



Zhaoke Ophthalmology Limited
兆科眼科有限公司

*(Incorporated in the British Virgin Islands with limited liability
and continued in the Cayman Islands)*

(於英屬處女群島註冊成立並於開曼群島存續的有限公司)

(Stock Code 股份代號 : 6622)

2023 ANNUAL REPORT 年報



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Dr. Li Xiaoyi (Chairman of the Board and CEO)
Mr. Dai Xiangrong

Non-executive Directors

Ms. Leelalertsuphakun Wanee
Ms. Tiantian Zhang
Ms. Cai Li (resigned on November 27, 2023)
Mr. Chen Yu (resigned on April 8, 2024)

Independent Non-executive Directors

Mr. Wong Hin Wing
Prof. Lo Yuk Lam
Mr. Liew Fui Kiang

AUTHORIZED REPRESENTATIVES

Dr. Li Xiaoyi
Ms. Yau Suk Yan

AUDIT COMMITTEE

Mr. Wong Hin Wing (Chairman)
Ms. Cai Li (resigned on November 27, 2023)
Mr. Liew Fui Kiang
Ms. Tiantian Zhang (appointed on November 27, 2023)

REMUNERATION COMMITTEE

Prof. Lo Yuk Lam (Chairman)
Ms. Tiantian Zhang
Mr. Wong Hin Wing

NOMINATION COMMITTEE

Dr. Li Xiaoyi (Chairman)
Mr. Wong Hin Wing
Prof. Lo Yuk Lam

INVESTMENT COMMITTEE

Mr. Wong Hin Wing (Chairman)
Dr. Li Xiaoyi
Prof. Lo Yuk Lam

董事會

執行董事

李小羿博士(董事會主席兼行政總裁)
戴向榮先生

非執行董事

李燁妮女士
張甜甜女士
蔡俐女士(於2023年11月27日辭任)
陳宇先生(於2024年4月8日辭任)

獨立非執行董事

黃顯榮先生
盧毓琳教授
劉懷鏡先生

授權代表

李小羿博士
邱淑欣女士

審核委員會

黃顯榮先生(主席)
蔡俐女士(於2023年11月27日辭任)
劉懷鏡先生
張甜甜女士(於2023年11月27日獲委任)

薪酬委員會

盧毓琳教授(主席)
張甜甜女士
黃顯榮先生

提名委員會

李小羿博士(主席)
黃顯榮先生
盧毓琳教授

投資委員會

黃顯榮先生(主席)
李小羿博士
盧毓琳教授

EXECUTIVE COMMITTEE

Dr. Li Xiaoyi (*Chairman*)
Mr. Dai Xiangrong
Dr. Lau Lit Fui (*CSO*)
Ms. Feng Xinyan (*CBO & CFO*)
Dr. Albert Tsai Jr. (*CMO*)

COMPANY SECRETARY

Ms. Yau Suk Yan (*fellow of The Hong Kong Institute of Certified Public Accountants*)

AUDITOR

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central
Hong Kong

REGISTERED OFFICE

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 1 Meide 3rd Road
Pearl River Industrial Park
Nansha District
Guangzhou
Guangdong Province
PRC

執行委員會

李小羿博士(主席)
戴向榮先生
柳烈奎博士(首席科學官)
馮新彥女士(首席業務官兼首席財務官)
蔡建明醫生(首席醫學官)

公司秘書

邱淑欣女士(香港會計師公會資深會員)

核數師

畢馬威會計師事務所
執業會計師
於《會計及財務匯報局條例》下的註冊公眾利益實體核數師
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中環
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太子大廈8樓

註冊辦事處

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

中國主要營業地點

中國
廣東省
廣州市
南沙區
珠江工業園
美德三路1號

Corporate Information

公司資料

HONG KONG LEGAL ADVISOR

Kirkland & Ellis
26/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Central, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 716, 7/F, Building 12W
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Shatin, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
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183 Queen's Road East
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STOCK CODE

6622

COMPANY'S WEBSITE

zkoph.com

香港法律顧問

凱易律師事務所
香港中環
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股份過戶登記總處

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

香港股份登記處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓
1712–1716舖

股份代號

6622

公司網站

zkoph.com

Chairman and CEO Statement

主席兼行政總裁報告



Dr. Li Xiaoyi
李小羿博士

Chairman of the Board and CEO
董事會主席兼行政總裁

I am pleased to announce Zhaoke Ophthalmology's results for the full year 2023. As with all businesses, these results were achieved in a challenging macroeconomic and geopolitical environment. Despite this external context, at Zhaoke Ophthalmology we have remained diligently committed to our mission and successfully achieved numerous milestones across our focus areas.

In 2023 we began our commercialization journey and established solid groundwork for the future launch of our blockbuster products. With significant opportunities still on the table for eye disease treatments, we're poised to capitalize on the insights gained from our early commercial efforts. Our focus is to amplify our commercial capabilities across the whole spectrum of channels, ensuring we're at the forefront of the market.

Turning to our R&D programs, we further refined our priorities and made solid progress with our core assets. We achieved exciting results from our low-dose atropine clinical trial and strengthened our position in the low-dose atropine race in China. We also finished patient enrolment for our TAB014 Phase III trial and completed ANDA submissions for almost all of our glaucoma franchise as well as for Epinastine. At the same time, our global partners continued advancing their own clinical programs, with Vyluma, Inc.'s atropine program under FDA NDA review and Visus Therapeutics, Inc. announcing positive results from the first Phase III study of its presbyopia product.

本人欣然公佈兆科眼科的2023年全年業績。一如其他商界同儕，兆科眼科乃於充滿挑戰的宏觀經濟及地緣政治環境中取得如斯成績。儘管外圍環境如此崎嶇，惟兆科眼科繼續堅持信念，在各個專注範疇均成功取得多個里程碑。

於2023年，我們開始着手進行商業化，為日後推出療效顯著的产品奠定堅實基礎。眼疾療法商機仍然龐大，我們已作好準備，充分利用我們從早期商業化工作中獲得的洞察力。我們的重點是通過所有管道增強我們的商業能力，確保我們站在市場的最前沿。

研發計劃方面，我們進一步調整各核心資產的優先次序，並取得實質進展。我們的低劑量阿托品臨床試驗取得令人振奮的成果，鞏固我們在中國低劑量阿托品市場中的地位。我們亦已完成TAB014第III期試驗的患者入組工作，並已提交旗下幾乎所有青光眼醫療產品組合及依匹斯汀的簡化新藥申請。與此同時，我們世界各地的合作夥伴繼續推進本身的臨床計劃，當中Vyluma, Inc.的阿托品計劃正由FDA進行新藥申請審批，而Visus Therapeutics, Inc.則已公佈其老花眼產品首個第III期研究的正面結果。

Chairman and CEO Statement 主席兼行政總裁報告

In addition to these accomplishments, it would be remiss of me not to record the hurdle we encountered in the NDA process for CsA Ophthalmic Gel. Following a series of productive consultations, the regulatory authorities requested we provide additional supporting information. Given the strict timetable of the NDA process, and after prudent consideration, we decided to voluntarily withdraw our application and will resubmit the NDA once this supplementary documentation is complete to our satisfaction.

While inevitably disappointing, this experience has sharpened our abilities in this critical area. The Chinese ophthalmology space has seen few NDA applications for innovative drugs and far fewer approvals. I am confident that our work on CsA will give Zhaoke Ophthalmology a tremendous competitive advantage in all our future regulatory activities in China. The enhanced, specialist capabilities we gain from it, on top of our preexisting strength in CMC and clinical execution, will add a new strength to our overall franchise.

Summarized below are some of the key progress we made in R&D during 2023:

- **NVK002: Successful completion of Phase III Mini-CHAMP clinical trial in China; momentum building for NDA submission**
In October 2023 we announced positive top-line results from our China-based, one-year phase III clinical trial of NVK002 (Mini-CHAMP). The results demonstrate strong safety and efficacy for NVK002 as a potential treatment for the progression of myopia in children. China CHAMP, our two-year phase III clinical study, is now well progressed through the study period with good patient compliance. NVK002 displays strong potential to improve the quality of life for the hundreds of millions of children in China currently suffering from myopia. Our US partner, Vyluma, continues to progress its NDA with the US FDA. We have submitted NDA documents to NMPA. Due to the issuance of new policies and regulations regarding the relevant registration classification by the relevant regulator in China, we are currently awaiting the detailed rules of relevant acceptance and registration guidelines.
- **Cyclosporine A (CsA) Ophthalmic Gel: Progressing China NDA and overseas efforts**
In January 2023 we announced that CsA, an innovative gel we are developing to treat DED, had passed on-site regulatory and clinical trial inspections and GMP review. As described above, we later took the decision to temporarily withdraw the NDA in order to make some adjustments and address questions that surfaced during the CDE review process. We plan to re-file an updated submission later this year. Simultaneously, we continued our efforts to explore overseas opportunities for CsA. We had both the type C meetings and type D meetings with FDA during the year that has resulted in a clear clinical pathway for registration in US. Meanwhile, we have been exploring regulatory pathways for adjacent Asian markets.

然而，除此等成就外，本人亦必須說明我們在環孢素A眼凝膠新藥申請程序方面遇到的障礙，否則便是失職。於進行一連串具建設性的諮詢後，監管機關要求我們提供更多補充資料。鑑於新藥申請程序時間緊逼，故經過深思熟慮後，我們決定自願撤回申請，並將於自信已備妥補充文件後重新提交新藥申請。

雖然難免令人失望，但是此經驗增進了我們在此一關鍵領域的技巧。中國眼科板塊的創新藥新藥申請寥寥無幾，批准更是少之又少。本人深信，我們在環孢素A方面的努力將使兆科眼科在未來與中國監管當局接觸時佔據龐大競爭優勢。我們從中增進的專業技巧，加上在藥品的化學、製造和控制以及執行臨床計劃方面的既有能力，將使我們全線產品更具優勢。

下文概述我們於2023年在研發領域的若干重要進展：

- **NVK002：成功完成中國第III期小型CHAMP臨床試驗；提交新藥申請形勢大好**
於2023年10月，我們公佈在中國為期一年的NVK002第III期臨床試驗（「小型CHAMP」）的正面頂線結果。有關結果顯示NVK002作為兒童近視加深的潛在治療方案具有強大的安全性及有效性。中國CHAMP（我們為期兩年的第III期臨床研究）目前進展良好，患者遵醫囑性理想。NVK002有望顯著改善中國數以億計近視兒童的生活質量。我們的美國夥伴Vyluma則正繼續推進向美國FDA提出的新藥申請。我們已向國家藥監局提交新藥申請文件。由於中國相關監管機構頒佈相關註冊分類的新政策及法規，我們正在等待相關受理及註冊指引的細則。
- **環孢素A眼凝膠：中國新藥申請進度及海外進展**
於2023年1月，我們公佈，用於治療乾眼症的創新環孢素A眼凝膠通過臨床試驗現場核查以及GMP符合性檢查。誠如上文所述，我們其後決定暫時撤回新藥申請，以作出若干調整並處理於藥品審評中心審查過程中出現的問題。我們計劃於今年稍後時間重新提交更新後的申請文件。同時，我們繼續努力為環孢素A在海外探索機會。年內，我們已與FDA進行C類及D類會議，為於美國註冊打造出清晰的臨床路徑。與此同時，我們一直就鄰近亞洲市場探索監管路徑。

Chairman and CEO Statement 主席兼行政總裁報告

- **BRIMOCHOL: Positive top-line data from US trial announced; successful IND application to NMPA**
Just after the Reporting Period, in January 2024, our IND application for BRIMOCHOL for the treatment of presbyopia in China was approved by the NMPA. It follows the announcement in April from our US partner, Visus Therapeutics, of positive topline results from its Phase III pivotal BRIO-I trial.
- **TAB014: Completion of patient recruitment for the ongoing Phase III trial**
In September 2023, we completed patient enrolment ahead of schedule for the Phase III clinical trial of TAB014, designed for the treatment of wAMD. TAB014 is our first innovative drug focusing on back-of-the-eye disease to have entered Phase III trial. Last patient out is on track to happen in the early fall of 2024.
- **ZKY001: Completion of Phase II clinical trials; selection of indication for Phase III clinical trials**
ZKY001 is an in-house developed drug with broad applications in corneal wound healing. Following promising results from Phase II trials which finished in 2022, the Company selected the indication of transepithelial photorefractive keratectomy (“TPRK”) to enter Phase III trials. This will focus on the treatment of CED after eye surgery.
- **Generics: Filed ANDA submissions for seven generic drugs for glaucoma as well as for Epinastine**
In 2023, we filed ANDA applications for Bimatoprost, Travoprost, Travoprost Timolol, Latanoprost and Latanoprost Timolol. We also filed ANDA application for Epinastine targeting allergic conjunctivitis in February 2024. Now our focus will turn to regulatory engagement and targeted ANDA approvals.
- **BRIMOCHOL: 美國試驗公佈正面頂線數據；成功向國家藥監局作出新藥試驗申請**
於緊隨報告期末後的2024年1月，我們在中國就用於治療老花眼的BRIMOCHOL提交的新藥試驗申請獲國家藥監局批准。而於較早前的4月，我們的美國夥伴Visus Therapeutics則已宣佈其第III期關鍵BRIO-I試驗的正面頂線結果。
- **TAB014: 進行中的第III期試驗完成患者入組**
於2023年9月，用於治療wAMD的TAB014的第III期臨床試驗患者入組工作已提早完成。TAB014是我們第一種針對眼後節疾病而已進入第III期試驗的創新藥。現時正穩步按計劃於2024年初秋完成最後一名患者的出組。
- **ZKY001: 第II期臨床試驗完成；第III期臨床試驗已選出適應症**
ZKY001是我們的自研藥物，對於促進角膜傷口癒合的應用範圍廣泛。繼2022年完成的第II期臨床試驗取得理想結果後，本公司已選出經上皮雷射屈光角膜切削術(「TPRK」)適應症進行第III期試驗。有關試驗將聚焦於治療眼部手術後的CED。
- **仿製藥：就七種青光眼仿製藥及依匹斯汀提交簡化新藥申請**
於2023年，我們已就貝美前列素、曲伏前列素、曲伏噁嗎、拉坦前列素及拉坦噁嗎提交簡化新藥申請。我們亦已於2024年2月就以過敏性結膜炎為目標的依匹斯汀提交簡化新藥申請。我們現正聚焦於與監管機關溝通並致力取得簡化新藥申請批准。

In 2023, Zhaoke Ophthalmology transformed from a pure R&D organization to a commercial pharmaceutical company. Sales of Bimatoprost Timolol, our first approved drug, helped Zhaoke Ophthalmology record its first meaningful revenue, as did its 堡得視®-series eye patches sold on the Company's flagship Tmall and JD stores. We also acquired Eyprotor, an ophthalmic drug, from Lee's Pharm during the year to enrich our commercial portfolio.

During 2023, we improved and refined our digital engagement. We continued to promote our online sales on Tmall and JD Health, and to amplify our presence on social media. Channels such as Little Red Book provide us with a firm foundation to increase direct consumer engagement and enhance brand awareness. Our WeChat account, Zhaoke Boshi, is proving itself a highly influential online ophthalmologist community that allows us to build relationships with KOLs and ophthalmologists in China. Its follower base now numbers over 15,000, representing close to half of the ophthalmologist community in China.

於2023年，兆科眼科從純研發機構演進為商業化藥品公司。首款獲批藥物貝美素噁嗎洛爾的銷售額讓兆科眼科首次錄得可觀的收益，而本公司在天貓及京東旗艦店出售的堡得視®眼罩系列亦帶來貢獻。我們亦於年內向李氏大藥廠收購眼科藥物睿保特，使商業化組合更加豐富。

我們亦於2023年提升並優化數字化參與。我們一方面繼續推動在天貓及京東健康的線上銷售，同時擴大於社交媒體的足跡。小紅書等渠道為我們提供基礎，切實地增加與消費者直接溝通的機會，提高品牌知名度。我們的微信帳號兆科博視業已成為極具影響力的線上眼科社群，讓我們與中國的關鍵意見領袖與眼科醫生建立關係。兆科博視的關注者人數已超過15,000名，人數接近中國眼科醫生社群的一半。

Chairman and CEO Statement

主席兼行政總裁報告

In 2023, we made the first, critical steps in developing a global presence. We announced three distribution deals to bring our drugs to South Korea and Malaysia, in addition to continuing our dialog with the FDA regarding CsA, as mentioned earlier. We also started to establish a presence in Thailand via select partnership and development. Globally, awareness of eye disease is increasing and the lack of suitable treatments is becoming more and more apparent in many countries. At the same time, we are more convinced than ever of the quality of our asset portfolio and the broad potential it holds. As a result, we intend to accelerate our efforts in 2024.

Looking forwards, 2024 will be a critical year for Zhaoke Ophthalmology with important milestones expected across our key focus areas.

In particular, we look forward to reporting progress on the following during 2024:

- **NVK002:** We expect to make progress with our NDA submissions for both 0.01% and 0.02% doses in China. Meanwhile, our China CHAMP study is expected to achieve last person out this summer. We continue to position ourselves to be a leader in the China market.
- **CsA Ophthalmic Gel:** We are targeting a resubmission date for our NDA later this year.
- **BRIMOCHOL PF:** We anticipate starting Phase I and Phase II trials in China. The completion of Brio-II, the second pivotal Phase III study being conducted in the U.S. by our partner Visus, is also expected this year.
- **TAB014:** Last patient out is expected in the early fall with an NDA submission thereafter.
- **Glaucoma:** The components of our glaucoma franchise, currently comprising seven drugs and one device for home-use IOP measurement, are all now either in ANDA review or at the commercial stage. We expect Bimatoprost to receive approval during this year.
- **Epinastine:** With the completion of the Phase III clinical trial and ANDA filing for Epinastine, an antihistamine targeting allergic conjunctivitis with anti-inflammatory and mast cell stabilization properties, we now turn our focus to the regulatory review process for this asset.

During 2024, we will also continue making significant progress in our commercial activities. In addition to building sales volume, this year we will continue preparations for future blockbuster product launches by enhancing Zhaoke Ophthalmology's brand equity and refining our omni-channel approach.

我們在2023年踏出關鍵的第一步，拓展海外版圖。除上文所述繼續就環孢素A與FDA對話外，我們亦公佈三項分銷安排，將旗下藥品引進南韓及馬來西亞。我們亦透過精心挑選合作夥伴及開發項目開始於泰國建立據點。全球眼疾意識與日俱增，許多國家缺乏適當療法的情況日漸明顯。與此同時，我們堅信，旗下資產組合的質素優良，潛力無窮。因此，我們計劃於2024年加強海外工作。

展望未來，2024年對於兆科眼科將是關鍵一年，預計各個主要專注範疇均會取得多個重大里程碑。

具體而言，我們期待報告下列各項於2024年的進展：

- **NVK002:** 我們預期同時就0.01%及0.02%劑量在中國的新藥申請取得進展。與此同時，我們的中國CHAMP研究預計將於今夏完成最後一名患者的試驗。我們繼續在中國市場保持領先地位。
- **環孢素A眼凝膠:** 我們的目標是於今年稍後時間再次提交新藥申請。
- **BRIMOCHOL PF:** 我們計劃在中國開展第I及第II期試驗。我們的合作夥伴Visus在美國進行的第二項第III期關鍵Brio-II研究亦預期於今年完成。
- **TAB014:** 預計於初秋完成最後一名患者的出組，其後提交新藥申請。
- **青光眼:** 我們的青光眼產品組合目前包括合共七種藥物及一款家用眼壓測量儀器，均已進入簡化新藥申請審批或商業化階段。我們預計貝美前列素將於今年獲得批准。
- **依匹斯汀:** 在完成依匹斯汀(以過敏性結膜炎為目標、具有抗敏及穩定肥大細胞功能的抗組胺藥)第III期臨床試驗及提交簡化新藥申請後，我們現已將重心轉移至此藥物的監管審查程序。

於2024年，我們亦將繼續大力推動商業化活動。除擴大銷量外，我們今年亦將繼續提升兆科眼科的品牌權益，優化全渠道模式，準備日後推出療效顯著的产品。

Chairman and CEO Statement 主席兼行政總裁報告

At the same time, we are allocating resources to accelerate our efforts in overseas markets. Having established partnerships in South Korea in 2023, we intend to continue our efforts in building our presence in Southeast Asia and assess the potential for activities in Australia.

Operationally, we will continue to exercise rigorous control over our cash expenditures, optimize resource allocation, and take all prudent steps to mitigate any financial and business risks presented by the external business environment. At the end of 2023, we have a cash balance of approximately RMB1.5 billion, which affords us a comfortable runway to complete our key programs and reach the key inflection point of positive cashflow.

The year of 2023 has proven our resilience whilst giving us much valuable experience. We are excited about the possibilities that lie ahead and stand better prepared than ever to face whatever challenges await us. With a steadfast commitment to tackling eye disease globally, we will continue to diligently execute our proven strategies while actively adapting to the ever-changing market landscape. Thank you to all our Shareholders and employees for being a part of our journey. I look forward to sharing with you all the important progress we will make in the coming year.

與此同時，我們已調撥資源加快海外市場發展。繼於2023年在南韓建立夥伴關係後，我們計劃繼續致力於建立東南亞據點，並評估進軍澳洲的潛力。

運作方面，我們將繼續嚴控現金支出，優化資源撥配，並採取一切審慎措施減輕外部營商環境所帶來的財務及業務風險。於2023年底，我們的現金結餘約為人民幣15億元，讓我們可以安心完成各主要計劃，並達致取得正現金流量的關鍵轉捩點。

我們在2023年度表現強橫，並汲取了寶貴經驗。我們對未來的可能性深感興奮，亦作好更充分的準備面對未來挑戰。我們銳意在全球範圍對抗眼疾，將繼續孜孜不倦地執行行之有效的戰略，同時積極適應瞬息萬變的市場形勢。謹此感謝全體股東及員工與我們邁步同行。本人期待與各位分享我們在未來一年取得的所有重要成果。

Operation Highlights

營運摘要

OVERVIEW

Zhaoke Ophthalmology is a leading ophthalmic pharmaceutical company dedicated to the research, development, manufacture and commercialization of therapies that address significant unmet medical needs.

Zhaoke Ophthalmology's portfolio of innovative and generic assets spans major diseases affecting both the front- and back-of-the-eye. In constructing this portfolio, our goal has been to strike a delicate balance between serving as a comprehensive "one-stop solution provider" for physicians, and concentrating resources on areas with the most substantial unmet needs and commercial opportunities. Notably, we stand as the sole ophthalmology company in China with advanced programs (Phase III or later) addressing all three of the most prevalent front-of-the-eye diseases: DED, myopia, and presbyopia.

Our primary emphasis is on delivering high-quality products to fulfill the unmet needs of patients and ophthalmologists. Additionally, we are dedicated to fostering innovation through a multi-faceted and digitally-enabled business model. Whilst Greater China remains as our primary focus in terms of geography, we have started expanding our footprint in selected country markets beyond. Recognizing our social responsibilities, we also strive to address the pressing need for increased public awareness of eye disease, its detection and treatment solutions.

With a firm commitment to becoming a leader in ophthalmology, both in China and on a global scale, we have made substantial strides in advancing our key clinical programs.

概覽

兆科眼科是一間領先眼科製藥公司，致力於療法的研究、開發、生產及商業化，以滿足巨大醫療需求缺口。

兆科眼科的創新藥及仿製藥產品組合，針對影響眼前節及眼後節的主要疾病。於構建組合時，在成為眼科醫生的全面「一站式解決方案供應商」與集中資源於把握最龐大需求缺口及商機之間取得最佳的平衡一直是我們的目標。值得一提，我們目前是中国唯一一間在乾眼症、近視及老花眼三大常見眼前節疾病中均有已屆後期(第III期或之後)階段的項目的眼科公司。

我們的首要任務為提供優質產品，以滿足患者及眼科醫生的需求缺口。此外，我們正致力於透過多面向的數碼化業務模式促進創新。就地區而言，大中華區仍然為我們的主要重心，與此同時，我們已開始在區外精心挑選的市場拓展據點。我們充分了解所肩負的社會責任，因而同時致力於滿足提高公眾對眼疾、眼疾檢測及治療解決方案的認知的迫切需要。

我們銳意成為中國以至全球眼科行業領先企業，並於推進主要臨床項目上取得長足進展。

Management Discussion and Analysis

管理層討論及分析

BUSINESS HIGHLIGHTS

2023 was the year in which we recognized sales revenue for the first time: In 2023, we recorded total revenue of RMB18.8 million, of which RMB4.7 million was derived from sales of ophthalmic drugs (including Bimatoprost Timolol and Eyprotor), and RMB8.4 million was from sales of OTC ophthalmic products (堡得視® series heat compress eyepatches). In addition, we recorded revenue of RMB5.6 million in payments from our distribution deal outside of China.

We successfully launched our first pharmaceutical product, Bimatoprost Timolol eye drop, in China: We launched Bimatoprost Timolol eye drop 晶贝莹® upon obtaining regulatory approval in February 2023. Since it is not covered by National Reimbursement Drug List (NDRL), the primary focus for us with this product has been to get it into as many private hospitals as possible. In addition to traditional offline channels, the eye drop is available on JD Health, an e-commerce healthcare platform.

Our NVK002 treatment for myopia successfully concluded its first Phase III clinical trial in China while the second Phase III clinical trial is ongoing: In August 2023, the one-year Phase III clinical trial for both 0.01% and 0.02% concentration of NVK002 in China (“Mini-CHAMP”) completed its last patient last visit. In October, we announced the positive top-line results from Mini-CHAMP, which successfully met its primary efficacy endpoint with both doses of 0.01% and 0.02%. NVK002 achieving statistically and clinically meaningful differences versus placebo in terms of slowing myopia progress in the study population. We have submitted NDA documents to NMPA. Due to the issuance of new policies and regulations regarding the relevant registration classification by the relevant regulator in China, we are currently awaiting the detailed rules of relevant acceptance and registration guidelines.

BRIMOCHOL PF and Carbachol PF obtained regulatory approval to initiate clinical trials in China: Just after the Reporting Period, in January 2024, we received approval from the NMPA to start clinical trials for BRIMOCHOL PF and Carbachol PF in China. BRIMOCHOL PF and Carbachol PF are innovative drugs for presbyopia that we jointly develop with our U.S. partner Visus Therapeutics Inc. (“Visus”), a clinical-stage U.S. pharmaceutical company focused on developing innovative ophthalmic therapies. In April 2023, Visus announced positive topline results from its first Phase III pivotal BRIO-I trial.

The patient recruitment process for the Phase III clinical trial of TAB014 was successfully completed: In September 2023, we announced the completion, ahead of schedule, of patient recruitment to the trial of our innovative drug for wAMD. As a result, TAB014 became our first innovative drug focusing on back-of-the-eye diseases to enter Phase III trial.

業務摘要

我們於2023年首次確認銷售收益：於2023年，我們錄得收益總額人民幣18.8百萬元，其中人民幣4.7百萬元乃源自銷售眼科藥物(包括貝美素噶嗎洛爾及睿保特)，而人民幣8.4百萬元乃源自銷售非處方眼科產品(堡得視®系列熱敷眼罩)。此外，我們從中國境外的分銷交易付款錄得收益人民幣5.6百萬元。

我們於中國成功推出首款藥品貝美素噶嗎洛爾滴眼液：於2023年2月取得監管部門批准後，我們推出貝美素噶嗎洛爾滴眼液(晶贝莹®)。由於此藥物並未列入《國家醫療保險藥品目錄》(「醫保藥品目錄」)，故此我們的主要重點工作是讓儘可能多的私營醫院使用此藥物。除傳統線下渠道外，該滴眼液亦於電商保健平台京東健康銷售。


我們用於治療近視的NVK002順利完成中國首個第III期臨床試驗，並正在進行第二個第III期臨床試驗：於2023年8月，濃度0.01%及0.02%的NVK002在中國為期一年的第III期臨床試驗(「小型CHAMP」)完成最後一名患者的最後一次訪視。於10月，我們公佈小型CHAMP的正面頂線結果，0.01%及0.02%劑量均成功達到主要療效終點。與使用安慰劑相比，NVK002對減緩研究對象近視加深均表現出統計學及臨床意義方面的差異。我們已向國家藥監局提交新藥申請文件。由於中國相關監管機構頒佈相關註冊分類的新政策及法規，我們正在等待相關受理及註冊指引的細則。

BRIMOCHOL PF及Carbachol PF取得監管批准，可於中國開展臨床試驗：於緊隨報告期後的2024年1月，我們獲國家藥監局批准在中國開展BRIMOCHOL PF及Carbachol PF的臨床試驗。BRIMOCHOL PF及Carbachol PF為我們與美國合作夥伴Visus Therapeutics Inc. (「Visus」，一間專注開發創新眼科療法的臨床階段美國製藥公司)共同開發用於治療老花眼的創新藥。於2023年4月，Visus宣佈其第一個第III期關鍵BRIO-I試驗的正面頂線結果。


TAB014第III期臨床試驗的患者入組工作順利完成：於2023年9月，我們宣佈用於治療wAMD的創新藥試驗的患者入組工作提前完成。因此，TAB014成為我們第一種針對眼後節疾病而已進入第III期試驗的創新藥。

Management Discussion and Analysis

管理層討論及分析

 **We filed six more ANDA submissions for our generic drugs, including five addressing glaucoma and one for Epinastine:** In 2023, we successfully submitted ANDAs for five more drugs in our generic glaucoma franchise: Bimatoprost, Travoprost, Travoprost Timolol, Latanoprost and Latanoprost Timolol. After the Reporting Period, in February 2024, we submitted ANDA for Epinastine targeting allergic conjunctivitis.

 **Strategic partnerships were established in South Korea, Malaysia and Thailand, further expanding our global presence:** In March 2023, we started building our presence in other parts of Asia by entering into a distribution and supply agreement for NVK002 with Kwangdong Pharmaceutical Co., Ltd. (“KDP”), a leading Korean pharmaceutical company. We then deepened our relationship with KDP by reaching another distribution and supply agreement for BRIMOCHOL PF, as we announced in January 2024. In early March 2024, we extended our footprint to Malaysia by reaching a distribution and supply agreement with the leading Malaysian pharmaceutical group, Pharmaniaga Logistics Sdn. Bhd., for Bimatoprost Timolol. Also in March 2024, we finalized a distribution agreement with TRB Chemedica (Thailand) Ltd. (“TRB Thailand”), an affiliate of TRB Chemedica, a Swiss pharma and biotechnology company, to distribute one of our Company’s products in Thailand.

 我們再就六種仿製藥提交簡化新藥申請，當中五種為青光眼藥物，一種為依匹斯汀：於2023年，我們再就五種青光眼仿製藥（貝美前列素、曲伏前列素、曲伏噠嗎、拉坦前列素及拉坦噠嗎）成功提交簡化新藥申請。報告期後，我們於2024年2月就以過敏性結膜炎為目標的依匹斯汀提交簡化新藥申請。

 在南韓、馬來西亞及泰國建立戰略夥伴關係，進一步擴大我們在全球的版圖：於2023年3月，我們與 Kwangdong Pharmaceutical Co., Ltd.（「KDP」，一間領先韓國製藥公司）訂立一份有關NVK002的分銷及供應協議，開始在亞洲其他地區建立據點。隨後，我們於2024年1月宣佈與KDP達成另一份有關BRIMOCHOL PF的分銷及供應協議，深化與KDP的合作關係。於2024年3月初，我們與馬來西亞的領先藥業集團 Pharmaniaga Logistics Sdn. Bhd. 訂立一份有關貝美素噠嗎洛爾的分銷及供應協議，將我們的版圖擴展至馬來西亞。同樣在2024年3月，我們與TRB Chemedica (Thailand) Ltd.（「TRB Thailand」，瑞士藥業及生物科技公司TRB Chemedica之聯屬公司）落實一份分銷協議，於泰國分銷本公司一款產品。

BUSINESS REVIEW

Pipeline Strategy

Zhaoke Ophthalmology has established a comprehensive asset portfolio of innovative and generic drugs that address major eye diseases across both the front- and back-of-the-eye including DED, myopia, presbyopia, wAMD/DME and glaucoma. In some areas, we have chosen multiple drug candidates to address these diseases, as we believe this is the best way to treat their multiple and complex underlying causes.

Innovative Drugs

Our Company has a number of key, and potentially blockbuster, innovative drugs which we expect to move through the pipeline during the next few years.

