years	於一年以上但不超過兩年	1,901,799
		2,372,127

The Company guaranteed the borrowings under Tranche A and Tranche B. Certain of Argon's assets serve as collateral for borrowings under Tranche A and Tranche B.

本公司為Tranche A及Tranche B的借款提供擔保。愛琅若干資產作為Tranche A及Tranche B項下借款的抵押品。

On 31 December 2022, the details are as follow:

於二零二二年十二月三十一日，詳情如下：

		31/12/2022 RMB'000 二零二二年 十二月 三十一日 人民幣千元
Property, plant and equipment	物業、廠房及設備	239,785
Intangible assets	無形資產	1,461,558
Inventories	存貨	289,204
Trade receivables	應收貿易賬款	210,937
Cash and bank balances	現金及銀行結餘	155,910

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34. BONDS PAYABLE

34. 應付債券

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Green Bonds	綠色債券	993,977	992,549

The bonds are repayable as follows:

債券須於下列期間償還：

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
More than two years but not exceeding five years	超過兩年但不超過五年	993,977	-
More than five years	五年以上	-	992,549

On 31 March 2020, International Finance Corporation agreed to subscribe the senior secured green bonds (the "Green Bonds") issued by the Company in the aggregate principal amount of RMB1,000,000,000 with maturity in seven years. The Green Bonds bear fixed interest rate of 3.59% per annum, payable semi-annually. The effective interest rate of the Green Bonds is 3.73% per annum. The Green Bonds, are secured by equity interests of Jierui, Weigao Purui, Shandong Weigao Financial Leasing Co.,Ltd, Shanghai Weigao Financing Lease Co.,Ltd that owned by the Group. On 25 August 2022, the Company and International Finance Corporation agreed to replace the Weigao Purui equity interests pledge with property, plant and equipment of the Company. As at 31 December 2022, certain property, plant and equipment of the Company with a total carrying value of RMB627,948,000 were pledged.

於二零二零年三月三十一日，國際金融公司同意認購本公司發行的本金總額為人民幣1,000,000,000元的優先有擔保綠色債券（「綠色債券」），期限為7年。綠色債券的固定年利率為3.59%，每半年支付一次。綠色債券的實際年利率為3.73%。綠色債券以本集團擁有的潔瑞、威高普瑞、山東威高融資租賃有限公司及上海威高融資租賃有限公司的股權提供擔保。於二零二二年八月二十五日，本公司與國際金融公司同意以本公司的物業、廠房及設備取代威高普瑞股權質押。於二零二二年十二月三十一日，本公司賬面總值為人民幣627,948,000元的若干物業、廠房及設備已作質押。

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35. DEFERRED INCOME

35. 遞延收入

		31/12/2022	31/12/2021
		RMB'000	RMB'000
			(restated)
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Arising from government grants	來自政府補助	82,204	99,964
Analysed for reporting purposes as:	就呈報目的分析為：		
Current liabilities	流動負債	13,110	8,816
Non-current liabilities	非流動負債	69,094	91,148
		82,204	99,964

During the year ended 31 December 2022, the Group received new government grants from the government authorities amounting to in aggregate RMB6,337,000 (2021: RMB33,361,000) to subsidy the Group's certain capital expenditures. The Group has complied with the conditions attached to the grants as at the end of 31 December 2022 and will transfer the grants to profit or loss over the useful lives of the related assets. During the year, the Group recognised these government grants to other income amounting to RMB24,097,000 (2021: RMB18,539,000).

截至二零二二年十二月三十一日止年度，本集團收到政府部門合共人民幣6,337,000元（二零二一年：人民幣33,361,000元）之新政府補助，以為本集團的若干資本開支提供補助。截至二零二二年十二月三十一日，本集團已遵守補助的附帶條件，並按有關資產之可使用年期內轉撥該等補助至損益。年內，本集團確認該等政府補助至其他收入人民幣24,097,000元（二零二一年：人民幣18,539,000元）。

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36. LEASE LIABILITIES

36. 租賃負債

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Lease liabilities payable:	應付租賃負債：		
Within one year	於一年內	29,323	22,988
Within a period of more than one year but not more than two years	於一年以上但不超過兩年期間內	23,976	20,606
Within a period of more than two years but not more than five years	於兩年以上但不超過五年期間內	38,687	35,620
Within a period of more than five years	超過五年期間內	41,414	1,631
		133,400	80,845
Less: Amount due for settlement with 12 months shown under current liabilities	減：列為流動負債而於12個月以內到期結算的款項	29,323	22,988
Amount due for settlement after 12 months shown under non-current liabilities	列為非流動負債而於12個月以後到期結算的款項	104,077	57,857

The weighted average incremental borrowing rates applied to lease liabilities range from 4.75% to 7.05% (2021: from 4.75% to 8.69%).

租賃負債應用的加權平均增量借款利率介乎4.75厘至7.05厘之間(二零二一年：介乎4.75厘至8.69厘)。

37. SHARE CAPITAL

37. 股本

		Nominal value of each share	Number of non-listed shares	Number of H shares	Total number of shares	Value
		RMB	非上市	H股數目	股份總數	RMB'000
		每股	股份數目	H股數目	股份總數	價值
		股份面值	股份數目	H股數目	股份總數	人民幣千元
		人民幣	股份數目	H股數目	股份總數	人民幣千元
Registered:	註冊：					
At 31 December 2021	於二零二一年十二月三十一日	0.1	48,300,000	4,522,332,324	4,570,632,324	457,063
At 31 December 2022	於二零二二年十二月三十一日	0.1	48,300,000	4,522,332,324	4,570,632,324	457,063
Issued and fully paid:	已發行及繳足：					
At 31 December 2021	於二零二一年十二月三十一日	0.1	48,300,000	4,522,332,324	4,570,632,324	457,063
At 31 December 2022	於二零二二年十二月三十一日	0.1	48,300,000	4,522,332,324	4,570,632,324	457,063

38. SHARE-BASED PAYMENTS**(a) Share Award Scheme of the Company**

On 17 November 2014, the Company's share award scheme (the "Incentive Share Scheme") was adopted by the extraordinary general meeting. The maximum number of non-listed Shares which may be issued under the share award scheme would be 223,818,616, which represent approximately 4.76% of the issued share capital of the Company, as incentive shares to key personnel of the Group, and other persons as approved by the Remuneration Committee (the "Selected Employee"), in batches in subsequent years. The life of the Incentive Share Scheme is for 10 years starting from 17 November 2014. Details of the Incentive Share Scheme are set out in the Company's announcement dated 15 August 2014.

According to the Incentive Share Scheme, the incentive shares will be granted to the Selected Employee, subject to non-market performance vesting conditions.

According to the Incentive Share Scheme, for Selected Employee with a domestic identity, the trustee will administer the incentive shares, which may be organised in forms of companies owned by the employees, limited partnership, or qualified trust companies in the PRC, or for Selected Employee with a foreign identity, the trustee will hold the incentive shares outside the PRC.

On 11 December 2015, the Company granted first 45,960,000 incentive shares to 111 Selected Employees, with the consideration of RMB101,112,000 at the issue price of RMB2.20 per share. The fair value of the incentive shares as at grant date amounted to RMB104,121,000.

38. 以股份為基礎付款**(a) 本公司股份激勵計劃**

於二零一四年十一月十七日，本公司通過股東特別大會採納股份激勵計劃（「激勵股份計劃」）。根據股份激勵計劃可發行非上市股份之最多數目將為223,818,616股，相當於本公司已發行股本約4.76%，於隨後年度向本集團主要人員及薪酬委員會批准的其他人（「受益人」）分批發行作為激勵股份。激勵股份計劃之年期為自二零一四年十一月十七日起計十年。激勵股份計劃之詳情載於本公司日期為二零一四年八月十五日之公佈內。

根據激勵股份計劃，激勵股份將在非市場業績歸屬條件的規限下授予受益人。

根據激勵股份計劃，就持有境內身份的受益人而言，受託人將管理激勵股份，其可能以僱員擁有的公司、於中國的有限合夥公司或合資格信託公司的方式作出，或就持有境外身份的受益人而言，受託人將在中國境外持有激勵股份。

於二零一五年十二月十一日，本公司以每股股份人民幣2.20元之發行價首次授出45,960,000股激勵股份予111名受益人，代價為人民幣101,112,000元。於授予日期之激勵股份之公平值人民幣104,121,000元。

38. SHARE-BASED PAYMENTS (continued)**38. 以股份為基礎付款** (續)**(a) Share Award Scheme of the Company**
(continued)**(a) 本公司股份激勵計劃** (續)

For grants of shares that are satisfying specified vesting conditions, the difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the relevant employees. The Group recognised the incentive share expenses of nil (2021: RMB3,572,000) into the profit or loss during the current year.

就授出須符合指定歸屬條件的股份而言，公平值與已歸屬股份發行價之間的差額於預期將由有關僱員提供服務的歸屬期內以直線法確認為開支。於本年度，本集團於損益確認激勵股份開支為零（二零二一年：人民幣3,572,000元）。

Three limited partnerships (named Weihai Chang Hong Enterprise Management Consulting Centre (Limited Partnership) (威海長弘企業管理諮詢中心(有限合夥)), Weihai Yang Fan Enterprise Management Consulting Centre (Limited Partnership) (威海揚帆企業管理諮詢中心(有限合夥)) and Weihai Hong Tu Enterprise Management Consulting Centre (Limited Partnership) (威海宏圖企業管理諮詢中心(有限合夥)), respectively) were set up for the purpose of administering the Incentive Share Scheme and holding the shares, and hereby regarded as trustees of the Company and consolidated to the Group accordingly.

就管理激勵股份計劃及持有股份設立之三間有限合夥公司（即分別為威海長弘企業管理諮詢中心(有限合夥)、威海揚帆企業管理諮詢中心(有限合夥)及威海宏圖企業管理諮詢中心(有限合夥)），據此被視為本公司之受託人及因此於本集團綜合入賬。

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38. SHARE-BASED PAYMENTS (continued)

(a) Share Award Scheme of the Company (continued)

Details of specific categories of share award are as follows:

Batch 1
第1批

Note: The granted shares are vested in five tranches with the vesting date on 31 December of each year from 2015 to 2019, the vested shares are exercisable after two years lock up period following vested.

As of 31 December 2022, the outstanding incentive shares under the Incentive Share Scheme were 14,456,000 (2021: 16,904,000), included 1,110,000 exercisable shares (2021: 9,922,000).

During the year ended 31 December 2022, the trustees repurchased 8,812,000 shares (2021: 9,108,000), which would be taken up by the Selected Employees with the net consideration of RMB35,248,000 (2021: RMB20,293,000) at the price of RMB6.20 per share (2021: RMB4.43). The repurchased shares are held by the trustees for the benefit of the Share Award Scheme, to grant to other selected.

During the year ended 31 December 2022, the trustees sold 2,448,000 repurchased shares for a total consideration of RMB26,783,000 (2021: 6,660,000 repurchased shares for a total consideration of RMB94,170,000).

38. 以股份為基礎付款 (續)

(a) 本公司股份激勵計劃 (續)

具體股份激勵類別的詳情如下：

	Date of grant 授出日期	Vesting period 歸屬期	Issue Price 發行價
Batch 1 第1批	11/12/2015 二零一五年 十二月十一日	5 years 5年	RMB2.2 人民幣2.2元

附註：授出的股份將分5批予以歸屬，歸屬日期為二零一五年至二零一九年各年之十二月三十一日，已歸屬股份可於歸屬後兩年鎖定期屆滿後予以行使。

截至二零二二年十二月三十一日，激勵股份計劃項下之尚未行使激勵股份為14,456,000股（二零二一年：16,904,000股），包括1,110,000股可行使股份（二零二一年：9,922,000股）。

截至二零二二年十二月三十一日止年度，受託人以每股人民幣6.20元（二零二一年：人民幣4.43元）的價格回購擬由受益人所接納的8,812,000股股份（二零二一年：9,108,000股），代價淨額為人民幣35,248,000元（二零二一年：人民幣20,293,000元）。回購股份由受託人為股份激勵計劃的利益持有，以向其他經選定人士授出。

截至二零二二年十二月三十一日止年度，受託人以人民幣26,783,000元的總代價出售2,448,000股回購股份（二零二一年：以人民幣94,170,000元的總代價出售6,660,000股回購股份）。

38. SHARE-BASED PAYMENTS (continued)**38. 以股份為基礎付款** (續)**(a) Share Award Scheme of the Company**
(continued)

On 21 October 2021, the trustees subscribed the newly issued 48,300,000 non-listed shares with the total consideration of RMB172,914,000 at the issue price of RMB3.58 per share. On 24 December 2021, the Company granted 48,300,000 incentive shares to 83 Selected Employees.

Based on the Share Award Scheme of the Company, the Company will repurchase the shares granted to the Selected Employees when the Selected Employees are not satisfying specified vesting conditions. The total consideration paid by the Selected Employees are recognised as liabilities, and will only be reversed by portion to other reserve when the shares are vested each year.

The fair value of the incentive shares as at grant date amounted to RMB197,490,000 which determined by market price of listing shares of the Company.

For grants of shares that are satisfying specified vesting conditions, the difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the relevant employees. The Group recognised the incentive share expenses of approximately RMB81,077,000 (2021: RMB41,275,000) into the profit or loss during the current year.

Nine limited partnerships were set up for the purpose of administering the Incentive Share Scheme and holding the shares, and hereby regarded as trustees of the Company and consolidated to the Group accordingly.

(a) 本公司股份激勵計劃 (續)

於二零二一年十月二十一日，受託人以每股股份人民幣3.58元之發行價認購新發行的48,300,000股非上市股份，總代價為人民幣172,914,000元。於二零二一年十二月二十四日，本公司授出48,300,000股激勵股份予83名受益人。

根據本公司的股份激勵計劃，本公司會在受益人未達到指定歸屬條件時回購已授予受益人的股份。受益人所支付的總代價確認為負債，並僅將於每年股份歸屬時撥回部分至其他儲備。

於授予日期之激勵股份之公平值人民幣197,490,000元乃經參考本公司上市股份之市價而釐定。

就授出須符合指定歸屬條件的股份而言，公平值與已歸屬股份發行價之間的差額於預期將由有關僱員提供服務的歸屬期內以直線法確認為開支。於本年度，本集團於損益確認激勵股份開支約人民幣81,077,000元（二零二一年：人民幣41,275,000）。

就管理激勵股份計劃及持有股份設立之九間有限合夥公司，據此被視為本公司之受託人及因此於本集團綜合入賬。

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38. SHARE-BASED PAYMENTS (continued)

(a) Share Award Scheme of the Company (continued)

Details of specific categories of share award are as follows:

	Date of grant 授出日期	Vesting period 歸屬期	Issue Price 發行價
Batch 2 第2批	24/12/2021 二零二一年 十二月二十四日	5 years 5年	RMB3.58 人民幣3.58元

(b) Share Option Scheme by WW Cayman

On July 26 2018, WW Medical and Healthcare Company Limited (“WW Cayman”), a subsidiary of the Company, adopted a non-qualified share option plan (the “Share Option Scheme”) for the primary purpose of providing incentives to directors and eligible employees of WW Cayman and its subsidiaries, which shall be valid and effective for a period of 10 years commencing from the adoption date. Under the Share Option Scheme, a committee designated by the board of directors of the WW Cayman may from time to time in its sole discretion grant options to the eligible employees.