業務回顧

管線策略

兆科眼科已建立全面的創新藥及仿製藥產品組合，針對影響眼前節及眼後節的主要眼科疾病，包括乾眼症、近視、老花眼、wAMD/DME及青光眼。我們相信，針對該等疾病的多重及複雜相關成因對症下藥是最佳的療法，因此，我們已挑選多種適用於該等病症的候選藥物。

創新藥

本公司的管線中備有多種可能療效顯著的重點創新藥，可望於未來數年上市。

Management Discussion and Analysis

管理層討論及分析

NVK002 (low dose atropine) for Myopia (partnered with Vyluma)

Overview

To date, low concentration atropine has been widely studied and demonstrated to be effective in myopia progression control among children and adolescents. Zhaoke Ophthalmology's NVK002 is currently positioned as a second-to-market clinically-proven pharmaceutical products for treating the progression of myopia in China, potentially with two concentrations: 0.01% and 0.02%.

- This treatment has a proprietary formulation that successfully addresses the instability of low-concentration atropine. It has patent protection in both the U.S. and China, and is preservative-free with an expected shelf life of over 24 months.
- Zhaoke Ophthalmology's licensing partner for NVK002 is Vyluma Inc. ("Vyluma"), a wholly-owned subsidiary of U.S.-based Nevakar, Inc., a pharmaceutical company focused on developing innovative products in injectable and ophthalmic space and one of our licensing partners. Vyluma has successfully completed its Phase III clinical trial for NVK002 across the U.S. and Europe. This involved nearly 600 children and adolescents over a three-year study and one year observation period.
- Zhaoke Ophthalmology has two Phase III clinical trials for NVK002 in China: the Mini-CHAMP, and a two-year Phase III clinical trial ("China CHAMP").
- The Mini-CHAMP trial involved 16 centers and 526 patients, and was led by Principal Investigators Professor Qu Xiao Mei, from the Eye and ENT Hospital of Fudan University, and Professor Yang Xiao, from the Zhongshan Ophthalmic Center of Sun Yat-Sen University. The China CHAMP trial involves 18 centers and 777 patients, and is led by Professor Wang Ning Li from Beijing Tongren Hospital as the Principal Investigator.

Updates during the Reporting Period

- Our Company completed the last patient last visit for Mini-CHAMP on August 3, 2023 and announced positive topline results from the trial in October 2023. These demonstrate strong safety and efficacy for NVK002 as a potential treatment for the progression of myopia in children. The trial successfully met its primary efficacy endpoint with doses of both 0.01% and 0.02%.
- In March 2023, we entered into a distribution and supply agreement for NVK002 with KDP, a leading Korean pharmaceutical company.
 - Under the terms of the agreement, KDP was granted exclusive rights to import, promote, distribute, market and sell NVK002 in South Korea.

NVK002(低劑量阿托品)·用於治療近視(與Vyluma合作)

概覽

目前，低濃度阿托品一直被廣泛研究，顯示能夠有效控制兒童及青少年近視加深。兆科眼科的NVK002目前定位為在中國經臨床驗證可治療近視加深的後發藥品，可能以0.01%及0.02%兩種濃度推出。

- 此療法擁有一項專利配方，成功解決低濃度阿托品的不穩定性，於美國及中國均獲專利保護，並不含防腐劑，預計保存期超過24個月。
- 兆科眼科的NVK002許可方夥伴為Vyluma, Inc. ("Vyluma") (為美國Nevakar, Inc. (一間專注開發多種眼科可注射範圍創新藥的製藥公司，為我們的許可方夥伴之一)的全資附屬公司)，其已於美國及歐洲成功完成NVK002第III期臨床試驗，涉及近600名兒童及青少年，研究為期三年，觀察期為一年。
- 兆科眼科於中國進行兩項有關NVK002的第III期臨床試驗：小型CHAMP及為期兩年的第III期臨床試驗("中國CHAMP")。
- 小型CHAMP試驗涉及16間中心及526名患者，由復旦大學附屬眼耳鼻喉科醫院瞿小妹教授及中山大學中山眼科中心楊曉教授出任聯席牽頭主研究者。中國CHAMP試驗涉及18間中心及777名患者，由北京同仁醫院王寧利教授出任牽頭主研究者。

報告期內的最新資料

- 本公司於2023年8月3日完成小型CHAMP最後一名患者的最後一次訪視，並於2023年10月公佈試驗的正面頂線結果。結果顯示NVK002作為兒童近視加深的潛在治療方案具有強大的安全性及療效。試驗中0.01%及0.02%劑量均成功達到主要療效終點。
- 於2023年3月，我們與KDP(一間領先韓國製藥公司)訂立一份有關NVK002的分銷及供應協議。
 - 根據協議條款，KDP獲授獨家權利，於南韓進口、宣傳、分銷、營銷及出售NVK002。

Management Discussion and Analysis

管理層討論及分析

- We have submitted NDA documents to NMPA. Due to the issuance of new policies and regulations regarding the relevant registration classification by the relevant regulator in China, we are currently awaiting the detailed rules of relevant acceptance and registration guidelines.
- Meanwhile, following FDA's acceptance of an NDA for NVK002 in June 2023, our partner Vyluma continued to progress the regulatory approval process in the U.S.

CsA Ophthalmic Gel for DED (self-developed)

Overview

CsA Ophthalmic Gel is an innovative drug being developed by Zhaoke Ophthalmology for the treatment of DED.

- It is a single, daily dose hydrogel which eliminates daytime administration and the associated discomfort and inconvenience. As such, it aims to dramatically improve patients' treatment compliance and quality of life.
- The proprietary hydrogel formulation is protected by patent approval in China and internationally. This novel formulation enhances the pharmacokinetic profiles of CsA on the ocular surface, allowing efficacy similar to that of Cyclosporine A products currently available for DED. However, unlike current treatments, CsA Ophthalmic Gel's unique formulation stays on the eye for longer, requiring only once-a-day dosing, compared with twice-a-day dosing for traditional products.
- In our Phase III clinical trial, the treatment also showed faster onset of action by demonstrating efficacy at around the two-week time period. By contrast, other CsA drugs often take around seven to eight weeks to display onset of action.

Updates during the Reporting Period

- On January 31, 2023, Zhaoke Ophthalmology announced that CsA Ophthalmic Gel had passed the NMPA's on-site regulatory and clinical trial inspections, as well as the GMP assessment conducted by the Guangdong Medical Products Administration.
- However, following several rounds of communication, the CDE requested additional information to support our NDA. It was apparent to us that we would require more time to complete this request than available through the statutory supplementary material process. As a result, and acting out of an abundance of caution, we took the prudent decision to voluntarily withdraw our NDA, in order to focus on compiling the required documentation in as complete a way as possible. We anticipate resubmitting the NDA in later 2024.

- 我們已向國家藥監局提交新藥申請文件。由於中國相關監管機構頒佈相關註冊分類的新政策及法規，我們正在等待相關受理及註冊指引的細則。

- 與此同時，隨着FDA於2023年6月接受NVK002的新藥申請，我們的夥伴Vyluma繼續推進美國監管批准程序。

環孢素A眼凝膠，用於治療乾眼症(自主研發)

概覽

環孢素A眼凝膠是兆科眼科開發以供治療乾眼症的創新新藥。

- 此眼凝膠每天給藥一次，可消除日間給藥及相關的不適和不便，有望顯著改善患者的遵醫屬性和生活質量。
- 專利水凝藥方已於中國以至國際範圍獲批專利保護。此創新藥方提升環孢素A於眼表的藥物代謝動力學效能，起到與現時用於乾眼症的環孢素A產品類近的療效。然而，有別於現時傳統產品每天需給藥兩次的療法，環孢素A眼凝膠的獨特配方可停留於眼表更長時間，只需每天一次給藥。
- 於我們的第III期臨床試驗中，此療程亦顯示其更快起效，只需約兩星期即表現顯著藥效，而其他環孢素A藥物起效一般需時約七至八星期。

報告期內的最新資料

- 於2023年1月31日，兆科眼科宣佈，環孢素A眼凝膠已通過國家藥監局的藥品註冊及臨床試驗現場核查，以及通過廣東省藥品監督管理局的GMP符合性檢查。
- 然而，經過多番溝通後，藥品審評中心要求提供更多資料以支持我們的新藥申請。我們完成此要求所需時間顯然超過法定補充材料程序給予的時間。因此，為謹慎起見，我們作出審慎決定，自願撤回我們的新藥申請，以集中精力儘可能完整地彙編所需文件。我們預計將於2024年稍後時間重新提交新藥申請。

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- Simultaneously, we continued our efforts to explore overseas opportunities for CsA Ophthalmic Gel, including ongoing discussions with the FDA regarding an IND filing. We had both the type C meetings and type D meetings with FDA during 2023 that has resulted in a clear clinical pathway for registration in U.S. Meanwhile, we have been exploring regulatory pathways for adjacent Asian markets.

BRIMOCHOL PF and Carbachol PF (partnered with Visus)

Overview

BRIMOCHOL PF and Carbachol PF are pupil-modulating eye drops designed to be once-daily, preservative-free therapeutics to correct the loss of near vision associated with presbyopia.

- BRIMOCHOL PF is a fixed-dose combination of carbachol (a cholinergic agent) and brimonidine tartrate (an alpha-2 agonist). Carbachol PF is a proprietary, preservative-free formulation of carbachol monotherapy. Both investigational therapies reduce the size of the pupil resulting in a "pinhole effect" so that only centrally-focused light rays are able to enter the eye, thereby sharpening both near and intermediate images.
- Zhaoke Ophthalmology's licensing partner for BRIMOCHOL PF and Carbachol PF is Visus. Visus is currently conducting Phase III pivotal trials.

Updates during and after the Reporting Period

- In April 2023, Visus announced positive topline results from its Phase III pivotal BRIO-I trial. BRIMOCHOL PF successfully met the pre-specified visual acuity primary endpoints for both the U.S. and EU/UK against its active comparators carbachol and brimonidine. In the trial, BRIMOCHOL PF demonstrated significant results in near and distance binocular visual acuity at multiple timepoints over carbachol and brimonidine.
 - Over eight hours, BRIMOCHOL PF achieved highly statistically significant near vision improvements and was well-tolerated.
 - An additional Phase III safety and efficacy trial, BRIO-II, is currently in progress, with the results expected to be disclosed in 2024.
- On January 24, 2024, we announced that the IND applications of BRIMOCHOL PF and Carbachol PF had been approved by the NMPA.
- On January 29, 2024, we announced that Zhaoke Ophthalmology entered into a distribution and supply agreement with KDP.

- 與此同時，我們繼續努力探索環孢素A眼凝膠的海外機會，包括與FDA就新藥試驗申請持續進行討論。於2023年，我們已與FDA進行C類及D類會議，為於美國註冊打造出清晰的臨床路徑。與此同時，我們一直就鄰近亞洲市場探索監管路徑。

BRIMOCHOL PF及Carbachol PF(與Visus合作)

概覽

BRIMOCHOL PF及Carbachol PF為不含防腐劑的一日一次瞳孔調節滴眼液，乃用於矯正因老花眼而喪失近距離視力的療法。

- BRIMOCHOL PF為固定劑量卡巴可(膽鹼製劑)及酒石酸溴莫尼丁($\alpha 2$ 受體促效劑)複方。Carbachol PF是卡巴可單一療法的專利不含防腐劑藥方。兩款試驗性療法令瞳孔收縮，產生針孔效應，僅在中央聚焦的光線可進入眼球，從而使中短距離的影像更銳利。
- 兆科眼科的BRIMOCHOL PF及Carbachol PF許可方夥伴為Visus。Visus現正進行第III期關鍵試驗。

報告期內及其後的最新資料

- 於2023年4月，Visus公佈其第III期關鍵BRIO-I試驗的正面頂線結果。BRIMOCHOL PF成功達到符合美國及歐盟/英國預定的視力主要研究終點(以卡巴可及溴莫尼丁為活性對照組)。於試驗中，對比卡巴可及溴莫尼丁，BRIMOCHOL PF在不同時間點展示出雙眼遠近視力顯著改進。
 - BRIMOCHOL PF使近距離視力出現重大統計顯著性改進，長達8小時以上，而且耐受性強。
 - 另一項第III期安全性及療效性試驗BRIO-II正在進行，結果預期將於2024年披露。
- 於2024年1月24日，我們宣佈，BRIMOCHOL PF及Carbachol PF的新藥試驗申請已獲國家藥監局批准。
- 於2024年1月29日，我們宣佈，兆科眼科與KDP訂立分銷及供應協議。

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- Under the terms of the agreement, KDP was granted exclusive distribution rights for BRIMOCHOL PF in South Korea. These include obtaining the relevant local drug registrations, as well as importing, promoting, distributing, marketing and selling the drug on an exclusive basis.
 - In February 2024, we signed an amendment to our previous agreement with Visus to expand our licensed territories to Hong Kong, Macau, Taiwan, Australia, New Zealand, Saudi Arabia, the United Arab Emirates, Qatar, Bahrain, Kuwait and Oman, in addition to mainland China, South Korea and the ASEAN countries (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam).
- 根據協議條款，KDP獲授予BRIMOCHOL PF在南韓的獨家分銷權，領取當地相關藥品註冊，並獨家進口、推廣、分銷、營銷及銷售該藥品。
 - 於2024年2月，我們與Visus簽訂原有協議的修訂，將許可地區從中國大陸、南韓及東盟國家(汶萊、柬埔寨、印尼、寮國、馬來西亞、緬甸、菲律賓、新加坡、泰國及越南)拓展至香港、澳門、台灣、澳洲、新西蘭、沙地阿拉伯、阿拉伯聯合酋長國、卡塔爾、巴林、科威特及阿曼。

TAB014 (Bevacizumab) for wAMD (partnered with TOT BIOPHARM)

Overview

TAB014 is the first clinical-stage bevacizumab-based antibody indicated for wAMD in China. Bevacizumab is a clinically-validated, anti-VEGF drug. Globally, bevacizumab is approved for oncology treatment through intravenous infusion. However, there has been increasing off-label usage of bevacizumab via intravitreal injection for the treatment of wAMD.

- The Phase III clinical trial of TAB014 is a randomized, double-blind, and non-inferiority study. The main objective of the study is to evaluate the change from baseline in best corrected visual acuity (BCVA) at week 52 in a TAB014-treated subject group compared with the Lucentis®-treated subject group.
- The study involves up to approximately 60 centers and a total of 488 patients and is led by Professor Chen Youxin from Peking Union Medical College Hospital as the Principal Investigator.

Updates during the Reporting Period

- On September 16, 2023, we completed patient recruitment for the Phase III clinical trial of TAB014, ahead of schedule.

ZKY001 (self-developed)

Overview

ZKY001 is a seven-amino acid peptide derived from the functional fragment of Thymosin β 4 that binds actin, a type of protein that plays a central role in cell structure and movement.

- ZKY001 has broad applications in the healing of corneal wounds and can potentially be used in multiple corneal repair indications.

TAB014 (貝伐單抗) · 用於治療wAMD (與東曜藥業合作)

概覽

TAB014為中國首款處於臨床階段基於貝伐單抗用於治療wAMD的抗體。貝伐單抗為一種經過臨床驗證的抗VEGF藥物。在全球各地，貝伐單抗獲批准通過靜脈內輸注進行腫瘤治療。然而，通過玻璃體腔內注射將貝伐單抗以藥品仿單標示外使用的形式用於治療wAMD的情況有所增加。

- TAB014第III期臨床試驗為隨機、雙盲及非劣效性研究。研究的主要目標為評估接受TAB014治療的對象群組對比接受Lucentis®治療的對象群組於第52週的最佳矯正視力的基線值變化。
- 研究涉及最多約60間中心，合共488名患者，由北京協和醫院的陳有信教授出任牽頭主研究者。

報告期內的最新資料

- 於2023年9月16日，我們已提早完成TAB014第III期臨床試驗的患者入組工作。

ZKY001 (自主研發)

概覽

ZKY001是一種包含七個氨基酸的肽，源自胸腺肽 β 4的功能片段，可與肌動蛋白結合，而肌動蛋白為一種在細胞結構及運動中起核心作用的蛋白質。

- ZKY001對於促進角膜傷口癒合的應用範圍廣泛，有望用於多種角膜癒合適應症。

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- Zhaoke Ophthalmology has conducted Phase II clinical trials and an investigator-initiated trial of ZKY001 for multiple potential indications, including CED, TPRK, pterygium (a growth in the cornea or the conjunctiva), and NK.

Updates during the Reporting Period

- Following analysis of the results across these studies, our research and clinical teams chose to focus on TPRK, specifically the treatment of CEDs after eye surgery, as the indication for ZKY001 to advance into Phase III trials.
- Once approved for a first indication, we believe the adoption of ZKY001 will expand quickly into other corneal repair applications.

Generic drugs

We follow a balanced approach in designing our drug pipeline, encompassing both innovative drugs and generic drugs. The market potential for the management and treatment of ocular disease in China is unmatched globally. Generic drugs address a substantial portion of current ophthalmic medical needs in China. From a market demand perspective, our generic pipeline complements our innovative pipeline and positions us to provide total solutions to ophthalmologists and patients.

- Bimatoprost Timolol eye drop 晶贝莹® is a drug researched, developed and manufactured by Zhaoke Ophthalmology for the treatment of glaucoma. In February 2023 it obtained marketing approval from the NMPA, and as a result became our first drug approved for commercialization. The first prescription was written on March 8, 2023 in Guangzhou.
- In May 2023, we also launched Bimatoprost Timolol eye drop 晶贝莹® on the JD Health ecommerce platform to extend its customer reach.
- The launch of Bimatoprost Timolol eye drop 晶贝莹® signifies not just the commencement of a new phase for Zhaoke Ophthalmology as a business entity, but also enhances our Company's brand presence in the Chinese ophthalmic market.
- Throughout the Reporting Period, we also filed ANDA submissions for five of our generic drugs addressing glaucoma: Bimatoprost, Travoprost, Travoprost Timolol, Latanoprost and Latanoprost Timolol. We anticipate obtaining approvals sequentially from the CDE over the next two years.
- The last patient last visit for Epinastine HCl was completed on September 28, 2023. Following completion of the trial, we submitted an ANDA for Epinastine HCl in China in February 2024.

- 兆科眼科已就多種潛在適應症進行ZKY001的第II期臨床試驗及一項研究者發起的試驗，包括CED、TPRK、翼狀胬肉(角膜或結膜增生)及NK。

報告期內的最新資料

- 分析有關研究的結果後，我們的研究及臨床團隊選擇專注於TPRK，特別是治療眼科手術後CED為ZKY001的適應症，從而推進至第III期試驗。
- 待獲批首個適應症後，我們相信ZKY001的應用將迅速擴展至其他角膜修復應用範圍。

仿製藥

我們依循平衡方針設計藥物管線，同時包括創新藥及仿製藥。中國眼科疾病管理及治療的市場潛力在全球一支獨秀。仿製藥針對中國現時大部分眼科醫療需要缺口。就市場需求層面而言，我們的仿製藥管線與創新藥管線相輔相成，讓我們進佔更有利位置，為眼科醫生及患者提供全方位解決方案。

- 於2023年2月，由兆科眼科研發生產的抗青光藥物貝美素噶嗎洛爾滴眼液(晶贝莹®)獲得國家藥監局批准上市，因此成為我們首種獲批准商業化的藥物，首張處方於2023年3月8日在廣州開出。
- 於2023年5月，我們亦於京東健康電商平台推出貝美素噶嗎洛爾滴眼液(晶贝莹®)，讓更多患者能夠獲得該藥。
- 貝美素噶嗎洛爾滴眼液(晶贝莹®)的推出不僅標誌着兆科眼科邁向作為商業公司的新階段，亦提升了本公司在中國眼科市場的品牌地位。
- 於報告期內，我們亦已就貝美前列素、曲伏前列素、曲伏噶嗎、拉坦前列素及拉坦噶嗎五款青光眼仿製藥提交簡化新藥申請。我們預計將於未來兩年陸續取得藥品審評中心的批准。
- 有關鹽酸依匹斯汀的最後一名患者的最後一次診視亦已於2023年9月28日完成。在試驗完成後，我們已於2024年2月在中國提交鹽酸依匹斯汀的簡化新藥申請。

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WARNING UNDER RULE 18A.08(3) OF THE LISTING RULES: WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR DRUG CANDIDATES SUCCESSFULLY.

Manufacturing

Zhaoke Ophthalmology's facility in Guangdong provides our Company with the strategic advantage of a fully in-house manufacturing capability. State-of-the-art equipment and machinery sourced from leading global manufacturers are utilized for processes such as production, dosing, filling, and packaging, at all times following stringent quality assurance measures. The facility, which spans approximately 7,600 sq.m., adheres to the highest international standards and complies with the requirements of major global regulators, including the NMPA, FDA and the EMA.

Currently equipped with four manufacturing lines, the facility is ready for mass production. Following the NMPA marketing approval granted in February 2023, we manufacture our Bimatoprost Timolol eye drop 晶貝瑩® there.

Commercialization

The year of 2023 marked the beginning of a new chapter for Zhaoke Ophthalmology with the launch of our first approved drug in February 2023, Bimatoprost Timolol eye drop 晶貝瑩®. In November 2023, we also acquired the commercial rights to Eyprotor from Lee's Pharm, as we believe in the complementary nature of this product with our pipeline in tissue healing, as well as its potential for improving our commercial capabilities in preparation for the planned growth in commercialization activities. As our R&D organization works tirelessly to advance our products through late-stage clinical trials and regulatory approvals, the sales and marketing organization's focus has been to initiate sales ramp up and expand hospital coverage while keeping the size of the team relatively small. By the close of 2023, our sales and marketing team had a total of 71 individuals. This team now has direct coverage of over 1,200 hospitals, including most top tier public and private hospitals.

At the same time, our comprehensive omni-channel approach continues to drive sales growth and strengthen our brand reputation in the Chinese ophthalmic market. In particular, we focused on a number of new digital initiatives during 2023. These include the launch of our Bimatoprost Timolol eye drop 晶貝瑩® on JD Health in May 2023, an e-commerce healthcare platform for pharmaceutical products. This complements our Tmall flagship store, launched in August 2022 as a sales venue for our 堡得視® series eye patches. This series consists of a 堡得視® heat compress eyepatch, an approved Class II medical device for people with mild DED, and a 堡得視® far infrared eye heat compress, a Class II medical device to improve pseudo myopia and visual fatigue in adolescents and children.

根據上市規則第18A.08(3)條作出的警告：我們最終未必能成功開發和銷售我們的候選藥物。

生產

兆科眼科於廣東省的設施讓本公司具備完整內部生產能力的戰略優勢，流程涵蓋生產、配藥、灌裝及包裝，使用從全球領先生產商採購的尖端設備及機械，全程恪守嚴格的質量核證措施，設施佔地約7,600平方米，按照最高國際標準設計，符合全球主要監管機構(包括國家藥監局、FDA及EMA)的規定。

該設施現時設有四條生產線，全部可供進行大批量生產。於貝美素噶嗎洛爾滴眼液(晶貝瑩®)在2023年2月獲得國家藥監局的上市批准後，我們已開始利用該設施生產有關產品。

商業化

2023年標誌着兆科眼科開展新篇章，我們首款獲批藥物貝美素噶嗎洛爾滴眼液(晶貝瑩®)於2023年2月推出。於2023年11月，我們亦自李氏大藥廠收購睿保特的商業化權利，我們相信此產品與我們管線產品在組織癒合方面可相輔相成，並可能提升我們的商業能力，為計劃中的商業化活動增長做好準備。在我們的研發團隊孜孜不倦地推動產品通過後期臨床試驗及監管審批的同時，銷售及營銷團隊則一直聚焦於以相對小的團隊規模推動銷售增長及擴大醫院覆蓋面。截至2023年年底，我們的銷售及營銷團隊共有71人。該團隊目前直接覆蓋1,200多間醫院，包括大部分一線公營及私營醫院。

與此同時，我們全面的全通路方針繼續推動銷售額增長以及加強我們在中國眼科市場的品牌聲譽。具體而言，我們於2023年聚焦於若干新的數碼活動，包括於2023年5月在中國醫藥產品電商保健平台京東健康推出貝美素噶嗎洛爾滴眼液(晶貝瑩®)，與於2022年8月隆重開幕銷售堡得視®眼罩系列的天貓旗艦店相輔相成。堡得視®眼罩系列包括堡得視®眼部熱敷治療貼(供輕度乾眼症人士使用的認可第二類醫療器械)及堡得視®眼部遠紅外熱敷貼(緩解青少年及兒童假性近視視覺疲勞的第二類醫療器械)。

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We also expanded our social media activities to include Little Red Book, using this high-profile platform to promote understanding of eye health issues. Initiatives such as this enable our Company to build awareness of eye disease and the Zhaoke Ophthalmology brand directly amongst consumers, laying a solid foundation for the future launch of our major drugs.

Complementing these commercial efforts is Zhaoke Boshi (兆科博視), our innovative, content-driven platform on WeChat targeting medical professionals. During 2023, it continued to serve as a preferred space for prominent ophthalmology KOLs to share insights and foster discussions within the broader Chinese ophthalmic community. It has expanded continuously since launch and now has over 15,000 followers, representing nearly half the ophthalmologist community in China. Zhaoke Boshi's success strengthens our position as a trusted partner for Chinese ophthalmologists and reinforces our leadership in this specialized field.

Additionally, we established a strategic partnership in August 2023 with Eyebright Medical, a Beijing-based pharmaceutical company focused on the R&D, manufacturing and commercialization of ophthalmic medical devices. We will have comprehensive collaborations in the ophthalmology field and explore opportunities to R&D and commercialize ophthalmic products together, as well as promote our products in eye hospitals, ophthalmic clinics, vision centers, and other terminal channels, in order to achieve a mutually beneficial goal by leveraging both companies' edges and strengths.

R&D

As a pharmaceutical company, R&D remains center to our growth. During the Reporting Period, we made significant R&D progress across our asset portfolio.

In August 2023, NVK002, our innovative treatment for myopia progression control, completed the last patient last visit for its one-year Phase III clinical trial, Mini-CHAMP. In October 2023, we announced the positive topline results from Mini-CHAMP. Mini-CHAMP successfully met its primary efficacy endpoint with both doses of 0.01% and 0.02%. NVK002 achieving statistically and clinically meaningful differences versus placebo in terms of slowing myopia progress in the study population, demonstrating strong safety and efficacy for NVK002 as a potential treatment for the progression of myopia in children.

In September 2023, we also announced the completion of patient recruitment for the Phase III trials of TAB014, our innovative drug for wAMD, and Epinastine HCl, our epinastine eye drop for the treatment of allergic conjunctivitis. The last patient last visit in the Epinastine HCl trial was completed the same month, following which we submitted an ANDA for the drug in China in February 2024.

我們的社交媒體活動亦進軍小紅書，利用該高知名度平台提高大眾對眼部健康的認識。有關活動讓本公司直接在消費者之間提高對眼疾的意識及兆科眼科品牌的知名度，為未來推出主要藥品奠定穩固基礎。

除直接接觸消費者的方針外，我們亦於微信創設創新的內容驅動平台「兆科博視」，瞄準醫療專業人士。於2023年，「兆科博視」繼續擔任知名眼科KOL分享真知灼見的首選平台，同時促進中國眼科社群進行更廣泛的討論。「兆科博視」自推出以來一直快速成長，目前關注者人數已超過15,000名，人數接近中國眼科醫生社群的一半。「兆科博視」成功鞏固我們作為中國眼科醫生的可靠夥伴的地位，並繼續提升我們在此一專業領域內的領導地位。

此外，我們於2023年8月與愛博諾德（一間專注於研發、製造及商業化眼科醫療器械的北京製藥公司）建立戰略夥伴關係。我們將於眼科領域開展全面合作，共同探索眼科產品的研發及商業化機會，並於眼科醫院、眼科診所、視光中心及其他終端管道推廣我們的產品，以發揮雙方的優勢及專長，實現互惠互利的目標。

研發

作為製藥公司，研發一直是我們的增長要素。於報告期內，我們的產品組合在研發方面取得長足進展。

於2023年8月，我們治療近視加深的創新療法NVK002為期一年的第III期臨床試驗（小型CHAMP）的最後一名患者已完成最後一次訪視。於2023年10月，我們公佈小型CHAMP的正面頂線結果。該小型CHAMP中，0.01%及0.02%劑量均成功達到主要療效終點。與使用安慰劑相比，NVK002對減緩研究對象近視加深均表現出統計學及臨床意義方面的差異，展示出NVK002作為減緩兒童近視加深的可能療法具有高度安全性及療效。

於2023年9月，我們亦宣佈完成治療wAMD的創新藥TAB014以及治療過敏性結膜炎的鹽酸依匹斯汀（我們的鹽酸依匹斯汀滴眼液）第III期試驗的患者入組工作。鹽酸依匹斯汀試驗中最後一名患者的最後一次訪視已於同月完成，我們其後已於2024年2月在中國就該藥提交簡化新藥申請。

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Throughout the Reporting Period, we also filed ANDA submissions for five generic drugs addressing glaucoma, including Bimatoprost, Travoprost, Travoprost Timolol, Latanoprost and Latanoprost Timolol. In January 2024, our IND applications for BRIMOCHOL PF and Carbachol PF, innovative eye drops for presbyopia, were approved by the NMPA.

Our R&D team boasts a proven track record and is led by an international management team with decades of collective industry experience in global biotechnology and pharmaceutical companies. As at the end of the Reporting Period, our R&D team comprised approximately 100 professionals.

For the year ended December 31, 2023, our R&D expenses were RMB333.1 million, an increase of approximately 12.4% from RMB296.4 million in the year ended December 31, 2022.

Partnerships and Globalization Efforts

Throughout 2023 and after the Reporting Period, Zhaoke Ophthalmology continued to explore partnership and collaboration opportunities with leading domestic and international pharmaceutical firms and research institutions.

We have made critical strides towards establishing a global presence and taking our products outside China. In March 2023, we signed a distribution and supply agreement with KDP. Under the terms of the agreement, Zhaoke Ophthalmology grants KDP exclusive rights to import, promote, distribute, market and sell NVK002 in South Korea.

Just after the Reporting Period, in the first quarter of 2024, we concluded a number of additional licensing partnerships in South Korea, Malaysia and Thailand.

On January 29, 2024, Zhaoke Ophthalmology announced Zhaoke Ophthalmology entered into a second strategic partnership with KDP for BRIMOCHOL PF. Under the terms of the agreement, Zhaoke Ophthalmology is entitled to grant exclusive distribution rights for BRIMOCHOL PF to KDP in South Korea. Also under the terms, KDP will obtain, on behalf of Zhaoke Ophthalmology, the relevant local drug registrations, as well as import, promote, distribute, market and sell the product on an exclusive basis.

On March 5, 2024, we announced our expansion into Malaysia through a distribution and supply agreement for Bimatoprost Timolol eye drop 晶贝莹®, with Pharmaniaga Logistics Sdn. Bhd. (“Pharmaniaga”), one of Malaysia’s largest integrated pharmaceutical groups. Under the terms of the agreement, Pharmaniaga is granted the non-exclusive right to register, import, promote, market, sell and distribute Bimatoprost Timolol eye drop 晶贝莹® in Malaysia. This is our first overseas distribution deal for an in-house developed drug.

於報告期內，我們亦已就貝美前列素、曲伏前列素、曲伏噁嗎、拉坦前列素及拉坦噁嗎五款青光眼仿製藥提交簡化新藥申請。於2024年1月，我們治療老花眼的創新滴眼藥BRIMOCHOL PF及Carbachol PF的新藥試驗申請已獲國家藥監局批准。

我們的研發團隊擁有經時間證明的往績紀錄，由國際管理團隊領導，成員在全球生物技術及製藥公司擁有數十年行業經驗。於報告期末，我們的研發團隊包括約100名專業人士。

截至2023年12月31日止年度，我們的研發開支為人民幣333.1百萬元，較截至2022年12月31日止年度的人民幣296.4百萬元增加約12.4%。

夥伴關係及全球化工作

於2023年全年以至報告期後，兆科眼科均不斷探索與領先的國內及國際製藥公司及研究機構建立夥伴及合作關係的機會。

我們在建立全球版圖及帶領產品衝出中國方面跨出重要一步。於2023年3月，我們與KDP訂立一份分銷及供應協議。根據協議條款，兆科眼科授予KDP獨家權利，於南韓進口、宣傳、分銷、營銷及出售NVK002。

報告期後，我們隨即於2024年第一季度在南韓、馬來西亞及泰國訂立若干新的許可夥伴安排。

於2024年1月29日，兆科眼科宣佈與KDP訂立第二項戰略夥伴合作安排，是次涉及BRIMOCHOL PF。根據協議條款，兆科眼科有權將BRIMOCHOL PF在南韓的獨家分銷權授予KDP，而根據條款，KDP將代表兆科眼科取得相關當地藥品註冊，並獨家進口、推廣、分銷、營銷及銷售該產品。

於2024年3月5日，我們宣佈進軍馬來西亞，就貝美素噁嗎洛爾滴眼液(晶贝莹®)與Pharmaniaga Logistics Sdn. Bhd. (「Pharmaniaga」，馬來西亞最大的綜合藥業集團之一)訂立分銷及供應協議。根據協議條款，Pharmaniaga獲授非獨家權利在馬來西亞註冊、進口、推廣、營銷、銷售及分銷貝美素噁嗎洛爾滴眼液(晶贝莹®)。此乃我們首宗自研藥品的海外分銷交易。

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On March 15, 2024, our Company finalized a distribution agreement with TRB Thailand. The agreement grants TRB Thailand the right to distribute, promote, market and sell EyeGiene® reusable eyemasks in Thailand. Its agreement with TRB Thailand represents further growth of our Company's footprint in the strategically important Southeast Asian market.