The total number of shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 8% of the shares of WW Cayman in issue at closing date. Unless approved by the shareholders of the Company, the total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of WW Cayman’s shares in issue.

38. 以股份為基礎付款 (續)

(a) 本公司股份激勵計劃 (續)

具體股份激勵類別的詳情如下：

(b) WW Cayman 的購股權計劃

於二零一八年七月二十六日，本公司附屬公司WW Medical and Healthcare Company Limited (「WW Cayman」) 採納非限定購股權計劃 (「購股權計劃」)，其主要目的是為WW Cayman及其附屬公司的董事及合資格僱員提供激勵，自採用日期起10年內有效。根據購股權計劃，WW Cayman董事會指定的委員會可不時全權酌情向合資格僱員授出購股權。

根據購股權計劃可授出購股權的相關股份總數不得超過交割日期已發行的WW Cayman股份的8%。除非獲本公司股東批准，授予各參與者的購股權 (包括已行使和未行使的購股權) 獲行使而於任何12個月期間內已發行及將予發行的股份總數不得超過WW Cayman已發行股份的1%。

38. SHARE-BASED PAYMENTS (continued)**(b) Share Option Scheme by WW Cayman**
(continued)

As at 31 December 2022, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 3,181,903, representing 7% (2021: 2,654,859, representing 7%) of the shares at that date.

No consideration is payable on the grant of an option. Options may be exercised at any time after vesting and will be cancelled if not exercised before the 10th anniversary of the date of grant.

The exercise price of each batch of option is determined with reference to the total cash consideration paid by the Company in the formation of WW Cayman for the acquisition of Argon, taking into account the relevant costs and expenses involved, but in no event shall be less than the fair market value of a share of stock in WW Cayman on the date of grant.

38. 以股份為基礎付款 (續)**(b) WW Cayman 的購股權計劃**
(續)

於二零二二年十二月三十一日，計劃項下已授出及仍發行在外購股權的相關股份數目為3,181,903股，佔於該日期股份總數的7% (二零二一年：2,654,859股，佔7%)。

授出購股權無需支付代價。購股權可於歸屬後的任何時間行使，且倘未於授出日期起滿10年之前獲行使，則將被註銷。

每批購股權的行使價乃經參考本公司成立WW Cayman以收購愛琅所支付的現金代價總額，計及涉及的相關成本及開支釐定，惟無論如何不得低於授出日期WW Cayman股票的公平市場價值。

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38. SHARE-BASED PAYMENTS (continued)

38. 以股份為基礎付款 (續)

(b) Share Option Scheme by WW Cayman (continued)

(b) WW Cayman 的購股權計劃 (續)

Details of specific categories of options are as follows:

具體購股權類別詳情如下：

	Date of grant 授出日期	Vesting period 歸屬期	Exercise Price 行使價
Time-based options 時間基準購股權	26/07/2018 二零一八年 七月二十六日	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	30/10/2019 二零一九年 十月三十日	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	13/03/2020 二零二零年 三月十三日	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	30/07/2021 二零二一年 七月三十日	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	08/08/2022 二零二二年 八月八日	4 years 4年	USD11.30 11.30美元
Time-based options 時間基準購股權	12/12/2022 二零二二年 十二月十二日	4 years 4年	USD11.30 11.30美元
Performance-based options 表現基準購股權	26/07/2018 二零一八年 七月二十六日	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	30/10/2019 二零一九年 十月三十日	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	13/03/2020 二零二零年 三月十三日	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	30/07/2021 二零二一年 七月三十日	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	08/08/2022 二零二二年 八月八日	4 years 4年	USD11.30 11.30美元
Performance-based options 表現基準購股權	12/12/2022 二零二二年 十二月十二日	4 years 4年	USD11.30 11.30美元

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38. SHARE-BASED PAYMENTS (continued)

38. 以股份為基礎付款 (續)

(b) Share Option Scheme by WW Cayman
(continued)

(b) WW Cayman 的購股權計劃
(續)

The following table discloses movements of the share options held by employees during the year:

下表披露年內僱員所持購股權的變動情況：

Option type		Outstanding at 1/1/2022 於二零二二年 一月一日 尚未行使	Granted during year 年內授出	Exercised during year 年內行使	Forfeited during year 年內沒收	Outstanding at 31/12/2022 於二零二二年 十二月三十一日 尚未行使
購股權類型						
Time-based options	時間基準購股權	1,597,650	419,175	(117,775)	(6,250)	1,892,800
Performance-based options	表現基準購股權	1,057,209	349,669	(117,775)	-	1,289,103
		2,654,859	768,844	(235,550)	(6,250)	3,181,903

During the year ended 31 December 2022, options were granted on 8 August 2022 and 12 December 2022, respectively. The estimated fair value of the time-based options granted on those dates is USD2.40. The estimated fair value of the performance-based options on those dates is USD2.40.

於截至二零二二年十二月三十一日止年度，購股權分別於二零二二年八月八日及二零二二年十二月十二日獲授出。於該等日期授出的時間基準購股權的估計公平值為2.40美元。於該等日期的表現基準購股權的估計公平值為2.40美元。

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38. SHARE-BASED PAYMENTS (continued)

(b) Share Option Scheme by WW Cayman (continued)

The fair value of the options was calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

	2022 二零二二年	2021 二零二一年
Weighted average share price 加權平均股價	11.30	10.00
Exercise price 行使價	11.30	10.00
Expected volatility 預期波動率	40%	40%
Expected life 預期年期	1.5 years年	7 years年
Risk-free rate 無風險利率	3.00%	2.95%

Expected volatility was determined by using the historical volatility of the comparable companies over the previous 1.5 years (2021: 7 years). The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of USD1,197,000 (equivalent to RMB8,052,000) for the year ended 31 December 2022 (2021: USD4,108,000, equivalent to RMB26,506,000) in relation to share options granted under the Share Option Scheme by WW Cayman.

38. 以股份為基礎付款 (續)

(b) WW Cayman 的購股權計劃 (續)

購股權之公平值採用布萊克-斯庫爾斯定價模型計算。模型的輸入數據如下：

	2022 二零二二年	2021 二零二一年
Weighted average share price 加權平均股價	11.30	10.00
Exercise price 行使價	11.30	10.00
Expected volatility 預期波動率	40%	40%
Expected life 預期年期	1.5 years年	7 years年
Risk-free rate 無風險利率	3.00%	2.95%

預期波動率乃通過使用過去1.5年(二零二一年：7年)可資比較公司的歷史波動率確定。基於管理層的最佳估計，模型中使用的預期年期已根據不可轉移性、行使限制及行為考慮因素的影響作出調整。

本集團就根據WW Cayman的購股權計劃授出的購股權確認截至二零二二年十二月三十一日止年度總開支1,197,000美元(相等於人民幣8,052,000元)(二零二一年：4,108,000美元，相等於人民幣26,506,000元)。

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38. SHARE-BASED PAYMENTS (continued)

38. 以股份為基礎付款 (續)

(c) Share Award Scheme by Weigao Orthopaedic

On 9 May 2020, a share award scheme was adopted by the extraordinary general meeting of Weigao Orthopaedic (the "Weigao Orthopaedic Share Award Scheme"). A total number of 3,300,000 shares of Weigao Orthopaedic were awarded to the eligible senior management and employees (the "Eligible Employees"), which representing 0.92% shareholding of Weigao Orthopaedic.

The issue price of Weigao Orthopaedic Share Award Scheme is RMB15 per share, the total consideration amounted to RMB49,500,000. 60% of consideration was covered by the loan provided by Weihai Hongyangrui to the Eligible Employees, and the remaining 40% was funded by themselves.

Details of the shares awarded are as follows:

Performance-based awards
表現基準獎勵

Based on the Weigao Orthopaedic Share Award Scheme, as the subsidiary of the Company will repurchase the shares granted to the Eligible Employees when the Eligible Employees are not satisfying specified vesting conditions, the total consideration paid by the Eligible Employees are recognised as liabilities, and will only be reversed by portion to other reserve when the shares are vested each year.

The estimated fair value of the performance-based awards on the grant date is RMB19.8 per share. The difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the Eligible Employees. During the year ended 31 December 2022, Weigao Orthopaedic recognised a share awards expense of approximately RMB2,638,000 into the profit or loss (2021: RMB5,139,000).

(c) 威高骨科的股份激勵計劃

於二零二零年五月九日，威高骨科股東特別大會採納股份激勵計劃（「威高骨科股份激勵計劃」）。合共3,300,000股威高骨科股份授予合資格高級管理層及僱員（「合資格僱員」），佔威高骨科股權的0.92%。

威高骨科股份激勵計劃的發行價為每股人民幣15元，總代價為人民幣49,500,000元，其中60%的代價由威海弘陽瑞向合資格僱員提供的貸款支付，其餘40%由其自身出資。

獲獎勵股份詳情如下：

Date of grant 授出日期	Vesting period 歸屬期
09/05/2020 二零二零年 五月九日	4 years 4年

根據威高骨科股份激勵計劃，由於本公司附屬公司會在合資格僱員未達到指定歸屬條件時回購已授予合資格僱員的股份，故合資格僱員所支付的總代價確認為負債，並僅將於每年股份歸屬時撥回部分至其他儲備。

表現基準獎勵於授出日期的估計公平值為每股人民幣19.8元。已歸屬股份的公平值與發行價之間的差額於合資格僱員預計提供服務的期間內按直線法支銷。於截至二零二二年十二月三十一日止年度，威高骨科將股份獎勵費用約人民幣2,638,000元（二零二一年：人民幣5,139,000元）計入損益。

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39. ACQUISITION OF A SUBSIDIARY

On 10 December 2021, the Group's subsidiary Argon acquired 100% of the issued share capital of Matrex Mould & Tool Inc ("Matrex") for consideration of USD2,115,000 (equivalent to RMB13,472,000), including USD500,000 (equivalent to RMB3,185,000) of deferred consideration. Matrex is manufacturer of the custom moulds and tools.

39. 收購附屬公司

於二零二一年十二月十日，本集團附屬公司愛琅收購Matrex Mould & Tool Inc (「Matrex」) 全部已發行股本，代價為2,115,000美元(相當於人民幣13,472,000元)，包括遞延代價500,000美元(相當於人民幣3,185,000元)。Matrex 為訂製模具及工具的製造商。

Consideration transferred	已轉移代價	RMB'000 人民幣千元
Cash	現金	10,287
Deferred consideration	遞延代價	3,185
Total	總計	<u>13,472</u>

The fair value of the net identifiable assets acquired at the date of acquisition are as follows:

於收購日期已收購的可識別淨資產的公平值如下：

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	8,762
Inventories	存貨	388
Trade and other payables	應付貿易賬款及其他應付款項	<u>(3,315)</u>
		<u>5,835</u>

Goodwill arising on acquisition:

收購所產生的商譽：

		RMB'000 人民幣千元
Consideration transferred	已轉移代價	13,472
Less: net assets acquired	減：所收購淨資產	<u>5,835</u>
Goodwill arising on acquisition	收購所產生的商譽	<u>7,637</u>

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39. ACQUISITION OF A SUBSIDIARY

(continued)

Goodwill arose in the acquisition of Matrex due to the benefit of expected synergies, revenue growth, and future market development of Matrex. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The goodwill arising on the acquisition is not expected to be deductible for tax purposes.

Net cash outflow on the acquisition

39. 收購附屬公司 (續)

收購Matrex產生商譽，因為Matrex的預期協同效應、收入增長及未來市場發展所帶來的利益。該等利益並無與商譽分開確認，乃由於該等利益並不符合可識別無形資產的確認標準。

預期就稅項而言收購產生的商譽不可扣減。

收購所產生的現金流出淨額

		RMB'000 人民幣千元
Acquisition consideration in cash and cash equivalent	現金及現金等價物中的收購代價	10,287
Less: Cash and cash equivalents of the acquired subsidiary	減：所收購附屬公司的現金及現金等價物	-
Net outflow of cash and cash equivalents paid upon acquisition of a subsidiary	就收購附屬公司支付的現金及現金等價物淨流出	10,287

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40. CAPITAL COMMITMENTS

As at 31 December 2022, the Group had commitments which were contracted for but not provided in the consolidated financial statements:

40. 資本承擔

於二零二二年十二月三十一日，本集團於綜合財務報表中擁有已訂約但未撥備的承擔：

	31/12/2022
	RMB'000
	二零二二年
	十二月
	三十一日
	人民幣千元
Commitments to Qingdao Songyuan (note 21) 對青島松源的承擔 (附註21)	462,000
Acquisition of property, plant and equipment 收購物業、廠房及設備	687,231
Incorporation of a joint venture 註冊成立一間合營企業	150,000

41. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt (which includes borrowings net of cash and bank balances) and equity attributable to owners of the Company (comprising issued share capital, share premium, reserves and retained profits).

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends and issue of new shares as well as the issue of new debt or the repayment of existing debt.

41. 資本風險管理

本集團其管理資本乃為確保本集團內各實體將可以持續方式經營，同時透過適當優化債務與權益結餘為股東帶來最大回報。本集團的整體策略與以往年度保持不變。

本集團的資本結構包括債務淨額（包括扣除現金及銀行結餘後之借款）以及本公司擁有人應佔權益（包括已發行股本、股份溢價、儲備及保留溢利）。

本公司董事按半年基準對資本結構進行檢討。作為是次檢討的一環，董事會考慮資本成本及與各類資本有關的風險。根據董事建議，本集團將透過派付股息、發行新股份及發行新債務或償還現有債務平衡其整體資本結構。

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42. FINANCIAL INSTRUMENTS

42. 金融工具

Categories of financial instruments

金融工具類別

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Financial assets	金融資產		
Financial assets at FVTPL	按公平值計入損益計量之 金融資產	120,301	110,943
Amortised cost	攤銷成本	14,743,119	13,834,440
Debt instruments at FVTOCI	按公平值計入其他全面收入 計量之債務工具	495,337	425,316
Financial liabilities	金融負債		
Amortised cost	攤銷成本	8,137,399	7,548,026
Financial liabilities at FVTPL	按公平值計入損益計量之 金融負債	-	56,893

Financial risk management objectives and policies

財務風險管理目標及政策

The Group's major financial instruments include receivables from factoring business, loan receivables, Financial assets at FVTPL, debt instruments at FVTOCI, trade and other receivables, pledged/restricted bank deposits, cash and bank balances, Financial liabilities at FVTPL, trade and other payables, borrowings and bonds payable. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

本集團的主要金融工具包括來自保理業務之應收款項、應收貸款、按公平值計入損益計量之金融資產、按公平值計入其他全面收入計量之債務工具、應收貿易賬款及其他應收款項、已抵押／受限制銀行存款、現金及銀行結餘、按公平值計入損益計量之金融負債、應付貿易賬款及其他應付款項、借款及應付債券。該等金融工具詳情於各附註披露。與該等金融工具有關的風險包括市場風險（貨幣風險及利率風險）、信貸風險及流動資金風險。下文載列如何降低該等風險的政策。管理層管理及監控該等風險，以確保及時有效地採取適當的措施。

42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk

Currency risk

Some subsidiaries of the Group undertakes certain operating transactions in foreign currencies other than functional currencies, which expose the Group to foreign currency risk. During the year ended 31 December 2022, as disclosed in note 22, the Group early terminated the currency option which entered into to fix exchange rate of USD against RMB with payment of RMB22,100,000 to HSBC Bank (China) Company Limited on 4 January 2022.