Furthermore, we have been actively seeking collaborations with excellent companies to enrich our product portfolio and establish more comprehensive and efficient sales channels. In June 2023, our Company entered into an exclusive license, supply and distribution agreement with Eyedetec Medical, Inc. (“**Eyedetec Medical**”), a leading U.S.-based company specializing in medical devices for the treatment of DED and meibomian gland dysfunction. Under the terms of the agreement, Eyedetec Medical grants Zhaoke Ophthalmology exclusive rights to register, import, promote, distribute, market and sell the Eye Lipid Mobilizer™, a medical device that is designed to treat DED and meibomian gland dysfunction, in Greater China, South Korea and the ASEAN countries.

Separately in August 2023, Zhaoke Ophthalmology established a strategic partnership with Eyebright Medical (Beijing) Co., Ltd, a Beijing-based pharmaceutical company focusing on the R&D, manufacturing and commercialization of ophthalmic medical devices. Our Company and Eyebright Medical will jointly explore opportunities to research, develop and commercialize ophthalmic products, including promotion of some of our products in eye hospitals, ophthalmic clinics, vision centers and other channels.

Environment, Social and Governance (“ESG”)

Zhaoke Ophthalmology is dedicated to fostering the development of a sustainable healthcare industry in China. We conscientiously monitor the environmental and social impact of our operations, implementing measures to enhance the sustainability of our business.

Our overarching mission is to enhance global visual health, aligning with our broader social responsibilities. In 2023, we continued our efforts to promote educational activities aimed at increasing public awareness of eye disease, through our Zhaoke Boshi WeChat account as well as through specific campaigns.

For example, in March 2023 during World Glaucoma Awareness Week, we engaged well-known ophthalmologists in online education programs designed to enhance public awareness of glaucoma screening and treatment. Subsequently, in celebration of China's National Eye Care Day on June 6, 2023, we conducted in-person educational seminars. These seminars focused on public education about eye health and included the distribution of eye patches to consumers, receiving positive feedback from the audience.

於2024年3月15日，本公司與TRB Thailand落實一份分銷協議。該協議授權TRB Thailand在泰國分銷、推廣、營銷及銷售EyeGiene®可再用眼罩。與TRB Thailand訂立協議，標誌着本公司進一步擴張具重要戰略意義的東南亞市場版圖。

此外，我們亦積極尋求與優秀企業合作，以充實我們的產品組合，建立更全面、更高效的銷售渠道。於2023年6月，本公司與Eyedetec Medical, Inc.（「**Eyedetec Medical**」，一間專注於治療乾眼症及瞼板腺功能障礙的醫療器械的領先美國公司）訂立一份獨家許可、供應及分銷協議。根據協議條款，Eyedetec Medical授予兆科眼科獨家權利，於大中華、南韓以及多個東盟國家註冊、進口、推廣、分銷、營銷及出售Eye Lipid Mobilizer™（一種為治療乾眼症及瞼板腺功能障礙而設的醫療器械）。

另外，於2023年8月，兆科眼科與愛博諾德（北京）醫療科技股份有限公司（一間專注於研發、製造及商業化眼科醫療器械的北京製藥公司）建立戰略夥伴關係。本公司將與愛博諾德共同探索研究、開發及商業化眼科產品的機會，包括於眼科醫院、眼科診所、視光中心及其他渠道推廣我們的若干產品。

環境、社會及管治（「ESG」）

兆科眼科致力於在中國推動可持續健康護理行業發展。我們密切監察我們的營運對環境及社會的影響，同時實施各類措施提升我們業務的可持續性。

我們的首要使命是改善全球視力健康，與我們的整體社會責任一致。我們於2023年繼續推動教育活動，包括利用我們的「兆科博視」微信賬號及特定活動提升普羅大眾對眼疾的認知。

例如，於2023年3月世界青光眼週，我們邀請知名眼科醫生參與專為提升公眾對青光眼篩查及治療認知的線上教育課程。其後，為慶祝中國全國愛眼日，我們於2023年6月6日舉行現場教育研討會。該等研討會聚焦於有關眼部健康的公眾教育，包括向消費者派發眼部治療貼，備受與會者讚譽。

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Our commitment to our community is paralleled by our dedication to our people. Recognizing that our vision can only be realized by supporting our colleagues in their personal development, we place great emphasis on creating a diverse, supportive, and rewarding work environment. Over the past 12 months, we expanded our HR initiatives, introducing a tiered mentorship scheme, an apprenticeship program, and a rotational program to provide high-performing individuals the opportunity to gain insights into different aspects of the business. In addition, our HR and IT departments are collaborating to produce a large amount of digital educational content for the benefit of our employees.

Zhaoke Ophthalmology is committed to transparency and compliance, and discloses our ESG performance annually in our ESG report. In April 2023, we published our third ESG report to enhance our stakeholders' understanding of our current strategy regarding socially responsible practices.

FUTURE AND OUTLOOK

In the face of ongoing macroeconomic uncertainties, Zhaoke Ophthalmology is steadfastly committed to our focused areas and expects to achieve significant progress in our key programs over 2024.

We expect to complete the last patient last visit of China CHAMP in the summer of 2024. This is the two-year Phase III clinical trial for our innovative myopia drug NVK002. Its completion will mark another milestone for this potential blockbuster drug. We also anticipate the completion of the last patient visit in the Phase III study for the wAMD-targeted TAB014 in early fall of 2024. An NDA submission is expected to follow thereafter.

Meanwhile, having received regulatory approval in January 2024, we will initiate a clinical trial for BRIMOCHOL PF and Carbachol PF, potential innovative treatments for presbyopia, later in 2024 in China. We also plan to re-file the NDA submission in 2024 for our self-developed innovative drug for DED, CsA Ophthalmic Gel.

Turning to our generic franchise, where we have submitted ANDAs for the majority of our generic drugs for glaucoma, we expect to receive regulatory approvals sequentially in the next couple of years, with Bimatoprost expected first in 2024.

We have substantially strengthened our commercialization capabilities through refining our omni-channel approach and enhancing our brand equity. Both will be critical in supporting successful launches of our potential blockbuster drugs in China and globally.

We are focused on building a sustainable business with operations in China, the wider Asian region and elsewhere in the world. Having successfully secured out-licensing agreements in South Korea, Malaysia and Thailand, we are actively exploring other opportunities in Southeast Asia and evaluating potential activities in Australia. At the same time, we continue to actively assess the potential for an IND filing for CsA Ophthalmic Gel in the U.S.

我們在貢獻社區的同時，亦認真對待員工。我們相信，我們需要支持員工個人發展，方能達成願景，重視營造多元共融、互相支持及論功行賞的工作環境。我們於過去12個月不斷擴大大力資源倡議，推出分級導師計劃、學徒培訓計劃以及崗位輪替計劃，為表現優秀的員工提供機會一睹其他業務範疇的內部運作。此外，我們的人力資源及資訊科技部門正在合作製作大量數碼教育內容，供僱員使用。

兆科眼科致力保持透明度與合規性，每年於ESG報告中披露ESG績效。於2023年4月，我們刊發第三份ESG報告，讓持份者進一步了解我們目前有關社會責任慣例的策略。

未來及前景

面對當前的宏觀經濟陰霾，兆科眼科堅持定睛於專注範疇，預計將於2024年就主要計劃取得重大進展。

我們預期，中國CHAMP將於2024年夏季完成最後一名患者的最後一次訪視。完成該項為創新近視藥物NVK002而設、為期兩年的第III期臨床試驗，將標誌着我們可能療效顯著的藥物取得另一個里程碑。我們亦預料針對wAMD的TAB014的第III期研究的最後一名患者將於2024年初秋完成最後一次訪視，預計其後將提交新藥申請。

與此同時，繼2024年1月取得監管批准後，我們將於2024年稍後時間在中國開展老花眼潛在創新療法BRIMOCHOL PF及Carbachol PF的臨床試驗。我們亦計劃於2024年為用於治療乾眼症的自研創新藥環孢素A眼凝膠重新提交新藥申請。

仿製藥組合方面，我們已就大部分青光眼仿製藥提交簡化新藥申請，預計將於未來數年陸續獲得監管批准，其中貝美前列素預計將率先於2024年獲批。

我們透過全通路方針及提升品牌價值大幅提升商業化能力，此等舉措對於支持我們在中國以至全球範圍成功推出可能療效顯著的藥物至關重要。

我們正專注於建立可持續發展的業務，版圖遍佈中國、亞洲廣泛地區以至全球其他地區。隨着成功於南韓、馬來西亞及泰國落實授出許可的協議後，我們正在東南亞主動探索其他機會，並評估在澳洲進行活動的可能性。與此同時，我們繼續積極地評估在美國就環孢素A眼凝膠提交新藥試驗申請的可能性。

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Operationally, we will continue to exercise rigorous control over our cash expenditures, optimize resource allocation, and take all prudent steps to mitigate any financial and business risks presented by the external business environment. At the end of 2023, we have a cash balance of approximately RMB1.5 billion, which affords us a comfortable runway to complete our key programs and reach the key inflection point of positive cashflow.

2023 marked the beginning of a new chapter for Zhaoke Ophthalmology, proving our resilience whilst providing us with invaluable experience through program advances as well as temporary setbacks. Looking forward to the rest of 2024, we are excited about the opportunities in the ophthalmology field both in China and globally, despite challenging external macroeconomic and geopolitical conditions. We have a strong team comprised of world-class talent from the pharmaceutical, sales and marketing disciplines. Together, we are well-positioned to navigate the complexities of the external environment and pursue excellence in the R&D, registration, manufacturing, and commercialization of our therapies. We will continue to dedicate ourselves to addressing significant unmet medical needs and helping improve the visual health of patients in China and around the world.

FINANCIAL HIGHLIGHTS

A summary of the results and of the assets and liabilities of our Group for the last five financial years, as extracted from the audited financial information and financial statements is set out below:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Results	業績					
Revenue	收益	18,750	-	-	-	-
Gross profit	毛利	14,247	-	-	-	-
Loss before taxation	除稅前虧損	(384,488)	(407,317)	(2,129,780)	(726,981)	(122,077)
Income tax	所得稅	(550)	-	-	-	-
Loss for the year	年內虧損	(385,038)	(407,317)	(2,129,780)	(726,981)	(122,077)
Total comprehensive income for the year	年內全面收益總額	(323,931)	(196,415)	(2,180,971)	(670,861)	(117,544)
Assets and liabilities	資產及負債					
Total assets	資產總值	2,420,338	2,570,623	2,605,407	1,226,586	554,214
Total liabilities	負債總額	(372,020)	(222,250)	(109,920)	(1,972,554)	(579,746)
Total equity/(deficit)	權益/(虧絀)總額	2,048,318	2,348,373	2,495,487	(745,968)	(25,532)

運作方面，我們將繼續嚴控現金支出，優化資源撥配，並採取一切審慎措施減輕外部營商環境所帶來的財務及業務風險。於2023年底，我們的現金結餘約為人民幣15億元，讓我們可以安心完成各主要計劃，並達致取得正現金流量的關鍵轉捩點。

兆科眼科在2023年進入新階段，展現韌性，在推進計劃之餘，亦知所進退，從中汲取寶貴經驗。展望2024年餘下時間，雖然外圍宏觀經濟及地緣政治環境挑戰重重，惟我們熱切盼望中國乃至全球眼科領域的處處機遇。我們強大的團隊擁有來自醫藥、銷售及營銷領域的世界級人才。我們將共同克服複雜的外圍環境，在療法研發、註冊、製造及商業化方面追求卓越。我們將繼續致力於滿足龐大的醫療需求缺口，協助改善中國以至全世界患者的視力健康。

財務摘要

本集團過去五個財政年度的業績、資產及負債概要(摘錄自經審核財務資料及財務報表)載列如下：

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財務回顧

Year ended December 31,
截至12月31日止年度

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Revenue	收益	18,750	–
Cost of sales	銷售成本	(4,503)	–
Gross profit	毛利	14,247	–
Other income	其他收入	82,044	38,041
Other net loss	其他虧損淨額	(3,515)	(29,731)
R&D expenses	研發開支	(333,050)	(296,430)
General and administrative expenses	一般及行政費用	(84,404)	(86,109)
Selling and distribution expenses	銷售及分銷開支	(51,889)	(29,946)
Finance costs	財務成本	(7,921)	(3,142)
Loss before taxation	除稅前虧損	(384,488)	(407,317)
Income tax	所得稅	(550)	–
Loss for the year	年內虧損	(385,038)	(407,317)
Other comprehensive income for the year	年內其他全面收益		
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：		
Exchange differences on translation of financial statements of entities with functional currencies other than RMB	換算功能貨幣並非人民幣的實體財務報表的匯兌差額	61,107	210,902
Total comprehensive income for the year	年內全面收益總額	(323,931)	(196,415)
Non-HKFRS Measures	非香港財務報告準則計量方式		
Adjusted loss for the year	經調整年內虧損	(363,015)	(360,633)

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Overview

For the year ended December 31, 2023, we recorded total loss of approximately RMB385.0 million, as compared with approximately RMB407.3 million for the year ended December 31, 2022. The total loss in 2023 narrowed, mainly due to that sales revenue was recorded for the first time in 2023, together with additional interest income received during 2023 which benefited from higher deposit interest rates; the income increment was partially net off with the increase in R&D expenses led by the advancement of the development process of our clinical trials for our key innovative products, and increased investments in our ongoing R&D projects. Our selling and distribution expenses also increased accordingly since the introduction of our new product during 2023.

Our R&D expenses for the year ended December 31, 2023 were approximately RMB333.1 million, representing an increase of approximately 12.4% from approximately RMB296.4 million for the year ended December 31, 2022, primarily led by continuous investment over several late stage clinical trial projects which included, Phase III clinical trial for TAB014 and China CHAMP and Mini-CHAMP for NVK002, both of which projects commenced in mid 2022.

Following NMPA approval for our Bimatoprost Timolol eye drop (晶贝莹®), our sales and marketing team is rapidly expanding our coverage of key hospitals and launching different marketing promotion campaign to increase our Company's brand awareness in the market.

Revenue

Our Group recorded its first year of revenue with RMB18.8 million for the year ended December 31, 2023, which was mainly derived from sales of our first commercialized drug addressing glaucoma (Bimatoprost Timolol) and Type II medical device for mild DED (堡得视® heat compress eyepatch).

We also generated revenue of RMB5.6 million from granting the exclusive distribution right to our business partner, KDP, for the distribution of our innovative drug candidate (2022: nil). As at December 31, 2023, the aggregated amount of the transaction price allocated to the remaining performance obligations under our Group's existing contracts was around RMB14.1 million. This amount represents revenue expected to be recognized in the future from distribution and supply contracts entered into between the customer and our Group. We will recognize the expected revenue in future throughout the contract period.

概覽

截至2023年12月31日止年度，我們錄得虧損總額約人民幣385.0百萬元，而截至2022年12月31日止年度則約為人民幣407.3百萬元。2023年虧損總額收窄主要源於2023年首次錄得銷售收益，加上受惠於存款利率上升，2023年收取額外利息收入；部分收入增幅因旗下重點創新產品臨床試驗的開發進度持續推進導致研發開支增加，以及投入進行中研發項目的投資增加而被抵銷。由於2023年推出旗下新產品，故銷售及分銷開支亦因而有所增加。

截至2023年12月31日止年度，我們的研發開支約為人民幣333.1百萬元，較截至2022年12月31日止年度約人民幣296.4百萬元上升約12.4%，主要由於持續投資於多項後期臨床試驗（包括TAB014的第III期臨床試驗以及NVK002的中國CHAMP及小型CHAMP，兩個項目已於2022年中開展）所致。

隨着國家藥監局批准我們的貝美素噻嗎洛爾滴眼液（晶贝莹®），我們的銷售及營銷團隊快速擴大我們在重點醫院的覆蓋面，並推出不同營銷宣傳活動，以提升本公司於市場上的品牌知名度。

收益

截至2023年12月31日止年度，本集團錄得首個年度的收益人民幣18.8百萬元，主要源自銷售我們首款商業化的青光眼藥物（貝美素噻嗎洛爾）及用於輕度乾眼症的第二類醫療器械（堡得视®熱敷眼罩）。

此外，我們亦因向業務夥伴KDP授出分銷旗下創新候選藥的獨家分銷權而產生收益人民幣5.6百萬元（2022年：無）。於2023年12月31日，分配至本集團現有合約餘下履約責任的交易價格總額約為人民幣14.1百萬元。該金額指預期日後自客戶與本集團訂立的分銷及供應合約確認的收益。我們將於合約期內確認預期日後收益。

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		Year ended December 31, 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Point in time:	於某一時點：		
Sales of ophthalmic drugs	銷售眼科藥物	4,736	–
Sales of ophthalmic products	銷售眼科產品	8,414	–
Over time:	隨時間：		
Income from exclusive distribution rights	獨家分銷權收入	5,600	–
		18,750	–

Other Income

Our Group's other income primarily consists of bank interest income and government grants received, which represent one-off subsidies we have received from government authorities for our R&D activities.

For the year ended December 31, 2023, our Group's other income increased to approximately RMB82.0 million, compared to approximately RMB38.0 million for the year ended December 31, 2022. The increase was primarily attributable to the growth of approximately RMB47.0 million in bank interest income received from fixed deposits in 2023, benefiting from rapid increase of deposit interest rate in HKD and USD since the end of 2022, which was partially offset by a decrease of approximately RMB4.1 million in government grants.

其他收入

本集團的其他收入主要包括已收銀行利息收入及政府補助(即我們就研發活動自政府機關獲得的一次性補貼)。

截至2023年12月31日止年度，本集團的其他收入由截至2022年12月31日止年度約人民幣38.0百萬元增加至約人民幣82.0百萬元。其他收入增加主要原因為受惠於2022年末以來港元及美元存款利率急升，2023年收取固定存款的銀行利息收入增加約人民幣47.0百萬元，並因政府補助減少約人民幣4.1百萬元而被部分抵銷。

		Year ended December 31, 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Bank interest income	銀行利息收入	77,399	30,415
Government grants	政府補貼	3,387	7,479
Others	其他	1,258	147
Total	總計	82,044	38,041

Other Net Loss

For the year ended December 31, 2023, we recorded approximately RMB3.5 million of other net loss, compared to approximately RMB29.7 million of other net loss for the year ended December 31, 2022. Such net loss primarily consists of net foreign exchange loss incurred during the translation of liabilities denominated in other foreign currency for example USD and HKD. A significant loss was noted when there was a great depreciation pressure on RMB against USD in 2022, but the loss amount was narrowed down when RMB exchange rate was more stable in 2023.

其他虧損淨額

截至2023年12月31日止年度，我們錄得其他虧損淨額約人民幣3.5百萬元，而截至2022年12月31日止年度則錄得其他虧損淨額約人民幣29.7百萬元。該等虧損淨額主要包括於換算以美元及港元等其他外幣計值的負債時產生的匯兌虧損淨額。在2022年人民幣兌美元出現龐大貶值壓力時，錄得重大虧損，惟當人民幣匯率於2023年轉趨穩定時，虧損金額已經縮窄。

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管理層討論及分析

R&D Expenses

Our Group's R&D expenses primarily consisted of: (i) clinical trial professional service fees, primarily including payments to CROs, hospitals and other medical institutions and testing fees incurred for preclinical studies and clinical trials; (ii) depreciation and amortization in relation to our R&D equipment and facilities; (iii) staff costs, including salaries, bonus and welfare payments for R&D personnel; (iv) costs of raw materials and consumables used for R&D of our drug candidates; (v) equity-settled share-based payment for R&D personnel; and (vi) utilities.

For the year ended December 31, 2023, our R&D expenses increased by approximately RMB36.7 million, or 12.4%, to approximately RMB333.1 million from approximately RMB296.4 million for the year ended December 31, 2022. The increase was mainly due to (i) the continuous advancement of our clinical trials and increased investments in the ongoing R&D projects (i.e. Phase III clinical trial for NVK002 and three Phase II clinical trials of ZKY001 for CED, TPRK and pterygium and an investigator initiated trial for NK, a rare degenerative corneal disease during the Reporting Period); and (ii) the increase in headcount of R&D personnel.

The following table sets forth the components of our Group's R&D expenses for the years indicated:

研發開支

本集團的研發開支主要包括(i)臨床試驗專業服務費用，主要包括向CRO、醫院及其他醫療機構付款以及就臨床前研究及臨床試驗產生的檢測費用；(ii)有關我們研發設備及設施的折舊及攤銷；(iii)員工成本，包括研發人員的薪金、花紅及福利開支；(iv)我們的候選藥物研發所用原材料及消耗品的成本；(v)向研發人員支付以權益結算以股份為基礎的付款；及(vi)水電費。

截至2023年12月31日止年度，我們的研發開支由截至2022年12月31日止年度約人民幣296.4百萬元增加約人民幣36.7百萬元或12.4%至約人民幣333.1百萬元，主要由於(i)我們的臨床試驗持續取得進展及進行中的研發項目(即報告期內NVK002的第III期臨床試驗及ZKY001(有關角膜上皮缺損、TPRK及翼狀胬肉)的三項第II期臨床試驗以及NK(一種罕見角膜退化疾病)研究者發起試驗)投資額增加；及(ii)研發人員的人數增加所致。

下表載列本集團於所示年度的研發開支組成部分：

		Year ended December 31, 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Clinical trial professional service fee	臨床試驗專業服務費用	160,966	155,631
Staff costs	員工成本	57,206	49,391
Depreciation and amortization	折舊及攤銷	37,624	31,625
Cost of raw materials and consumables used	所用原材料及消耗品的成本	16,538	21,662
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	1,942	10,697
Utilities	水電費	4,861	5,668
Professional and consultation fee	專業及顧問費用	40,717	14,579
Testing fee	檢測費用	2,286	2,077
Traveling expenses	差旅開支	2,679	961
Others ⁽¹⁾	其他 ⁽¹⁾	8,231	4,139
Total	總計	333,050	296,430

Note:

⁽¹⁾ Represent repair and maintenance expenses and other miscellaneous expenses in relation to our R&D activities.

附註：

⁽¹⁾ 指維修及維護費用以及有關我們研活動的其他雜項開支。

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管理層討論及分析

General and Administrative Expenses

Our general and administrative expenses primarily consisted of: staff costs, professional service fees for legal, consulting and auditing services, general operating expenses, depreciation in relation to our office equipment and equity-settled share-based payment expenses for those other than R&D personnel and commercialization team.

For the year ended December 31, 2023, our general and administrative expenses were approximately RMB84.4 million, representing a decrease of approximately RMB1.7 million from approximately RMB86.1 million for the year ended December 31, 2022, which is primarily attributable to the decrease in equity-settled share-based payment expenses, which was partially offset by the effect of the increase in amortization of digital foundation and system digitization for internal business model and management system with its first application during 2023.

The following table sets forth the components of our general and administrative expenses for the years indicated:

		Year ended December 31, 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Staff costs (include Directors' fee)	員工成本(包括董事袍金)	33,725	31,931
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	18,200	33,317
Professional service fees	專業服務費用	12,733	13,994
Depreciation and amortization	折舊及攤銷	9,331	2,717
General operating expenses	一般經營開支	3,574	2,429
Others ⁽¹⁾	其他 ⁽¹⁾	6,841	1,721
Total	總計	84,404	86,109

Note:

⁽¹⁾ Represent certain tax expenses and other miscellaneous expenses.

Selling and Distribution Expenses

Our selling and distribution expenses mainly consisted of staff costs for our commercialization team and marketing & conference expenses.

Our selling and distribution expenses increased from RMB29.9 million for the year ended December 31, 2022 to approximately RMB51.9 million for the year ended December 31, 2023, primarily attributable to an increase in the headcount of our commercialization team and building-up of omnichannel marketing platform, together with market launch activities and campaigns to increase brand awareness for our first pharmaceutical product, Bimatoprost Timolol eye drop, carried out during 2023.

一般及行政費用

我們的一般及行政費用主要包括員工成本、法律、諮詢及審計服務等專業服務費用、一般經營開支、辦公室設備折舊以及向研發人員及商業化團隊以外人員支付以權益結算以股份為基礎的付款開支。

截至2023年12月31日止年度，我們的一般及行政費用約為人民幣84.4百萬元，較截至2022年12月31日止年度約人民幣86.1百萬元減少約人民幣1.7百萬元，主要由於以權益結算以股份為基礎的付款開支減少所致，惟部分被內部業務模型及管理系統的數碼基礎建設及系統數碼化(於2023年首次應用)攤銷增加的影響所抵銷。

下表載列我們於所示年度的一般及行政費用組成部分：

		Year ended December 31, 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Staff costs (include Directors' fee)	員工成本(包括董事袍金)	33,725	31,931
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	18,200	33,317
Professional service fees	專業服務費用	12,733	13,994
Depreciation and amortization	折舊及攤銷	9,331	2,717
General operating expenses	一般經營開支	3,574	2,429
Others ⁽¹⁾	其他 ⁽¹⁾	6,841	1,721
Total	總計	84,404	86,109

附註：

⁽¹⁾ 指若干稅項開支及其他雜項開支。

銷售及分銷開支

我們的銷售及分銷開支主要包括我們商業化團隊的員工成本以及營銷及會議開支。

截至2023年12月31日止年度，我們的銷售及分銷開支由截至2022年12月31日止年度人民幣29.9百萬元增加至約人民幣51.9百萬元，主要由於我們商業化團隊的人數增加及建立全通路營銷平台，以及於2023年進行上市活動及宣傳活動，以提升我們首款藥品貝美素噶嗎洛爾滴眼液的品牌知名度。

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The following table sets forth the components of our selling and distribution expenses for the years indicated:

下表載列我們於所示年度的銷售及分銷開支組成部分：

		Year ended December 31, 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Staff costs	員工成本	28,404	20,835
Marketing & conference expenses	營銷及會議開支	15,030	2,074
Depreciation	折舊	1,592	731
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	1,881	2,670
Others	其他	4,982	3,636
Total	總計	51,889	29,946

Finance Costs

Our finance costs increased from approximately RMB3.1 million for the year ended December 31, 2022 to approximately RMB7.9 million for the year ended December 31, 2023, which was primarily attributable to the increased interest expenses on bank loan related to cross boarder funding arrangement during 2023.

財務成本

截至2023年12月31日止年度，我們的財務成本由截至2022年12月31日止年度約人民幣3.1百萬元增加至約人民幣7.9百萬元，主要由於2023年有關跨境資金安排的銀行貸款利息開支增加所致。

Income Tax

The income tax recognized during the year ended December 31, 2023 represented provision for withholding tax incurred from granting of exclusive distribution rights in Korea for the year.

所得稅

截至2023年12月31日止年度確認的所得稅指年內就授出韓國獨家分銷權產生的預扣稅計提的撥備。

BVI and Cayman Islands

We were incorporated in the BVI in January 2017 and redomiciled to the Cayman Islands in April 2020. Pursuant to the laws and regulations of the BVI, we were not subject to any income tax there before we were redomiciled to the Cayman Islands. We are an exempted company with limited liability under the Companies Act of the Cayman Islands and accordingly are exempted from Cayman Islands income tax.

英屬處女群島及開曼群島

我們於2017年1月在英屬處女群島註冊成立，並於2020年4月遷冊至開曼群島。於遷冊開曼群島前，根據英屬處女群島法例及法規，我們毋須於當地繳納任何所得稅。根據開曼群島公司法，我們為獲豁免有限公司，因而獲豁免繳納開曼群島所得稅。

Hong Kong

We did not make any provision for Hong Kong profits tax, because our Hong Kong subsidiary, Zhaoke HK, did not have any assessable profits in Hong Kong during the Reporting Period.

香港

由於我們的香港附屬公司兆科香港於報告期內於香港並無應課稅利潤，故我們並無計提香港利得稅撥備。

The PRC

We did not make any provision for the PRC income tax, which is at the rate of 25% pursuant to relevant PRC laws and regulations, because our PRC subsidiaries did not have any assessable profits in the PRC during the Reporting Period.

中國

由於我們的中國附屬公司於報告期內於中國並無應課稅利潤，故我們並無根據相關中國法律及法規按25%的稅率計提中國所得稅撥備。

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Withholding Tax

The Group is subject to withholding tax on income from exclusive distribution rights granted to a customer based on a withholding tax rate of 10% under the tax law in Korea.

Loss for the Year

As a result of the above factors, for the year ended December 31, 2023, we recorded a loss of approximately RMB385.0 million, as compared to a loss of approximately RMB407.3 million for the year ended December 31, 2022.

Non-HKFRS Measure

To supplement the Financial Statements, which are presented in accordance with the HKFRS, our Company also uses adjusted loss for the year as an additional financial measure, which is not required by, or presented in accordance with, the HKFRS. Our Company believes that this adjusted measure will provide useful information to its Shareholders and potential investors in understanding and evaluating our Group's annual consolidated results of operations in the same manner as they help our Company's management.

Adjusted loss for the year represents the loss for the year excluding the effect of equity-settled share-based payment expenses. The term adjusted loss for the year is not defined under the HKFRS. However, our Company believes that this non-HKFRS measure is a reflection of our Group's normal operating results by eliminating the potential impact of items that the management do not consider to be indicative of our Group's operating performance. The adjusted loss for the year, as the management of our Group believes, is adopted in the industry where our Group is operating. However, the presentation of the adjusted loss for the year is not intended to be (and should not be) considered in isolation or as a substitute for the financial information prepared and presented in accordance with the HKFRS. Shareholders and potential investors of our Company should not view this non-HKFRS measure on a stand-alone basis or as a substitute for results under the HKFRS, or as being comparable to results reported or forecasted by other companies.

預扣稅

本集團須就向一名客戶授出獨家分銷權的收入根據韓國稅法按預扣稅稅率10%繳納預扣稅。

年內虧損

基於上述因素，截至2023年12月31日止年度，我們錄得虧損約人民幣385.0百萬元，而截至2022年12月31日止年度則錄得虧損約人民幣407.3百萬元。

非香港財務報告準則計量方式

為補充根據香港財務報告準則呈列的財務報表，本公司亦使用經調整年內虧損，作為附加財務計量方式，而此等數字並不在香港財務報告準則要求範圍內，亦非按照香港財務報告準則呈列。本公司相信，該經調整計量方式可為其股東及潛在投資者提供有用資料，協助彼等了解及評估本集團的全年綜合營運業績，一如有關資料有助本公司管理層了解及進行評估。

經調整年內虧損指年內虧損撇除以權益結算以股份為基礎的付款開支的影響。香港財務報告準則並無就經調整年內虧損一詞界定定義。然而，本公司相信，此一非香港財務報告準則計量方式可反映本集團的正常營運業績，消除管理層認為並非本集團營運表現指標的項目可能造成的影響。本集團管理層相信，經調整年內虧損獲本集團經營的行業採用。然而，經調整年內虧損不擬亦不應被獨立考慮或代替根據香港財務報告準則編製及呈列的財務資料。本公司股東及潛在投資者不應獨立審視此非香港財務報告準則計量方式，或以此代替根據香港財務報告準則編製的業績，或將此視為可與其他公司呈報或預測的業績作比較。

Management Discussion and Analysis

管理層討論及分析

The table below sets forth a reconciliation of the loss for the year to adjusted loss for the year during the years indicated:

下表載列於所示年度的年內虧損與經調整年內虧損的對賬：

		Year ended December 31, 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Loss for the year	年內虧損	(385,038)	(407,317)
<i>Add:</i>	<i>加：</i>		
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	22,023	46,684
Non-HKFRS adjusted loss for the year ⁽¹⁾	非香港財務報告準則經調整年內虧損 ⁽¹⁾	(363,015)	(360,633)

Note:

附註：

(1) Non-HKFRS Measures

Non-HKFRS adjusted loss for the year is defined as loss for the year adjusted by adding back equity-settled share-based payment expenses. The above table reconciles our non-HKFRS adjusted loss for the year with our loss for the year.

(1) 非香港財務報告準則計量方式

非香港財務報告準則經調整年內虧損的定義為經調整年內虧損，當中加回以權益結算以股份為基礎的付款開支。上表為非香港財務報告準則經調整年內虧損與年內虧損的對賬。

Management Discussion and Analysis

管理層討論及分析

Selected Data from Statement of Financial Position

財務狀況表的選定數據

		As at December 31, 於12月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Total current assets	流動資產總值	1,794,569	1,972,747
Total non-current assets	非流動資產總值	625,769	597,876
Total assets	資產總值	2,420,338	2,570,623
Total current liabilities	流動負債總額	336,451	194,540
Total non-current liabilities	非流動負債總額	35,569	27,710
Total liabilities	負債總額	372,020	222,250
Current assets	流動資產		
Inventories	存貨	6,141	–
Trade and other receivables	貿易及其他應收款項	61,147	75,457
Pledged bank balances	已抵押銀行結餘	265,658	172,066
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	–	8,873
Cash and cash equivalents	現金及現金等價物	1,461,623	1,716,351
Total current assets	流動資產總值	1,794,569	1,972,747
Current liabilities	流動負債		
Trade and other payables	貿易及其他應付款項	116,637	83,418
Contract liabilities	合約負債	1,179	–
Amounts due to related companies	應付關聯公司款項	2,473	6,897
Bank loans	銀行貸款	206,577	94,500
Lease liabilities	租賃負債	9,585	9,725
Total current liabilities	流動負債總額	336,451	194,540
Net current assets	流動資產淨值	1,458,118	1,778,207

Liquidity and Source of Funding and Borrowing

流動資金及資金來源以及借款

Our primary uses of cash are to fund our clinical trials, manufacturing, purchase of equipment and raw materials and other expenses. During the Reporting Period, we primarily funded our working capital requirements through net proceeds from the Global Offering. We closely monitor uses of cash and cash balances and strive to maintain a healthy liquidity for our operations.

我們的現金主要用於為我們的臨床試驗、生產、設備及原材料採購以及其他開支提供資金。於報告期內，我們主要透過全球發售的所得款項淨額應付我們的營運資金需要。我們密切監察現金及現金結餘的使用情況，致力維持健康的營運流動資金水平。

Management Discussion and Analysis

管理層討論及分析

As at December 31, 2023, the current assets of our Group were approximately RMB1,794.6 million, including cash and cash equivalents of approximately RMB1,461.6 million, pledged bank balance of approximately RMB265.7 million and other current assets of approximately RMB67.3 million. As at December 31, 2023, the current liabilities of our Group were approximately RMB336.5 million, including trade and other payables of approximately RMB116.6 million, amounts due to related companies of approximately RMB2.5 million, bank loans of approximately RMB206.6 million and other current liabilities of approximately RMB10.8 million.

Amounts due to related companies composed of payable for CROs services and are unsecured, interest-free and repayable with maximum credit terms of 30 days or on demand.

As of December 31, 2023, our Group had secured bank loans of RMB206.6 million which was repayable within one year or on demand.

Our Group adopts conservative treasury policies in cash and financial management. To achieve better risk control and minimize the cost of funds, our Group's treasury is centralized. Cash is generally placed in deposits mostly denominated in US\$, HK\$ and RMB. Our Group's liquidity and financing requirements are reviewed regularly.

Pledge of Bank Balance

Our pledged bank balances were approximately RMB265.7 million as of December 31, 2023 (2022: RMB172.1 million), representing bank balances we pledged with a bank required for the issue of a letter of credit for importing certain machines and equipment, and banking facility.

Key Financial Ratios

The following table sets forth the components of our key financial ratios for the dates indicated:

		As at December 31, 於12月31日	
		2023 2023年	2022 2022年
Current ratio ⁽¹⁾	流動比率 ⁽¹⁾	5.3	10.1
Gearing ratio ⁽²⁾	資產負債比率 ⁽²⁾	N/A不適用 ⁽³⁾	N/A不適用 ⁽³⁾

Notes:

- (1) Current ratio represents current assets divided by current liabilities as of the same date.
- (2) Gearing ratio represents interest-bearing borrowings less cash and cash equivalents and time deposits with original maturity over three months, divided by total equity and multiplied by 100% as of the same date.
- (3) As of December 31, 2022 and 2023, we were in a net cash position and thus gearing ratio is not applicable.

於2023年12月31日，本集團的流動資產約為人民幣1,794.6百萬元，包括現金及現金等價物約人民幣1,461.6百萬元、已抵押銀行結餘約人民幣265.7百萬元及其他流動資產約人民幣67.3百萬元。於2023年12月31日，本集團的流動負債約為人民幣336.5百萬元，包括貿易及其他應付款項約人民幣116.6百萬元、應付關聯公司款項約人民幣2.5百萬元、銀行貸款約人民幣206.6百萬元及其他流動負債約人民幣10.8百萬元。

應付關聯公司款項包括應付CRO服務款項，為無抵押、免息、信貸期最長30天或須應要求償還。

於2023年12月31日，本集團的有抵押銀行貸款為人民幣206.6百萬元，須於一年內或應要求償還。

本集團採取審慎財政政策進行現金及財務管理。為更好地控制風險及儘量降低資金成本，本集團的財政資源受到中央管理。現金一般存作存款，大部分以美元、港元及人民幣計值。本集團定期檢討其流動資金及融資需要。

銀行結餘抵押

於2023年12月31日，我們的已抵押銀行結餘約為人民幣265.7百萬元(2022年：人民幣172.1百萬元)，指我們因開具信用證用於進口若干機器及設備以及因銀行融資額度而須質押予銀行的銀行結餘。

主要財務比率

下表載列於所示日期我們的主要財務比率的組成部分：

附註：

- (1) 流動比率乃按於同日的流動資產除以流動負債計算。
- (2) 資產負債比率指同日的計息借款減現金及現金等價物及原到期日超過三個月的定期存款，除以權益總額，再乘以100%。
- (3) 於2022年及2023年12月31日，我們處於淨現金狀況，因此資產負債比率並不適用。

Management Discussion and Analysis

管理層討論及分析

Contingent Liabilities

As at December 31, 2023, our Group did not have any significant contingent liabilities.

Capital Commitment

The capital commitment of our Group as at December 31, 2023 was approximately RMB58.3 million, representing a decrease of approximately RMB218.9 million as compared with approximately RMB277.2 million as at December 31, 2022, primarily attributable to the completion in phase of our construction of manufacturing facilities and R&D activities.

Significant Investments

For the year ended December 31, 2023, we did not have any significant investment.

Future Plans for Material Investments or Capital Assets

As of December 31, 2023, we did not have any plans for material investments and capital assets.

Material Acquisitions and Disposals

We did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures for the year ended December 31, 2023.

Employees and Remuneration

As at December 31, 2023, our Group had a total of 313 employees. The following table sets forth the total number of employees by function as of December 31, 2023:

		Number of employees 僱員數目	% of the total 佔總數百分比
Management	管理	6	2.0
R&D	研發	102	32.5
Manufacturing	生產	61	19.5
Quality control	質量控制	35	11.2
Sales and marketing	銷售及營銷	71	22.7
Environmental, health and safety	環境、健康與安全	1	0.3
Administrative	行政	37	11.8
Total	總計	313	100.0

或然負債

於2023年12月31日，本集團並無任何重大或然負債。

資本承擔

於2023年12月31日，本集團的資本承擔約為人民幣58.3百萬元，較2022年12月31日約人民幣277.2百萬元減少約人民幣218.9百萬元，主要源於生產設施的興建期及研發活動完成。

重大投資

截至2023年12月31日止年度，我們並無任何重大投資。

重大投資或資本資產的未來計劃

於2023年12月31日，我們並無任何有關重大投資或資本資產的計劃。

重大收購及出售

截至2023年12月31日止年度，我們並無進行有關附屬公司、聯營公司或合營企業的任何重大收購或出售。

僱員及薪酬

於2023年12月31日，本集團擁有合共313名僱員。下表載列於2023年12月31日按職能劃分的僱員總數：

Management Discussion and Analysis

管理層討論及分析

The remuneration of the employees of our Group comprises salaries, bonuses, employees provident fund and social security contributions, other welfare payments and equity-settled share-based payment.

The total staff cost incurred by our Group for the year ended December 31, 2023 was approximately RMB126.8 million, as compared to approximately RMB132.1 million for the year ended December 31, 2022. The decrease was primarily attributable to the decrease of equity-settled share-based payment expenses of approximately RMB21.0 million, which was partially net off by an increase of approximately RMB15.7 million in employee salaries and benefits in line with the expansion in headcount.

Foreign Exchange Exposure

During the year ended December 31, 2023, our Group mainly operated in China and a majority of its transactions was settled in RMB, the functional currency of our Company's principal subsidiaries. As at December 31, 2023, a significant amount of our Group's cash and cash equivalents was denominated in US\$. Except for certain cash and cash equivalents, prepayments on purchases of property, plant and equipment and other payables denominated in foreign currencies, our Group did not have significant foreign currency exposure from its operations as at December 31, 2023. Our Group manages its foreign exchange risk by performing regular reviews of our net foreign exchange exposures and seeks to minimize these exposures whenever possible. We currently do not adopt any long-term contracts, currency borrowings or other means to hedge our foreign currency exposure.

本集團僱員薪酬包括薪金、花紅、僱員公積金及社會保險供款、其他福利付款及以權益結算以股份為基礎的付款。

截至2023年12月31日止年度，本集團產生的員工成本總額約為人民幣126.8百萬元，而截至2022年12月31日止年度則約為人民幣132.1百萬元。減少主要源於以權益結算以股份為基礎的付款開支減少約人民幣21.0百萬元，惟有關影響被僱員薪金及福利隨着人手增加而上升約人民幣15.7百萬元部分抵銷。

外匯風險

於截至2023年12月31日止年度，本集團主要於中國營運，其大部分交易以人民幣結算，而人民幣為本公司主要附屬公司的功能貨幣。於2023年12月31日，本集團的現金及現金等價物大部分以美元計值。於2023年12月31日，除若干現金及現金等價物、購買物業、廠房及設備的預付款項以及其他應付款項以外幣計值外，本集團並無來自其營運的重大外幣風險。本集團透過定期檢討淨外匯風險管理外匯風險，從而儘量降低有關風險。我們目前並無採納任何長期合約、貨幣借款或其他途徑對沖外幣風險。

Profiles of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS

Executive Directors

Dr. Li Xiaoyi, aged 61, was appointed as the chairman of the Board, an executive Director and the CEO on January 20, 2017. He is mainly responsible for the formulation of the corporate development strategies and direction for our Group as well as overall day-to-day management of our business and operations. Dr. Li Xiaoyi also holds directorship at each subsidiary of our Group since its establishment.

Dr. Li has over 26 years of experience in pharmaceutical R&D as well as management and strategic planning for pharmaceutical companies. Dr. Li founded Lee's Pharm in 1994 and has been the chief technical officer since then. Dr. Li was appointed as an executive director and the chief executive officer of Lee's Pharm in September 2003, where he is responsible for the overall operations and management and R&D of Lee's Pharm and Dr. Li resigned as the chief executive officer and the chief technical officer and has been re-designed from an executive director to a non-executive director of Lee's Pharm since April 29, 2021.

In addition to his roles in Lee's Pharm, Dr. Li also has multiple experience in the management and strategic planning for many other pharmaceutical institutions. Since 2014, he has been serving as the vice president of Hong Kong Biotechnology Organization, mainly responsible for developing the biotech industry in Hong Kong. Since March 2016, he has been serving as the president of Guangzhou Pharmaceutical Association* (廣州藥學會), an academic and non-profit social organization formed by pharmaceutical researchers in Guangzhou, where he is mainly responsible for providing industrial insights for developing the pharmaceutical industry in Guangzhou. Dr. Li is also a member of the review committee of Innovation and Technology Fund of Hong Kong Government, a fund supported by the government of Hong Kong to promote and facilitate technology companies. Dr. Li obtained his Ph.D. in pharmacology from the medicine college of the University of Illinois in the United States in May 1992.

Dr. Li has earned multiple awards and esteemed recognitions. He has been an adjunct professor at the Hong Kong University of Science and Technology since November 2013 and an honorary fellow since June 2016. In August 2018, he was awarded the leading innovation talent* (廣州創新領軍人才) by the Guangzhou government. In January 2018, Dr. Li was appointed as a member of the People's Political Consultative Conference of Anhui Province in the PRC, and was honored with the 16th World Outstanding Chinese Award (世界傑出華人獎) by the World Chinese Business Investment Foundation (世界華商投資基金會) in August 2018.

* For identification purposes only

董事

執行董事

李小羿博士，61歲，於2017年1月20日獲委任為董事會主席、執行董事兼行政總裁。彼主要負責為本集團制定公司發展策略及方針以及我們的業務及營運的整體日常管理。李小羿博士亦自本集團各附屬公司成立起擔任其董事。

李博士於藥物研發及製藥公司管理及策略規劃方面擁有逾26年經驗。李博士於1994年創辦李氏大藥廠並自彼時起一直擔任技術總監。李博士於2003年9月獲委任為李氏大藥廠執行董事兼行政總裁，負責李氏大藥廠的整體運營及管理以及研發工作。李博士由2021年4月29日起辭任李氏大藥廠行政總裁及技術總監職務，並由執行董事調任非執行董事。

除於李氏大藥廠的角色外，李博士亦於眾多其他製藥機構擁有多重管理及策略規劃經驗。自2014年起，彼一直擔任香港生物科技協會的副主席，主要負責香港生物科技行業的發展。自2016年3月起，彼一直擔任由廣州藥品研究人員組成的學術及非盈利社會組織廣州藥學會的會長，主要負責就廣州藥物行業的發展提供行業洞察力。李博士亦為香港政府創新及科技基金(由香港政府資助的基金，以推廣及賦能科技公司)審核委員會成員。李博士於1992年5月獲得美國伊利諾伊大學醫學院藥物學博士學位。

李博士榮獲多個獎項並獲得高度認可。自2013年11月起，彼為香港科技大學兼任教授，並自2016年6月起為榮譽院士。於2018年8月，彼獲得廣州政府頒發廣州創新領軍人才獎項。李博士於2018年1月獲委任為安徽省中國人民政治協商會議委員，於2018年8月榮獲世界華商投資基金會第16屆世界傑出華人獎。

Profiles of Directors and Senior Management 董事及高級管理層履歷

Mr. Dai Xiangrong, aged 44, joined our Group in June 2016 and was appointed as an executive Director on October 23, 2020. He is mainly responsible for overseeing R&D and daily operation of our Group.

As a licensed pharmacist, Mr. Dai has over 15 years of extensive experience in preclinical studies, clinical research and registration of new drugs. Prior to joining our Group, Mr. Dai had worked in Lee's Pharm since July 2007, where he was responsible for various new drug development programs and succeeded in bringing the programs to the clinical trial stage, and was further promoted to senior director of the R&D centre in February 2016. Prior to the Listing Date, Mr. Dai resigned as the senior director of the R&D center and ceased to hold any management position in the Retained Lee's Pharm Group.

Mr. Dai obtained both his bachelor's degree in horticulture and his master's degree in biochemistry from Anhui Agricultural University (安徽農業大學) in Anhui Province, China, in July 2003 and June 2007, respectively.

Non-executive Directors

Ms. Leelalertsuphakun Wanee, aged 70, was appointed as a non-executive Director on February 20, 2017 and is primarily responsible for providing guidance and advice on the corporate and business strategies of our Group.

Ms. Leelalertsuphakun is an entrepreneur and had established and run several companies since the 1990s. Prior to joining our Group, she joined Lee's Pharm in April 1997. She has been appointed as an executive director and managing director of Lee's Pharm since December 2001, and further as the chief marketing and sales officer of Lee's Pharm since September 2003, where she was responsible for the sales and marketing activities of Lee's Pharm.

Ms. Tiantian Zhang, aged 41, was appointed as a non-executive Director on February 5, 2021 and is primarily responsible for providing guidance and advice on the corporate and business strategies of our Group.

Ms. Zhang has over 11 years of management and investment experience in healthcare industry. From January 2009 to April 2012, Ms. Zhang worked as a manager of business development at Hutchison MediPharma Limited, which is a subsidiary of Hutchison China MediTech Limited, a company whose shares are traded on the NASDAQ (ticker symbol: HCM), where she was responsible for drug out-licensing and project management. From July 2014 to December 2015, Ms. Zhang worked as an associate manager at Zimmer Biomet Holdings, Inc., a company whose shares are traded on the New York Stock Exchange (ticker symbol: ZBH), where she was responsible for management of strategic initiatives. In January 2016, Ms. Zhang joined Kleiner Perkins Caufield & Byers China (凱鵬華盈中國基金) as a vice president, focusing on the firm's life science investment practice and portfolio management. Ms. Zhang joined Panacea Venture since January 2018 and is now a partner; Panacea Venture is a venture capital firm focusing on investments in innovative and transformative early and growth stage healthcare and life sciences companies worldwide, where she involves in the firm's life science practice, portfolio management and fund-raising.

戴向榮先生，44歲，於2016年6月加入本集團並於2020年10月23日獲委任為執行董事。彼主要負責監督本集團的研發及日常營運。

作為一名執業藥師，戴先生於臨床前研究、臨床研究及新藥註冊方面擁有逾15年的豐富經驗。於加入本集團前，戴先生自2007年7月起一直於李氏大藥廠任職，先負責多項新藥研究計劃並成功將該等計劃帶進臨床試驗階段，及於2016年2月進一步晉升為研發中心高級總監。於上市日期前，戴先生辭任研發中心高級總監一職，且不再於保留李氏大藥廠集團出任任何管理職位。

戴先生分別於2003年7月及2007年6月自中國安徽省安徽農業大學獲得園藝學學士學位及生物化學碩士學位。

非執行董事

李燁妮女士，70歲，於2017年2月20日獲委任為非執行董事，主要負責就本集團的公司及業務策略提供指引及建議。

李燁妮女士為企業家，自上世紀90年代以來，已成立及經營多間公司。於加入本集團前，彼於1997年4月加入李氏大藥廠。彼自2001年12月起獲委任為李氏大藥廠執行董事兼董事總經理，並自2003年9月起進一步獲委任為李氏大藥廠市場推廣及銷售總監，負責李氏大藥廠的銷售及市場推廣工作。

張甜甜女士，41歲，於2021年2月5日獲委任為非執行董事，主要負責就本集團的公司及業務策略提供指引及建議。

張女士擁有逾11年醫療行業管理及投資經驗。自2009年1月至2012年4月，張女士擔任和黃中國醫藥科技有限公司(一間股份於納斯達克上市的公司，股票代碼：HCM)的一間附屬公司和記黃埔醫藥(上海)有限公司的商務開發經理，負責藥物對外授權及項目管理工作。於2014年7月至2015年12月，張女士擔任Zimmer Biomet Holdings, Inc.(一間股份於紐約證券交易所上市的公司，股票代碼：ZBH)副經理，負責戰略計劃管理。於2016年1月，張女士加入凱鵬華盈中國基金出任副總裁，專注於該公司的生命科學投資事業及投資組合管理。張女士自2018年1月起加入Panacea Venture(一間風險投資基金，專注於全球具有創新性及開創性的初期及成長期醫療及生命科學公司的投資)，現為合夥人，負責該公司的生命科學事業、投資組合管理及融資。

Profiles of Directors and Senior Management 董事及高級管理層履歷

Ms. Zhang graduated from the University of Texas at Austin, the United States with a bachelor of science degree in biochemistry in December 2006. She obtained a master degree in biotechnology from the Graduate School of Arts and Sciences of Columbia University, the United States in October 2008, and a master of business administration degree from the Fuqua School of Business of Duke University, the United States, in May 2014.

張女士於2006年12月畢業於美國德克薩斯州立大學奧斯汀分校，取得生物化學理學學士學位。彼於2008年10月取得美國哥倫比亞大學人文與科學研究生院生物技術碩士學位，並於2014年5月取得美國杜克大學富卡商學院工商管理碩士學位。

Non-executive Directors Resigned during the Reporting Period and up to the Latest Practicable Date

於報告期內及直至最後實際可行日期已辭任之非執行董事

Ms. Cai Li, aged 40, was a non-executive Director from October 23, 2020 to November 27, 2023 and was primarily responsible for providing guidance and advice on the corporate and business strategies of our Group during her tenure.

蔡俐女士，40歲，於2020年10月23日至2023年11月27日期間為非執行董事，於任內主要負責就本集團的公司及業務策略提供指引及建議。

From 2007 through 2008, Ms. Cai worked as a research analyst at Credit Suisse AG (New York), where she was responsible for equity research for large cap of medical supplies and devices companies. From March 2009 to July 2011, Ms. Cai worked as an investment associate at HAO Capital (Haotian Jinsheng Investment Management (Beijing) Limited), focusing on growth stage healthcare investments. Ms. Cai joined TPG Capital, a leading global alternative asset firm, in August 2011 and is latest serving as a managing director of TPG Capital, responsible for TPG Capital's healthcare investments in Greater China. Mr. Cai also served as a non-executive director at Shanghai Bio-heart Biological Technology Co., Ltd. (上海百心安生物技術股份有限公司), a company whose H shares are listed on the Main Board of the Stock Exchange (stock code: 2185) from September 2020 to November 2022.

於2007年至2008年，蔡女士擔任瑞士信貸銀行股份有限公司(紐約)研究分析師，負責大型醫療耗材及器械公司的股權研究。於2009年3月至2011年7月，蔡女士擔任浩然資本(浩天金聲投資管理顧問(北京)有限公司)投資經理，專注於處於成長階段的健康醫療投資。蔡女士於2011年8月加入TPG Capital(一間全球領先的另類資產公司)，最後職位為TPG Capital的董事總經理，負責TPG Capital大中華區的醫療保健投資。於2020年9月至2022年11月，蔡女士亦擔任上海百心安生物技術股份有限公司(一間H股於聯交所主板上市(股份代號：2185)的公眾公司)的非執行董事。

Ms. Cai also concurrently holds the following positions outside our Group:

除本集團職務外，蔡女士亦兼任以下職位：

- a supervisor at Shanghai Deyu Deqi Enterprise Management Consulting Co., Ltd. (上海德虞得起企業管理諮詢有限公司) since November 2016;
- a non-executive director at Kangji Medical Holdings Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 9997), since March 2020;
- a non-executive director at Dingdang Health Technology Group Ltd., a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 9886), since May 2021.
- 自2016年11月起擔任上海德虞得起企業管理諮詢有限公司的監事；
- 自2020年3月起擔任康基醫療控股有限公司(一間股份於聯交所主板上市的公司(股份代號：9997))的非執行董事；
- 自2021年5月起擔任叮嚀健康科技集團有限公司(一間股份於聯交所主板上市的公司(股份代號：9886))的非執行董事。

Ms. Cai obtained her bachelor's degree in biomedical engineering and economics from Yale University in Connecticut, the United States in May 2007.

蔡女士於2007年5月取得美國康涅狄格州耶魯大學生物醫學工程及經濟學專業學士學位。

Mr. Chen Yu, aged 42, was a non-executive Director from October 23, 2020 to April 8, 2024 and was primarily responsible for providing guidance and advice on the corporate and business strategies of our Group during his tenure.

陳宇先生，42歲，於2020年10月23日至2024年4月8日期間為非執行董事，於任內主要負責就本集團的公司及業務策略提供指引及建議。

Profiles of Directors and Senior Management 董事及高級管理層履歷

Mr. Chen has over 15 years of experience in investment. From June 2007 to September 2007 and from January 2008 to September 2010, he was an analyst in the investment banking department of Bank of America Merrill Lynch. From September 2010 to June 2011, he served as an associate of the China investment banking department at Citigroup Global Markets Asia Limited. From January 2012 to July 2015, he was a senior investment manager of Shanghai Panxin Equity Investment Management Co., Ltd. (上海馨信股權投資管理有限公司). From August 2015 to June 2023, he was an executive director of Hillhouse.

Mr. Chen served as a director of JHBP (CY) Holdings Limited, a pharmaceutical company whose shares are listed on the Main Board of the Stock Exchange (stock code: 6998), from December 2018 to January 2024.

Mr. Chen obtained a bachelor's degree in electrical engineering (information and communication engineering) from the Hong Kong University of Science and Technology in November 2003, a master's degree in electrical engineering from Yale University in Connecticut, the United States in May 2005 and a master's degree in management science and engineering from Stanford University in California, the United States in January 2008.

Independent Non-executive Directors

Mr. Wong Hin Wing, aged 61, was appointed as an independent non-executive Director on April 1, 2021 and is primarily responsible for supervising and providing independent judgment to our Board.

Mr. Wong holds a master's degree in executive business administration from the Chinese University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in England & Wales, the Association of Chartered Certified Accountants, the Hong Kong Institute of Directors and the Chartered Governance Institute. He is also a member of the American Institute of Certified Public Accountants and a chartered member of the Chartered Institute for Securities & Investment. Mr. Wong was awarded the Medal of Honor by the Government of the Hong Kong Special Administrative Region.

Mr. Wong is currently an independent non-executive director at each of C CHENG HOLDINGS LIMITED (a public company listed on the Stock Exchange (stock code: 1486)), YNBY International Limited (a public company listed on the Stock Exchange (stock code: 30)), Kingmaker Footwear Holdings Limited (a public company listed on the Stock Exchange (stock code: 1170)), and Jiangxi Bank Co., Ltd. (a public company with H shares listed on the Stock Exchange (stock code: 1916)). Mr. Wong served as an independent non-executive director of CRCC High-Tech Equipment Corporation Limited (a public company with H shares listed on the Stock Exchange (stock code: 1786)) from November 2015 to October 2022, an independent non-executive director of Wine's Link International Holdings Limited (a public company listed on the Stock Exchange (stock code: 8509)) from December 2017 to March 2023, an independent non-executive director of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited (a public company with A shares listed on the Shanghai Stock Exchange (stock code: 600332) and H shares listed on the Stock Exchange (stock code: 874)) from June 2017 to May 2023 and an independent non-executive director of Inner Mongolia Yitai Coal Co., Ltd. (a public company with B shares listed on the Shanghai Stock Exchange (stock code: 900948) and H shares listed on the Stock Exchange (stock code: 3948)) from May 2017 to May 2023.

陳先生有逾15年的投資經驗。於2007年6月至2007年9月及於2008年1月至2010年9月，彼於Bank of America Merrill Lynch投資銀行部擔任分析師。於2010年9月至2011年6月，彼於花旗環球金融亞洲有限公司中國投資銀行部擔任經理。於2012年1月至2015年7月，彼於上海馨信股權投資管理有限公司擔任高級投資經理。於2015年8月至2023年6月，彼擔任高領的執行董事。

於2018年12月至2024年1月，陳先生擔任嘉和生物藥業(開曼)控股有限公司(一間股份於聯交所主板上市的製藥公司(股份代號：6998))的董事。

陳先生於2003年11月自香港科技大學取得電機工程(信息與通訊工程)學士學位，於2005年5月自美國康涅狄格州耶魯大學取得電機工程碩士學位及於2008年1月自美國加利福尼亞州斯坦福大學取得管理科學與工程碩士學位。

獨立非執行董事

黃顯榮先生，61歲，於2021年4月1日獲委任為獨立非執行董事，主要負責監督董事會並向其提供獨立判斷。

黃先生持有香港中文大學行政人員工商管理碩士學位。彼為香港會計師公會資深會員、英格蘭及威爾士特許會計師公會資深會員、英國特許公認會計師公會資深會員、香港董事學會資深會員及英國特許公司治理公會資深會員。彼亦為美國公認會計師公會會員及英國特許證券與投資協會特許會員。黃先生獲香港特別行政區政府頒發榮譽勳章。

黃先生現為思城控股有限公司(一間於聯交所上市(股份代號：1486)的公眾公司)、雲白國際有限公司(一間於聯交所上市的公眾公司(股份代號：30))、信星鞋業集團有限公司(一間於聯交所上市(股份代號：1170)的公眾公司)及江西銀行股份有限公司(一間H股於聯交所上市(股份代號：1916)的公眾公司)各自的獨立非執行董事。黃先生於2015年11月至2022年10月擔任中國鐵建高新裝備股份有限公司(一間H股於聯交所上市(股份代號：1786)的公眾公司)的獨立非執行董事，於2017年12月至2023年3月擔任威揚酒業國際控股有限公司(一間於聯交所上市(股份代號：8509)的公眾公司)的獨立非執行董事，於2017年6月至2023年5月擔任廣州白雲山醫藥集團股份有限公司(一間A股於上海證券交易所上市(證券代碼：600332)及H股於聯交所上市(股份代號：874)的公眾公司)的獨立非執行董事，以及於2017年5月至2023年5月擔任內蒙古伊泰煤炭股份有限公司(一間B股於上海證券交易所上市(證券代碼：900948)及H股於聯交所上市(股份代號：3948)的公眾公司)的獨立非執行董事。

Profiles of Directors and Senior Management 董事及高級管理層履歷

Mr. Wong is a member of the Anhui Provincial Committee of the Chinese People's Political Consultative Conference, a panel member of Accounting and Financial Reporting Review Tribunal, the Betting and Lotteries Commission, the Medical Council of Hong Kong, Advisory Committee on Enhancing Self-Reliance Through District Partnership (ESR) Programme and the board member of Ocean Park Corporation.

Mr. Wong is the managing partner and responsible officer of Hermitage Capital HK Limited, a private equity firm licensed under the SFO. Prior to this, he had worked with an international audit firm for four years and then a listed company as chief financial officer for seven years, after which he co-founded Silk Road International Capital Limited (a licensed corporation formerly known as Legend Capital Partners Inc.) and led the company as the executive director and responsible officer for twenty-three years. Overall, he has over three decades of solid experience in corporate management and governance, investment management and advisory, accounting and finance.

Prof. Lo Yuk Lam, aged 75, was appointed as an independent non-executive Director on April 1, 2021 and is primarily responsible for supervising and providing independent judgment to our Board.

Prof. Lo has extensive experience in biotechnology industry, corporate management, academic research and community service. Since July 2019, he has been serving as the chairman of GT Healthcare Capital Partners, a private investment partnership specializing in healthcare investments. From July 2007 to June 2009, he was a member of the Hong Kong Government Research Grants Council. He was the chairman of the Advisory Council on Food and Environmental Hygiene of the Hong Kong Government from April 2015 to March 2021 and he has been the president for HK Bio-Med Innotech Association. He also serves as the honorary chairman of the Hong Kong Biotechnology Organisation. Since February 2019, he has been serving as the partner of Hongsen Investment Management Ltd, an investment company focusing on growing biotech companies. He is now appointed as the strategic advisor to the President and Adjunct Professor to the Division of Life Science of Hong Kong University of Science and Technology.

Prof. Lo also holds or ever held the following positions outside our Group:

- an independent director of Sinovac Biotech Ltd., a company whose shares are listed on NASDAQ Global Select Market (ticker symbol: SVA), since March 2006;
- an independent non-executive director of Luye Pharma Group Ltd., a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 2186), since June 2014; and
- an independent non-executive director of CSPC Pharmaceutical Group Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 1093), from June 2014 to January 2021.