During the year ended 31 December 2022, the Group disposed Structured Cross Currency Swap which entered into to exchange USD floating rate liability into CNY fixed rate debt with aggregate principal amount of USD122,500,000, with payment of RMB32,500,000 to HSBC Bank (China) Company Limited.

The Group did not applied hedge accounting in the measurement of currency option and Structured Cross Currency Swap. The management manages its currency risk by closely monitoring the movement of the foreign currency rates and considering hedging significant foreign currency exposure should such need arise.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險

貨幣風險

本集團若干附屬公司以功能貨幣以外的其他外幣進行若干經營交易，令本集團面臨外匯風險。截至二零二二年十二月三十一日止年度，誠如附註22所披露，本集團於二零二二年一月四日向HSBC Bank (China) Company Limited支付人民幣22,100,000元，提早終止將美元兌人民幣匯率固定的貨幣期權。

截至二零二二年十二月三十一日止年度，本集團出售將美元浮動利率負債交換為人民幣固定利率債務的結構性交叉貨幣置換，本金總額為122,500,000美元，向HSBC Bank (China) Company Limited支付人民幣32,500,000元。

本集團於計量貨幣期權及結構性交叉貨幣互換時並無應用對沖會計處理。管理層通過密切監控外幣匯率變動來管理其貨幣風險，並考慮在有需要時對沖重大外幣風險。

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Market risk (continued)

市場風險 (續)

Currency risk (continued)

貨幣風險 (續)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

於報告期末，本集團以外幣列值之貨幣資產及貨幣負債之賬面值如下。

		Liabilities		Assets	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
		RMB'000	RMB'000	RMB'000	RMB'000
		負債		資產	
		二零二二年 十二月 三十一日 人民幣千元	二零二一年 十二月 三十一日 人民幣千元	二零二二年 十二月 三十一日 人民幣千元	二零二一年 十二月 三十一日 人民幣千元
Group entities in PRC	本集團於中國的實體				
Currency of SGD	新加坡元	-	-	7,139	6,498
Currency of EUR	歐元	1,790	2,663	19,622	36,461
Currency of HKD	港元	-	-	1,561	2,576
Currency of USD	美元	76,968	81,101	728,690	1,305,252
Currency of CHF	瑞士法郎	-	-	-	333,328
Currency of JPY	日圓	-	501	298	363
Currency of KRW	韓元	-	-	241	-
Group entities in U.S.	本集團於美國的實體				
Currency of EUR	歐元	2,080	650	6,736	4,455
Currency of SGD	新加坡元	671	128	1,251	892
Currency of NOK	挪威克朗	3	5	5,300	3,219
Currency of CHF	瑞士法郎	1,132	513	690	555
Currency of DKK	丹麥克朗	48	27	1,612	2,829
Currency of SEK	瑞典克朗	31	66	4,361	3,098
Currency of GBP	英鎊	1,253	471	10,813	9,137
Currency of CLP	智利披索	2,457	2,114	13,854	11,227
Currency of COP	哥倫比亞披索	1,640	1,380	15,113	11,919

The Group's foreign currency risk is concentrated on the fluctuation of RMB and USD against foreign currency.

本集團的外匯風險主要集中在人民幣及美元兌外幣的波動。

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

The following table details the Group's sensitivity to a 5% (2021:5%) increase and decrease in the RMB and USD against the relevant foreign currencies. 5% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in post-tax profit for the year where RMB and USD weakens 5% against the relevant currency. For a 5% strengthening of RMB and USD against the relevant currency, there would be an opposite impact on the post-tax profit for the year.

		2022	2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		人民幣千元	人民幣千元
Profit for the year	本年度溢利		
– Group entities in PRC	– 本集團於中國的實體	28,849	68,009
– Group entities in U.S.	– 本集團於美國的實體	1,991	1,658

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to finance lease receivables, loan receivables, pledged/restricted bank deposits, borrowings, bonds payable and lease liabilities with fixed interest rate (notes 24, 25, 29, 33, 34 and 36).

42. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

貨幣風險 (續)

下表詳列本集團對人民幣及美元兌相關外幣之匯率上升及下跌5% (二零二一年:5%) 之敏感度。5%為管理層對外匯匯率合理可能變動之評估。敏感度分析僅包括未結付之以外幣列值之貨幣項目，並於期末按5%之外匯匯率變動調整彼等之換算。以下正數表示當人民幣及美元兌相關外幣貶值5%時之本年度稅後溢利之升幅。倘人民幣及美元兌相關外幣升值5%，則會對本年度稅後溢利有相反影響。

利率風險

本集團面臨有關應收融資租賃款項、應收貸款、已抵押／受限制銀行存款、借款、應付債券及定息租賃負債的公平值利率風險(附註24、25、29、33、34及36)。

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk (continued)

A fundamental reform of major interest rate benchmarks has been undertaken globally to replace some interbank offered rates (“IBORs”) with alternative nearly risk-free rates. Details of the impacts on the Group’s risk management strategy arising from the interest rate benchmark reform and the progress towards implementation of alternative benchmark interest rates are set out under “interest rate benchmark reform” in this note.

The Group is also exposed to cash flow interest rate risk in relation to loan receivables, cash and bank balances and borrowings with variable interest rate (notes 25, 30 and 33). The Group’s cash flow interest rate risk is mainly concentrated on the fluctuation of saving/lending rate promulgated by the People’s Bank of China and LIBOR.

The Group manages its interest rate exposure based on the interest rate level and outlook as well as potential impact on the Group’s financial position arising from volatility of the interest rate.

During the year ended 31 December 2022 and 2021, as disclosed in note 22, the Group hold an interest rate swap to keep variable interests (3 months SHIBOR) of principal amount of RMB300,000,000 as fixed 3.5%.

During the year ended 31 December 2021, the Group hold a Structured Cross Currency Swap to keep the variable interests (LIBOR plus 1.50%) as fixed 4.5% with principal amount of USD122,500,000. The Group disposed Structured Cross Currency Swap with payment of RMB32,500,000 to HSBC Bank (China) Company Limited. The Group did not applied hedge accounting in the measurement of Structured Cross Currency Swap and interest rate swap.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

利率風險 (續)

全球已就主要利率基準進行根本性改革，以接近無風險的替代利率取代部分銀行同業拆息（「銀行同業拆息」）。有關利率基準改革對本集團風險管理策略的影響及替代基準利率的實施進度的詳情，載於本附註「利率基準改革」。

本集團亦面臨有關應收貸款、現金及銀行結餘及浮息借款的現金流量利率風險（附註25、30及33）。本集團的現金流量利率風險主要集中於中國人民銀行頒佈的存款／貸款利率及LIBOR波動。

本集團基於利率水平及展望以及因利率波動對本集團財政狀況的潛在影響管理其利率風險。

截至二零二二年及二零二一年十二月三十一日止年度，誠如附註22所披露，本集團持有利率互換合約，以維持本金額為人民幣300,000,000元的浮動利率（3個月SHIBOR）固定為3.5%。

截至二零二一年十二月三十一日止年度，本集團持有本金額為122,500,000美元的結構性交叉貨幣互換合約，以維持浮動利率（LIBOR加1.50%）固定為4.5%。本集團出售結構性交叉貨幣置換，向HSBC Bank (China) Company Limited支付人民幣32,500,000元。本集團於計量結構性交叉貨幣置換及利率互換時並無應用對沖會計法。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Market risk (continued)

市場風險 (續)

Interest rate risk (continued)

利率風險 (續)

Total interest income from financial assets that are measured at amortised cost are as follows:

以攤銷成本計量的金融資產的利息收入總額如下：

		Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Interest income	利息收入		
Financial assets at amortised cost	按攤銷成本計量之金融資產	180,289	144,660

Interest expense on financial liabilities not measured at FVTPL:

未按公平值計入損益計量之金融負債的利息開支：

		Year ended 31/12/2022 RMB'000	Year ended 31/12/2021 RMB'000 (restated)
		截至 二零二二年 十二月 三十一日 止年度 人民幣千元	截至 二零二一年 十二月 三十一日 止年度 人民幣千元 (經重列)
Financial liabilities at amortised cost	按攤銷成本計量之金融資產	186,048	136,773

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for loan receivables, cash and bank balances and borrowings with variable interest rate at the end of the reporting period. The analysis is prepared assuming the variable-rate loan receivables, cash and bank balances and variable-rate borrowings at the end of the reporting period were outstanding for the whole year. A 25 basis points (2021: 25 basis points) increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates on variable-rate loan receivables, cash and bank balances and variable-rate borrowings had been 25 basis points (2021: 25 basis points) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2022 would have decreased/increased by RMB7,827,000 (2021: decreased/increased by RMB8,201,000).

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade receivables, receivables from factoring business, other receivables, pledged/restricted bank deposits, cash and bank balances, loan receivables, debt instruments at FVTOCI, finance lease receivables. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risks associated with loan receivables and finance lease receivables are mitigated because they are secured over various equipment and machineries.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

敏感度分析

下文的敏感度分析已按於報告期末應收貸款、現金及銀行結餘及浮息借款承受的利率風險釐定。分析經假設於報告期末的浮息應收貸款、現金及銀行結餘及浮息借款於全年均屬未償還而編製。25個基本點子(二零二一年：25個基本點子)增加或減少代表管理層對利率的合理可能變動作出的評估。

倘浮息應收貸款、現金及銀行結餘及浮息借款利率升高／降低25個基本點子(二零二一年：25個基本點子)，所有其他變動維持不變，則本集團於截至二零二二年十二月三十一日止年度的稅後溢利將減少／增加人民幣7,827,000元(二零二一年：減少／增加人民幣8,201,000元)。

信貸風險及減值評估

信貸風險指本集團對手違約其合同義務而給本集團造成財務虧損的風險。本集團信貸風險主要來自應收貿易賬款、來自保理業務之應收款項、其他應收款項、已抵押／受限銀行存款、現金及銀行結餘、應收貸款、按公平值計入其他全面收入計量的債務工具及應收融資租賃款項。本集團並無持有任何抵押品或其他信用增級以抵銷與其金融資產相關的信貸風險，惟與應收貸款及應收融資租賃款項相關的信貸風險得以緩解，因其為通過各種設備及機器做擔保。

42. FINANCIAL INSTRUMENTS (continued)**Financial risk management objectives and policies** (continued)**Credit risk and impairment assessment**
(continued)

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debtors. For finance lease business and factoring business, the Group also has delegated a team responsible for (i) designing and implementation of overall risk management internal control policies and procedures and establishing appropriate risk appetite; (ii) designing and execution of due diligence procedures; (iii) reviewing the creditworthiness of customers. In addition, the Group performs impairment assessment under ECL model in accordance with HKFRS 9 on receivable balances individually or based on provision matrix.

The Group's debt instruments at FVTOCI only comprise bills receivable that are issued and guaranteed by the reputable PRC banks and therefore are considered to be low credit risk.

The Group has concentration of credit risk on liquid funds which are deposited with several banks. However, the credit risk on pledged/restricted bank deposits and cash and bank balances is limited because the majority of the counterparties are banks with good reputation.

The Group has concentration of credit risk as 51% of the total trade receivables was due from fellow subsidiaries (2021: 39%). The Group has concentration of credit risk as 62% of receivables from factoring business was due from fellow subsidiaries (2021: 8%). The Group has concentration of credit risk as 59% of loan receivables due from fellow subsidiaries. (2021: 48%).

42. 金融工具 (續)**財務風險管理目標及政策** (續)**信貸風險及減值評估** (續)

為盡量降低信貸風險，本集團管理層已委派一組人員負責釐定信貸限額、信貸審批及其他監控措施，以確保採取跟進措施收回逾期債項。就融資租賃業務及保理業務而言，本集團亦組建團隊負責(i)設計及實施全面風險管理的內部控制政策及程序，並設定適當的風險承受能力；(ii)設計及執行盡職調查程序；(iii)審查客戶的信貸情況。此外，本集團根據香港財務報告準則第9號按預期信貸虧損模式單獨或根據撥備矩陣對應收結餘進行減值評估。

鑒於本集團的按公平值計入其他全面收入計量之債務工具僅包括由聲譽良好的中國銀行發出及擔保的應收票據，因此被視為低信貸風險。

本集團之信貸風險集中於存置於若干銀行之流動資金。然而，已抵押／受限制銀行存款及現金及銀行結餘之信貸風險有限，原因為大部分對手方為信譽良好之銀行。

由於應收貿易賬款總額的51% (二零二一年：39%) 為應收同系附屬公司款項，因此本集團有信貸風險集中情況。由於來自保理業務之應收款項的62% (二零二一年：8%) 為應收同系附屬公司款項，因此本集團有信貸風險集中情況。由於應收貸款的59% (二零二一年：48%) 為應收同系附屬公司款項，因此本集團有信貸風險集中情況。

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42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

For trade receivables, the Group has applied the simplified approach of HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant outstanding balances or credit-impaired, the Group determines the ECL on these items by using a provision matrix grouped by risk portfolio, which is estimated based on the financial quality of the debtors, historical credit loss experience and the past due status of the debtors, general economic conditions of the industry in which the debtors operate and assessment of both the current as well as the forward-looking information that available without undue cost or effort at the reporting date.

The following table provides information about the exposure to credit risk for trade receivables which are assessed based on provision matrix as at 31 December 2022 within lifetime ECL (not credit impaired). Debtors with significant outstanding balances or credit-impaired with gross carrying amounts of RMB2,353,320,000 and RMB56,291,000 respectively as at 31 December 2022 were assessed individually (2021: RMB1,621,211,000 and RMB36,923,000 respectively).

42. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

就應收貿易賬款而言，本集團已採用香港財務報告準則第9號中的簡化方法按全期預期信貸虧損計量虧損撥備。除具有重大未償還餘額或信貸減值的債務外，本集團通過使用按風險組合分組的撥備矩陣釐定該等項目的預期信貸虧損，此乃根據債務人的財務質素、基於債務人逾期狀況的歷史信貸虧損經驗、債務人經營所在行業的一般經濟狀況以及報告日期無須耗費龐大人力物力而取得的前瞻性信息現有及前瞻性信息進行估計。

下表載列有關應收貿易賬款信貸風險敞口的資料，該等應收貿易賬款在全期預期信貸虧損（無信貸減值）內基於二零二二年十二月三十一日的撥備矩陣評估。於二零二二年十二月三十一日具有重大未償還結餘或信貸減值，賬面總值分別為人民幣2,353,320,000元及人民幣56,291,000元（二零二一年：分別為人民幣1,621,211,000元及人民幣36,923,000元）的債務人獲單獨評估。

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

42. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

		Average loss rate	31/12/2022 Trade receivables – Gross carrying amount RMB'000 二零二二年十二月三十一日 應收貿易賬款 – 賬面總值 人民幣千元
Low risk type customer	低風險型客戶	2.00%	203,760
Normal risk type customer	正常風險型客戶	5.81%	3,111,528
Total	總計		3,315,288
		Average loss rate	31/12/2021 Trade receivables – Gross carrying amount RMB'000 (restated) 二零二一年十二月三十一日 應收貿易賬款 – 賬面總值 人民幣千元 (經重列)
Low risk type customer	低風險型客戶	3.66%	1,927,189
Normal risk type customer	正常風險型客戶	5.02%	1,704,334
Total	總計		3,631,523

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綜合財務報表附註

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42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表顯示採用簡化方法就應收貿易賬款確認的全期預期信貸虧損變動。

		Lifetime ECL (not credit -impaired) RMB'000 全期預期 信貸虧損 (無信貸減值) 人民幣千元	Lifetime ECL (credit -impaired) RMB'000 全期預期 信貸虧損 (信貸減值) 人民幣千元	Total RMB'000 總計 人民幣千元
As at 1 January 2021 (restated)	於二零二一年一月一日 (經重列)	212,962	34,266	247,228
Transfer to credit-impaired	轉至信貸減值	(2,657)	2,657	-
Impairment losses recognised	已確認減值虧損	19,445	-	19,445
Impairment losses reversed	已撥回減值虧損	(3,396)	-	(3,396)
Exchange adjustments	匯兌調整	(134)	-	(134)
Write-off	撇銷	(5,380)	-	(5,380)
As at 31 December 2021(restated)	於二零二一年十二月 三十一日 (經重列)	220,840	36,923	257,763
Transfer to credit-impaired	轉至信貸減值	(27,772)	27,772	-
Impairment losses recognised	已確認減值虧損	41,747	-	41,747
Impairment losses reversed	已撥回減值虧損	(391)	(8,404)	(8,795)
Exchange adjustments	匯兌調整	346	-	346
Write-off	撇銷	(37)	-	(37)
As at 31 December 2022	於二零二二年十二月 三十一日	234,733	56,291	291,024

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42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

For finance lease receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL.

The following tables show reconciliation of loss allowances that has been recognised for finance lease receivables.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

倘有資料顯示債務人面對嚴重財務困難且收回款項的機率不大(如債務人遭清盤或啟動破產程序)，本集團將撇銷應收貿易賬款。概無應收貿易賬款因執法行動而撇銷。

就應收融資租賃款項而言，本集團已採用香港財務報告準則第9號中的簡化方法按全期預期信貸虧損計量虧損撥備。

下表載列就應收融資租賃款項確認的虧損撥備對賬。

		Lifetime ECL (not credit -impaired) RMB'000 全期預期 信貸虧損 (無信貸減值) 人民幣千元	Lifetime ECL (credit -impaired) RMB'000 全期預期 信貸虧損 (信貸減值) 人民幣千元	Total RMB'000 總計 人民幣千元
As at 1 January 2021	於二零二一年一月一日	5,946	2,923	8,869
Impairment losses recognised	已確認減值虧損	2,357	-	2,357
As at 31 December 2021	於二零二一年十二月三十一日	8,303	2,923	11,226
Impairment losses recognised	已確認減值虧損	2,554	-	2,554
As at 31 December 2022	於二零二二年十二月三十一日	10,857	2,923	13,780

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Credit risk and impairment assessment (continued)

信貸風險及減值評估 (續)

The following tables show reconciliation of loss allowances that has been recognised for receivables from factoring business.

下表載列就來自保理業務之應收款項確認的虧損撥備對賬。

		12 m ECL RMB'000	Lifetime ECL (not credit -impaired) RMB'000	Lifetime ECL (credit -impaired) RMB'000	Total RMB'000
		12個月 預期信貸虧損 人民幣千元	全期預期 信貸虧損 (無信貸減值) 人民幣千元	全期預期 信貸虧損 (信貸減值) 人民幣千元	總計 人民幣千元
As at 1 January 2021	於二零二一年一月一日	676	550	-	1,226
Impairment losses recognised	已確認減值虧損	640	-	-	640
Impairment losses reversed	已撥回減值虧損	(472)	(550)	-	(1,022)
At 31 December 2021	於二零二一年十二月三十一日	844	-	-	844
Impairment losses recognised	已確認減值虧損	1,574	-	-	1,574
At 31 December 2022	於二零二二年十二月三十一日	2,418	-	-	2,418

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42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The following tables show reconciliation of loss allowances that has been recognised for other receivables.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表載列就其他應收款項確認的虧損撥備對賬。

		12 m ECL RMB'000	Lifetime ECL (not credit -impaired) RMB'000	Lifetime ECL (credit -impaired) RMB'000	Total RMB'000
		12個月 預期信貸虧損 人民幣千元	全期預期 信貸虧損 (無信貸減值) 人民幣千元	全期預期 信貸虧損 (信貸減值) 人民幣千元	總計 人民幣千元
As at 1 January 2021	於二零二一年一月一日	1,764	346	-	2,110
Impairment losses recognised	已確認減值虧損	11	-	-	11
Impairment losses reversed	已撥回減值虧損	(15)	-	-	(15)
Exchange adjustments	匯兌調整	55	-	-	55
At 31 December 2021	於二零二一年十二月三十一日	1,815	346	-	2,161
Impairment losses recognised	已確認減值虧損	61	-	-	61
Impairment losses reversed	已撥回減值虧損	(634)	-	-	(634)
At 31 December 2022	於二零二二年十二月三十一日	1,242	346	-	1,588

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Credit risk and impairment assessment
(continued)

信貸風險及減值評估 (續)

The following tables show reconciliation of loss allowances that has been recognised for loan receivables.

下表載列就應收貸款確認的虧損撥備對賬。

		12 m ECL RMB'000	Lifetime ECL (not credit -impaired) RMB'000	Lifetime ECL (credit -impaired) RMB'000	Total RMB'000
		12個月 預期信貸虧損 人民幣千元	全期預期 信貸虧損 (無信貸減值) 人民幣千元	全期預期 信貸虧損 (信貸減值) 人民幣千元	總計 人民幣千元
As at 1 January 2021	於二零二一年一月一日	16,423	-	1,425	17,848
Transfer to credit-impaired	轉至信貸減值	(6,075)	-	6,075	-
Impairment losses recognised	已確認減值虧損	7,826	-	-	7,826
Impairment losses reversed	已撥回減值虧損	(105)	-	-	(105)
Write-off	撇銷	(104)	-	-	(104)
At 31 December 2021	於二零二一年十二月三十一日	17,965	-	7,500	25,465
Impairment losses recognised	已確認減值虧損	825	-	-	825
Impairment losses reversed	已撥回減值虧損	-	-	(4,000)	(4,000)
At 31 December 2022	於二零二二年十二月三十一日	18,790	-	3,500	22,290

42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and bank balances deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

The amounts included below for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates different to those estimates of interest rates determined at the end of the reporting period.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from the interest rate at the end of the reporting period.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險

在管理流動資金風險時，本集團監察及維持管理層視為足夠水平的現金及銀行結餘，以為本集團營運提供資金並減輕現金流量波動所帶來的影響。管理層監察借款的使用情況並確保符合貸款契約。

倘可變利率變動有別於報告期末所釐定之利率估計，則以下就非衍生金融負債之可變利率工具納入之數額會出現變動。

下表根據協定償還期限詳細載列本集團非衍生金融負債的剩餘合約到期日。該表乃根據要求本集團償還金融負債的最早日期的金融負債的未貼現現金流量而編製。該表包括利息及本金現金流量。因利息流為浮動利率，於報告期末之未貼現款項源自於利率。

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Liquidity risk (continued)

流動資金風險

Liquidity tables

流動資金表

	Weighted average effective interest rate	On demand or less than 1 year	1-2 years	2-5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31/12/2021
	%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	加權平均實際利率	按要求或少於1年	1至2年	2至5年	超過5年	未貼現現金流量總額	於二零二一年十二月三十一日的賬面值
	%	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	人民幣千元
2022							
Non-derivative financial liabilities							
Trade payables		1,442,408	-	-	-	1,442,408	1,442,408
Construction cost and retention payables		88,513	-	-	-	88,513	88,513
Bills payable		278,783	-	-	-	278,783	278,783
Other payables	8	1,981,135	-	-	-	1,981,135	1,969,698
Lease liabilities	4.75	30,748	24,335	46,342	42,752	144,177	133,400
Bonds payable	3.75	35,900	35,900	1,082,271	-	1,154,071	993,977
Borrowings							
- fixed rate	3.30	326,618	17,150	587,751	-	931,519	797,497
- variable rate	4.42	825,212	2,003,427	1,398	-	2,830,037	2,566,523
		5,009,317	2,080,812	1,717,762	42,752	8,850,643	8,270,799

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綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Liquidity risk (continued)

流動資金風險 (續)

Liquidity tables (continued)

流動資金表 (續)

	Weighted average effective interest rate	On demand or less than 1 year	1-2 years	2-5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31/12/2021
	%	RMB'000 (restated)	RMB'000	RMB'000	RMB'000	RMB'000 (restated)	RMB'000 (restated)
	加權平均實際利率	按要求或少於1年	1至2年	2至5年	超過5年	未貼現現金流量總額	於二零二一年十二月三十一日的賬面值
	%	人民幣千元 (經重列)	人民幣千元	人民幣千元	人民幣千元	人民幣千元 (經重列)	人民幣千元 (經重列)
2021		二零二一年					
Non-derivative financial liabilities		非衍生金融負債					
Trade payables		應付貿易賬款	1,295,229	-	-	1,295,229	1,295,229
Construction cost and retention payables		建築成本及應付保留金	71,731	-	-	71,731	71,731
Bills payable		應付票據	332,164	-	-	332,164	332,164
Other payables	8	其他應付款項	1,809,140	-	-	1,809,140	1,792,337
Lease liabilities	4.75	租賃負債	25,485	22,304	37,332	86,879	80,845
Bonds payable	3.73	應付債券	35,900	35,900	107,700	1,189,971	992,549
Borrowings		借款					
- fixed rate	3.3	- 固定利率	330,347	17,150	622,051	969,548	799,996
- variable rate	4.39	- 浮動利率	353,242	263,072	1,785,075	2,401,389	2,264,020
			4,253,238	338,426	2,552,158	8,156,051	7,628,871
Derivatives - net settlement		衍生工具-結算淨額					
Structured Cross Currency Swap		結構性交叉貨幣互換	35,883	-	-	35,883	35,883
Currency Option		貨幣期權	20,811	-	-	20,811	20,811
Interest rate swap		利率互換	-	-	199	199	199
			56,694	-	199	56,893	56,893

42. FINANCIAL INSTRUMENTS (continued)**Financial risk management objectives and policies** (continued)**Interest rate benchmark reform**

Several of the Group's borrowings will be subject to the interest rate benchmark reform. As at 1 January 2022, the Group has borrowings bear the interests of which are indexed to LIBOR with amounts of RMB2,128,299,000. None of the relevant contracts has been transitioned to the relevant replacement rates during the year. The Group is closely monitoring the market and managing the transition to new benchmark interest rates, including announcements made by the relevant IBOR regulators.

LIBOR

Federal Reserve Board adopts final rule by identifying the benchmark rates based on SOFR (Secured Overnight Financing Rate) that will replace LIBOR in certain financial contracts after June 30, 2023. The management of the Group assessed the impact and believed that there will be no significant impact of the replacement.

42. 金融工具 (續)**財務風險管理目標及政策** (續)**利率基準改革**

本集團的若干借款將受到利率基準改革的影響。於二零二二年一月一日，本集團有按與LIBOR掛鈎的利率計息的借款人民幣2,128,299,000元。本年度並無任何相關合約過渡至相關的替代率。本集團正密切監察市況並管理向新基準利率過渡的資訊，包括有關同業拆息監管機構作出的公告。

LIBOR

美國聯邦儲備委員會採用最終規則，確定基於SOFR（擔保隔夜融資利率）的基準利率，該利率將在二零二三年六月三十日後取代若干金融合約的LIBOR。本集團管理層已評估有關影響，並相信該替換不會產生重大影響。

42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Interest rate benchmark reform (continued)

利率基準改革 (續)

(i) *Risks arising from the interest rate benchmark reform*

(i) *利率基準改革引致的風險*

The following are the key risks for the Group arising from the transition:

以下為過渡時給本集團帶來的主要風險：

Interest rate related risks

利率相關風險

There are fundamental differences between IBORs and the various alternative benchmark rates. IBORs are forward looking term rates published for a period (e.g. 3 months) at the beginning of that period and include an inter-bank credit spread, whereas alternative benchmark rates are typically risk-free overnight rates published at the end of the overnight period with no embedded credit spread. These differences will result in additional uncertainty regarding floating rate interest payments.

同業拆息與多項替代基準利率之間存在基本差異。同業拆息乃就一個期間(如三個月)在期初時發佈的遠期利率，包括銀行間信貸息差，而替代基準利率通常為無風險隔夜利率，在隔夜期末發佈，且無嵌入信貸息差。該等差異可導致有關浮息利率付款的額外不確定性。

Liquidity risk

流動資金風險

The additional uncertainty on various alternative rates which are typically published on overnight basis will require additional liquidity management.

對於通過在隔夜發佈的各項替代利率的額外不確定性將需作出額外的流動資金管理。

42. FINANCIAL INSTRUMENTS (continued)**42. 金融工具** (續)**Financial risk management objectives and policies** (continued)**財務風險管理目標及政策** (續)**Interest rate benchmark reform** (continued)**利率基準改革** (續)

- (i) *Risks arising from the interest rate benchmark reform* (continued)

- (i) *利率基準改革引致的風險* (續)

Litigation risk

訴訟風險

If no agreement is reached to implement the interest rate benchmark reform on contracts which have not been transitioned to the relevant alternative benchmark rates (e.g. arising from differing interpretation of existing fallback terms), there is a risk of prolonged disputes with counterparties which could give rise to additional legal and other costs. The Group is working closely with all counterparties to avoid this from occurring.