黃先生為中國人民政治協商會議安徽省委員會委員、會計及財務匯報覆核審裁處委員團委員、博彩及獎券事務委員會成員、香港醫務委員會委員、「伙伴倡自強」社區協作計劃諮詢委員會及海洋公園公司董事局成員。

黃先生現為和喧資本香港有限公司(一間證券及期貨條例項下的持牌私募基金公司)的管理合夥人及負責人。此前，彼曾在一間國際審計事務所擔任核數師4年，並在一間上市公司擔任首席財務官7年。彼其後聯合創辦絲路國際資本有限公司(一間前稱安里俊投資有限公司的持牌法團)，作為執行董事及負責人領導公司長達23年。總體而言，彼於企業管理及管治、投資管理及顧問、會計及財務方面擁有逾30年的紮實經驗。

盧毓琳教授，75歲，於2021年4月1日獲委任為獨立非執行董事，主要負責監督董事會並向其提供獨立判斷。

盧教授在生物科技行業、公司管理、學術研究及社區服務方面擁有豐富的經驗。自2019年7月起，彼擔任GT Healthcare Capital Partners(一間專注於醫療保健投資的私人投資合夥企業)主席。於2007年7月至2009年6月，彼為香港政府研究資助局成員。彼於2015年4月至2021年3月曾任香港政府食物及環境衛生諮詢委員會主席及一直擔任香港生物醫藥創新協會會長。彼亦擔任香港生物科技協會榮譽主席。自2019年2月起，彼擔任宏信投資管理公司(一間專注於發展中生物科技公司的投資公司)的合夥人。彼現時獲委任為香港科技大學生命科學部主席戰略顧問及客座教授。

除本集團職務外，盧教授亦兼任或曾兼任以下職位：

- 自2006年3月起擔任科興控股生物技術有限公司(一間股份於納斯達克全球精選市場上市的公司(股票代碼：SVA))的獨立董事；
- 自2014年6月起擔任綠葉製藥集團有限公司(一間股份於聯交所主板上市的公司(股份代號：2186))的獨立非執行董事；及
- 於2014年6月至2021年1月擔任石藥集團有限公司(一間於聯交所主板上市的公司(股份代號：1093))的獨立非執行董事。

Profiles of Directors and Senior Management 董事及高級管理層履歷

In recognition of his leadership in the community and dedication to his field, Prof. Lo has received many awards. In 2000, he was the first to be bestowed with the title of honorary fellow by the Hong Kong University of Science and Technology for his role in establishing Hong Kong's biotechnology industry. He was awarded China's "Top Ten Financial and Intelligent Persons" in 2007 in recognition of his outstanding contribution to economic development and business innovation in China. He was honored with the World Outstanding Chinese Award (世界傑出華人獎) by the World Chinese Business Investment Foundation (世界華商投資基金會) in June 2008, the Pericles International Prize 2019 by the Alcmaeon International Academy in June 2019, and the HKSAR Bronze Bauhinia Star by the government of Hong Kong in October 2020.

Mr. Liew Fui Kiang, aged 57, was appointed as an independent non-executive Director on June 6, 2022 and is primarily responsible for supervising and providing independent judgment to our Board.

Mr. Liew is currently an independent non-executive director of (i) Shandong Gold Mining Co., Ltd., a company dually listed on the Stock Exchange (stock code: 1787) and Shanghai Stock Exchange (stock code: 600547); (ii) China Apex Group Limited, a company listed on the Stock Exchange (stock code: 2011); (iii) Zhengye International Holdings Company Limited, a company listed on the Stock Exchange (stock code: 3363); and (iv) Zhongchang International Holdings Group Limited, a company listed on the Stock Exchange (stock code: 859).

Mr. Liew currently serves as an independent member of the board of supervisors for Ping An Insurance (Group) Company of China Limited, a company dually listed on the Stock Exchange (stock code: 2318) and Shanghai Stock Exchange (stock code: 601318), a Fortune Global 500 corporation.

Mr. Liew previously served as (i) the chairman of the board of directors and an executive director of PacRay International Holdings Limited, a company listed on the Stock Exchange (stock code: 1010) from 2017 to 2019; (ii) a non-executive director of Amber Hill Financial Holdings Limited, a company listed on the Stock Exchange (stock code: 33) in December 2019; and (iii) an independent non-executive director of Baoshan Iron & Steel Company Limited (寶山鋼鐵股份有限公司), a company listed on Shanghai Stock Exchange (stock code: 600019), a Fortune Global 500 corporation, from 2000 to 2006.

Mr. Liew is a fellow of the Hong Kong Institute of Directors, a solicitor of England and Wales, and a solicitor of Hong Kong. He graduated from the University of Leeds in the United Kingdom with a Bachelor of Laws as a Tetley & Lupton scholar, and he graduated from the Hull University Business School in the United Kingdom with a master of business administration.

盧教授獲獎無數，以表彰其社區領導力及其對所在領域的貢獻。於2000年，彼成為香港科技大學首位榮譽院士，以表彰其在香港生物科技業發展中所發揮的作用。2007年，彼榮獲中華「十大財智人物」稱號，以表彰其在中國經濟發展及商業創新領域的傑出貢獻。於2008年6月，彼獲得世界華商投資基金會「世界傑出華人獎」，於2019年6月獲得Alcmaeon International Academy「2019年度伯裡克利國際獎」，並於2020年10月獲得香港政府頒發香港特區銅紫荊星章。

劉懷鏡先生，57歲，於2022年6月6日獲委任為獨立非執行董事，主要負責監督董事會並向其提供獨立判斷。

劉先生目前擔任(i)山東黃金礦業股份有限公司(一間於聯交所(股份代號:1787)及上海證券交易所(證券代碼:600547)兩地上市的公司);(ii)中國恒泰集團有限公司(一間於聯交所上市的公司(股份代號:2011));(iii)正業國際控股有限公司(一間於聯交所上市的公司(股份代號:3363));及(iv)中昌國際控股集團有限公司(一間於聯交所上市的公司(股份代號:859))的獨立非執行董事。

劉先生目前擔任中國平安保險(集團)股份有限公司(一間於聯交所(股份代號:2318)及上海證券交易所(證券代碼:601318)兩地上市的公司，並為《財富》全球500強企業)的監事會獨立成員。

劉先生曾(i)於2017年至2019年擔任太睿國際控股有限公司(一間於聯交所上市的公司(股份代號:1010))的董事會主席及執行董事;(ii)於2019年12月擔任安山金控股份有限公司(一間於聯交所上市的公司(股份代號:33))的非執行董事;及(iii)於2000年至2006年擔任寶山鋼鐵股份有限公司(一間於上海證券交易所上市的公司(證券代碼:600019))，並為《財富》全球500強企業)的獨立非執行董事。

劉先生為香港董事學會資深會員，並為英格蘭和威爾斯律師以及香港律師。劉先生畢業於英國里茲大學獲得法律學士學位(Tetley & Lupton獎學金學者)，以及畢業於英國赫爾大學商學院獲得工商管理碩士學位。

Profiles of Directors and Senior Management

董事及高級管理層履歷

SENIOR MANAGEMENT

Dr. Lau Lit Fui, aged 61, joined our Group in June 2016 and was appointed as president and chief operating officer of our Group on April 1, 2019 and reassigned as CSO on January 18, 2022. He is primarily responsible for overseeing the overall scientific functions of our Group, including basic and applied research projects, as well as the development of new processes, technologies or projects. He is also responsible for promoting the efficiency, profitability and competitive position of our Group.

Dr. Lau has 25 years of extensive experience in operation management and R&D of new drugs. From August 1998 to January 2008, he worked in the global R&D department of Pfizer Inc., a worldwide leading pharmaceutical company, where his last position was senior principal scientist heading a biology laboratory and supervising technicians in testing drug candidates. From January 2008 to August 2012, Dr. Lau worked as the associate director of the new product and alliance development department of GlaxoSmithKline (China) R&D Co., Ltd., a science-led global healthcare company, where he was responsible for department management and R&D of new drugs treating neurodegenerative diseases. Dr. Lau joined Lee's Pharm in October 2012 and had been managing the operation and R&D of Lee's Pharm until April 2016.

Dr. Lau obtained both his bachelor's degree in science and master degree of philosophy from The Chinese University of Hong Kong in December 1985 and December 1987, respectively, where he was awarded the Wong Siew Chan Scholarship. In December 1993, he obtained his Ph.D. in biochemical science from the University of Connecticut in the United States. He completed his research fellowship in neuroscience at the School of Medicine of John Hopkins University in the United States in August 1998.

Dr. Lau's outstanding performances have been recognized by several leading corporations. In February 1991, he was granted SmithKline Beecham Student Pharmacology Award by SmithKline Beecham Pharmaceuticals, a company focused on pharmaceuticals, biologics, vaccines, and consumer healthcare. During his employment with Pfizer, Inc., he was granted several awards by the global research & development department of the company, for his leadership, team work spirit and contribution in R&D. In 2014, he was awarded the Medicines for Life Award by UTASIA Inc., a subsidiary of United Therapeutics Corporation, a company mainly focusing on pharmaceutical preparations business. In 2018, Dr. Lau received an award from CVie Therapeutics Co. Ltd., a subsidiary of Lee's Pharm, for his sustained contribution and commitment.

高級管理層

柳烈奎博士，61歲，於2016年6月加入本集團並於2019年4月1日獲委任為本集團的總裁兼首席運營官，其後於2022年1月18日調任首席科學官。彼主要負責監督本集團的整體科學職能，包括基本及應用研究項目，以及開發新程序、技術或項目。彼亦負責提高本集團的效率、盈利能力及競爭力。

柳博士於營運管理及新藥研發方面擁有25年的豐富經驗。於1998年8月至2008年1月，彼就職於全球領先的製藥公司輝瑞公司全球研發部，最終職位為高級首席科學家，領導生物實驗室並監督技術人員檢測候選藥物。於2008年1月至2012年8月，柳博士擔任GlaxoSmithKline (China) R&D Co., Ltd. (一間以科學為導向的全球醫藥保健公司) 新產品及聯盟發展部的副總監，負責部門管理及治療神經退行性疾病的新藥研發。柳博士於2012年10月加入李氏大藥廠，直至2016年4月，一直管理李氏大藥廠的營運及研發工作。

柳博士分別於1985年12月及1987年12月取得香港中文大學理學學士學位及哲學碩士學位，並獲頒授Wong Siew Chan獎學金。於1993年12月，彼取得美國康涅狄格大學生物化學博士學位。彼於1998年8月於美國約翰·霍普金斯大學醫學院完成神經系統科學研究培訓課程。

柳博士的傑出才能已獲得多間一流企業的認可。於1991年2月，彼獲SmithKline Beecham Pharmaceuticals (一間專注於製藥、生物製品、疫苗及消費者保健的公司) 授予SmithKline Beecham Student Pharmacology Award獎項。於任職於輝瑞公司期間，彼因其領導力、團隊精神及對研發作出的貢獻而獲該公司全球研發部授予多項獎勵。於2014年，彼獲UTASIA Inc. (United Therapeutics Corporation的一間附屬公司，而United Therapeutics Corporation主要專注於醫藥製劑業務) 授予Medicines for Life Award。於2018年，柳博士獲李氏大藥廠的附屬公司CVie Therapeutics Co. Ltd. 頒授獎項，以表彰其持續貢獻及投入。

Profiles of Directors and Senior Management 董事及高級管理層履歷

Ms. Feng Xinyan, aged 48, was appointed as the CFO of our Group on December 7, 2020 and appointed for another dual role as the CBO on January 18, 2022. She is primarily responsible for financial planning and initiatives and investor relations management, and also oversees the overall operation of our Group.

From 2000 to 2002, she worked as an analyst at McKinsey & Company. From August 2004 to July 2012, she worked at Goldman Sachs (Asia) L.L.C. and successively held various positions, including the executive director. From July 2012 to September 2014, she served as a managing director and head of China equity capital markets at Standard Chartered Bank. From September 2014 to August 2018, she served as an executive director of strategic business development and investor relations at Global Brands Group Holding Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 0787). She served as the chief financial officer at ACEA Therapeutics, Inc, a company engaged in developing and delivering innovative treatments to life-threatening diseases from April 2019 to November 2019.

Ms. Feng obtained her bachelor's degree in computer appliance from Fudan University (復旦大學) in Shanghai, China in July 1998. She obtained a master's degree in computer science from University of Virginia in the United States in August 2000, and a master of business administration degree from the University of Chicago Booth School of Business in the United States in March 2004.

Dr. Albert Tsai Jr., aged 50, was appointed as the CMO of our Group on June 1, 2021. He is primarily responsible for leading our Group to advance its assets through the clinical development process as well as supporting the post-approval medical affairs for our Group's commercial products (e.g. safety, risk management, thought leader relationships).

Dr. Tsai has 21 years of healthcare experience across the spectrum of pharmaceuticals, biotech, medical devices and healthcare consulting, as well as in various country markets including China, U.S., Japan and Southeast Asia. From 2019 to 2021, he served as the vice president, regional medical officer of the Asia-Pacific region at PPD Inc., a leading global CRO, responsible for business development and providing medical/scientific product development advisory to biotech companies in Asia. Prior to that, he served as the vice president, Asia Pacific at The Medicines Company Hong Kong, a company listed on the NASDAQ (stock code: MDGO) from 2014 to 2019, where he developed and implemented the Asia expansion strategy for The Medicines Company Hong Kong with a primary focus on establishing their presence in China and Japan. From 1997 to 2014, he worked in various leading global pharmaceutical companies including Bayer Schering Pharma AG, Merck Sharp & Dohme (Asia) Ltd., Amgen Inc. and GE Healthcare Inc. in senior medical positions.

Dr. Tsai obtained his doctor of medicine from Northwestern University and master of business administration in strategy and finance from University of Southern California.

馮新彥女士，48歲，於2020年12月7日獲委任為本集團的首席財務官，其後於2022年1月18日獲委任為首席業務官。彼主要負責本集團的財務規劃及舉措以及投資者關係管理，同時監督整體運作。

於2000年至2002年，彼於麥肯錫公司擔任分析師。於2004年8月至2012年7月，彼任職於高盛(亞洲)有限責任公司，並先後擔任執行董事等多個職位。自2012年7月至2014年9月，彼於渣打銀行擔任董事總經理及中國股權資本市場部主管。於2014年9月至2018年8月，彼於利標品牌有限公司(一間股份於聯交所主板上市之公司，股份代號：0787)擔任戰略業務發展及投資者關係部執行董事。彼於2019年4月至2019年11月擔任ACEA Therapeutics, Inc(一間從事為危及生命的疾病開發及提供創新療法的公司)的首席財務官。

馮女士於1998年7月自中國上海復旦大學取得計算機應用學士學位。彼於2000年8月自美國弗吉尼亞大學取得計算機科學碩士學位，並於2004年3月自美國芝加哥大學布斯商學院取得工商管理碩士學位。

蔡建明醫生，50歲，於2021年6月1日獲委任為本集團的首席醫學官。彼主要負責領導本集團推進旗下商業產品的臨床開發工作，以及支援產品獲審批後的醫學事務(例如安全、風險管理及與意見領袖的關係)。

蔡醫生擁有21年的醫療保健經驗，涵蓋中國、美國、日本及東南亞等多國市場的醫藥、生物科技、醫療儀器及醫療保健諮詢等領域。於2019年至2021年間，彼出任全球領先的CRO—PPD Inc.的亞太區副總裁及醫學總監，負責業務發展，以及為亞洲地區的生物科技公司提供醫療/科學產品開發顧問服務。此前，彼於2014年至2019年間出任The Medicines Company Hong Kong(一間於納斯達克上市的公司，股份代號：MDGO)的亞太區副總裁，任內為The Medicines Company Hong Kong制訂並推行其亞洲擴展策略，主力於中國及日本建立據點。於1997年至2014年間，彼曾任職於多間全球領先的藥業公司，包括Bayer Schering Pharma AG、美國默沙東藥廠有限公司、Amgen Inc.及GE Healthcare Inc.，擔任高級醫學職位。

蔡醫生取得西北大學的醫學博士及南加州大學的工商管理(策略及金融)碩士學位。

Profiles of Directors and Senior Management 董事及高級管理層履歷

Mr. Zhang Guohui, aged 49, joined our Group in June 2016 and was appointed as deputy general manager of our Group on July 1, 2016. He is mainly responsible for overseeing manufacturing and logistics function of our Group.

Mr. Zhang has over 24 years of experience in pharmaceutical industry. Since his graduation in July 1997 and until June 2016, Mr. Zhang had been working in Lee's Pharm for more than 18 years. He was first responsible for the R&D of new drugs, quality control and GMP management and further promoted as the head of R&D of the company, where he accumulated extensive experience in the R&D and registration of new drugs, as well as project management.

Mr. Zhang obtained his bachelor's degree in biochemical engineering from the Beijing Institute of Light Industry (北京輕工業學院), currently known as Beijing Technology and Business University (北京工商大學) in Beijing, China in July 1997. He obtained his master's degree in business administration from Asia International Open University (Macau) in January 2009.

Mr. Jiang Su, aged 43, joined our Group in January 2018 and was appointed as the clinical operations director of our Group on June 1, 2019. He is mainly responsible for conducting and organizing clinical trials.

Mr. Jiang has over 19 years of experience in pharmaceutical industry. Since his graduation in July 2003 and until January 2018, Mr. Jiang had been working in Lee's Pharm for almost 15 years. He was first responsible for carrying out clinical trials and further promoted to the head of clinical quality in charge of quality control of clinical trials.

Mr. Jiang obtained his bachelor's degree in maternal and child health from the Anhui Medical University (安徽醫科大學) in Anhui Province, China in June 2003.

Mr. Ma Jian, aged 37, joined our Group in January 2017. He was appointed as assistant manager of quality assurance and quality control on September 1, 2018, and was further promoted as the vice president of quality control of our Group in 2021. He is mainly responsible for devising procedures to inspect and report quality assurance issues, identifying critical control points and preventive measures.

From 2007 to 2012, Mr. Ma had been working in the R&D department of various pharmaceutical companies. From March 2012 to January 2017, Mr. Ma had been working at Lee's Pharm where he was first the leader of document quality assurance group and further promoted as the leader of onsite quality assurance.

Mr. Ma obtained his bachelor's degree in medicine from Anhui Medical University (安徽醫科大學) in Anhui Province, China in June 2007.

張國輝先生，49歲，於2016年6月加入本集團並於2016年7月1日獲委任為本集團的副總經理。彼主要負責監督本集團的製造及物流職能。

張先生於製藥行業擁有逾24年經驗。自1997年7月畢業直至2016年6月，張先生於李氏大藥廠任職逾18年。彼最初負責新藥研發、質量控制及GMP管理，其後晉升為該公司的研發部負責人，在新藥研發、註冊及項目管理方面積累了豐富經驗。

張先生於1997年7月在中國北京市北京輕工業學院(現稱北京工商大學)取得生物化學工程學士學位。彼於2009年1月在亞洲(澳門)國際公開大學取得工商管理碩士學位。

江蘇先生，43歲，於2018年1月加入本集團並於2019年6月1日獲委任為本集團臨床運營總監。彼主要負責指導及組織臨床試驗。

江先生於製藥行業擁有逾19年經驗。於2003年7月畢業直至2018年1月，江先生於李氏大藥廠任職近15年。彼最初負責開展臨床試驗，其後晉升為負責臨床試驗質量控制的臨床質量部負責人。

江先生於2003年6月在中國安徽省安徽醫科大學取得婦幼保健醫學專業學士學位。

馬鍵先生，37歲，於2017年1月加入本集團並於2018年9月1日獲委任為質量保證及控制部助理經理，其後於2021年晉升為本集團質量控制部副總裁。彼主要負責設計檢查及匯報質量保證問題的程序、確定關鍵控制點及預防措施。

馬先生於2007年至2012年在多間製藥公司的研發部門任職。於2012年3月至2017年1月，馬先生一直任職於李氏大藥廠，彼最初擔任文件質量保障組的負責人，其後晉升為現場質量保障的負責人。

馬先生於2007年6月在中國安徽省安徽醫科大學取得醫學學士學位。

Profiles of Directors and Senior Management 董事及高級管理層履歷

Mr. Mauro Bove, aged 68, was appointed as the business development director of our Group on January 1, 2019. He is mainly responsible for overseeing business development activities and identifying new business opportunities and finalizing the relevant negotiations on a global basis.

Mr. Bove has almost 41 years of business and management experience within the pharmaceutical industry working in Europe, North America and Asia. Mr. Bove led for many years until March 2014 the corporate and business development of Sigma-Tau Finanziaria S.p.A.. From May 2005 to December 2014, he served as a non-executive director of Lee's Pharm. From December 2014 to December 2018, he served as the senior vice president of corporate and business development department of Lee's Pharm, overseeing the business development activities and identifying new business opportunities for the group.

In addition to the above, Mr. Bove has also served as a director of many other private or listed pharmaceutical companies. He serves as a director at RegeneRx Biopharmaceuticals, Inc., a biopharmaceutical company listed on the OTCQB market under the ticker symbol "RGRX" in the United States; KATO Pharmaceuticals, Inc., a privately held U.S. bio-pharmaceutical company dedicated to the development of novel therapies for pathologies of the eye with an emphasis on unmet medical needs; Adastra Pharmaceuticals Inc., a private U.S. clinical-stage biopharmaceutical company focused on providing novel solutions to advance patient care in oncology; and Eyesense AG, an European company focusing on the scientific R&D in the area of medical devices applied to the diabetes segment.

Mr. Bove obtained his law degree from the University of Parma in Italy in July 1980. In 1985, he attended the Academy of American and International Law at International and Comparative Law Center in Texas, the United States.

Mr. Feng Jiang, aged 48, was appointed as sales and marketing director of our Group on October 1, 2020. He is primarily responsible for overseeing the branding, sales and marketing activities of our Group.

From 2000 to 2006, Mr. Feng served at various China offices of multinational pharmaceutical companies as sales or medical representative. From January 2007 to April 2010, he worked for Eli Lilly Asia, Inc., where he was responsible for the promotion and sales of products in Guangdong Province and his last position was regional manager. From April 2010 to September 2020, he served successively as the regional manager and deputy director of the ophthalmic business department of Allergan Information Consulting (Shanghai) Co., Ltd, where he was responsible for the sales and marketing of the company's ophthalmic pharmaceutical products and was granted several awards by the company in recognition of his great performance.

Mr. Feng obtained his bachelor's degree in biotechnology from South China Agricultural University (華南農業大學) in Guangdong Province, China in July 1999.

Mauro Bove先生，68歲，於2019年1月1日獲委任為本集團的業務發展總監，主要負責監督業務發展活動及物色新商機以及於全球範圍內完成相關談判。

Bove先生於歐洲、北美及亞洲擁有近41年製藥行業業務及管理經驗。多年以來，Bove先生一直領導Sigma-Tau Finanziaria S.p.A.的企業與業務發展，直至2014年3月。於2005年5月至2014年12月，彼擔任李氏大藥廠的非執行董事。於2014年12月至2018年12月，彼擔任李氏大藥廠企業與業務發展部高級副總裁，負責監督業務發展活動並為該集團物色新商機。

除上述外，Bove先生亦於許多其他私人或上市製藥公司擔任董事職務。彼擔任RegeneRx Biopharmaceuticals, Inc. (一間於美國OTCQB市場上市的生物製藥公司，股票代碼「RGRX」)的董事；擔任KATO Pharmaceuticals, Inc. (一間私人持有的美國生物製藥公司，該公司專注於重點開發存在醫療需求缺口的眼部病症新療法)的董事；擔任Adastra Pharmaceuticals Inc. (美國一間私人臨床階段生物製藥公司，專注於為改善腫瘤患者護理提供新型解決方案)的董事；及擔任Eyesense AG (一間專注於應用於糖尿病的醫療器械領域科學研發的歐洲公司)的董事。

於1980年7月，Bove先生獲得意大利University of Parma法學學位。於1985年，彼赴美國德克薩斯州國際法和比較法中心的美國及國際法律學院進修。

馮江先生，48歲，於2020年10月1日獲委任為本集團的銷售及營銷總監。彼主要負責監督本集團的品牌推廣、銷售及營銷活動。

自2000年至2006年，馮先生於多間跨國製藥公司的中國辦事處任職，擔任銷售或醫藥代表。於2007年1月至2010年4月，彼加入Eli Lilly Asia, Inc.，負責在廣東省推廣及銷售產品，彼最後職位為區域經理。於2010年4月至2020年9月，彼先後擔任艾爾建信息諮詢(上海)有限公司眼科業務部的區域經理及副總監，負責銷售及營銷該公司的眼科醫藥產品，且獲該公司授予多個獎項，以表彰其出色表現。

馮先生於1999年7月自中國廣東省華南農業大學取得生物技術學士學位。

Profiles of Directors and Senior Management 董事及高級管理層履歷

Ms. Yau Suk Yan, aged 41, was appointed as the financial controller and the company secretary of our Company on September 9, 2019. She is responsible for management and supervision of auditing, report analysis and budget control of our Group.

From September 2004 to January 2010, Ms. Yau served as a manager at KPMG. From February 2010 to July 2015, she was the financial controller and company secretary of Active Group Holdings Limited, currently known as Sino Energy International Limited (中能國際控股集團有限公司), a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 1096), where she was in charge of finance management and audit of the group. From July 2015 to September 2019, Ms. Yau served as the financial controller and company secretary of Uni-Bio Science Group Limited (聯康生物科技集團有限公司), a company whose shares are listed on the Main Board of Stock Exchange (stock code: 690), where she was responsible for finance management and audit of the group.

Ms. Yau obtained her bachelor's degree of arts (with honors) in accountancy from the Hong Kong Polytechnic University in November 2004 and completed the CPA qualification programme and passed the professional examination for membership admission and was issued with a practicing certificate by Hong Kong Institute of Certified Public Accountants in August 2006. She has been a certified public accountant of the Hong Kong Institute of Certified Public Accountants since January 2008 and a fellow member of the Hong Kong Institute of Certified Public Accountants since March 2016.

Ms. Carol Liu, aged 40, joined our Group as head of regulatory affairs on January 4, 2021. She is responsible for overseeing industry specific practices and ensuring all government and regulations are being met throughout drug registration of our Group.

Ms. Liu has worked for GlaxoSmithKline plc (GSK) and Lee's Pharm from 2007 to 2021. In the past 14 years of professional career, she focused on the area of regulatory affairs, especially for innovative drugs including biological products and chemical drugs. She obtained her master of science degree in the School of Pharmacy of Peking University (北京大學).

Ms. Yang Lei, aged 43, joined our Group as general counsel on October 11, 2021. She is responsible for overseeing legal and compliance functions of our Group.

Ms. Yang started her career at Shanghai Xuhui District Government's Supervision Commission (上海市徐匯區人民政府辦公室) in 2003. Since 2006 she worked for General Electronics after her graduation from the master program in Germany. She joined Roche China as legal manager since 2011 and since then she focused on healthcare industry and had accumulated rich experience in legal and compliance practice. Starting from 2015, she joined USP China (美國藥典委員會中華區總部) as director of legal, compliance and ethics.

邱淑欣女士，41歲，於2019年9月9日獲委任為本公司的財務總監兼公司秘書。彼負責本集團審計、報告分析及預算控制的管理與監督。

於2004年9月至2010年1月，邱女士擔任畢馬威會計師事務所經理。於2010年2月至2015年7月，彼擔任動感集團控股有限公司(現稱中能國際控股集團有限公司，一間股份於聯交所主板上市之公司，股份代號：1096)財務總監兼公司秘書，負責該集團的財務管理及審計工作。於2015年7月至2019年9月，邱女士擔任聯康生物科技集團有限公司(一家股份於聯交所主板上市之公司，股份代號：690)財務總監兼公司秘書，負責該集團的財務管理及審計工作。

邱女士於2004年11月取得香港理工大學會計學(榮譽)文學士學位，並完成註冊會計師專業資格課程，於2006年8月通過會員准入專業考試，獲香港會計師公會頒發執業證書。彼自2008年1月起成為香港會計師公會註冊會計師，自2016年3月起成為香港會計師公會資深會員。

劉鑾女士，40歲，於2021年1月4日加入本集團任法規事務部主管。彼負責監督行業特定實務，確保本集團於藥品註冊過程中符合所有政府及監管規定。

劉女士於2007年至2021年曾任職於GlaxoSmithKline plc(葛蘭素史克)及李氏大藥廠。於過去14年專業事業生涯中，一直專注於監管事務領域，特別是創新藥，包括生物產品及化學藥品。彼於北京大學藥學院取得理學碩士學位。

楊蕾女士，43歲，於2021年10月11日加入本集團任法律總顧問。彼負責監督本集團的法律及合規職能。

楊女士於2003年在上海市徐匯區人民政府辦公室展開職業生涯。自2006年起，彼於德國完成碩士課程後任職於General Electronics。彼自2011年起加入羅氏中國(Roche China)任法律部經理，自此，彼專注於健康護理行業，在法律及合規實務方面積累豐富經驗。自2015年起，彼加入美國藥典委員會中華區總部任法律、合規及操守部總監。

Profiles of Directors and Senior Management 董事及高級管理層履歷

Ms. Yang is pursuing PhD. in philosophy at Chinese Academy of Social Science (中國社會科學院). She obtained a master's degree in European and international law from Bremen University, Germany. She also obtained a bachelor's degree in civil and commercial law from East China University of Law and Politics (華東政法大學).

楊女士為中國社會科學院哲學博士生。彼取得德國 Bremen University 的歐洲及國際法碩士學位。彼亦取得華東政法大學的民事及商業法學士學位。

EXTERNAL CONSULTANT

Dr. Samir Chandrakant Patel, aged 63, was engaged by our Company as strategy consultant of our Group on April 9, 2020, to provide our Group with consulting services in relation to, among others, planning business strategies, sourcing business development opportunities, and providing protocol inputs and clinical development integration inputs.

Dr. Patel has over 30 years of extensive experience in ophthalmology, including 10 years in academic medicine and 20 years in the ophthalmic pharmaceutical industry. He obtained his degree of doctor of medicine from the medical school of University of Massachusetts in the United States in 1985 and completed his residency in ophthalmology at the University of Chicago in 1990. Further, Dr. Patel completed his clinical retinal fellowship at the Massachusetts Eye and Ear Infirmary at the Harvard Medical School, being the primary teaching hospital of Harvard Ophthalmology. Dr. Patel was duly elected as a fellow by the American Academy of Ophthalmology in 1992. Dr. Patel commenced his practice in academic ophthalmology at the University of Chicago in 1992 where he eventually served as an associate professor of ophthalmology and the director of retina service, until July 2000.

Dr. Patel further gained valuable insights and experience in the management and operation of pharmaceutical companies since 2000 when he first started his own business by co-founding Eyetech Pharmaceuticals, Inc., a biopharmaceutical company specializing in novel therapeutics to treat eye diseases, where he served as a director and chief of clinical and commercial strategy. In 2007, Dr. Patel co-founded Ophthotech Corporation, a biopharmaceutical company listed on the NASDAQ under the ticker symbol "OPHT" and specializing in the development of novel therapeutics to treat ophthalmic diseases (currently known as IVERIC bio, Inc. and listed on the NASDAQ Global Select Market under the ticker symbol "ISEE"), and served as the company's founding chief executive officer, president and vice chairman of its board of directors.

外聘顧問

Samir Chandrakant Patel 博士，63歲，於2020年4月9日獲本公司委任為本集團策略顧問，就(其中包括)規劃業務策略、物色業務發展機會、提供醫療方案輸入數據及臨床發展整合輸入數據向本集團提供諮詢服務。

Patel 博士在眼科方面擁有逾30年的豐富經驗，包括於學術醫學的10年經驗及於眼科製藥行業的20年經驗。彼於1985年取得美國馬薩諸塞大學醫學院醫學博士學位並於1990年在芝加哥大學眼科完成實習。之後，Patel 博士於哈佛大學醫學院麻省眼耳鼻喉科醫院(即哈佛大學眼科主要教學醫院)完成臨床視網膜培訓課程。Patel 博士於1992年正式獲選為美國眼科學會會員。Patel 博士於1992年在芝加哥大學開始其眼科學術工作，彼於該大學最後擔任眼科副教授及視網膜服務處處長，直至2000年7月。

Patel 博士自2000年起透過共同創立 Eyetech Pharmaceuticals, Inc. (一間專門從事眼部疾病新療法的生物製藥公司)首次創辦自己的企業以來，於製藥公司的管理和運營方面進一步獲得寶貴見解及經驗。彼一直擔任該公司董事兼臨床及商業戰略部總監。於2007年，Patel 博士共同創立 Ophthotech Corporation (一間於納斯達克上市的生物製藥公司，股票代碼「OPHT」)，該公司(現稱 IVERIC bio, Inc.，於納斯達克全球精選市場上市，股票代碼「ISEE」)專門從事眼科疾病新療法的開發，彼一直擔任該公司的首任行政總裁、總裁及董事會副主席。

Profiles of Directors and Senior Management

董事及高級管理層履歷

COMPANY SECRETARY

Ms. Yau Suk Yan, our company secretary, was appointed on September 9, 2019. Ms. Yau is also our financial controller. For details of her biography, please see “– Senior Management.”

公司秘書

邱淑欣女士，於2019年9月9日獲委任為公司秘書。邱女士亦為本公司財務總監。有關其履歷詳情，請參閱「—高級管理層」。

CHANGES TO DIRECTORS' INFORMATION

Save as disclosed herein, the Directors confirm that no information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

董事資料變動

除本文所披露者外，董事確認並無須根據上市規則第13.51B(1)條披露的資料。

Corporate Governance Report

企業管治報告

The Board is pleased to present this corporate governance report of our Company for the Reporting Period.