倘對於尚未過渡至有關替代利率的合約無法達成實施利率基準改革的共識（如對現行後備條款的詮釋不同所引致），或存在與交易對手方長期糾紛的風險，而可能增加額外的法律及其他成本。本集團正與交易對手方緊密合作，以避免發生有關情況。

Interest rate basis risk

利率基準風險

Interest rate basis risk may arise if a non-derivative instrument and the derivative instrument held to manage the interest risk on the non-derivative instrument transition to alternative benchmark rates at different times. This risk may also arise where back-to-back derivatives transition at different times.

倘持作管理非衍生金融工具利率風險的非衍生工具及衍生工具於不同時間點過渡至替代基準利率，或會產生利率基準風險。背對背衍生工具於不同的時間點過渡時亦會產生該項風險。

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42. FINANCIAL INSTRUMENTS (continued)

Fair value measurement of financial instruments

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value as at (RMB'000)		Fair value hierarchy	Valuation technique(s) and key input(s)
	31/12/2022	31/12/2021 (restated)		
金融資產	於以下日期的公平值 (人民幣千元)		公平值等級	估值方法及關鍵輸入數據
	二零二二年 十二月 三十一日	二零二一年 十二月 三十一日 (經重列)		
FVTPL – Structured Cross Currency Swap	-	(35,883)	Level 2	The Cross current swap is a structured product constructed by interest rate swap and range forward. The interest rate swap is valued by discounting floating and fixed leg cash flows at appropriate discount rate. The range forward creates a range of exercise prices through two derivative market positions (long call and short put) that is valued by Black Scholes Pricing model.
按公平值計入損益計量 — 結構性交叉貨幣互換			第二級	交叉流動互換為一種通過利率互換及範圍性遠期構建的結構性產品。利率互換通過以適當的折現率對浮動及固定支票現金流量進行折現來評估。透過布萊克-斯克爾斯定價模型評估的兩個衍生市場頭寸(多頭及空頭)，遠期範圍創造了一系列行權價。

42. 金融工具 (續)

金融工具的公平值計量

本集團以經常性基準按公平值計量的金融資產及金融負債的公平值

本集團部分金融資產於各報告期末按公平值計量。下表載列有關如何釐定該等金融資產及金融負債公平值之資料(尤其是,所用估值方法及輸入數據)。

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Fair value measurement of financial instruments (continued)

金融工具的公平值計量 (續)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

本集團以經常性基準按公平值計量的金融資產及金融負債的公平值 (續)

Financial assets	Fair value as at (RMB'000)		Fair value hierarchy	Valuation technique(s) and key input(s)
	31/12/2022	31/12/2021 (restated)		
金融資產	於以下日期的公平值 (人民幣千元)		公平值等級	估值方法及關鍵輸入數據
	二零二二年十二月三十一日	二零二一年十二月三十一日 (經重列)		
FVTPL – Currency option	-	(20,811)	Level 2	The Currency Option comprised of Seagull Option and Collar Option. A seagull option is a three-legged European option trading strategy which implemented using two puts and a call or vice versa. The Seagull option entered by the Group involves two call options and one put option to minimum risk. The collar position limits the return of the portfolio to a specified range and can hedge a position against potential volatility of the underlying asset. It is created through the usage of a protective put and covered call option. The key parameters applied are CNY/USD Spot Rate, discount rate, volatility, option fee.
按公平值計入損益計量 — 貨幣期權			第二級	貨幣期權由海鷗期權和領子期權組成。海鷗期權是一種三足鼎立的歐式期權交易策略，使用兩個看跌期權和一個看漲期權或反之。本集團的海鷗期權涉及兩個認購期權及一個認沽期權，以減低風險。領口頭寸將投資組合的回報限制在特定範圍內，並可針對相關資產的潛在波動對沖頭寸。其乃通過使用保護性看跌期權及覆蓋性看漲期權建立。應用的關鍵參數是人民幣／美元即期匯率、貼現率、波動率、期權費用。

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Fair value measurement of financial instruments (continued)

金融工具的公平值計量 (續)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

本集團以經常性基準按公平值計量的金融資產及金融負債的公平值 (續)

Financial assets	Fair value as at (RMB'000)		Fair value hierarchy	Valuation technique(s) and key input(s)
	31/12/2022	31/12/2021 (restated)		
金融資產	於以下日期的公平值 (人民幣千元)		公平值等級	估值方法及關鍵輸入數據
	二零二二年 十二月 三十一日	二零二一年 十二月 三十一日 (經重列)		
FVTPL – Interest rate swap	572	(199)	Level 2	Interest rate swap are forward contracts where one stream of future interest payments is exchanged for another based on a specified principal amount. The key parameters applied are Forward Rate Curve and Discount Rate Curve. The Forward Rate Curve is 3 – month SHIBOR and the forward reset rates are projected using Bloomberg SWPM function, 3 – month SHIBOR Curve is applied as discount curve for both fixed and floating leg valuation and is extracted from Bloomberg.
按公平值計入損益計量 – 利率互換			第二級	利率互換為遠期合約，即根據約定的本金額，將未來的利息支付流交換為另一種。應用的主要參數是遠期利率曲線和貼現率曲線。遠期利率曲線為三個月SHIBOR，而遠期重設利率則使用彭博SWPM功能進行預測。三個月SHIBOR曲線用作固定及浮動部分估值的貼現曲線，並從彭博提取。

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Fair value measurement of financial instruments (continued)

金融工具的公平值計量 (續)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

本集團以經常性基準按公平值計量的金融資產及金融負債的公平值 (續)

Financial assets	Fair value as at (RMB'000)		Fair value hierarchy	Valuation technique(s) and key input(s)
	31/12/2022	31/12/2021 (restated)		
金融資產	於以下日期的公平值 (人民幣千元)		公平值等級	估值方法及關鍵輸入數據
	二零二二年十二月三十一日	二零二一年十二月三十一日 (經重列)		
FVTOCI – Debt instruments at FVTOCI	495,337	425,316	Level 2	Discounted cash flow – future cash flows discounted at a rate that reflects the credit risk of various counterparties.
按公平值計入其他全面收入計量—按公平值計入其他全面收入計量之債務工具			第二級	貼現現金流量—以反映各交易對手信貸風險的貼現率貼現的未來現金流量。
FVTPL – Structured deposit	-	10,000	Level 2	Discounted cash flow – Future cash flows are estimated based on estimated return (from observable interest rates, currency, stock index and commodity price)
按公平值計入損益計量—結構性存款			第二級	貼現現金流量—根據估計回報(根據可觀察利率、貨幣、股票指數及商品價格)估計未來現金流量
FVTPL – Investment funds and equity security	119,729	100,943	Level 3	Income approach – in this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee, based on an appropriate discount rate.
按公平值計入損益計量—基金投資和權益抵押			第三級	收入法—此方法中，使用貼現現金流量法獲得將自該等投資對象的擁有權取得的預期未來經濟利益的現值(按適用貼現率計量)。

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Fair value measurement of financial instruments (continued)

金融工具的公平值計量 (續)

Reconciliation of Level 3 fair value measurements

第三級公平值計量的對賬

31 December 2022	二零二二年十二月三十一日	Financial assets at FVTPL RMB'000 按公平值計入損益計量之金融資產 人民幣千元
Balance at 1 January 2021	於二零二一年一月一日之結餘	108,420
Total gains in profit or loss	於損益之收益總額	(7,477)
Balance at 31 December 2021	於二零二一年十二月三十一日之結餘	100,943
Total gains in profit or loss	於損益之收益總額	18,786
Balance at 31 December 2022	於二零二二年十二月三十一日之結餘	119,729

Fair value of financial instruments that are recorded at amortized cost

按攤銷成本入賬的金融工具的公平值

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in these consolidated financial statements approximate their fair values.

董事認為，該等綜合財務報表中按攤銷成本入賬的金融資產及金融負債的賬面值與其公平值相若。

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43. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flow were, or future cash flows will be classified in the Group's consolidated statement of cash flows from financing activities.

43. 融資活動產生的負債之對賬

下表詳述本集團融資活動所產生的負債變動(包括現金及非現金變動)。融資活動所產生的負債已經或將會於來自融資活動之本集團綜合現金流量報表內分類。

		Borrowings RMB'000 (note 33) 借款 人民幣千元 (附註33)	Bonds payable RMB'000 (note 34) 應付債券 人民幣千元 (附註34)	Dividend payable RMB'000 (note 13) 應付股息 人民幣千元 (附註13)	Lease liabilities RMB'000 (note 36) 租賃負債 人民幣千元 (附註36)	Total RMB'000 (restated) 合計 人民幣千元 (經重列)
At 1 January 2021 (restated)	於二零二一年一月一日 (經重列)	3,308,979	991,121	-	30,698	4,330,798
Dividend declared	已宣派股息	-	-	653,288	-	653,288
Interest accrued	應計利息	97,306	39,467	-	3,668	140,441
Exchange adjustments	匯兌調整	(55,762)	-	-	419	(55,343)
New lease	新租賃	-	-	-	71,897	71,897
Financing cash flows	融資現金流量	(286,507)	(38,039)	(653,288)	(25,837)	(1,003,671)
At 31 December 2021 (restated)	於二零二一年十二月三十一日 (經重列)	3,064,016	992,549	-	80,845	4,137,410
Dividend declared	已宣派股息	-	-	741,638	-	741,638
Interest accrued	應計利息	150,148	35,900	-	5,353	191,401
Exchange adjustments	匯兌調整	206,731	-	-	2,760	209,491
New lease	新租賃	-	-	-	77,166	77,166
Financing cash flows	融資現金流量	(56,875)	(34,472)	(741,638)	(32,724)	(865,709)
At 31 December 2022	於二零二二年十二月三十一日	3,364,020	993,977	-	133,400	4,491,397

44. MAJOR NON-CASH TRANSACTIONS

During the year ended 31 December 2022, the Group endorsed bill receivables of RMB800,861,000 (2021: RMB1,304,354,000) to settle the trade and other payables.

44. 主要非現金交易

截至二零二二年十二月三十一日止年度，本集團就結算應付貿易賬款及其他應付款項背書應收票據人民幣800,861,000元(二零二一年：人民幣1,304,354,000元)。

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45. RELATED PARTY TRANSACTIONS

45. 關連人士交易

(a) The Group had the following related party transactions during the two years ended 31 December 2022 and 2021:

(a) 於截至二零二二年及二零二一年十二月三十一日止兩個年度內，本集團有下列關連人士交易：

		2022 RMB'000 二零二二年 人民幣千元	2021 RMB'000 (restated) 二零二一年 人民幣千元 (經重列)
Sales to fellow subsidiaries	銷售予同系附屬公司	401,008	403,340
Sales to a holding company	銷售予一間控股公司	482	2,914
Sales to an associate	銷售予一間聯營公司	43,329	39,509
Sales to associates of a holding company	銷售予一間控股公司的聯營公司	-	725
Distribution made through fellow subsidiaries	通過同系附屬公司作出分銷	3,346,880	2,226,169
Logistic support services received from fellow subsidiaries	自同系附屬公司接獲之物流支持服務	78,203	70,107
Purchases from fellow subsidiaries	向同系附屬公司採購	703,026	634,457
Purchases from a holding company	向一間控股公司採購	6,531	297
Purchases from an associate	向一間聯營公司採購	266,960	164,776
Purchases from an associate of a holding company	向一間控股公司的一間聯營公司採購	21,700	-
Operating lease income from fellow subsidiaries	來自同系附屬公司之經營租賃收入	7,424	6,693
Operating lease income from an associate	來自一間聯營公司之經營租賃收入	1,973	1,968
Operating lease income from an associate of a holding company	來自一間控股公司的一間聯營公司之經營租賃收入	742	742
Finance lease income from fellow subsidiaries	來自同系附屬公司之融資租賃收入	31,045	9,055
Interest income from factoring business from fellow subsidiaries	來自同系附屬公司保理業務之利息收入	11,180	19,554
Service received from fellow subsidiaries	自同系附屬公司接獲之服務	19,629	13,773
Service received from a holding company	自一間控股公司接獲之服務	31	1,250
Service received from an associate of a holding company	自一間控股公司的一間聯營公司接獲之服務	-	2,587
Service provided to fellow subsidiaries	向同系附屬公司提供之服務	5,986	9,112
Service provided to an associate of a holding company	向一間控股公司的一間聯營公司提供之服務	-	236
Service provided to an associate	向一間聯營公司提供之服務	10,316	3,663
Interest income from an associate of a holding company	來自一間控股公司的一間聯營公司之利息收入	4,080	7,013

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45. RELATED PARTY TRANSACTIONS

(continued)

(a) (continued)

Details of amounts due from/to related parties are set out in notes 24, 25, 27, 30, 31, and 32.

During the year ended 31 December 2022, the principal of the finance lease business provided to fellow subsidiaries by the Group amounted to RMB189,723,000 (2021: RMB366,275,000).

During the year ended 31 December 2022, the principal of the factoring business provided to fellow subsidiaries by the Group amounted to RMB178,000,000 (2021: RMB133,010,000).

As at 31 December 2022, a holding company provided guarantees of nil (2021: RMB58,000,000) to one of the subsidiary of the Company related to its short-term bank borrowings.

During the year ended 31 December 2022, the Company acquired interests in Weigao Medical Materials from Weigao Holding. During the year ended 31 December 2021, the subsidiary of the Company acquired interests in a Wego Healthcare from Weigao Holding. Details of the related party transactions are set out in note 3 merger accounting and restatements.

During the year ended 31 December 2022, the Company participated the Asset Backed Securitization issued by Weigao Holding with the carrying amount of RMB512,060,000 account receivables (2019: RMB232,687,000), the Company has transferred all risks and rewards of those account receivables to Weigao Holding, and therefore derecognised the account receivables.

45. 關連人士交易 (續)

(a) (續)

應收／付關連人士款項的詳情載於附註24、25、27、30、31及32。

截至二零二二年十二月三十一日止年度，本集團向同系附屬公司提供之融資租賃業務本金額為人民幣189,723,000元(二零二一年：人民幣366,275,000元)。

截至二零二二年十二月三十一日止年度，本集團向同系附屬公司提供之保理業務本金額為人民幣178,000,000元(二零二一年：人民幣133,010,000元)。

於二零二二年十二月三十一日，一間控股公司就其短期銀行借款向本公司其中一間附屬公司提供零(二零二一年：人民幣58,000,000元)之擔保。

截至二零二二年十二月三十一日止年度，本公司向威高集團公司收購威高醫用材料權益。截至二零二一年十二月三十一日止年度，本公司附屬公司向威高集團公司收購Wego Healthcare權益。相關關聯方交易之詳情載於附註3合併會計與重列。

截至二零二二年十二月三十一日止年度，本公司參與威高集團公司發行的賬面值為人民幣512,060,000元(二零一九年：人民幣232,687,000元)的應收賬款的資產證券化，本公司已將與該等應收賬款相關的一切風險及回報轉讓予威高集團公司，及因此終止確認應收賬款。

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45. RELATED PARTY TRANSACTIONS

(continued)

(a) (continued)

During the year ended 31 December 2022, the subsidiary of the Company disposed the equity interests in Weihai Weigao Yikang Nursing Products Co., Ltd. to a fellow subsidiary Shandong Qifu Health Technology Co., Ltd with a cash consideration of RMB27,000,000.

During the year ended 31 December 2022, the subsidiary of the Company, Jierui disposed the equity interests in Zhejiang Weigao Automatic Equipment Company Limited* to Weigao Holding with a cash consideration of RMB10,000,000.

* former name as Shangdong Weigao Automatic Equipment Company Limited.

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

Short-term employee benefits	短期僱員福利
Post-employment benefits	離職後福利
Share-based payments	以股份為基礎付款

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

45. 關連人士交易 (續)

(a) (續)

截至二零二二年十二月三十一日止年度，本公司附屬公司以現金代價人民幣27,000,000元向同系附屬公司山東七福健康科技有限公司出售威海威高益康護理用品有限公司的股權。

截至二零二二年十二月三十一日止年度，本公司附屬公司潔瑞以現金代價人民幣10,000,000元向威高集團公司出售浙江威高自動化設備有限公司*設備的股權。

* 前稱山東威高自動化設備有限公司

(b) 主要管理人員的報酬

於年內，董事及主要管理層的其他成員的薪酬如下：

		2022 RMB'000 二零二二年 人民幣千元	2021 RMB'000 二零二一年 人民幣千元
Short-term employee benefits	短期僱員福利	8,409	10,155
Post-employment benefits	離職後福利	202	164
Share-based payments	以股份為基礎付款	21,622	8,273
		30,233	18,592

董事及主要行政人員的薪酬乃由薪酬委員會就個別人士的表現及市場趨勢而釐定。

46. RETIREMENT BENEFITS SCHEMES

The Group participates in a Mandatory Provident Fund Scheme established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. All Hong Kong employees joining the Group are required to join the Mandatory Provident Fund Scheme.

No forfeited contribution under the scheme is available to reduce the Group's future contribution.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit scheme operated by the government of mainland. These subsidiaries are required to contribute 16% for the year ended 31 December 2022 (2021:16%) of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

Argon sponsors a 401(k) retirement savings plan for all Argon employees. This plan includes both employee contributions as well as employer matching contributions.

Other subsidiaries in jurisdictions outside of the PRC contribute to statutory retirement plans on behalf of their employees which in many cases are managed by the government in those territories. Those subsidiaries make periodic contributions to the statutory retirement plans as required and contributions are generally determined as a percentage of employees' basic salaries or a fixed amount per employee per calendar year depending on the jurisdiction.

The contributions paid and payable to the schemes by the Group are disclosed in note 11.

46. 退休福利計劃

本集團於二零零零年十二月參與根據強制性公積金計劃條例而設立之強制性公積金計劃。該等計劃之資產乃由受託人監管之基金，與本集團之資產分開持有。所有加盟本集團之香港僱員均須參與強制性公積金計劃。

根據該計劃並無沒收供款可用作減少本集團之將來供款。

本集團之中國附屬公司之僱員均為大陸政府經營之國家管理退休福利計劃之成員。於截至二零二二年十二月三十一日止年度，該等附屬公司須按薪金成本之16%（二零二一年：16%）向退休福利計劃供款以作為福利所需資金。本集團對退休福利計劃之唯一責任為作出指定之供款。

愛琅為所有愛琅僱員提供401(k)退休儲蓄計劃。該計劃包括僱員供款以及僱主匹配供款。

中國以外司法權區的其他附屬公司代表其僱員參與法定退休計劃，而在許多情況下，該等計劃由該等地區政府管理。該等附屬公司按要求定期向法定退休計劃供款，且供款通常按僱員基本工資的百分比或根據司法權區每個日曆年度每名僱員的固定金額釐定。

本集團就該等計劃已付及應付的供款於附註11作出披露。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

47. 本公司主要附屬公司詳情

Particulars of the Company's subsidiaries as at 31 December 2022 and 2021 are as follows:

於二零二二年及二零二一年十二月三十一日，本公司附屬公司的詳情如下：

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	2022	2021	2022	2021	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Weigao Orthopaedic * (山東威高骨科材料股份有限公司)	PRC	RMB400,000,000	50.63	50.63	21.55	21.55	Manufacturing of orthopaedic medical device products
山東威高骨科材料股份有限公司	中國	人民幣400,000,000元					製造骨科醫療設備產品
Beijing Weigao Yahua Artificial Joints Development Company Limited*	PRC	RMB70,000,000	-	-	72.18	72.18	Research, services and sales of medical devices
(北京威高亞華人工關節開發有限公司) 北京威高亞華人工關節開發有限公司	中國	人民幣70,000,000元					醫療設備的研發、服務及 銷售
Changzhou Jianli Bangde Medical Devices Co., Ltd*	PRC	RMB65,000,000	-	-	72.18	72.18	Manufacturing of orthopaedic devices, implantation materials and artificial organs
(常州健力邦德醫療器械有限公司) 常州健力邦德醫療器械有限公司	中國	人民幣65,000,000元					製造骨科設備、移植材料及 人造器官
Weihai Weigao Management Asset Management Co., Ltd*	PRC	RMB10,000,000	-	-	72.18	72.18	Asset management and enterprise consulting service
(威海威高資產管理有限公司) 威海威高資產管理有限公司	中國	人民幣10,000,000元					資產管理及企業顧問服務

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47. PARTICULARS OF PRINCIPAL
SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情
(續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	於十二月三十一日 本集團應佔之實際股權				主要業務
			% (直接)	% (間接)			
			二零二二年	二零二一年	二零二二年	二零二一年	
Weigao Group (Weihai) Medical Products Marketing Co., Ltd* (威高集團(威海)醫用製品營銷有限公司)	PRC	RMB950,000,000	25	25	75	75	Wholesale of Type I medical devices, surgical devices and other disposal medical products 批發第一類醫療設備、手術設備及其他一次性醫療產品
威高集團(威海)醫用製品營銷有限公司	中國	人民幣950,000,000元					
Weigao Group (Weihai) Medical Products Material Supply Co., Ltd* (威高集團(威海)醫用製品材料供應有限公司)	PRC	RMB1,309,070,000	19.21	19.21	80.79	80.79	Wholesale of Type I medical devices, surgical devices and other disposal medical products 批發第一類醫療設備、手術設備及其他一次性醫療產品
威高集團(威海)醫用製品材料供應有限公司	中國	人民幣1,309,070,000元					
Weihai Jierui Medical Products Company Limited* (威海潔瑞醫用製品有限公司)	PRC	RMB114,030,000	87.70	87.70	12.30	12.30	Manufacturing of medical PVC granules, plastic packing bags and carton boxes 製造醫用PVC粒料、塑料包裝袋及紙箱
威海潔瑞醫用製品有限公司	中國	人民幣114,030,000元					
Zhejiang Weigao Automatic Equipment Company Limited* (浙江威高自動化設備有限公司)	PRC	RMB5,000,000	-	-	-	100	Manufacturing of industrial automatic equipment and parts 製造工業自動化設備及配件
浙江威高自動化設備有限公司	中國	人民幣5,000,000元					
Shandong Weigao Group Logistic Company Limited* (山東威高集團物流有限公司)	PRC	RMB20,000,000	100	100	-	-	Provision of logistics and storage services 提供物流及儲存服務
山東威高集團物流有限公司	中國	人民幣20,000,000元					

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities	
			% (direct)		% (indirect)			
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	2022	2021	2022	2021	主要業務	
			於十二月三十一日 本集團應佔之實際股權					
			% (直接)		% (間接)			
			二零二二年	二零二一年	二零二二年	二零二一年		
Weihai Weigao Group Mould Company Limited* (威海威高集團模具有限公司)	PRC	RMB8,000,000	90	90	10	10	Manufacturing of moulds	
威海威高集團模具有限公司	中國	人民幣8,000,000元					製造模具	
Sichuan Jierui Weigao Medical Device Company Limited* (四川潔瑞威高醫療器械有限公司)	PRC	RMB2,000,000	100	100	-	-	Trading of medical products	
四川潔瑞威高醫療器械有限公司	中國	人民幣2,000,000元					買賣醫療產品	
Weihai Weigao Jiesheng Medical Devices Co., Ltd.* (威海威高潔盛醫療器材有限公司)	PRC	RMB20,000,000	-	-	95.9	95.9	Trading of medical products	
威海威高潔盛醫療器材有限公司	中國	人民幣20,000,000元					買賣醫療產品	
Weihai Weigao Medical International Trading Co., Ltd.* (威海威高醫療國際貿易有限公司)	PRC	RMB5,000,000	80	80	20	20	Sales of medical devices, imports and exports of registered products	
威海威高醫療國際貿易有限公司	中國	人民幣5,000,000元					銷售醫療設備、進出口登記產品	
Weigao International Medical Co., Ltd. (威高國際醫療有限公司)	Hong Kong	HKD207,699,690	100	100	-	-	Investment holding and trading	
威高國際醫療有限公司	香港	207,699,690港元					投資控股及貿易	

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

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47. 本公司主要附屬公司詳情
(續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Wellford Capital Limited	British Virgin Islands ("BVI")	USD50,000	-	-	100	100	Investment holding
Wellford Capital Limited	英屬處女群島 (「英屬處女群島」)	50,000美元					投資控股
Shandong Weigao Financial Leasing Co., Ltd.* (山東威高融資租賃有限公司)	PRC	RMB620,000,000	-	-	100	100	Engaged in various financial leasing business of medical equipment
山東威高融資租賃有限公司	中國	人民幣620,000,000元					從事醫療設備的各類融資租賃服務
Wego Medical Holding Company Limited (威高醫療控股有限公司)	Hong Kong	HKD1,000,000	-	-	100	100	Investment holding
威高醫療控股有限公司	香港	1,000,000港元					投資控股
Weihai Weigao Medical Device Sales Co., Ltd.* (威海威高醫療器械銷售有限公司)	PRC	RMB150,000,000/ RMB200,000,000	-	-	75	75	Manufacturing and sales of hemo-dialysis equipment
威海威高醫療器械銷售有限公司	中國	人民幣150,000,000元/ 人民幣200,000,000元					血液透析設備的製造及出售
Shanghai Weigao Financing Lease Co., Limited* (上海威高融資租賃有限公司)	PRC	USD45,000,000/ USD50,000,000	-	-	100	100	Engaged in various financial leasing business
上海威高融資租賃有限公司	中國	45,000,000美元/ 50,000,000美元					從事各類融資租賃業務

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Champion Falcon limited (翔冠有限公司) 翔冠有限公司	Hong Kong 香港	HKD1 1港元	-	-	100	100	Investment holding 投資控股
Brilliant Grace limited (耀恩有限公司) 耀恩有限公司	BVI 英屬處女群島	USD1 1美元	-	-	100	100	Investment holding 投資控股
Fuzhou Fanshun Medical Device Technology Company Limited* (福州帆順醫療器械技術有限公司) 福州帆順醫療器械技術有限公司	PRC 中國	RMB500,000 人民幣500,000元	95	95	-	-	Wholesale, sales and purchases of disposable sterile medical devices 一次性無菌醫療設備的批 發、銷售及採購
Taian Weixin Medical Products Co., Ltd. * (泰安市威新醫用製品有限公司) 泰安市威新醫用製品有限公司	PRC 中國	RMB800,000/ RMB30,000,000 人民幣800,000元/人民幣 30,000,000元	1	1	99	99	Trading of medical products 買賣醫療產品
Weihai Chang Hong Enterprise Management Consulting Centre (Limited Partnership)* 威海長弘企業管理諮詢中心 (有限合夥) 威海長弘企業管理諮詢中心(有限合夥)	PRC 中國	RMB59 人民幣59元	-	-	-	-	Enterprise management advisory services 企業管理顧問服務

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情
(續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	2022	2021	2022	2021	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Weihai Yang Fan Enterprise Management Consulting Centre (Limited Partnership) * (威海揚帆企業管理諮詢中心(有限合夥))	PRC	RMB55/ RMB59	-	-	-	-	Enterprise management advisory services
威海揚帆企業管理諮詢中心(有限合夥)	中國	人民幣55元/人民幣59元					企業管理顧問服務
Weihai Hong Tu Enterprise Management Consulting Centre (Limited Partnership) * (威海宏圖企業管理諮詢中心(有限合夥))	PRC	RMB55/ RMB54	-	-	-	-	Enterprise management advisory services
威海宏圖企業管理諮詢中心(有限合夥)	中國	人民幣55元/人民幣54元					企業管理顧問服務
Anhui Weigao Orthopaedic Medical Device Co., Ltd. * (安徽威高骨科醫療器械有限公司)	PRC	RMB20,000,000	-	-	72.18	72.18	Sales of Type I, Type II and Type III medical device; Enterprise management advisory services
安徽威高骨科醫療器械有限公司	中國	人民幣20,000,000元					銷售第一類、第二類及第三類醫療設備；企業管理顧問服務
Shandong Weigao Hai Xing Medical Devices Co., Ltd.* (山東威高海星醫療器械有限公司)	PRC	RMB70,000,000	-	-	72.18	72.18	Production and sales of Type III medical implant material and artificial organ (6846); production and sales of Type I medical devices.
山東威高海星醫療器械有限公司	中國	人民幣70,000,000元					生產及銷售第三類醫療植入物材料及人造器官(6846)；生產及銷售第一類醫療設備。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	2022	2021	2022	2021	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Sichuan Weigao Tianfu Medical Technology Co. Ltd. * (四川威高天府醫藥科技有限公司)	PRC	nil/ RMB20,000,000	90	90	10	10	Research, sales of medicines and medical devices
四川威高天府醫藥科技有限公司	中國	無/人民幣20,000,000元					醫藥及醫療設備的研發、 銷售
Jilin Weigao Bao Ren Medical Products Co., Ltd. * (吉林省威高寶仁醫用製品有限公司)	PRC	RMB39,616,810/ RMB50,000,000	65	65	-	-	Wholesale and retail of medical products and medical devices
吉林省威高寶仁醫用製品有限公司	中國	人民幣39,616,810元/ 人民幣50,000,000元					批發及零售醫療產品及醫 療設備
Weihai Weigao Yi Kang Medical Device Sales Co., Ltd. * (威海威高億康醫療器械銷售有限公司)	PRC	RMB30,000,000	10	10	90	90	Sales of medical devices
威海威高億康醫療器械銷售有限公司	中國	人民幣30,000,000元					銷售醫療設備
WW Cayman WW Cayman	Cayman Islands 開曼群島	USD46,000 46,000美元	-	-	89.81	89.81	Investment holding 投資控股
WW Medical and Healthcare Holdings Corporation	U.S.	USD1,000	-	-	89.81	89.81	Investment holding
WW Medical and Healthcare Holdings Corporation	美國	1,000美元					投資控股
Argon Medical Devices Holding, Inc. Argon Medical Devices Holding, Inc.	U.S. 美國	USD1/ USD2,000,000 1美元/2,000,000美元	-	-	89.81	89.81	Investment holding 投資控股