CORPORATE CULTURE AND VALUE

As a leading ophthalmic pharmaceutical company dedicated to the R&D, manufacturing and commercialization of therapies that address significant unmet medical needs in the world, Zhaoke Ophthalmology lives up to this purpose by instilling a culture that is embodied by the outstanding capabilities of its employees and management's desire to constantly challenge themselves in a collaborative, transparent and mutually supportive manner. These cultural attributes are critical to consistently delivering the best outcomes.

Guided by our Group's core values, and its corporate belief of "Better Vision, Better Living" (慧眼明眸 · 精彩人生), the Board, together with senior management, are instrumental in defining the purpose and strategic direction of our Group, set the tone and shape the corporate culture of our Company to ensure all businesses across our Group are aligned with the same purpose. Alongside our Group's robust corporate governance framework and effective risk management and internal control systems, the desired culture is developed and reflected consistently in the operating practices and policies of our Group, as well as its relations with stakeholders, through active collaboration, effective engagement and regular training at all levels. Board oversight of the culture of the organization encompasses a range of measures and tools, including employee engagement, retention and training, robust financial reporting, whistleblowing, data privacy and security and legal and regulatory compliance (including compliance with the Code of Ethics and other policies of our Group), as well as staff safety, wellbeing and support. From the Board performance evaluation conducted, the Directors are satisfied with the performance of the Board and acknowledged that the Board plays an effective role in the development and determination of our Group's culture, strategy and overall commercial objective. Taking into account the corporate culture in a range of contexts, the Board considers that the culture, purpose, values and strategy of our Group are aligned.

董事會欣然呈列本公司於報告期內的本企業管治報告。

企業文化及價值

兆科眼科是一間領先的眼科製藥公司，致力於療法的研發、製造及商業化，以滿足全球巨大醫療需求缺口。為此，兆科眼科以僱員與管理層同心同德地迎難而上、精益求精為養份，孕育企業文化，成為我們屢獲佳績的關鍵。

秉承本集團的核心價值及「慧眼明眸，精彩人生」的企業理念，董事會連同高級管理層肩負釐定本集團宗旨及戰略方針的要務，為本公司的企業文化塑形及定調，以確保本集團的所有業務均符合同一宗旨。配合本集團紮實的企業管治架構及有效的風險管理及內部監控系統，企業文化不斷茁壯成長，滲入本集團的經營常規及政策，並通過在所有層面的積極合作、有效參與及定期培訓，在與持份者的關係中深耕細作。董事會監督的組織文化包含一系列措施及工具，包括僱員參與、挽留及培訓、穩健的財務匯報、舉報、資料私隱及數據安全、法律及監管合規（包括道德守則及本集團其他政策），以及員工安全、福祉及支援。董事於考慮對董事會進行的績效評估後，滿意董事會的表現，並認同董事會在發展及釐定本集團的文化、戰略及整體商業目標有其實際角色。董事會認為本集團的文化、宗旨、價值及戰略從不同方位均符合企業文化。

CORPORATE GOVERNANCE PRACTICES

We are committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. Our Company has adopted the CG Code. During the Reporting Period, two Audit Committee meetings, three Remuneration Committee meetings and two Nomination Committee meetings were held. Pursuant to code provision C.2.1 in Part 2 of the CG Code, the roles of chairman and chief executive should be separated and not be performed by the same individual. Dr. Li Xiaoyi currently serves as both the chairman of the Board and the CEO. Dr. Li Xiaoyi has been operating and managing our Group since its establishment, and the Directors consider that the present arrangement is beneficial to and in the interests of our Company and our Shareholders as a whole and the deviation from code provision C.2.1 in Part 2 of the CG Code is appropriate in such circumstance. For details, see “– The Board – (6) Chairman and CEO”. On November 27, 2023, Ms. Cai Li resigned as a non-executive Director and a member of the Audit Committee in order to devote more time to her other work arrangements. Concurrent with Ms. Cai Li's departure, Ms. Tiantian Zhang was appointed as a member of the Audit Committee to take her place. On April 8, 2024, Mr. Chen Yu resigned as a non-executive Director in order to devote more time to his other work arrangements.

Save as disclosed above, the Directors consider that our Company has complied with applicable principles and code provisions of the CG Code as set out in Appendix C1 to the Listing Rules during the Reporting Period.

THE BOARD

(1) Responsibilities

The Board is responsible for the overall leadership of our Group, overseeing our Group's strategic decisions and monitoring business and performance. The Board has delegated the authority and responsibility for day-to-day management and operation of our Group to the senior management of our Group. To oversee particular aspects of our Company's affairs, the Board has established five Board committees including the Audit Committee, the Remuneration Committee, the Nomination Committee, the Investment Committee and the Executive Committee. The Board has delegated to the Board committees' responsibilities as set out in their respective terms of reference. All Board committees are provided with sufficient resources to perform their duties.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of our Company and the Shareholders as a whole at all times.

企業管治常規

我們致力於維持高水平的企業管治，以保障股東權益並提高企業價值和問責性。本公司已採納企業管治守則。於報告期內，本公司曾舉行2次審核委員會會議、3次薪酬委員會會議及2次提名委員會會議。根據企業管治守則第二部分的守則條文C.2.1，主席與行政總裁的角色應有區分，並不應由一人同時兼任。李小羿博士目前同時兼任董事會主席與行政總裁。李小羿博士自本集團成立以來一直經營及管理本集團，董事認為現時安排對本公司及股東整體而言有利，並符合彼等的整體利益，而在此情況下偏離企業管治守則第二部分的守則條文C.2.1誠屬恰當。有關詳情請參閱「一董事會－(6)主席及行政總裁」。於2023年11月27日，蔡俐女士辭任非執行董事及審核委員會成員，以投放更多時間於其他工作安排。蔡俐女士離任之同時，張甜甜女士獲委任為審核委員會之成員，以代替蔡俐女士。於2024年4月8日，陳宇先生辭任非執行董事，以投放更多時間於其他工作安排。

除上文所披露者外，於報告期內，董事認為本公司已遵守上市規則附錄C1所載企業管治守則的適用原則及守則條文。

董事會

(1) 職責

董事會負責本集團的整體領導工作、監督本集團的策略性決定以及監察業務及表現。董事會已將有關本集團日常管理及營運的職權及職責轉授予本集團的高級管理人員。為監督本公司特定方面的事務，董事會已設立五個董事委員會，包括審核委員會、薪酬委員會、提名委員會、投資委員會及執行委員會。董事會亦已向董事委員會轉授職責，詳情載於各委員會的職權範圍內。所有董事委員會均已獲提供充足資源以履行其職務。

全體董事須確保時刻以誠實信用的原則履行職務，遵守適用法例及法規，並以本公司及股東的整體利益為前提行事。

(2) Directors' and Senior Management's Liability Insurance and Indemnity

Our Company has arranged appropriate liability insurance to indemnify the Directors and senior management of our Company for their liabilities arising out of corporate activities. The insurance coverage will be reviewed on an annual basis.

(3) Board Composition

During the year ended December 31, 2023 and up to the Latest Practicable Date, the Board composition is set out below:

Executive Directors

Dr. Li Xiaoyi
Mr. Dai Xiangrong

Non-executive Directors

Ms. Leelalertsuphakun Wanee
Ms. Tiantian Zhang
Ms. Cai Li (resigned on November 27, 2023)
Mr. Chen Yu (resigned on April 8, 2024)

Independent non-executive Directors

Mr. Wong Hin Wing
Prof. Lo Yuk Lam
Mr. Liew Fui Kiang

Ms. Leelalertsuphakun Wanee is Dr. Li Xiaoyi's sister. Save for this, there is no other relationship (including financial, business, family or other material/relevant relationship(s)) among the Board members.

Under Rule 3.10(2) of the Listing Rules, at least one independent non-executive Director should possess appropriate professional qualifications or accounting or related financial management expertise. Mr. Wong Hin Wing, one of the independent non-executive Directors, has appropriate professional qualifications or accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

(2) 董事及高級管理人員的責任保險及彌償保證

本公司已安排適當的責任保險，為董事及本公司高級管理人員就其因公司事務而產生的責任提供彌償保證。保障範圍將每年檢討。

(3) 董事會組成

截至2023年12月31日止年度及直至最後實際可行日期，董事會組成載列如下：

執行董事

李小羿博士
戴向榮先生

非執行董事

李燁妮女士
張甜甜女士
蔡俐女士(於2023年11月27日辭任)
陳宇先生(於2024年4月8日辭任)

獨立非執行董事

黃顯榮先生
盧毓琳教授
劉懷鏡先生

李燁妮女士為李小羿博士的姊姊。除此之外，董事會成員之間概無其他關係(包括財務、業務、家屬或其他重大／相關關係)。

根據上市規則第3.10(2)條，至少一名獨立非執行董事必須具備適當的專業資格，或具備適當的會計或相關的財務管理專長。獨立非執行董事之一黃顯榮先生具有上市規則第3.10(2)條規定的合適專業資格或會計或相關財務管理專業知識。

Corporate Governance Report

企業管治報告

(4) Confirmation of Independence by the Independent Non-executive Directors

Our Company has received from each of the independent non-executive Directors an annual confirmation in writing of his/her independence. Our Company considers that, during the Reporting Period and up to the Latest Practicable Date, all of the independent non-executive Directors are independent.

(5) Induction and Continuous Professional Development

All Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure their contribution to the Board remains informed and relevant.

Every newly appointed Director should receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of our Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

During the Reporting Period, all Directors, namely Dr. Li Xiaoyi, Mr. Dai Xiangrong, Ms. Leelalertsuphakun Wanee, Ms. Tiantian Zhang, Ms. Cai Li⁽¹⁾, Mr. Chen Yu⁽²⁾, Mr. Wong Hin Wing, Prof. Lo Yuk Lam and Mr. Liew Fui Kiang, were regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. Internally-facilitated briefings for the Directors would be arranged and reading material on relevant topics would be provided to the Directors where appropriate. All Directors are encouraged to attend relevant training courses at our Company's expense.

Notes:

(1) On November 27, 2023, Ms. Cai Li resigned as a non-executive Director.

(2) On April 8, 2024, Mr. Chen Yu resigned as a non-executive Director.

(4) 獨立非執行董事的獨立性確認

本公司已接獲各獨立非執行董事作出的年度獨立性書面確認。本公司認為，於報告期內及直至最後實際可行日期，全體獨立非執行董事屬獨立人士。

(5) 入職培訓與持續專業發展

全體董事應參與持續專業發展，以發展並更新彼等的知識與技能，從而確保彼等對董事會的貢獻屬知情與相關。

每名新委任的董事應於首次獲委任時獲得正式、全面及切合所需的入職培訓，確保對本公司業務及營運有適當了解，同時完全知悉董事於上市規則及相關法定要求下的責任與義務。

於報告期內，全體董事(即李小羿博士、戴向榮先生、李燁妮女士、張甜甜女士、蔡俐女士⁽¹⁾、陳宇先生⁽²⁾、黃顯榮先生、盧毓琳教授及劉懷鏡先生)均定期獲得有關法例、規則及規例修訂或更新的簡報。在合適情況下，本公司亦會為董事安排內部簡介會，並會向董事提供相關議題的閱讀材料。本公司鼓勵全體董事出席相關培訓課程，費用由本公司承擔。

附註：

(1) 於2023年11月27日，蔡俐女士辭任非執行董事。

(2) 於2024年4月8日，陳宇先生辭任非執行董事。

(6) Chairman and CEO

Pursuant to code provision C.2.1 in Part 2 of the CG Code, the roles of chairman and chief executive should be separate and not be performed by the same individual. Dr. Li Xiaoyi currently serves as both the chairman of the Board and the CEO. Dr. Li Xiaoyi has been operating and managing our Group since its establishment. Our Board believes that vesting the roles of both CEO and chairman of the Board in the same person has the benefit of ensuring consistent leadership and efficient discharge of executive functions within our Group. We consider that the balance of power and authority of the present arrangement will not be impaired as the Board comprises eight other experienced and high-calibre individuals who would be able to offer advice from various perspectives. In addition, for major decisions of our Group, our Board will make consultations with appropriate Board committees and senior management.

Therefore, our Directors consider that the present arrangement is beneficial to and in the interests of our Company and our Shareholders as a whole and the deviation from code provision C.2.1 in Part 2 of the CG Code is appropriate in such circumstance. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether separation of the roles of chairman of the Board and CEO is necessary.

We are committed to maintaining a high standard of corporate governance (which is of critical importance to our development) to protect the interest of the Shareholders. Save as disclosed above, our Directors consider that our Company has complied with all applicable code provisions of the CG Code as set out in Appendix C1 to the Listing Rules during the Reporting Period and up to the Latest Practicable Date.

(6) 主席及行政總裁

根據企業管治守則第二部分的守則條文C.2.1，主席與行政總裁的角色應有區分，並不應由一人同時兼任。李小羿博士目前同時兼任董事會主席與行政總裁。李小羿博士自本集團成立以來一直經營及管理本集團。董事會相信，由一人同時兼任行政總裁與董事會主席，可確保本集團領導一致並有效履行行政職能。我們認為現時安排不會損害權力和授權的均衡分布，原因在於董事會成員包括另外八名經驗豐富的優秀人才，彼等能夠從不同角度給予建議。此外，董事會將就本集團的重大決定諮詢適當的董事委員會及高級管理人員。

因此，董事認為現時安排對本公司及股東整體而言有利，並符合彼等的整體利益，而在此情況下偏離企業管治守則第二部分的守則條文C.2.1誠屬恰當。董事會將繼續檢討本集團企業管治架構的成效，以評估是否有必要區分董事會主席與行政總裁的角色。

我們致力於維持高水平的企業管治(對我們的發展極其重要)，以保障股東利益。除上文所披露者外，董事認為本公司於報告期內及直至最後實際可行日期為止已遵守上市規則附錄C1所載企業管治守則的所有適用守則條文。

(7) Appointment and Re-Election of Directors

Each of our executive Directors has entered into a service contract with our Company. The initial term of their respective service contracts shall commence from the Listing Date and continue for a period of three years until terminated in accordance with the terms and conditions of the service contract or by our executive Directors giving to us not less than 30 days' prior notice in writing.

Each of the non-executive Directors, Mr. Wong Hin Wing (an independent non-executive Director) and Prof. Lo Yuk Lam (an independent non-executive Director) entered into an appointment letter with our Company. The initial term for their appointment letters shall commence from the Listing Date and continue for a period of three years until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing. Mr. Liew Fui Kiang entered into an appointment letter with our Company for an initial term of three years commencing from June 6, 2022 subject to termination by either party with three month's written notice.

Save as disclosed above, none of the Directors has or is proposed to have entered into any service agreement or letter of appointment with any member of our Group (excluding agreements expiring or determinable by any member of our Group within one year without payment of compensation other than statutory compensation).

Pursuant to the Articles of Association, at every annual general meeting of our Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office and be eligible for re-election at each annual general meeting, provided that every Director is subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he/she retires and shall be eligible for re-election thereat.

(7) 董事委任及重選

各執行董事已與本公司訂立服務合約。彼等各自服務合約的初始年期自上市日期起生效，為期三年，直至按照服務合約的條款及條件或由執行董事向我們發出不少於30天的事先書面通知終止為止。

各非執行董事、黃顯榮先生(獨立非執行董事)及盧毓琳教授(獨立非執行董事)已與本公司訂立委任函。彼等的委任函的初始年期自上市日期起生效，為期三年，直至按照委任函的條款及條件或由任何一方向另一方發出不少於三個月的事先書面通知終止為止。劉懷鏡先生已與本公司訂立委任函，初始年期自2022年6月6日起生效，為期三年，可由任何一方發出三個月書面通知終止。

除上文所披露者外，董事與本集團任何成員公司概無訂立或擬訂立任何服務協議或委任書(於一年內屆滿或可由本集團任何成員公司於一年內不予賠償(法定賠償除外)而終止的協議除外)。

根據組織章程細則，於本公司每屆股東週年大會上，當時在任的三分之一董事(倘董事人數並非三或三的倍數，則為最接近但不少於三分之一的人數)須輪流退任，並合資格接受重選，但每名董事須最少每三年輪值退任一次。退任董事的任期將至其退任的大會結束為止，並符合資格於會上接受重選。

(8) Board Meetings, Committee Meetings and General Meeting

We adopt the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Remuneration Committee shall meet at least once every year and the Audit Committee shall meet at least twice a year. Due notice should be given for all Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. Minutes of meetings are kept by the company secretary or the duly appointed secretary of the relevant Board committees with copies circulated to relevant Board or Board committee for comments and records.

The Board has established the Investment Committee and Executive Committee to handle affairs relating to the investment aspects of our Company, further regulate the governance structure of the Board and safeguard the interests of the Shareholders.

During the Reporting Period, eight Board meetings, two Audit Committee meetings, three Remuneration Committee meetings, two Nomination Committee meetings, three Investment Committee meetings and twelve Executive Committee meetings were held. A summary of the attendance record of the Directors at Board meetings, committee meetings and general meeting is set out in the table below:

Name of Director	董事姓名	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Investment Committee 投資委員會	Executive Committee 執行委員會	General Meeting 股東大會
Executive Directors:								
Dr. Li Xiaoyi	李小平博士	8	-	-	2	3	12	1
Mr. Dai Xiangrong	戴向榮先生	8	-	-	-	-	12	1
Non-executive Directors:								
Ms. Leelalertsuphakun Wanee	李焯妮女士	7	-	-	-	-	-	-
Ms. Tiantian Zhang	張甜甜女士	8	-	3	-	-	-	1
Ms. Cai Li (resigned on November 27, 2023)	蔡俐女士(於2023年 11月27日辭任)	6	2	-	-	-	-	1
Mr. Chen Yu (resigned on April 8, 2024)	陳宇先生(於2024年 4月8日辭任)	4	-	-	-	-	-	-
Independent Non-executive Directors:								
Mr. Wong Hin Wing	黃顯榮先生	8	2	3	2	3	-	1
Prof. Lo Yuk Lam	盧毓琳教授	8	-	3	2	3	-	1
Mr. Liew Fui Kiang	劉懷鏡先生	8	2	-	-	-	-	1

(8) 董事會會議、委員會會議及股東大會

按我們採納的慣例，董事會會議定期舉行，每年至少舉行四次，約每季召開一次。薪酬委員會每年至少舉行一次會議，而審核委員會每年至少舉行兩次會議。所有董事會會議應給予充分的通知期，供全體董事有機會出席並提出事項以納入定期會議議程。會議紀錄由公司秘書或相關董事委員會正式委任的秘書保存，副本則於相關董事會或董事委員會傳閱，以供作出意見及記錄。

董事會已成立投資委員會及執行委員會，負責處理有關本公司投資範疇的事務，加強規管董事會的管治架構，以及保障股東權益。

於報告期內，本公司曾舉行8次董事會會議、2次審核委員會會議、3次薪酬委員會會議、2次提名委員會會議、3次投資委員會會議及12次執行委員會會議。下表載列董事於董事會會議、委員會會議及股東大會的出席紀錄概要：

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During the Reporting Period, the chairman of the Board has also held a meeting with the independent non-executive Directors without the presence of the other Directors in accordance with the code provision C.2.7 in part 2 of the CG Code.

The Board has reviewed the contribution required from each Director to perform their responsibilities to our Company and is satisfied that each of Directors has been spending sufficient time in performing their responsibilities during the Reporting Period.

(9) Model Code for Securities Transactions

We have adopted the Model Code set out in Appendix C3 to the Listing Rules as its securities code to regulate the dealing by the Directors in securities of our Company.

Having made specific inquiry of all Directors, all of them have confirmed that they have complied with the Model Code during the Reporting Period and up to the Latest Practicable Date. No incident of non-compliance of the Model Code by the employees who are likely to be in possession of inside information of our Company was noted by our Company.

(10) Delegation by the Board

The Board reserves for its decision on all major matters of our Company, including: approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors could have recourse to seek independent professional advice in performing their duties at our Company's expense and are encouraged to access and to consult with our Company's senior management independently.

The daily management, administration and operation of our Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board to ensure that they remain appropriate to our Company's needs. Approval has to be obtained from the Board prior to any significant transactions entered into by the management on our Company's behalf.

於報告期內，董事會主席亦曾按照企業管治守則第二部分的守則條文C.2.7在其他董事避席下與獨立非執行董事舉行一次會議。

董事會已審視要求每名董事履行其責任而對本公司所作的貢獻，並信納各董事於報告期內已投放足夠時間履行其責任。

(9) 進行證券交易的標準守則

我們已採納上市規則附錄C3所載的標準守則，作為其自身有關規管董事進行本公司證券交易的證券守則。

經本公司向全體董事作出特定查詢後，彼等均已確認於報告期內及直至最後實際可行日期已遵守標準守則。本公司並不知悉可能管有本公司內幕消息的僱員並無遵守標準守則的事件。

(10) 董事會授權

董事會保留有關本公司所有重要事項的決策權，包括：批准及監察所有政策事宜、整體策略及預算、內部監控及風險管理系統、重大交易(特別是可能牽涉利益衝突者)、財務資料、董事任命以及其他重大財務及營運事宜。董事於履行彼等職責時可尋求獨立專業意見，費用由本公司承擔，我們同時鼓勵彼等獨立聯繫及諮詢本公司高級管理人員。

本集團將日常管理、行政及營運事宜轉授予高級管理人員處理。董事會定期檢討轉授的職能及職責，確保一直適切本公司的需要。管理層代表本公司訂立任何重大交易前，須取得董事會批准。

(11) Corporate Governance Function

The Board recognizes that corporate governance should be the collective responsibility of Directors and has delegated the corporate governance duties to the Audit Committee which include:

- (a) to develop and review our 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 of our Company;
- (c) to review and monitor our 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 applicable to employees and Directors of our Company; and
- (e) to review our Company's compliance with the code and disclosure in this corporate governance report.

(12) Board Independence

The Board established mechanisms to ensure independent views and input are available to the Board, including, among others, (i) independent non-executive Directors are encouraged to actively participate in the Board meetings; (ii) the number of independent non-executive Directors must comply with the requirement under the Listing Rules; (iii) sufficient resources shall be provided to the Board if it thinks necessary to seek independent professional advice from Independent Third Parties; and (iv) the independent non-executive Directors shall devote sufficient time to discharge their duties as a Director.

The Board will review the implementation and effectiveness of such mechanisms on an annual basis, which have been reviewed and considered effective by the Board for the year ended December 31, 2023.

(11) 企業管治職能

董事會確認企業管治應由董事集體負責，並已將企業管治職責轉授予審核委員會處理，當中包括：

- (a) 制訂及檢討本公司的企業管治政策及常規，向董事會提出建議；
- (b) 檢討及監察董事及本公司高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本公司就遵守法律及監管要求的政策及常規；
- (d) 制定、檢討及監察本公司僱員及董事的操守準則及合規手冊；及
- (e) 檢討本公司遵守守則的情況及在本企業管治報告內的披露。

(12) 董事會獨立性

董事會已制定機制，以確保董事會可獲得獨立的觀點和意見，其中包括(i)鼓勵獨立非執行董事積極參與董事會會議；(ii)獨立非執行董事數目必須符合上市規則的規定；(iii)向董事會提供其認為所需的充足資源，以向獨立第三方尋求獨立專業意見；及(iv)獨立非執行董事應投放足夠時間履行董事職責。

董事會將每年檢討有關機制的實行情況及效能，亦已於截至2023年12月31日止年度進行有關檢討，認為有關機制行之有效。

BOARD COMMITTEES

(1) Nomination Committee

The Nomination Committee was established by the Board with its written terms of reference in compliance with the Listing Rules. As at the Latest Practicable Date, the Nomination Committee comprises one executive Director, namely Dr. Li Xiaoyi and two independent non-executive Directors, namely Prof. Lo Yuk Lam and Mr. Wong Hin Wing. Dr. Li Xiaoyi is the chairman of the committee.

The primary duties of the Nomination Committee are to review the structure, diversity, size and composition of the Board, assess the independence of the independent non-executive Directors and to make recommendations to the Board regarding the appointment of Directors and Board succession. The written terms of reference of the Nomination Committee are available on the respective website of the Stock Exchange and our Company.

During the Reporting Period, the Nomination Committee meetings were held on March 27, 2023 and August 23, 2023. The attendance record of the committee members is set out in the section headed “– The Board – (8) Board Meetings, Committee Meetings and General Meeting” of this corporate governance report. The following is a summary of key work performed by the Nomination Committee during the Reporting Period:

- assessed the independence of the independent non-executive Directors;
- reviewed the structure, size and composition of the Board;
- reviewed the revised board diversity policy of our Company (the “**Board Diversity Policy**”) and Directors nomination policy (the “**Nomination Policy**”) and made recommendations to the Board for approval; and
- made recommendations to the Board on the re-election of Directors at the annual general meeting held in 2023.

The Nomination Committee will assess the candidate or incumbent on criteria such as integrity, experience, skill and ability to commit time and effort to carry out the duties and responsibilities. The recommendations of the Nomination Committee will then be put to the Board for decision.

董事委員會

(1) 提名委員會

董事會已根據上市規則成立提名委員會，並制訂書面職權範圍。於最後實際可行日期，提名委員會由一名執行董事李小羿博士以及兩名獨立非執行董事盧毓琳教授及黃顯榮先生組成。李小羿博士為委員會主席。

提名委員會的主要職責為檢討董事會的架構、多元化程度、人數及組成，評核獨立非執行董事的獨立性，就董事委任及董事會繼任向董事會提出建議。提名委員會的書面職權範圍可於聯交所及本公司各自的網站查閱。

於報告期內，提名委員會曾於2023年3月27日及2023年8月23日舉行會議。委員會成員的出席記錄載於本企業管治報告「– 董事會 – (8) 董事會會議、委員會會議及股東大會」一節。以下為提名委員會於報告期內的主要工作概要：

- 評估獨立非執行董事的獨立性；
- 檢討董事會的架構、人數及組成；
- 檢討本公司的經修訂董事會多元化政策（「**董事會多元化政策**」）及董事提名政策（「**提名政策**」），並向董事會提出建議供審批；及
- 向董事會提出於2023年舉行的股東週年大會上重選董事的建議。

提名委員會將按誠信、經驗、技能及就履行職責及責任所能夠投入的時間及付出等標準評估候選人或現任人士。提名委員會的建議隨後將提呈予董事會以作決定。

(2) Nomination Policy

We have adopted a Nomination Policy for evaluating and appointing any candidate for directorship. The Nomination Committee will review the Nomination Policy, as appropriate, to ensure its effectiveness. A summary of the Nomination Policy is set out below:

Purpose The Nomination Policy sets out the approach to guide the Nomination Committee in relation to the selection, appointment and re-appointment of the Directors.

Selection Criteria The Nomination Committee would consider the following criteria, including, among other things, character and integrity, qualifications (cultural and educational background, professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy), any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and diversity, and willingness and ability to devote adequate time to discharge duties as a member of the Board or Board committee(s).

Nomination Procedure The Nomination Committee will recommend to the Board for the appointment of a Director in accordance with the following procedures and processes as set out in the Nomination Policy:

- the Nomination Committee will, giving consideration to the current composition and size of the Board, develop a list of desirable skills, perspectives and experience at the outset to focus the search effort on suitable candidates, where necessary;

(2) 提名政策

我們已就評價及委任任何候選人出任董事職位採納提名政策。提名委員會將按適當情況檢討提名政策以確保政策行之有效。提名政策的概要載列如下：

目的 提名政策載列指導提名委員會遴選、委任及重新委任董事的方針。

遴選準則 提名委員會將考慮以下準則，包括但不限於特質及誠信、資歷（文化及教育背景、專業資格、技能、知識及經驗以及董事會多元化政策之多元化層面），候選人可從資歷、技能、經驗、獨立性及多元化方面為董事會帶來的任何潛在貢獻，以及投入足夠時間履行董事會或董事委員會成員職責的意願及能力。

提名程序 提名委員會將按照提名政策所載的下列程序及流程向董事會建議董事任命：

- 提名委員會將於考慮董事會現時的組成及人數後，於集中物色適當的候選人之初，制訂合適的技能、角度及經驗清單（如必要）；

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- the Nomination Committee may consult any source it deems appropriate in identifying or selecting suitable candidates, such as referrals from existing Directors, advertisements, recommendations from an independent agency firm and proposals from Shareholders with due consideration given to the criteria as set out in the Nomination Policy;
 - the Nomination Committee may adopt any process it deems appropriate in evaluating the suitability of the candidates, such as conducting interviews, background checks, presentations and third-party reference checks;
 - upon considering a candidate suitable for the directorship, the Nomination Committee will hold a meeting or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment;
 - the Nomination Committee will thereafter make the recommendation to the Board in relation to the proposed appointment and the proposed remuneration package; and
 - the Board will have the final authority in determining the selection of nominees and all appointment of Directors will be confirmed by the filing of the consent to act as Director of the relevant Director (or any other similar filings requiring the relevant Director to acknowledge or accept the appointment as Director, as the case may be).
- 經審慎考慮提名政策所載的準則後，提名委員會可諮詢任何其認為適當的來源，以物色或遴選合適的候選人，例如現任董事的轉介、廣告、獨立代理人公司的推薦及股東的建議；
 - 提名委員會可採取任何其認為適當的流程，以評價候選人的合適程度，例如面試、背景審查、簡報會及第三方資歷審查；
 - 於考慮候選人是否適合出任董事職位時，提名委員會將舉行會議或以書面決議案酌情批准向董事會提出的委任建議；
 - 提名委員會其後會向董事會提出建議委任及建議薪酬待遇的建議；及
 - 董事會在遴選獲提名人士上擁有最終決定權，所有董事委任將透過將相關董事出任董事的確認書存檔(或要求相關董事作出其得悉或接納董事任命(視情況而定)的任何其他類似存檔)作實。

In recommending candidates for appointment to the Board, the Nomination Committee will consider candidates on merit against objective criteria and with due regard to the benefits of diversity on the Board.

Board Diversity Policy

We have adopted the Board Diversity Policy for achieving and maintaining diversity on the Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level, including gender diversity, as an essential element in maintaining our Company's competitive advantage and enhancing its ability to attract, retain and motivate employees from the widest possible pool of available talent. A summary of the Board Diversity Policy is set out below:

Purpose The Board Diversity Policy aims to set out the approach to achieve diversity of the Board and enable the Board to comply with the CG Code.

Policy Statement Our Company considers increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Measurable Objectives Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical capabilities, professional qualifications and skills, knowledge and length of service. The Board should also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

於向董事會提出委任候選人的建議時，提名委員會將用人唯才的客觀準則及對董事會多元化的裨益，考慮候選人的條件。

董事會多元化政策

我們已採納董事會多元化政策以實踐及維持董事會多元化。本公司認同並擁護具備多元化董事會的裨益，在董事會層面加強多元化(包括性別多元化)為一項要素，以維持本公司的競爭優勢，以及提升其在最廣闊的人才面中吸引、挽留及激勵僱員的能力。董事會多元化政策的概要如下：

目的 董事會多元化政策旨在制訂實踐董事會多元化的方針，以及讓董事會遵守企業管治守則。

政策陳述 本公司認為，在董事會層面加強多元化乃支持實現戰略目標及可持續發展的要素。所有董事會任命均以用人唯才為原則，並於考慮董事會多元化的裨益後，以客觀準則考慮候選人的條件。

可計量目標 候選人遴選將以不同的多元化角度為基準，包括但不限於性別、年齡、文化及教育背景、行業經驗、技術能力、專業資格及技能、知識及服務年期。董事會亦應以其本身不時的業務模式及特定需要作為考慮因素。最終決定將以用人唯才為原則，並以獲選候選人將為董事會帶來的貢獻為依歸。

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Progress on Achieving the Objectives

The Board will take the opportunity to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board will ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity. The Board also aspires to having an appropriate proportion of Directors who have direct experience in our Group's core markets, with different ethnic backgrounds, and reflecting our strategy.

The Nomination Committee and the Board have reviewed the diversity of the Board and the Board Diversity Policy for the Reporting Period. As of December 31, 2023, the diversity profile of the Board is analyzed as follows:

- the Directors have a balanced mix of experiences, including overall management, business development, R&D, quality control, public relationships, regulatory affairs and corporate finance;
- the Board members also consist of six males and two females, with two executive Directors, three non-executive Directors and three independent non-executive Directors, of ages ranging from 41 to 75; and
- the education background of the Directors includes pharmacology, biochemistry, business administration, management science and engineering, finance and accountancy, with degrees awarded by education institutions in the PRC, Hong Kong and the United States.