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	2022	2021	2022	2021	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Weihai Weigao Medical Products Co., Ltd. * (威海威高醫用製品有限公司)	PRC	nil/ RMB10,000,000	90	90	10	10	Sales of medical devices
威海威高醫用製品有限公司	中國	無/人民幣10,000,000元					銷售醫療設備
Shandong Weigao Jiahe Pharmaceutical Technology Co., Ltd. * (山東威高佳禾醫藥科技有限公司)	PRC	RMB10,000,000	67	67	-	-	Sales of Type I, Type II and Type III medical device; Biotechnology Extension Service
山東威高佳禾醫藥科技有限公司	中國	人民幣10,000,000元					銷售第一類、第二類及第三類醫療設備；生物技術推廣服務
Argon Medical Devices (Hong Kong) Co., Ltd. (愛琅醫療器械(香港)有限公司)	Hong Kong	HKD1	-	-	89.81	89.81	Investment holding
愛琅醫療器械(香港)有限公司	香港	1港元					投資控股
Argon (Shanghai) Medical Devices Company Limited (愛琅(上海)醫療器械有限公司)	PRC	USD3,000,000	-	-	89.81	89.81	Sales of Type II and Type III medical device; technical services and technology transfer.
愛琅(上海)醫療器械有限公司	中國	3,000,000美元					銷售第二類及第三類醫療設備；技術服務及技術轉讓。
Argon (Weihai) Medical Devices, Inc. (愛琅(威海)醫療器械有限公司)	PRC	USD1,400,000	-	-	89.81	89.81	Production and sales of Type II and Type III. Sales of Type I. Information consulting service.
愛琅(威海)醫療器械有限公司	中國	1,400,000美元					生產及銷售第二類及第三類。銷售第一類。信息諮詢服務。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Weigao purui (山東威高普瑞醫藥包裝有限公司)	PRC	RMB104,275,000	95.9	95.9	-	-	Production and marketing of medical polymer materials and products, injection puncture instruments
山東威高普瑞醫藥包裝有限公司	中國	人民幣104,275,000元					生產及銷售醫用高分子材料及產品、注射穿刺器械
Shandong Mingde Biomedical Engineering Co., Ltd. * (山東明德生物醫學工程有限公司)	PRC	RMB20,000,000	-	-	57.74	57.74	Production and marketing of medical polymer materials and products, injection puncture instruments
山東明德生物醫學工程有限公司	中國	人民幣20,000,000元					生產及銷售醫用高分子材料及產品、注射穿刺器械
Yunnan Weigao Orthopaedic Medical Devices Co., Ltd. * (雲南威高骨科醫療器械有限責任公司) (iii)	PRC	RMB10,000,000	-	-	-	36.81	Sales of medical devices
雲南威高骨科醫療器械有限責任公司 (iii)	中國	人民幣10,000,000元					銷售醫療設備
Shandong Weikang Medical Technology Co., Ltd. * (山東威康醫療科技有限公司)	PRC	RMB5,000,000/ RMB10,000,000	100	100	-	-	Research and sales of medical devices
山東威康醫療科技有限公司	中國	人民幣5,000,000元/人民幣10,000,000元					研發及銷售醫療設備
Shandong Weigao Orthopaedic Devices Sales Co., Ltd. * (山東威高骨科醫療器械銷售有限公司)	PRC	RMB10,000,000/ RMB50,000,000	-	-	72.18	72.18	Sales of medical devices
山東威高骨科醫療器械銷售有限公司	中國	人民幣10,000,000元/人民幣50,000,000元					銷售醫療設備

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情
(續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Hunan Weigao Orthopaedic Devices Co., Ltd. * (湖南威高骨科醫療器械有限公司)	PRC	RMB13,750,000/ RMB50,000,000	-	-	54.86	54.86	Sales of medical devices
湖南威高骨科醫療器械有限公司	中國	人民幣13,750,000元/ 人民幣50,000,000元					銷售醫療設備
Sichuan Weigao Orthopaedic Devices Co., Ltd. * (四川威高骨科醫療器械有限公司)	PRC	RMB5,000,000/ RMB50,000,000	-	-	72.18	72.18	Sales of medical devices
四川威高骨科醫療器械有限公司	中國	人民幣5,000,000元/ 人民幣50,000,000元					銷售醫療設備
Fenwei Healthcare Technology and Development (Shanghai) Co., Ltd. * (威高奮威健康科技發展(上海)有限公司)	PRC	RMB40,000,000/ RMB50,000,000	100	100	-	-	Research, services and consulting
威高奮威健康科技發展(上海)有限公司	中國	人民幣40,000,000元/ 人民幣50,000,000元					研發、服務及諮詢
Weigao Medical Korea Co.Ltd. (威高醫療韓國有限公司)	Korea	KRW 173,180,000/ KRW 168,000,000	-	-	100	100	Sales of medical devices
威高醫療韓國有限公司	韓國	173,180,000韓元 /168,000,000韓元					銷售醫療設備
Shandong Weigao Blood Technology Limited* (山東威高血液技術有限公司)	PRC	USD55,000,000	-	-	100	100	Research, services and sales
山東威高血液技術有限公司	中國	55,000,000美元					研發、服務及銷售

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	2022	2021	2022	2021	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Shandong Weigao Pharmaceutical Packaging Products Co., Ltd. * (山東威高醫藥包裝製品有限公司)	PRC	RMB45,000,000	-	-	95.9	95.9	Production and Sales
山東威高醫藥包裝製品有限公司	中國	人民幣45,000,000元					生產及銷售
Weihai Weigao Qiming Enterprise Management Consulting Service Co., Ltd. * (威海威高啟明企業管理諮詢服務有限公司)	PRC	RMB100,000	90	90	10	10	Consulting
威海威高啟明企業管理諮詢服務有限公司	中國	人民幣100,000元					諮詢
Weihai Weigao Xinda Enterprise Management Consulting Service Co., Ltd. * (威海威高信達企業管理諮詢服務有限公司)	PRC	RMB100,000	90	90	10	10	Consulting
威海威高信達企業管理諮詢服務有限公司	中國	人民幣100,000元					諮詢
Weihai Hongyangrui Information Technology Center (Limited Partnership) * (威海弘陽瑞資訊技術中心(有限合夥))	PRC	RMB217,777,770	-	-	80.15	80.15	Computer technical services and sale of electronic products.
威海弘陽瑞資訊技術中心(有限合夥)	中國	人民幣217,777,770元					計算機技術服務及電子產品銷售。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情
(續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	於十二月三十一日 本集團應佔之實際股權				主要業務
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Shandong Weigao Weinasi Medical Technology Co., Ltd. * (山東威高威納思醫療科技有限公司)	PRC	RMB15,250,000/ RMB20,000,000	90	90	10	10	Development, services and sales of medical technology development.
山東威高威納思醫療科技有限公司	中國	人民幣15,250,000元/ 人民幣20,000,000元					醫療技術的開發、服務及銷售。
Weigao (Beijing) Medical Technology Co., Ltd. * (威高(北京)醫療科技有限公司)	PRC	RMB4,500,000/ RMB50,000,000	100	100	-	-	Research, sales of medicines
威高(北京)醫療科技有限公司	中國	人民幣4,500,000元/ 人民幣50,000,000元					藥品研發、銷售
Shandong Weiteng Medical Products Co., Ltd. * (山東威藤醫用製品有限公司)	PRC	RMB35,000,000/ RMB50,000,000	1	1	99	99	Sales of medical devices
山東威藤醫用製品有限公司	中國	人民幣35,000,000元/ 人民幣50,000,000元					銷售醫療設備
Global Healthcare, Inc.	USA	USD3,791,097/ USD10,000,000	-	-	51	51	Distribution of medical devices
Global Healthcare, Inc.	美國	3,791,097美元 /10,000,000美元					醫療設備的分銷
Henan Weigao Orthopaedic Medical Technology Co., Ltd. * (河南威高骨科醫療科技有限公司)	PRC	RMB50,000/ RMB10,000,000	-	-	72.18	72.18	Technology development of medical devices, technology consulting and service.
河南威高骨科醫療科技有限公司	中國	人民幣50,000元/ 人民幣10,000,000元					Sales of Type I, Type II and Type III medical device 醫療設備的技術開發、技術諮詢及服務。 銷售第一類、第二類及第三類醫療設備

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Shandong Weigao Yahua Orthopaedic Device Sales Co., Ltd. * (山東威高亞華醫療器械銷售有限公司)	PRC	RMB1,100,000/ RMB10,000,000	-	-	72.18	72.18	Sales of Type I and Type II medical device
山東威高亞華醫療器械銷售有限公司	中國	人民幣1,100,000元/ 人民幣10,000,000元					銷售第一類及第二類醫療設備
Weigao (Jinan) Orthopaedic Device Co., Ltd. * (威高(濟南)骨科材料有限公司)	PRC	RMB1,000,000/ RMB10,000,000	-	-	50.53	50.53	Sales of Type I, Type II and Type III medical device;
威高(濟南)骨科材料有限公司	中國	人民幣1,000,000元/ 人民幣10,000,000元					銷售第一類、第二類及第三類醫療設備；
Weigao (Shanghai) Orthopaedic Device Co., Ltd. * (威高(上海)骨科材料有限公司)	PRC	RMB1,000,000/ RMB60,000,000	-	-	72.18	72.18	Sales of Type I, Type II and Type III medical device;
威高(上海)骨科材料有限公司	中國	人民幣1,000,000元/ 人民幣60,000,000元					銷售第一類、第二類及第三類醫療設備；
Shandong Gaowo Medical Device Co., Ltd. * (山東高沃醫療器械有限公司)	PRC	nil/ RMB10,000,000	-	-	64.96	64.96	Sales of Type I, Type II and Type III medical device;
山東高沃醫療器械有限公司	中國	無/人民幣10,000,000元					銷售第一類、第二類及第三類醫療設備；
Wego Healthcare Fund Holding Corporation (威高醫療健康基金控股公司)	USA	USD10,634	-	-	100	100	Investment holding
威高醫療健康基金控股公司	美國	10,634美元					投資控股

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情
(續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	2022	2021	2022	2021	主要業務
			於十二月三十一日 本集團應佔之實際股權		於十二月三十一日 本集團應佔之實際股權		
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Rad Source Technologies, Inc. (拉德索斯科技有限公司)	USA	USD10,634	-	-	100	100	Manufacturing and sales of X-ray based irradiation machines;
拉德索斯科技有限公司	美國	10,634美元					X射線輻照儀的製造及銷售；
Rad Source Medical Technology Co., Ltd. (拉德索斯(中國)醫療科技有限公司)	PRC	USD2,000,000/ USD8,000,000	-	-	100	100	Manufacturing and sales of X-ray based irradiation machines;
拉德索斯(中國)醫療科技有限公司	中國	2,000,000美元/ 8,000,000美元					X射線輻照儀的製造及銷售；
Shanghai Weigao Pharmaceutical Technology Co., Ltd.* (上海威高醫藥科技有限公司)(iv)	PRC	nil/RMB20,000,000	-	100	-	-	Sales of medical device;
上海威高醫藥科技有限公司(iv)	中國	無/人民幣20,000,000元					銷售醫療設備；
Shanghai Weigao Gaojingchuang Medical Technology Co., Ltd.* (上海威高精創醫療科技有限公司)	PRC	RMB20,000,000	-	-	72.18	72.18	Production and sales of Type I, Type II and Type III medical devices.
上海威高精創醫療科技有限公司	中國	人民幣20,000,000元					生產及銷售第一類、第二類及第三類醫療設備。
Zhejiang Weigao Medical Products Co., Ltd.* (浙江威高醫用製品有限公司)	PRC	RMB9,000,000/ RMB50,000,000	1	1	99	99	Production and sales of Type I, Type II and Type III medical devices.
浙江威高醫用製品有限公司	中國	人民幣9,000,000元/ 人民幣50,000,000元					生產及銷售第一類、第二類及第三類醫療設備。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	於十二月三十一日 本集團應佔之實際股權				主要業務
			% (直接)	% (間接)			
			二零二二年	二零二一年	二零二二年	二零二一年	
Mianyang Weigao Pharmaceutical Technology Co., Ltd.* (綿陽威高醫藥科技有限公司)(v)	PRC	nil/RMB20,000,000	-	-	-	100	Sales of Type I, Type II and Type III medical device;
綿陽威高醫藥科技有限公司(v)	中國	無/人民幣20,000,000元					銷售第一類、第二類及第三類醫療設備；
Tianjin Weigao Hainasi Medical Technology Co., Ltd.* (former name: Shangdong Weigao Hainasi Medical Technology Co., Ltd) (天津威高海納思醫療科技有限公司)	PRC	RMB5,300,000/ RMB11,377,200	-	-	66.60	66.60	Development, services and sales of medical technology development.
天津威高海納思醫療科技有限公司 (前稱山東威高海納思醫療科技有限公司)	中國	人民幣5,300,000元/ 人民幣11,377,200元					醫療技術的開發、服務及銷售。
Shanghai Shuruikang Medical Technology Development Co., Ltd.* (上海舒瑞康醫療科技發展有限公司)	PRC	RMB14,261,000/ RMB20,000,000	100	100	-	-	Production and sales of Type I, Type II and Type III medical devices. Sales of Type II and Type III ray devices.
上海舒瑞康醫療科技發展有限公司	中國	人民幣14,261,000元/ 人民幣20,000,000元					生產及銷售第一類、第二類及第三類醫療設備。銷售第二類及第三類放射設備。
Shandong Weigao Blood Transfusion Technology Equipment Co., Ltd.* (山東威高輸血技術裝備有限公司)	PRC	nil/RMB50,000,000	100	100	-	-	Production and sales of Type I, Type II and Type III medical devices. Sales of Type II and Type III ray devices.
山東威高輸血技術裝備有限公司	中國	無/人民幣50,000,000元					生產及銷售第一類、第二類及第三類醫療設備。銷售第二類及第三類放射設備。
Weigao(Suzhou) Medical Technology Co., Ltd.* (威高(蘇州)醫療科技有限公司)	PRC	RMB7,194,318/ RMB10,000,000	90	90	10	10	Production and sales of Type I, Type II and Type III medical devices. Sales of Type II and Type III ray devices.
威高(蘇州)醫療科技有限公司	中國	人民幣7,194,318元/ 人民幣10,000,000元					生產及銷售第一類、第二類及第三類醫療設備。銷售第二類及第三類放射設備。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