實踐目標的進程

董事會將於遴選及推薦合適候選人進行董事任命時，把握機會逐漸增加女性成員的比例。董事會將確保參照持份者的預期以及國際及本地推薦的最佳常規，適當地平衡性別多元化，實現董事會性別均等的終極目標。董事會亦期望具備本集團核心市場直接經驗、不同種族背景的董事有適當佔比，以反映其戰略。

提名委員會及董事會已檢討報告期的董事會多元化情況及董事會多元化政策。於2023年12月31日，董事會多元化的情況分析如下：

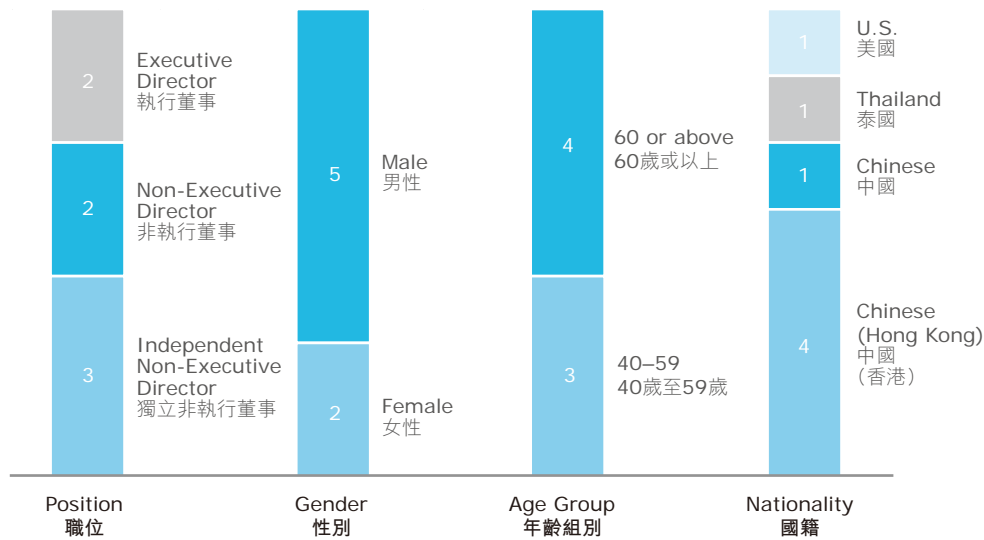
- 董事的經驗組合平衡，包括整體管理、業務發展、研發、品質控制、公共關係、監管事務及企業融資；
- 董事會成員同時包括六名男性及兩名女性，當中兩名為執行董事，三名為非執行董事，三名為獨立非執行董事，年齡介乎41歲至75歲；及
- 董事的教育背景包括藥理學、生物化學、工商管理、管理科學及工程、金融及會計學，持有中國、香港及美國教育機構頒授的學位。

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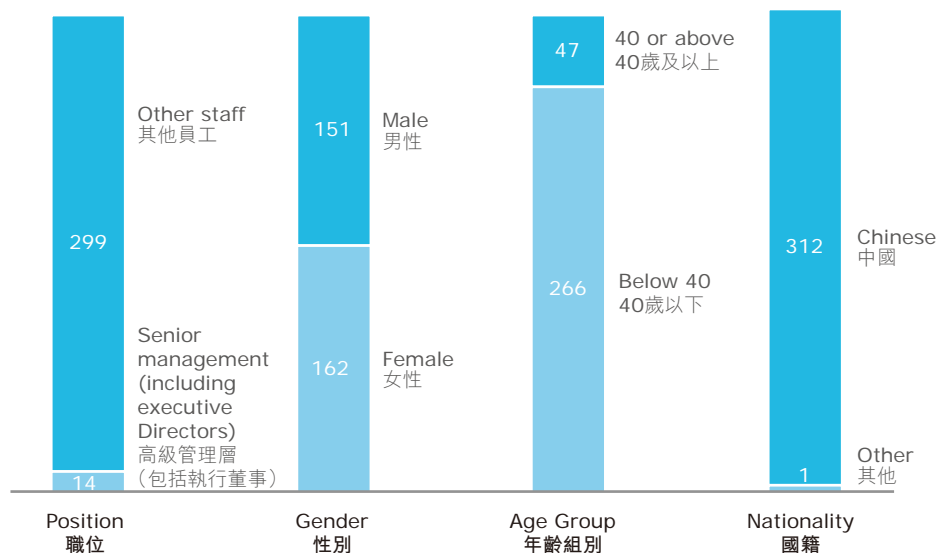
As of the Latest Practicable Date, the composition of the Board is five males and two females (namely Ms. Leelalertsuphakun Wanee and Ms. Tiantian Zhang). The diversity of the Board is illustrated as below. Further details on the bios and experience of the Directors are set out on pages 36 to 48 of this annual report.

於最後實際可行日期，董事會的組成有五名男性及兩名女性（分別為李焯妮女士及張甜甜女士）。董事會的多元化闡述如下。董事履歷及經驗的進一步詳情載於本年報第36至48頁。



As of December 31, 2023, the gender ratio of the workforce (including executive Directors and senior management) of our Group is approximately 162 female per 151 male, and the gender ratio of the senior management (including executive Directors) of our Group is approximately five female per nine male. The diversity of workforce of our Company is illustrated as below.

於2023年12月31日，本集團人員（包括執行董事及高級管理層）的性別比例約為162名女性對151名男性，而本集團高級管理層（包括執行董事）的性別比例則約為五名女性對九名男性。本公司人員的多元化情況闡述如下。



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After evaluating various factors, the Company has set a goal of having at least two directors of different genders. As of December 31, 2023, the Board has two female Directors, which meets the goal of Board gender diversity, and the number of female Directors represent 25.0% of the Board, which is slightly higher than the industry average.

Considering gender diversity, the Nomination Committee recognized that our Company has been sufficiently diverse at both the Board and workforce levels. Considering the structure diversity, the Nomination Committee was also of the opinion that the structure of Board is reasonable, equipping a balanced mix of skill-set, experience, expertise, and diversity which enhances decision-making capability and the overall effectiveness of the Board in achieving sustainable business operation and enhancing Shareholder value.

The Board is also satisfied with the gender diversity of the Company's employees (including senior management). The Board is not aware of any factors or circumstances that would make it more challenging or less relevant for the Group to achieve gender diversity among its employees.

Going forward, our Company will engage more resources in training female staff who have long and relevant experience in the ophthalmology industry, with the aim of promoting them to the senior management or directorship of our Group. We expect to have more female members who would be qualified to sit on the Board in the future. We also welcome all gender to join. The recruitment strategy is to employ a right staff for a right position regardless of gender. Our Company commits to providing equal opportunities to our staff in respect of recruitment, training and development, job advancement, and remuneration and benefits.

The Board and Nomination Committee will continue to consider setting measurable objectives to implement the Board Diversity Policy and review such objectives from time to time to ensure their appropriateness and ascertain continuous compliance by our Company with the board diversity requirement under the Listing Rules, including gender diversity.

(3) Remuneration Committee

Remuneration Committee was established by the Board with its written terms of reference in compliance with the Listing Rules. As at the Latest Practicable Date, the Remuneration Committee comprises two independent non-executive Directors, namely Prof. Lo Yuk Lam and Mr. Wong Hin Wing, and one non-executive Director, namely Ms. Tiantian Zhang. Prof. Lo Yuk Lam is the chairman of the committee.

於評估不同因素後，本公司已設定目標，要有最少兩名不同性別的董事。於2023年12月31日，董事會有兩名女性董事，符合董事會性別多元化目標，而女性董事人數佔董事會25.0%，稍高於行業平均數。

就性別多元化而言，提名委員會認為本公司在董事會及人員層面均充份多元。架構多元化方面，提名委員會亦認為董事會的架構合理，擁有平衡的技術、經驗、專業及多元化組合，在實現可持續業務營運及提高股東價值上有助提升董事會的決策能力及整體效率。

董事會亦對本公司僱員(包括高級管理層)的性別多元化性感到滿意。董事會並不知悉有任何因素或情況將導致本集團尋求達致僱員性別多元化性更為困難或失去意義。

展望未來，本公司將投放更多資源培訓在眼科行業具有相關豐富經驗的女性員工，以提拔彼等加入本集團的高級管理層或擔任董事職位。我們預期未來將會有更多女性成員合資格加入董事會。我們亦歡迎所有性別人士加盟。招聘策略為不論性別，知人善任。本公司致力在招聘、培訓及發展、晉升以及薪酬及福利均為員工提供平等機會。

董事會及提名委員會將繼續考慮制訂可計量目標，以落實董事會多元化政策，並不時檢討該等目標，務求確保目標得宜及本公司持續遵守上市規則下的董事會多元化(包括性別多元化)規定。

(3) 薪酬委員會

董事會已根據上市規則成立薪酬委員會，並制訂書面職權範圍。於最後實際可行日期，薪酬委員會目前由兩名獨立非執行董事盧毓琳教授及黃顯榮先生以及一名非執行董事張甜甜女士組成。盧毓琳教授為委員會主席。

The primary duties of the Remuneration Committee include, but are not limited to, the following: (i) assessing performance of executive Directors; (ii) making recommendations to the Board on the policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing the policy on such remuneration; (iii) determining the specific remuneration packages of all Directors and senior management; (iv) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time; and (v) reviewing and approving matters relating to share schemes in accordance with Chapter 17 of the Listing Rules.

During the Reporting Period, the Remuneration Committee meetings were held on March 27, 2023, July 21, 2023 and August 23, 2023. The attendance record of the committee members is set out in the section headed “– The Board – (8) Board Meetings, Committee Meetings and General Meeting” of this corporate governance report. The following is a summary of key work performed by the Remuneration Committee during the Reporting Period:

- made recommendations to the Board on the remuneration package of the individual executive Directors and senior management;
- reviewed and made recommendations to the Board on our Company's policy and structure for the remuneration of all Directors and senior management;
- reviewed and revised the terms of reference of Remuneration Committee and made recommendation to the Board for approval; and
- reviewed the performance of duties of Directors and senior management of our Company and conducted annual performance appraisals on them.

The Remuneration Committee has adopted the second model described in code provision E.1.2(c) in Part 2 of the CG Code (i.e. make recommendation to our Board on the overall remuneration policy and structure relating to all Directors and senior management of our Company).

The aggregate remuneration (including fees, salaries and allowances, performance-based bonuses, share-based payments and retirement benefit scheme contributions of the relevant Directors) payable to the Directors for the year ended December 31, 2023 was approximately RMB21.3 million. The remuneration of the Directors is determined with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of our Group. Details of the remuneration of the Directors and the senior management of our Company are set out in Note 9 to the Financial Statements.

薪酬委員會的主要職責包括但不限於以下各項：(i) 評核執行董事的表現；(ii) 就我們全體董事及高級管理人員的薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；(iii) 釐定全體董事及高級管理人員的個別薪酬待遇；(iv) 參照董事會不時議決的企業目標檢討及批准表現掛鉤薪酬；及(v) 按照上市規則第十七章審閱及批准有關股份計劃的事宜。

於報告期內，薪酬委員會曾於2023年3月27日、2023年7月21日及2023年8月23日舉行會議。委員會成員的出席記錄載於本企業管治報告「一董事會 – (8) 董事會會議、委員會會議及股東大會」一節。以下為薪酬委員會於報告期內的主要工作概要：

- 向董事會建議個別執行董事及高級管理人員的薪酬待遇；
- 檢討本公司的全體董事及高級管理人員的薪酬政策及架構，並就有關政策及架構向董事會提出建議；
- 檢討及修訂薪酬委員會的職權範圍，並向董事會提出建議以供審批；及
- 審視董事及本公司高級管理人員履行職務的情況，並對彼等進行年度表現評估。

薪酬委員會已採納企業管治守則第二部分的守則條文E.1.2(c)所述的第二種模式(即就全體董事及本公司高級管理人員的整體薪酬政策及架構向董事會提出建議)。

截至2023年12月31日止年度，應付董事的薪酬總額(包括相關董事的袍金、薪金及津貼、表現花紅、以股份為基礎的付款及退休福利計劃供款)約為人民幣21.3百萬元。董事薪酬乃參照可資比較公司支付的薪金、董事投放的時間及承擔的責任以及本集團的表現釐定。董事及本公司高級管理層的薪酬詳情載於財務報表附註9。

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Remuneration by band of the senior management (including two executive Directors) of our Group for the year ended December 31, 2023 are set out below:

Remuneration band (HK\$) 薪酬範圍(港元)	Number of senior management 高級管理人員人數
0–5,000,000	12
5,000,001–10,000,000	2

截至2023年12月31日止年度按薪酬範圍劃分的本集團高級管理人員(包括兩名執行董事)薪酬載列如下:

(4) Audit Committee

The Audit Committee was established by the Board with its written terms of reference in compliance with the Listing Rules. As at the Latest Practicable Date, the Audit Committee comprises two independent non-executive Directors, namely Mr. Wong Hin Wing and Mr. Liew Fui Kiang, and one non-executive Director, namely Ms. Tiantian Zhang. Mr. Wong Hin Wing, being the chairman of the committee, is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The primary duties of the Audit Committee are to review and supervise the financial reporting process and the risk management and internal controls system of our Group, review the financial information of our Company, review the effectiveness of the internal audit function, consider issues relating to the external auditors and their appointment, review and approve connected transactions and advise the Board. The Audit Committee is also responsible for integrity audit and inspection in accordance with the whistleblowing policy, which provides proper arrangements for employees, in confidence, to raise concerns about possible improprieties in financial reporting, internal control and other matters. The whistleblowing policy aims to provide reporting channels and guidance on reporting possible improprieties in matters of financial reporting or other matters, and reassurance to persons reporting their concerns under this policy of the protection that our Company will extend to them against unfair disciplinary action or victimization for any genuine reports made.

During the Reporting Period, the Audit Committee met twice with the auditors to review, among others, the annual results for the year ended December 31, 2022 and the interim results for the six months ended June 30, 2023 in accordance to code provisions of the CG Code and the terms of reference of the Audit Committee.

(4) 審核委員會

董事會已根據上市規則成立審核委員會，並制訂書面職權範圍。於最後實際可行日期，審核委員會由兩名獨立非執行董事黃顯榮先生及劉懷鏡先生以及一名非執行董事張甜甜女士組成。委員會主席黃顯榮先生具備上市規則第3.10(2)及3.21條要求的合適資格。

審核委員會的主要職責為檢討及監管本集團的財務匯報過程、風險管理及內部監控系統，審閱本公司的財務資料，檢討內部審核職能的成效，考慮與外聘核數師及其委任相關的事項，審閱及批准關連交易並向董事會提供意見。根據舉報政策，審核委員會亦負責審核完整性及查核。舉報政策為僱員提供妥善的安排，讓彼等可秘密提出對於財務申報、內部監控及其他事項可能出現違規情況的關注。舉報政策旨在就舉報財務匯報方面的可能違規情況及其他事項提供匯報渠道和指引，向按此政策匯報關注的人士再三保證，本公司將會保護彼等不會因作出真實報告而受到不公平紀律行動或迫害。

於報告期內，審核委員會曾與核數師會面2次，以按照企業管治守則的守則條文及審核委員會的職權範圍審閱(其中包括)截至2022年12月31日止年度的全年業績及截至2023年6月30日止六個月的中期業績。

During the Reporting Period, the Audit Committee meetings were held on March 27, 2023 and August 23, 2023. The attendance record of the committee members is set out in “– The Board – (8) Board Meetings, Committee Meetings and General Meeting.” The following is a summary of key work performed by the Audit Committee during the Reporting Period:

- reviewed together with the management the accounting principles and policies adopted by us, and the accuracy and fairness of the consolidated financial statements for the financial year ended December 31, 2022 and for the six months ended June 30, 2023, respectively;
- reviewed the risk management and internal control systems and the effectiveness of internal audit function and discussed with the management and internal audit on their findings. For details, please refer to the section headed “– Risk Management and Internal Control” of this corporate governance report;
- performed annual review of the non-exempt continuing connected transactions of our Group for the year ended December 31, 2022;
- recommended to the Board on the re-appointment of external auditor at the annual general meeting held in 2023; and
- approved the audit plan for the financial year ended December 31, 2023, reviewed the independence of external auditor and approved its engagement.

(5) Investment Committee

The Investment Committee was established by the Board with its written terms of reference in compliance with the Listing Rules. As at the Latest Practicable Date, the Investment Committee comprises one Executive Director, namely Dr. Li Xiaoyi and two independent non-executive Directors, namely Mr. Wong Hin Wing and Prof. Lo Yuk Lam. Mr. Wong Hin Wing is the chairman of the committee.

The primary duties of the Investment Committee are to review proposed investments, make recommendations to the Board of Directors, make subsequent assessments of investments, and review and consider the overall investment strategy, direction and business development of our Company.

於報告期內，審核委員會曾於2023年3月27日及2023年8月23日舉行會議。委員會成員的出席記錄載於「– 董事會 – (8) 董事會會議、委員會會議及股東大會」。以下為審核委員會於報告期內的重點工作概要：

- 會同管理層檢討我們採納的會計原則及政策，以及審閱截至2022年12月31日止財政年度及截至2023年6月30日止六個月的綜合財務報表的準確性及公平性；
- 檢討風險管理及內部監控系統以及內部審核職能的成效，以及與管理層及內部審核人員討論彼等的發現結果。詳情請參閱本企業管治報告「– 風險管理及內部監控」一節；
- 截至2022年12月31日止年度進行本集團不獲豁免持續關連交易的年度審核；
- 向董事會建議於2023年舉行的股東週年大會上續聘外聘核數師；及
- 批准截至2023年12月31日止財政年度的審核計劃、檢討外聘核數師的獨立性及批准其委聘。

(5) 投資委員會

董事會已根據上市規則成立投資委員會，並制訂書面職權範圍。於最後實際可行日期，投資委員會由一名執行董事李小平博士及兩名獨立非執行董事黃顯榮先生及盧毓琳教授組成。黃顯榮先生為委員會主席。

投資委員會的主要職責為審閱建議投資，向董事會提供建議，進行投資後續評估，以及審閱及考慮本公司的整體投資策略、方向及業務發展。

Corporate Governance Report

企業管治報告

During the Reporting Period, the Investment Committee meetings were held on June 12, 2023, October 6, 2023 and October 27, 2023. The attendance record of the committee members is set out in “– The Board – (8) Board Meetings, Committee Meetings and General Meeting.” The following is a summary of key work performed by the Investment Committee during the Reporting Period:

- reviewed, evaluated and proposed to the Board for approval any investment project;
- reviewed and set the annual investment plan of our Company; and
- determined whether the proposed investment project is in the interests of our Company and the Shareholders as a whole.

(6) Executive Committee

The Executive Committee was established by the Board with its written terms of reference in compliance with the Listing Rules. As at the Latest Practicable Date, the Executive Committee comprises two executive Directors, namely Dr. Li Xiaoyi and Mr. Dai Xiangrong, Company's CSO, Dr. Lau Lit Fui, Company's CBO and CFO, Ms. Feng Xinyan and Company's CMO, Dr. Albert Tsai Jr. The chairman of the committee is Dr. Li Xiaoyi.

The primary duties of the Executive Committee are to manage the day-to-day activities of our business through (i) developing and implementing strategy, operational plans, policies, procedures and budgets; (ii) deriving and monitoring operating and financial performance; (iii) assessing and controlling risks; and (iv) prioritizing and allocating resources.

During the Reporting Period, the Executive Committee meetings were held on the last working day of each month. The attendance record of the committee members is set out in “– The Board – (8) Board Meetings, Committee Meetings and General Meeting.” The following is a summary of key work performed by the Executive Committee during the Reporting Period:

- developed and implemented strategy, operational plans, policies, procedures and budgets of our Group as a whole;
- drove and monitored operating and financial performance on monthly bases; and
- prioritized and allocated resources on daily operation and each R&D project.

於報告期內，投資委員會曾於2023年6月12日、2023年10月6日及2023年10月27日舉行會議。委員會成員的出席記錄載於「– 董事會 – (8) 董事會會議、委員會會議及股東大會」。以下為投資委員會於報告期內的重點工作概要：

- 審閱、評估及建議董事會批准任何投資項目；
- 審閱及制訂本公司之年度投資計劃；及
- 釐定建議投資項目是否符合本公司及股東整體利益。

(6) 執行委員會

董事會已根據上市規則成立執行委員會，並制訂書面職權範圍。於最後實際可行日期，執行委員會由兩名執行董事李小羿博士及戴向榮先生、本公司首席科學官柳烈奎博士、本公司首席業務官兼首席財務官馮新彥女士及本公司首席醫學官蔡建明醫生組成。李小羿博士為委員會主席。

執行委員會的主要職責為以下列方式管理我們業務的日常活動：(i) 制定及執行策略、營運計劃、政策、程序及預算；(ii) 推動及監察營運及財務表現；(iii) 評估及監控風險；及(iv) 編排及分配資源。

於報告期內，執行委員會曾於每個月的最後一個工作天舉行會議。委員會成員的出席記錄載於「– 董事會 – (8) 董事會會議、委員會會議及股東大會」。以下為執行委員會於報告期內的重點工作概要：

- 制定及執行本集團的整體策略、營運計劃、政策、程序及預算；
- 推動及監察每月營運及財務表現；及
- 編排及分配日常營運及每個研發項目的資源。

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the Financial Statements for the year ended December 31, 2023 which give a true and fair view of the affairs of our Company and our Group and of our Group's results and cash flows.

The management of our Company has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Financial Statements, which are put to the Board for approval. We provide all members of the Board with monthly updates on our performance, positions and prospects.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon our Group's ability to continue as a going concern.

The statement by the external auditor of our Company regarding their reporting responsibilities on the Financial Statements is set out in the Independent Auditor's Report in this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges it is responsible for our Company's risk management and internal control systems and reviewing their effectiveness. The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks (including ESG risk), it is willing to take in achieving our Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems. The Audit Committee assists the Board in leading the management and overseeing their design and implementation, and monitoring of the risk management and internal control systems.

董事有關財務報表的財務匯報責任

董事知悉其有責任編製截至2023年12月31日止年度的財務報表，以真實公允地反映本公司及本集團的事務以及本集團的業績及現金流量。

本公司管理人員已向董事會提供必要的闡釋及資料，讓董事會能對獲提呈以供批准的財務報表作出知情評估。我們每月向董事會全體成員提供有關我們的表現、狀況及前景的最新資料。

董事並不知悉有任何事件或狀況涉及重大不確定因素，可能使本集團持續經營能力嚴重存疑。

本公司外聘核數師就彼等對財務報表匯報責任的聲明載於本年報的獨立核數師報告內。

風險管理及內部監控

董事會承認其須對本公司的風險管理及內部監控系統負責，並有責任檢討該等制度的有效性。風險管理及內部監控系統旨在管理而非消除未能達致業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

董事會全權負責評估及釐定本公司達成策略目標時所願意接納的風險(包括ESG風險)性質及程度，並確保本公司設立及維持合適及有效的風險管理及內部監控系統。審核委員會協助董事會領導管理層，並監督管理層對風險管理及內部監控系統的設計、實施及監察。

Corporate Governance Report

企業管治報告

Aimed at providing reasonable assurance against material errors, losses or fraud, we have developed and adopted various risk management procedures, which comprised the following steps:

- Risk identification: Identify major and significant risks that could affect the achievement of goals of our Group;
- Risk assessment: Assess and evaluate the identified risk according to its likely impact and the likelihood of occurrence; and
- Risk mitigation: Develop effective control activities to mitigate the risks.

In addition, we developed guidelines with defined authority for implementation by key business processes and office functions. All departments conducted internal control assessments regularly to identify risks that potentially impact the business of our Group and various aspects, including key operational and financial processes, regulatory compliance and information security.

The management, in coordination with department heads, assessed the likelihood of risk occurrence, provided treatment plans, monitored the risk management progress, and reported to the Audit Committee and the Board on all findings and the effectiveness of the systems. Through our current risk management and the newly established ESG risk management statement, we could therefore cover various types of risks more comprehensively. We are devoted to maximizing Shareholders value while ensuring the risk is at an acceptable level. We provide various training programs to keep our employees updated on relevant laws, regulations and policies. Our new employees are required to attend compliance training programs soon after on-boarding, and must pass tests that examine their understanding of the compliance issues addressed by the training programs. Our employees are also required to regularly attend further onsite and online training sessions to keep them informed of the recent updates in the relevant laws and regulations.

We have formulated an information disclosure management system to clarify the relevant obligations of insiders, reporting procedures and information disclosure responsibilities of relevant personnel, and arrange self-inspection in a timely manner. Our Group monitors possible inside information and organizes intermediary agencies to determine whether the information is inside information or whether needs to be disclosed.

We have formulated the whistleblowing policy for employees to raise concerns, in confidence, about possible improprieties in operation, financial reporting or other matters. Such arrangement will be reviewed by the Audit Committee which ensures that proper arrangement is in place for fair and independent investigation of the matters.

We also issued prevention of bribery and corruption policy to ensure employees are aware of anti-corruption laws and regulations and regulatory obligations.

為針對重大錯誤、損失或欺詐提供合理保證，我們已制訂及採納不同風險管理程序，包括下列步驟：

- 識別風險：識別可能影響達成本集團目標的主要及重大風險；
- 風險評估：評估及評定已識別風險的可能影響及發生的可能性；及
- 減低風險：制訂有效的監控活動以減低風險。

此外，我們已制定指引，透過主要業務程序及辦公職能明確列出實行的權責。各部門定期進行內部監控評估，以識別可能影響本集團業務以及主要營運及財務程序、監管合規及資訊保安等不同層面的風險。

管理層與部門主管協調後評估風險發生的可能性、制訂處理方案及監察風險管理進度，並向審核委員會及董事會匯報所有調查結果及系統成效。透過我們目前的風險管理及新制定的ESG風險管理陳述，我們可更全面地覆蓋不同類型風險。我們致力爭取最大股東價值之餘，亦會確保將風險維持於可接受水平。我們提供各種培訓課程，讓僱員緊貼最新的相關法律、規例及政策。我們的新僱員需於入職後儘快出席合規培訓課程，必須通過考核其對培訓課程內合規事項理解的測試。我們的僱員亦需定期出席其他實體及線上培訓座談會，使彼等知悉相關法律及規例的最新發展。

我們已制定資料披露管理制度，釐清知情人士的相關義務、報告程序及相關人員的資料披露責任，並適時安排進行自我審查。本集團監察可能出現的內幕消息，並安排中介代理釐定資料是否屬於內幕消息或是否需要披露。

我們已為僱員制定舉報政策，讓彼等安心提出在營運、財務匯報或其他事項可能出現不當行為的關注。有關安排將由審核委員會檢討，以確保就公平獨立地調查相關事宜作出妥善安排。

我們亦已發出防止賄賂及貪污政策，以確保僱員知悉反貪污法律及規例以及監管責任。

Our Company reviews risk management and internal control systems once a year. Our Group's internal control and risk management reports for the year ended December 31, 2023 were submitted to the Audit Committee and the Board of Directors for review in March 2024. The Board, as supported by the Audit Committee as well as the management, reviewed the effectiveness of risk management and internal control systems, including the financial, operational and compliance controls, for the year ended December 31, 2023, and considered that such systems are effective and adequate. The annual review also covered the financial reporting and internal audit function, qualifications, experiences, training programmes and relevant resources.

Also, the Board engaged KPMG to assess the effectiveness of our Group's risk management and internal control systems once a year, which covered all material controls, including financial, operational and compliance controls as well as risk management functions during the year ended December 31, 2023. The assessment report was reviewed by the Audit Committee and the Board. No major issue was raised for improvement. The Board is satisfied with the effectiveness of the internal control and risk management systems of our Group.

AUDITOR'S REMUNERATION

Audit fees of our Group for the year ended December 31, 2023 payable to the external auditors were approximately RMB2.2 million and our Group incurred approximately RMB1.1 million in 2023 for non-audit services related to review of interim financial information and other advisory and other non-assurance services.

COMPANY SECRETARY

In compliance with Rule 3.29 of the Listing Rules, Ms. Yau Suk Yan undertook not less than 15 hours of relevant professional training to update her skills and knowledge during the Reporting Period.

GENERAL MEETING

The AGM is scheduled to be held on May 17, 2024. A notice convening the AGM will be published and dispatched to the Shareholders of our Company in the manner required by the Listing Rules in due course.

本公司每年檢討風險管理及內部監控系統一次。本集團截至2023年12月31日止年度的內部監控及風險管理報告已於2024年3月提呈審核委員會及董事會審閱。董事會在審核委員會及管理層支持下，已檢討截至2023年12月31日止年度風險管理及內部監控系統(包括財務監控、運作監控及合規監控)成效，並認為該等系統有效及足夠。此外，年度檢討涵蓋財務匯報及內部審核職能、員工資歷及經驗、培訓計劃及有關資源。

此外，於截至2023年12月31日止年度，董事會已委聘畢馬威會計師事務所每年評估一次本集團的風險管理及內部監控系統是否有效，涵蓋所有重要的監控，包括財務監控、運作監控及合規監控以及風險管理職能。該評估報告已由審核委員會及董事會審閱。報告並無提出任何重大改進事項。董事會滿意本集團的內部監控及風險管理系統成效。

核數師酬金

截至2023年12月31日止年度，本集團應付外聘核數師的審核費用約為人民幣2.2百萬元，而本集團於2023年就審閱中期財務資料以及其他顧問及其他非鑒證服務產生費用約人民幣1.1百萬元。

公司秘書

為遵守上市規則第3.29條，於報告期內，邱淑欣女士已參與不少於15小時的相關專業培訓，以更新其技能及知識。

股東大會

股東週年大會謹定於2024年5月17日舉行。召開股東週年大會的通告將於適當時候按上市規則規定的方式發表並寄發予本公司股東。

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

We consider that effective communication with the Shareholders is essential for enhancing investor relations and understanding of the Shareholders and potential investors on our business, performance and strategies. We also recognize the importance of timely and non-selective disclosure of information, which will enable Shareholders and investors to make informed investment decisions.

We have adopted the Shareholders communication policy with the objective of ensuring that the Shareholders and potential investors are provided with ready, equal and timely access to balanced and understandable information about our Company. To promote effective communication, we have established several channels to communicate with the Shareholders as follows:

- both English and Chinese versions of corporate communications (as defined in the Listing Rules) such as annual reports, interim reports and circulars are issued in printed form (if request) and electronic form are available on the Stock Exchange's website at www.hkexnews.hk and our Company's website at zkoph.com;
- periodic announcements are made through the Stock Exchange and published on the respective website of the Stock Exchange and our Company, where up-to-date information on our Company's business operations and developments, financial information, corporate governance practices and other information are available for public access;
- corporate information is made available on our Company's website;
- annual and extraordinary general meetings provide a forum for the Shareholders to make comments and exchange views with the Directors and senior management. The chairman of the Board will attend the AGM to answer Shareholders' questions; and
- the Hong Kong branch share registrar of our Company serves the Shareholders in respect of share registration, dividend payment and related matters.

The Board has reviewed the implementation and effectiveness of the Shareholders' communication policy conducted during the Reporting Period regularly and considered that it is effective and adequately implemented. The Board will continue to review the Shareholders' communication policy regularly to ensure its effectiveness.

We keep on promoting investor relations and enhancing communication with the current Shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Inquires to the Board or our Company may be sent by post to our principal place of business in Hong Kong.

與股東的溝通及投資者關係

我們認為，與股東有效溝通對加強投資者關係及對股東以及潛在投資者了解我們的業務、表現及策略事關重要。我們亦深知及時且非選擇性地披露資料以供股東及投資者作出知情投資決策的重要性。

我們已採納股東通訊政策，旨在確保股東及潛在投資者可隨時、公平及適時地取得有關本公司的持平及可理解的資料。為促進有效溝通，我們已設立以下多個渠道與股東溝通：

- 公司通訊(定義見上市規則)的中英文版本，例如以印刷形式(如已要求)及以電子形式於聯交所網站(www.hkexnews.hk)及本公司網站(zkoph.com)發表的年報、中期報告及通函；
- 透過聯交所作出並於聯交所及本公司各自網站登載的定期公告，當中載列有關本公司業務營運及發展的最新資料、財務資料、企業管治常規及其他資料，以供公眾人士查閱；
- 可於本公司網站取得的企業資料；
- 股東週年大會及股東特別大會，為股東提供一個發表意見及與董事及高級管理人員交流意見的論壇。董事會主席將會出席股東週年大會解答股東提問；及
- 本公司的香港股份登記分處為股東處理股份登記、派息及相關事項。

董事會於報告期內定期檢討股東通訊政策的實行情況及成效，認為政策有效及足夠。董事會將繼續定期檢討股東通訊政策以確保其有效。

我們會不斷促進投資者關係及加強與現有股東及潛在投資者的溝通。我們歡迎投資者、持份者及公眾人士提出建議。如欲向董事會或本公司提出任何查詢，敬請以郵寄方式發送至我們的香港主要營業地點。

To preserve environment and increase efficiency in communication with the Shareholders, the Company made arrangement pursuant to Rule 2.07A and 2.07B of the Listing Rules and the Articles of Association for the Shareholders to elect to receive corporate communication in printed form or by electronic means through the Company's website. Shareholders have the right to change their choice of receipt of its corporate communications (as defined in the Listing Rules) at any time by giving reasonable notice to the Company. The change request form may be downloaded from the websites of the Company and the Stock Exchange. The Company will send the actionable corporate communication (as defined in the Listing Rules) to the Shareholders individually in electronic form by email or in printed form (if requested or if the Company does not possess the functional email address of the Shareholders).