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47. 本公司主要附屬公司詳情
(續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Shandong Weigao Furui Medical Products Co., Ltd.* (山東威高福瑞醫用製品有限公司)	PRC	nil/RMB8,000,000	-	-	100	100	Production and sales of Type I, Type II and Type III medical devices.
山東威高福瑞醫用製品有限公司	中國	無/人民幣8,000,000元					生產及銷售第一類、第二類及第三類醫療設備。
Shanghai electron Microscope Medical Technology Co., Ltd.* (上海電鏡醫療科技有限公司)	PRC	RMB6,980,000/ RMB10,000,000	-	-	100	100	Production and sales of Type I, Type II and Type III medical devices.
上海電鏡醫療科技有限公司	中國	人民幣6,980,000元/ 人民幣10,000,000元					生產及銷售第一類、第二類及第三類醫療設備。 租賃第二類、第三類醫療設備。
Tianjin Yangfan No. 1 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆一號企業管理諮詢合夥企業(有限合夥))	PRC	RMB26,671,000	-	-	-	-	Enterprise management advisory services
天津揚帆一號企業管理諮詢合夥企業(有限合夥)	中國	人民幣26,671,000元					企業管理顧問服務
Tianjin Yangfan No. 2 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆二號企業管理諮詢合夥企業(有限合夥))	PRC	RMB17,184,000	-	-	-	-	Enterprise management advisory services
天津揚帆二號企業管理諮詢合夥企業(有限合夥)	中國	人民幣17,184,000元					企業管理顧問服務
Tianjin Yangfan No. 3 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆三號企業管理諮詢合夥企業(有限合夥))	PRC	RMB17,900,000	-	-	-	-	Enterprise management advisory services
天津揚帆三號企業管理諮詢合夥企業(有限合夥)	中國	人民幣17,900,000元					企業管理顧問服務

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

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47. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Tianjin Yangfan No. 4 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆四號企業管理諮詢合夥企業(有限合夥))	PRC	RMB18,079,000	-	-	-	-	Enterprise management advisory services
天津揚帆四號企業管理諮詢合夥企業(有限合夥)	中國	人民幣18,079,000元					企業管理顧問服務
Tianjin Yangfan No. 5 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆五號企業管理諮詢合夥企業(有限合夥))	PRC	RMB20,406,000	-	-	-	-	Enterprise management advisory services
天津揚帆五號企業管理諮詢合夥企業(有限合夥)	中國	人民幣20,406,000元					企業管理顧問服務
Tianjin Yangfan No. 6 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆六號企業管理諮詢合夥企業(有限合夥))	PRC	RMB17,005,000	-	-	-	-	Enterprise management advisory services
天津揚帆六號企業管理諮詢合夥企業(有限合夥)	中國	人民幣17,005,000元					企業管理顧問服務
Tianjin Yangfan No. 7 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆七號企業管理諮詢合夥企業(有限合夥))	PRC	RMB17,540,000	-	-	-	-	Enterprise management advisory services
天津揚帆七號企業管理諮詢合夥企業(有限合夥)	中國	人民幣17,540,000元					企業管理顧問服務
Tianjin Yangfan No. 8 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆八號企業管理諮詢合夥企業(有限合夥))	PRC	RMB19,153,000	-	-	-	-	Enterprise management advisory services
天津揚帆八號企業管理諮詢合夥企業(有限合夥)	中國	人民幣19,153,000元					企業管理顧問服務

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2022	2021	2022	2021	
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	於十二月三十一日 本集團應佔之實際股權				主要業務
			% (直接)		% (間接)		
			二零二二年	二零二一年	二零二二年	二零二一年	
Tianjin Yangfan No. 9 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆九號企業管理諮詢合夥企業(有限合夥))	PRC	RMB18,974,000	-	-	-	-	Enterprise management advisory services
天津揚帆九號企業管理諮詢合夥企業(有限合夥)	中國	人民幣18,974,000元					企業管理顧問服務
Hunan Wei Gao Gaochuang Medical Technology Co., Ltd.* (湖南威高高創醫療科技有限公司)	PRC	RMB5,000,000	-	-	72.18	-	Development, services and sales of medical technology development.
湖南威高高創醫療科技有限公司	中國	人民幣5,000,000元					醫療技術的開發、服務及銷售。
Shandong Weigao Ruike Medical Technology Co., Ltd.* (山東威高瑞科醫療技術有限公司)	PRC	RMB20,000,000	20	-	80	-	Production and sales of Type I, Type II and Type III medical devices.
山東威高瑞科醫療技術有限公司	中國	人民幣20,000,000元					生產及銷售第一類、第二類及第三類醫療設備。
Shandong Weigaorui New Medical Technology Co., Ltd.* (山東威高瑞新醫療技術有限公司)	PRC	RMB20,000,000	20	-	80	-	Production and sales of Type I, Type II and Type III medical devices.
山東威高瑞新醫療技術有限公司	中國	人民幣20,000,000元					生產及銷售第一類、第二類及第三類醫療設備。
Weigao Medical Materials Materials* (威海威高醫用材料有限公司)(vi)	PRC	RMB6,630,000	100	100	-	-	Production and sales of Type I, Type II and Type III medical devices.
威海威高醫用材料有限公司(vi)	中國	人民幣6,630,000元					生產及銷售第一類、第二類及第三類醫療設備。
Weihai Weigao Hande Medical Technology Co., Ltd.* (威海威高漢德醫療科技有限公司)(vi)	PRC	RMB15,000,000	-	-	100	100	Production and sales of Type I, Type II and Type III medical devices.
威海威高漢德醫療科技有限公司(vi)	中國	人民幣15,000,000元					生產及銷售第一類、第二類及第三類醫療設備。

* For identification purposes only

* 僅供識別

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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

Notes:

- (i) None of the subsidiaries had issued any debt securities at the end of the year.
- (ii) In the opinion of the directors of the Company, there is no subsidiary that has non-controlling interests which is material to the Group.
- (iii) Yunnan Weigao Orthopaedic Medical Devices Co., Ltd. was deregistered on 29 April 2022.
- (iv) Shanghai Weigao Pharmaceutical Technology Co., Ltd. was deregistered on 21 September 2022.
- (v) Mianyang Weigao Pharmaceutical Technology Co., Ltd. was deregistered on 5 November 2022.
- (vi) Weigao Medical Materials and Weihai Weigao Hande Medical Technology Co., Ltd. were merged by the Company during the year ended 31 December 2022.

48. EVENT AFTER THE REPORTING PERIOD

On 3 January 2023, the subsidiary of the Company, Weigao Orthopaedic entered into the equity transfer agreement with fellow subsidiaries of the Company, pursuant to which Weigao Orthopaedic agreed to acquire, and the fellow subsidiaries of the Company agreed to transfer to Weigao Orthopaedic their respective equity interests for a total of 100% in Shandong Weigao New Life Medical Device Co., Ltd., with a total consideration of RMB1,030,000,000. The financial impact and disclosure for each major class of assets obtained and liabilities assumed as of the date when Weigao Orthopaedic obtains the control over Shandong Weigao New Life Medical Device Co., Ltd. is in the assessment of the management of the Group at the time the Consolidated Financial Statements are authorized for issue.

47. 本公司主要附屬公司詳情 (續)

附註：

- (i) 概無附屬公司於年末發行任何債務證券。
- (ii) 本公司董事認為，概無擁有對本集團有重大影響之非控股權益之附屬公司。
- (iii) 雲南威高骨科醫療器械有限責任公司於二零二二年四月二十九日註銷登記。
- (iv) 上海威高醫藥科技有限公司於二零二二年九月二十一日註銷登記。
- (v) 綿陽威高醫藥科技有限公司於二零二二年十一月五日註銷登記。
- (vi) 本公司於截至二零二二年十二月三十一日止年度合併威高醫用材料及威海威高漢德醫療科技有限公司。

48. 報告期後事件

於二零二三年一月三日，本公司附屬公司威高骨科與本公司同系附屬公司訂立股權轉讓協議，據此，威高骨科同意收購，而本公司同系附屬公司同意向威高骨科轉讓彼等於山東威高新生醫療器械有限公司之合共100%股權，總代價為人民幣1,030,000,000元。於授權刊發綜合財務報表時，本集團管理層正在評估截至威高骨科取得山東威高新生醫療器械有限公司控制權當日所取得的各類主要資產及所承擔負債的財務影響及披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

49. COMPANY'S STATEMENT OF FINANCIAL POSITION 49. 本公司之財務狀況表

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	2,832,751	2,986,064
Investment properties	投資物業	367,852	292,450
Right-of-use assets	使用權資產	263,066	243,187
Financial assets at fair value through profit or loss	按公平值計入損益計量之金融資產	572	-
Investments in subsidiaries	於附屬公司的投資	1,547,251	1,271,556
Interests in an associate	於一間聯營公司的權益	1,251,934	1,004,362
Interests in a joint venture	於一間合營企業的權益	330,226	153,624
Deferred tax asset	遞延稅項資產	59,779	68,840
Deposit paid for acquiring property, plant and equipment	就收購物業、廠房及設備已付之按金	93,245	106,515
Prepayments	預付款項	70,967	79,353
		6,817,643	6,205,951
Current assets	流動資產		
Inventories	存貨	646,410	633,363
Trade and other receivables	應收貿易賬款及其他應收款項	3,843,572	3,319,135
Debt instruments at fair value through other comprehensive income	按公平值計入其他全面收入計量之債務工具	312,771	196,101
Amount due from subsidiaries	應收附屬公司款項	6,782,667	8,427,651
Pledged/restricted bank deposits	已抵押／受限制銀行存款	166,301	222,425
Cash and bank balances	現金及銀行結餘	1,515,555	1,252,851
		13,267,276	14,051,526
Current liabilities	流動負債		
Financial liabilities at fair value through profit or loss	按公平值計入損益計量之金融負債	-	56,694
Trade and other payables	應付貿易賬款及其他應付款項	1,418,905	1,509,056
Contract liabilities	合約負債	290,709	272,816
Borrowings	借款	300,000	300,000
Amount due to subsidiaries	應付附屬公司款項	4,331,060	4,536,093
Lease liabilities	租賃負債	11,301	8,045
Financial guarantee contracts	財務擔保合約	7,304	7,296
		6,359,279	6,690,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

49. COMPANY'S STATEMENT OF FINANCIAL POSITION (continued)

49. 本公司之財務狀況表 (續)

		31/12/2022	31/12/2021
		RMB'000	RMB'000
		二零二二年	二零二一年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Net current assets	流動資產淨額	6,907,997	7,361,526
Total Assets less Current Liabilities	總資產減流動負債	13,725,640	13,567,477
Capital and reserves	資本及儲備		
Share capital	股本	457,063	457,063
Reserves	儲備	11,699,124	11,549,270
Total equity	權益總額	12,156,187	12,006,333
Non-current liabilities	非流動負債		
Financial liabilities at fair value through profit or loss	按公平值計入損益計量之金融負債	-	199
Borrowings	借款	497,497	496,497
Bonds payable	應付債券	993,977	992,549
Financial guarantee contracts	財務擔保合約	7,497	15,028
Deferred income	遞延收入	30,227	37,810
Lease liabilities	租賃負債	40,255	19,061
		1,569,453	1,561,144
Total equity and non-current liabilities	權益及非流動負債總額	13,725,640	13,567,477

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

49. COMPANY'S STATEMENT OF FINANCIAL POSITION (continued)

49. 本公司之財務狀況表 (續)

Information about the movements in reserves of the Company at the end of the reporting period includes:

有關本公司於報告期末之儲備變動之資料包括：

		Share premium RMB'000 股份溢價 人民幣千元	Other reserves RMB'000 其他儲備 人民幣千元	Statutory surplus reserve RMB'000 法定盈餘 儲備 人民幣千元	Retained profits RMB'000 保留溢利 人民幣千元	Total RMB'000 總計 人民幣千元
At 1 January 2021	於二零二一年一月一日	2,575,060	314,981	226,117	7,168,030	10,284,188
Profit for the year	本年度溢利	-	-	-	1,707,890	1,707,890
Adoption of share award scheme	採納股份激勵計劃	168,084	-	-	-	168,084
Share-based payments (note 38(a))	以股份為基礎付款 (附註38(a))	-	44,847	-	-	44,847
Dividends recognised as distribution	確認為分派的股息	-	-	-	(655,739)	(655,739)
At 31 December 2021	於二零二一年十二月三十一日	2,743,144	359,828	226,117	8,220,181	11,549,270
Profit for the year	本年度溢利	-	-	-	785,192	785,192
Share-based payments (note 38(a))	以股份為基礎付款 (附註38(a))	-	81,077	-	-	81,077
Dividends recognised as distribution	確認為分派的股息	-	-	-	(690,165)	(690,165)
Other equity changes of an associate	一間聯營公司的 其他股權變動	-	50,095	-	-	50,095
Impact of business combination under common control	共同控制下業務合併的 影響	-	(76,345)	-	-	(76,345)
At 31 December 2022	於二零二二年十二月三十一日	2,743,144	414,655	226,117	8,315,208	11,699,124

FINANCIAL SUMMARY

財務概要

		For the year ended 31 December				
		2022	2021	2020	2019	2018
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			(restated)	(restated)	(restated)	(restated)
		截至十二月三十一日止年度				
		二零二二年	二零二一年	二零二零年	二零一九年	二零一八年
		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
			(經重列)	(經重列)	(經重列)	(經重列)
RESULTS	業績					
Revenue	收入	13,619,007	13,208,942	11,701,971	10,628,211	8,859,039
Profit before taxation	除稅前溢利	3,317,901	2,877,845	2,660,924	2,311,011	1,785,534
Taxation	稅項	(424,267)	(420,066)	(343,813)	(337,544)	(260,421)
Profit for the year	本年度溢利	2,893,634	2,457,779	2,317,111	1,973,467	1,525,113
Profit for the year attributable to:	年內下列各項應佔溢利：					
Owners of the Company	本公司擁有人	2,723,309	2,275,929	2,196,857	1,898,170	1,481,167
Non-controlling interests	非控股權益	170,325	181,850	120,254	75,297	43,946
		2,893,634	2,457,779	2,317,111	1,973,467	1,525,113
		As at 31 December				
		2022	2021	2020	2019	2018
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			(restated)	(restated)	(restated)	(restated)
		於十二月三十一日				
		二零二二年	二零二一年	二零二零年	二零一九年	二零一八年
		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
			(經重列)	(經重列)	(經重列)	(經重列)
ASSETS AND LIABILITIES	資產及負債					
Total assets	總資產	33,195,926	30,577,757	28,157,048	26,962,009	24,109,008
Total liabilities	總負債	(9,749,323)	(9,530,752)	(9,152,658)	(9,479,037)	(8,915,746)
Non-controlling interests	非控股權益	(1,777,666)	(1,640,359)	(845,108)	(811,436)	(678,219)
Equity attributable to owners of the Company	本公司擁有人應佔權益	21,668,937	19,406,646	18,159,282	16,671,536	14,515,043

***WEGO* 威高**