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution will be proposed by the chairman of that meeting for each substantially separate issue at Shareholder meetings, including nomination and election of individual directors.

All resolutions put forward at Shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of our Company and the Stock Exchange in a timely manner after each Shareholder meeting in accordance with the Listing Rules.

(1) Procedures for Shareholders to convene an extraordinary general meeting

In accordance with Article 64 of the Articles of Association, the Board may, whenever it thinks fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of our Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) themselves may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by our Company.

為保護環境並提升與股東溝通的效率，本公司已根據上市規則第2.07A及2.07B條以及組織章程細則作出安排，以便股東選擇以印刷形式或以電子形式通過本公司網站收取公司通訊。股東有權隨時向本公司發出合理通知，更改收取公司通訊(定義見上市規則)的選擇。更改申請表於本公司及聯交所網站可供下載。本公司將以電子形式通過電子郵件或以印刷形式(如已要求或本公司並無有關股東的有效電子郵件地址)向每一位股東發出可供採取行動的公司通訊(定義見上市規則)。

股東權利

為保障股東權益及權利，股東大會主席將於會上就各項大致上屬獨立的事項(包括提名及選舉各董事)提呈獨立的決議案。

於股東大會上提呈的所有決議案將根據上市規則以投票方式進行表決，投票結果將於各股東大會舉行後根據上市規則及時於本公司及聯交所網站登載。

(1) 股東召開股東特別大會的程序

根據組織章程細則第64條，董事會可按其認為合適的時候召開股東特別大會。股東特別大會亦可由一名或多名股東要求召開，該等股東於遞交請求書當日須持有本公司實繳股本不少於十分之一並有權在股東大會上投票。有關要求須以書面形式向董事會或公司秘書提出，藉以要求董事會就處理有關要求所指明的任何事務而召開股東特別大會。有關會議須在提交該請求書後兩個月內召開。如董事會在請求書提交日期起計21天內未有進行安排召開有關會議，則請求人(或多名請求人)可用相同方式自行召開會議，且請求人因董事會未有妥為召開會議而招致的所有合理費用，須由本公司償還請求人。

(2) Procedures for putting forward proposals at general meeting

There are no provisions allowing Shareholders to propose new resolutions at the general meetings under the Companies Law of the Cayman Islands. However, Shareholders who wish to propose resolutions may follow Article 64 of the Articles of Association for requisitioning an extraordinary general meeting and including a resolution at such meeting. The requirements and procedures of Article 64 are set out above.

As regards proposing a person for election as a Director, the procedures are available on the website of our Company.

(3) Enquires to the Board

Shareholders and investors may send written enquiries or requests to our Company as follows:

Address: Unit 716, 7/F, Building 12W, Phase 3,
Hong Kong Science Park, Shatin, Hong Kong

Email: info@zkoph.com

DIVIDEND POLICY

Our Company was incorporated in the BVI with limited liability and continued in the Cayman Islands. We have never declared or paid any dividends during the Reporting Period. We may need dividends and other distributions on equity from our PRC subsidiaries to satisfy our liquidity requirements. Current PRC regulations permit our PRC subsidiaries to pay dividends to us only out of their accumulated profits, if any, determined in accordance with PRC accounting standards and regulations. In addition, our PRC subsidiaries are required to set aside at least 10% of their respective accumulated profits each year, if any, to fund certain reserve funds until the total amount set aside reaches 50% of their respective registered capital. Our PRC subsidiaries may also allocate a portion of its after-tax profits based on PRC accounting standards to employee welfare and bonus funds at their discretion. These reserves are not distributable as cash dividends. Furthermore, if our PRC subsidiaries incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other payments to us. In addition, the PRC tax authorities may require us to adjust our taxable income under the contractual arrangements we currently have in place in a manner that would materially and adversely affect our PRC subsidiaries' ability to pay dividends and other distributions to us.

(2) 於股東大會提呈議案的程序

開曼群島公司法並無條文允許股東於股東大會上提呈新決議案。然而，股東如欲提呈決議案，可根據組織章程細則第64條，要求召開股東特別大會並於會上提呈決議案。第64條的要求及程序已載於上文。

有關推舉他人參選董事的程序可於本公司網站查閱。

(3) 向董事會提出查詢

股東及投資者可按下列途徑向本公司提出書面查詢或要求：

地址：香港沙田香港科學園
3期12W座7樓716室

電郵：info@zkoph.com

股息政策

本公司為於英屬處女群島註冊成立並於開曼群島存續的有限公司。我們於報告期內從未宣派或派付任何股息。我們或需以來自我們中國附屬公司的權益的股息及其他分派，滿足流動資金需求。現行中國法規允許我們的中國附屬公司動用根據中國會計準則及法規釐定的累計利潤(如有)向我們派付股息。此外，我們的中國附屬公司各自須每年提撥至少10%累計利潤(如有)作為若干儲備金，直至提撥總額達致其各自註冊資本的50%為止。我們的中國附屬公司亦可根據中國會計準則將其部分除稅後利潤酌情分配至僱員福利及花紅基金。該等儲備不得以現金股息形式分派。此外，倘我們的中國附屬公司日後就其本身產生債務，規管有關債務的文據可能限制彼等向我們派付股息或作出其他付款的能力。此外，中國稅務機關可要求我們通過目前使用的方式調整合約安排下的應課稅收入，而此舉將對我們的中國附屬公司向我們支付股息及其他分派的能力產生重大不利影響。

Our Company currently intends to retain all available funds and any future earnings, if any, to fund the R&D of our drug candidates and we do not anticipate paying any cash dividends in the foreseeable future. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the Companies Law of the Cayman Islands. The declaration and payment of any dividends in the future will be determined by our Board of Directors, in its discretion, and will depend on a number of factors, including our earnings, capital requirements, overall financial conditions and contractual restrictions. Our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. As advised by our Cayman Islands counsel, under the Cayman Islands law a company may declare and pay a dividend out of either profits or share premium account, provided that in no circumstances may a dividend be declared or paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Investors should not purchase our Shares with the expectation of receiving cash dividends.

If we pay dividends in the future, in order for us to distribute dividends to our Shareholders, we will rely to some extent on any dividends distributed by our PRC subsidiaries. Any dividend distributions from our PRC subsidiaries to us will be subject to PRC withholding tax. In addition, regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits as determined in accordance with its articles of association and the accounting standards and regulations in China. For details, please refer to the paragraphs headed "Risk Factors – Risks Relating to Doing Business in China – We may rely on dividends and other distributions on equity paid by our PRC subsidiary to fund any cash and financing requirements we may have, and any limitation on the ability of our PRC subsidiary to make payments to us could have a material and adverse effect on our ability to conduct our business" of the Prospectus.

CHANGE IN CONSTITUTIONAL DOCUMENTS

There is no change in constitutional documents of our Company during the Reporting Period.

本公司目前擬保留所有可用資金及任何未來盈利(如有),以用於研發候選藥物,我們預計在可見未來不會支付任何現金股息。宣派及派付任何股息以及派息金額將受我們的憲章文件及開曼群島公司法所規限。日後宣派及派付任何股息將由董事會酌情釐定,並將視乎多項因素而定,包括我們的盈利、資本需求、整體財務狀況及合約限制。股東在股東大會上可批准任何股息宣派,惟不得超過董事會建議的金額。誠如我們的開曼群島顧問所告知,根據開曼群島法例,一間公司僅可自利潤或股份溢價賬中撥資宣派及派付股息,惟倘宣派或派付股息將導致公司無法在日常業務過程中償還其到期債務,則在任何情況下不得宣派或派付股息。投資者不應因期望能收取現金股息而購買我們的股份。

倘我們在未來派付股息,為使我們向股東分派股息,我們將在一定程度上依賴中國附屬公司分派的任何股息。中國附屬公司向我們分派的任何股息將須繳納中國預扣稅。此外,中國法規目前僅允許中國公司以根據其組織章程細則及中國會計準則及法規釐定的累計可分派除稅後利潤撥資派付股息。有關詳情,請參閱招股章程「風險因素—與在中國經營業務有關的風險—我們可能依賴由中國附屬公司所派付的股息及其他股本分派,以為我們可能產生的任何現金及融資需求提供資金,而對中國附屬公司向我們付款的能力的任何限制會對我們經營業務的能力造成重大不利影響」各段。

憲章文件變動

本公司的憲章文件於報告期內並無變動。

Report of Directors

董事會報告

The Board is pleased to present this report of Directors together with the Financial Statements for the year ended December 31, 2023.

BOARD OF DIRECTORS

During the year ended December 31, 2023, the Board composition is set out below:

Executive Directors

Dr. Li Xiaoyi (*Chairman of the Board and CEO*)
Mr. Dai Xiangrong

Non-executive Directors

Ms. Leelalertsuphakun
Ms. Tiantian Zhang
Ms. Cai Li (*resigned on November 27, 2023*)
Mr. Chen Yu (*resigned on April 8, 2024*)

Independent Non-executive Directors

Mr. Wong Hin Wing
Prof. Lo Yuk Lam
Mr. Liew Fui Kiang

Save for the resignation of Ms. Cai Li as a non-executive Director which took effect from November 27, 2023 and the resignation of Mr. Chen Yu as a non-executive Director which took effective from April 8, 2024, all the abovenamed Directors remained as Directors of the Company up to our Latest Practicable Date.

GENERAL INFORMATION

Our Company was incorporated in the BVI on January 20, 2017 with limited liability and continued in the Cayman Islands on April 29, 2021 as an exempted company with limited liability. Our Company's Shares were listed on the Main Board of the Stock Exchange on April 29, 2021.

董事會欣然提呈截至2023年12月31日止年度的本董事會報告連同財務報表。

董事會

於截至2023年12月31日止年度，董事會組成載列如下：

執行董事

李小羿博士(*董事會主席兼行政總裁*)
戴向榮先生

非執行董事

李燁妮女士
張甜甜女士
蔡俐女士(*於2023年11月27日辭任*)
陳宇先生(*於2024年4月8日辭任*)

獨立非執行董事

黃顯榮先生
盧毓琳教授
劉懷鏡先生

除蔡俐女士辭任非執行董事(自2023年11月27日起生效)及陳宇先生辭任非執行董事(自2024年4月8日起生效)外，直至最後實際可行日期，上述所有董事仍然為本公司董事。

一般資料

本公司於2017年1月20日在英屬處女群島註冊成立為有限公司，並於2021年4月29日在開曼群島作為獲豁免有限公司存續。本公司的股份自2021年4月29日起在聯交所主板上市。

PRINCIPAL ACTIVITIES

We are an ophthalmic pharmaceutical company dedicated to the research, development and commercialization of therapies that address significant unmet medical needs in China. Leveraging our deep domain expertise, we have built a comprehensive ophthalmic drug pipeline that covers most major ocular indications affecting the front and the back of the eye, through either in-house development or in-licensing. We have also established an advanced ophthalmic manufacturing facility and are assembling an experienced marketing team in anticipation of near-term product launch.

BUSINESS REVIEW

A review of the business of our Group during the year as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including a discussion and analysis on our Group's future business development and the financial and operational key performance indicators employed by the Directors in measuring the performance of our Group's business is set out in the sections headed "Management Discussion and Analysis" on page 11 of this annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

The following list is a summary of certain principal risks and uncertainties faced by our Group, some of which are beyond our control:

- Our business and financial prospects depend substantially on the success of our drug candidates, most of which are in preclinical or clinical development. If we are unable to successfully develop and commercialize our drug candidates, or experience significant delays in doing any of the foregoing, our business may be materially harmed.
- We may not be able to identify, discover or in-license new drug candidates, and may allocate our limited resources to pursue a particular drug candidate or indication and fail to capitalize on drug candidates or indications that may later prove to be more profitable, or for which there is a greater likelihood of success.
- The R&D of our drug candidates involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results.
- If we encounter difficulties enrolling patients in our clinical trials, our clinical trials and the commercialization of our drug candidates could be delayed or otherwise adversely affected.
- We may incur additional costs or experience delays in completing, or may ultimately be unable to complete, the development and commercialization of our drug candidates.

主要業務

我們是一間眼科製藥公司，致力於療法的研究、開發及商業化，以滿足中國國內巨大醫療需求缺口。憑藉深厚的領域內專業知識，我們已通過自主開發或許可引進建立起全面眼科藥物管線，涵蓋影響眼前節及眼後節的多數主要眼科適應症。為準備近期的產品推出，我們亦已建立一座先進眼藥製造設施並正在組建一支經驗豐富的營銷團隊。

業務回顧

香港法例第622章《公司條例》附表5所要求的本集團於年內業務的審視(包括本集團的未來業務發展的討論及分析，以及董事於計量本集團業務表現時採用的關鍵財務及營運表現指標)載於本年報第11頁的「管理層討論及分析」各章節。

主要風險及不明朗因素

下文列出本集團所面對的若干主要風險及不明朗因素摘要，有部分屬於我們的控制範圍以外：

- 我們的業務及財務前景很大程度上取決於我們的候選藥物(大部分處於臨床前或臨床開發階段)的成功。倘若我們未能成功完成候選藥物的開發及商業化，或倘若上述任何活動出現嚴重延誤，則我們的業務或會受到嚴重損害。
- 我們可能無法識別、發現或獲許可引進新候選藥物，且可能分配有限的資源用於特定的候選藥物或適應症，導致未能把握可能在以後被證實為更具盈利能力或成功可能性更大的候選藥物或適應症。
- 我們的候選藥物研發過程漫長、成本高昂，且結果充滿不確定性，而前期研究及試驗的結果未必預示未來的試驗結果。
- 倘我們在入組臨床試驗患者時遭遇困難，則我們候選藥物的臨床試驗及商業化可能會延遲或在其他方面受到不利影響。
- 我們可能會在完成(或最終可能無法完成)我們候選藥物的開發及商業化過程中產生額外的成本或經歷延誤。

Report of Directors

董事會報告

- We may be unable to obtain, or experience delays in obtaining, required regulatory approvals for our drug candidates in our target markets.
- Our drug candidates, if and when approved, will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expenses and we may be subject to penalties if we fail to comply with regulatory requirements.
- Our future approved drugs may fail to achieve the degree of market acceptance by ophthalmologists, patients, third-party payers and others in the medical community necessary for commercial success.
- We have limited experience in launching and marketing drug candidates, and we may not be able to successfully create or increase market awareness of our products or sell our products, which will materially affect our ability to generate product sales revenue.
- 我們可能無法於目標市場取得候選藥物的規定監管批准或延遲取得該等批准。
- 我們的候選藥物倘獲批准，將須持續履行監管責任及持續接受監管審查，這可能產生大量額外開支，且倘若我們未能遵守監管規定，我們可能會受到處罰。
- 我們的未來獲批藥物可能無法在商業成功上獲得來自眼科醫生、患者、第三方付款人及醫學界其他各方的所需市場認可度。
- 我們推出及銷售候選藥物的經驗有限，及我們未必能成功建立或提高產品的市場知名度或銷售產品，這將嚴重影響我們產生產品銷售收入的能力。

However, the above is not an exhaustive list. Investors are advised to make their own judgment or consult their own investment advisors before making any investment in the Shares.

然而，上文所述並非徹底的清單。投資者於投資股份前，務請自行判斷或諮詢彼等本身的投資顧問。

ENVIRONMENTAL POLICIES AND PERFORMANCE

Our Group is committed to fulfilling social responsibility, promoting employee benefits and development, protecting the environment and giving back to community and achieving sustainable growth.

環境政策及績效

本集團致力於履行社會責任，促進僱員福利及發展，保護環境，以及回饋社區並實現可持續增長。

Our Company's Environmental, Social and Governance Report will be prepared together with this annual report.

本公司的環境、社會及管治報告將與本年報一同編製。

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, we have complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of our Group. During the year ended December 31, 2023, there was no material breach of, or non-compliance with, applicable laws and regulations by our Group.

遵守相關法律及法規

就董事會及管理層所知，我們一直在各重要方面遵守對本集團業務及營運有重大影響的相關法律及法規。於截至2023年12月31日止年度，本集團並無嚴重違反或不遵守適用法律及法規。

EMPLOYEES AND REMUNERATION POLICIES

A review of the employees and remuneration policies of our Group for the Reporting Period is set out in the section headed "Management Discussion and Analysis" on page 34 of this annual report.

僱員及薪酬政策

本集團於報告期的僱員及薪酬政策回顧載於本年報第34頁的「管理層討論及分析」一節。

RETIREMENT BENEFITS SCHEME

Our Group operates a mandatory provident fund scheme (the “MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for employees employed under the jurisdiction of the Hong Kong Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

Pursuant to the relevant labor rules and regulations in the PRC, our Group in the PRC participates in defined contribution retirement benefit schemes (the “RBS Schemes”) organized by the local government authorities whereby our Company and its subsidiaries in the PRC are required to make contributions to the RBS Schemes based on certain percentages of the eligible employee’s salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees.

During the year ended December 31, 2023, there were no forfeited contributions under the RBS Schemes. Accordingly, no forfeited contribution was utilized during the year, and there was no forfeited contribution available as of December 31, 2023, to reduce the level of contributions.

Details of the pension contributions of our Company are set out in Note 7 to the Financial Statements in this annual report.

MAJOR SUPPLIERS

For the year ended December 31, 2023, our Group’s suppliers primarily consisted of (i) CROs, who provided contracting services for R&D; and (ii) suppliers of raw materials, reference drugs, machinery and equipment used in the R&D and manufacturing activities.

We maintained good and stable relationship with our existing suppliers. When procurement of raw materials or services or procurement from new suppliers is necessary, we would strictly follow our internal procurement policy to select suppliers, raw materials or services. For selecting CRO service providers, our procurement team normally requests the potential supplier to provide, among others, its industrial background and credentials, an initial service plan designed by the CRO service provider and the quotations with breakdown of detailed components of the CRO services and procedures involved. Furthermore, our procurement department routinely monitors market price for procurement of raw materials and relevant services necessary for our business, for benchmarking and cost control purposes.

For the year ended December 31, 2023, purchases from our Group’s five largest suppliers in the aggregate amounted to RMB42.1 million, accounted for 32.7% of our Group’s total purchases for the same year.

退休福利計劃

本集團根據香港法例第485章香港《強制性公積金計劃條例》為於香港法例第57章香港《僱傭條例》司法管轄範圍內受僱而之前未獲界定退休福利計劃保障的僱員營辦強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立受託人管理的界定供款退休計劃。根據強積金計劃，僱主及其僱員須各自按僱員相關收入的5%向計劃作出供款，每月相關收入上限為30,000港元。計劃供款即時歸屬。

根據中國的相關勞動規章制度，本集團在中國參與由地方政府部門組織的界定供款退休福利計劃(「退休福利計劃」)，據此，本公司及其於中國的附屬公司須按合資格僱員薪金的若干百分比向退休福利計劃供款。地方政府部門負責履行支付退休僱員的全部退休金義務。

於截至2023年12月31日止年度，退休福利計劃下並無已沒收的供款。因此，年內並無動用已收收供款，於2023年12月31日亦無已沒收供款可供減低供款水平。

本公司的退休金供款詳情載於本年報財務報表附註7。

主要供應商

截至2023年12月31日止年度，本集團的供應商主要包括(i) CRO，其為研發提供合約服務；及(ii)研發及製造活動使用的原材料、參照藥、機器及設備的供應商。

我們與現有供應商維持良好而穩定的關係。當需採購原材料或服務或自新供應商採購時，我們會嚴格遵循內部採購政策甄選供應商、原材料或服務。就甄選CRO服務提供商而言，我們的採購團隊通常會要求潛在供應商提供(其中包括)其行業背景及資質、CRO服務提供商制訂的初步服務計劃以及報價(連同所涉CRO服務具體組成部分及流程的明細)。再者，我們的採購部門定期監察採購原材料及我們業務所需相關服務的市價以作參考及控制成本。

截至2023年12月31日止年度，本集團來自五大供應商的採購額合共為人民幣42.1百萬元，佔本集團同年總採購額的32.7%。

Report of Directors

董事會報告

Lee's Pharm Hefei was an indirect wholly-owned subsidiary of Lee's Pharm, our Substantial Shareholder, and our Group's largest supplier during the Reporting Period. Purchases from Lee's Pharm Hefei for the year ended December 31, 2023 amounted to RMB20.9 million, accounting for approximately 14.6% of our Group's total purchase amount for the same year.

Save as disclosed above, none of the Directors, their respective close associates, or any Shareholder of our Company who, to the knowledge of the Directors, owns more than 5% of our Company's issued capital, has any interest in any of our Group's five largest suppliers.

During the year ended December 31, 2023, our Group did not experience any significant disputes with its suppliers.

MAJOR CUSTOMERS

During the Reporting Period, our Group derived revenues from (i) the sale of Bimatoprost Timolol eye drop (晶贝莹®); and (ii) the sale of 堡得视® series of eyepatches.

We had established a broad customer base, including patients, hospitals and medical products trade company. We maintain an outstanding sales and marketing team, which is responsible for the promotion of our products to patients, hospitals and medical products trade company through omnichannel marketing activities, such as academic activities and other new digital initiatives, to interact with KOLs as well as other industry professionals.

For the year ended December 31, 2023, revenue generated from our Group's five largest customers in the aggregate amounted to RMB11.7 million, accounted for 66.7% of our Group's total revenue for the same year. For the year ended December 31, 2023, revenue generated from our Group's single largest customer amounted to RMB5.6 million, accounted for 29.9% of our Group's total revenue for the same year.

None of the Directors, their respective close associates, or any Shareholder who, to the knowledge of the Directors, owns more than 5% of our Company's issued capital, has any interest in any of our Group's five largest customers.

During the year ended December 31, 2023, we did not experience any significant disputes with our customers.

KEY RELATIONSHIP WITH STAKEHOLDERS

Our Group recognizes that various stakeholders including suppliers, customers, employees, Shareholders and other business associates are key to our success. Our Group strives to achieve corporate sustainability through engaging, collaborating, and cultivating strong relationship with them.

於報告期內，李氏大藥廠(合肥)為我們主要股東李氏大藥廠的間接全資附屬公司，並為本集團的最大供應商。截至2023年12月31日止年度，本集團來自李氏大藥廠(合肥)的採購額為人民幣20.9百萬元，佔本集團同年總採購額約14.6%。

除上文所披露者外，董事、彼等各自的緊密聯繫人或據董事所知擁有本公司5%以上已發行股本的任何本公司股東概無在本集團任何五大供應商中擁有任何權益。

於截至2023年12月31日止年度，本集團與其供應商並無經歷任何重大糾紛。

主要客戶

於報告期內，本集團的收益源自(i)銷售貝美素噶嗎洛爾滴眼液(晶贝莹®)；及(ii)銷售堡得视®眼罩貼系列。

我們已建立龐大的客戶基礎，包括患者、醫院及醫療產品貿易公司。我們設有優秀的銷售及營銷團隊，負責通過全渠道營銷活動向患者、醫院及醫療產品貿易公司推廣產品，例如學術活動、其他新興數碼活動以及與關鍵意見領袖及其他行業專家互動。

截至2023年12月31日止年度，本集團五大客戶產生的收益合共為人民幣11.7百萬元，佔本集團同年總收益的66.7%。截至2023年12月31日止年度，本集團單一最大客戶產生的收益為人民幣5.6百萬元，佔本集團同年總收益的29.9%。

董事、彼等各自的緊密聯繫人或據董事所知擁有本公司5%以上已發行股本的任何股東概無在本集團任何五大客戶中擁有任何權益。

於截至2023年12月31日止年度，我們並無與客戶發生任何重大爭議。

與持份者的關鍵關係

本集團確認不同持份者(包括供應商、客戶、僱員、股東及其他業務夥伴)均為我們成功的關鍵。本集團矢志透過彼等的參與、與彼等合作及建立穩固關係，實現企業的可持續發展。

Relationship with Our Suppliers

Details of relationship with our suppliers are provided in “Major Suppliers” in this report of Directors.

Relationship with Our Customers

Details of relationship with our customers are provided in “Major Customers” in this report of Directors.

Relationship with Our Employees

We endeavor to cultivate talented and loyal employees by treating our employees with dignity, respect and fairness. We conduct new employee training, as well as professional and compliance training programs for employees. We enter into employment contracts with our employees to cover matters such as wages, benefits and grounds for termination. The remuneration package of our employees usually includes salary, bonus and share option incentives, which are generally determined by their qualifications, industry experience, position and performance. We make contributions to social insurance and housing provident funds as required by the applicable laws and regulations.

Relationship with Our Licensing Partners and Business Partners

We maintain long-term relationships and effective communication with our licensing partners and business partners to better achieve corporate goals, through leveraging their resources and established capabilities. We believe that licensing arrangements and business partnerships are in the interests of our Shareholders as a whole.

Relationship with Shareholders

We recognize the importance of protecting the interests of the Shareholders and of having effective communication with them. We believe communication with the Shareholders is a two-way process and have thrived to ensure the quality and effectiveness of information disclosure, maintain regular dialogue with the Shareholders and listen carefully to the views and feedback from the Shareholders.

BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and the senior management of our Company are set out in the section headed “Profiles of Directors and Senior Management” on pages 36 to 48 of this annual report.

與我們供應商的關係

與我們供應商的關係詳情載於本董事會報告「主要供應商」一節。

與我們客戶的關係

與我們客戶的關係詳情載於本董事會報告「主要客戶」一節。

與我們僱員的關係

我們公平公正地尊重每名僱員，致力培育有才華及忠誠的僱員。我們培訓新入職僱員，以及為僱員提供專業及合規培訓課程。我們與僱員訂立僱傭合約，涵蓋工資、福利及終止聘用理由等事項。僱員的薪酬組合一般包括薪金、花紅及購股權獎勵，通常按彼等的資格、業內經驗、職位及表現釐定。我們按照適用法律法規規定向社會保險及住房公積金供款。

與許可夥伴及業務夥伴的關係

我們與許可夥伴及業務夥伴維持長期關係及有效溝通，借助其資源及既有能力，更好地達成企業目標。我們相信，許可安排及業務夥伴關係符合股東的整體利益。

與股東的關係

我們深明保障股東權益並與彼等保持有效溝通的重要性。我們認為應與股東雙向溝通，故一直致力確保向股東提供優質而有效的信息披露，保持定期對話，以及仔細聆聽股東的意見及回應。

董事及高級管理層履歷

本公司董事及高級管理層的履歷詳情載於本年報第36至48頁「董事及高級管理層履歷」一節。

Report of Directors

董事會報告

SERVICE CONTRACTS OF THE DIRECTORS

Each of our executive Directors has entered into a service contract with our Company. The initial term of their respective service contracts shall commence for a period of three years until terminated in accordance with the terms and conditions of the service contract or by our executive Directors giving to us not less than 30 days' prior notice in writing.

Each of our non-executive Directors and independent non-executive Directors has entered into an appointment letter with our Company. The initial term for their appointment letters shall commence for a period of three years until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing.

In accordance with the Articles of Association, all Directors are subject to retirement by rotation at least once every three years and any new Director appointed to fill a casual vacancy shall submit himself/herself for re-election by the Shareholders at the first general meeting of our Company after appointment and any new Director appointed as an addition to the Board shall submit himself/herself for re-election by the Shareholders at the next following annual general meeting of our Company after appointment.

None of the Directors proposed for re-election at the forthcoming AGM has a service contract with our Company or any member of our Group which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time during the year ended December 31, 2023 was our Company or any of our subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, our Company or any other body corporate; and none of the Directors, or any of their spouse or children under the age of 18, had any right to subscribe for equity or debt securities of our Company or any other body corporate, or had exercised any such right.

REMUNERATION OF THE DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

In compliance with Rule 3.25 of the Listing Rules and the CG Code, our Company has established the Remuneration Committee to formulate remuneration policies. The remuneration is determined and recommended based on each Director's and senior management personnel's qualification, position and seniority. As for the independent non-executive Directors, their remuneration is determined by the Board upon recommendation from the Remuneration Committee. The Directors and the senior management personnel are eligible participants of the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme.

董事服務合約

各執行董事已與本公司訂立服務合約。彼等各自服務合約的初始年期為期三年，直至按照服務合約的條款及條件或由執行董事向我們發出不少於30天的事先書面通知終止為止。

各非執行董事及獨立非執行董事已與本公司訂立委任函。彼等的委任函的初始年期為期三年，直至按照委任函的條款及條件或由任可一方向另一方發出不少於三個月的事先書面通知終止為止。

按照組織章程細則，所有董事須至少每三年輪值退任一次，而任何獲委任以填補臨時空缺的新任董事須於獲委任後的首個本公司股東大會上接受股東重選，任何獲委任以增加董事會人數的新任董事則須於獲委任後的下一屆本公司股東週年大會上接受股東重選。

獲建議於應屆股東週年大會上接受重選的董事概無與本公司或本集團任何成員公司訂有不可由僱主在一年內不予賠償(法定賠償除外)的情況下終止的服務合約。

董事收購股份或債權證的權利

除本年報所披露者外，於截至2023年12月31日止年度任何時間，本公司或我們的任何附屬公司概無訂立任何安排，使董事可藉收購本公司或任何其他法人團體的股份或債權證而獲益；亦無董事或任何彼等的配偶或18歲以下子女擁有任何權利認購本公司或任何其他法人團體的股權或債務證券，亦無行使任何有關權利。

董事及五名最高薪酬人士的薪酬

遵照上市規則第3.25條及企業管治守則，本公司已成立薪酬委員會制訂薪酬政策。薪酬乃基於各董事及高級管理人員的資格、職位及年資釐定及建議。至於獨立非執行董事，彼等的薪酬由董事會按薪酬委員會的建議釐定。董事及高級管理人員均為首次公開發售前購股權計劃及首次公開發售後購股權計劃的合資格參與者。

Details of the remuneration of the Directors, CEO and the five highest paid individuals for the Reporting Period are set out in Notes 9 and 10 to the Financial Statements. During the Reporting Period, none of the Directors waived or agreed to waive any remuneration and there was no emoluments paid by our Group to any of the Directors as an inducement to join, or upon joining our Group, or as compensation for loss of office.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACT OF SIGNIFICANCE

Save as disclosed in "Connected Transactions" in the report of Directors of this annual report, none of the Directors nor any entity connected with the Directors had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance, whether for the provision of services or otherwise, to our Group to which our Company, its holding company, or any of our subsidiaries or fellow subsidiaries was a party subsisting during or at the end of the year ended December 31, 2023.

INTERESTS IN CONTRACT OF SIGNIFICANCE

Since the Listing Date and up to the Latest Practicable Date, we did not have a Controlling Shareholder.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Each of Dr. Li Xiaoyi and Ms. Leelalertsuphakun currently serves as a director in Lee's Pharm. As of the Latest Practicable Date, the remaining business of the Retained Lee's Pharm Group includes an ophthalmic drug, namely Eyprotor, which is indicated for healing of tissue without angiogenesis effect, while our product candidates include adapalene/clindamycin hydrochloride compound gel ("ACCG"), a dermatological drug candidate for the treatment of moderate acne vulgaris. Each of Lee's Pharm and our Company considers that the existence of Eyprotor and ACCG will not affect the business delineation and give rise to any material competition between our Group and the Retained Lee's Pharm Group for the reasons set out in the section headed "Relationship with Lee's Pharm – Delineation of Business between the Retained Lee's Pharm Group and our Group – Delineation of Businesses" of the Prospectus.

Dr. Li Xiaoyi resigned from all his executive positions in Lee's Pharm prior to Listing and currently only serves as a non-executive director in Lee's Pharm. Although Ms. Leelalertsuphakun currently still serves as an executive director and managing director in Lee's Pharm, she only takes a non-executive role in our Company and will not hold any executive senior management position within our Group. Our Directors are of the view that our Group will be managed and will operate independently of Lee's Pharm in the interests of our Shareholders as a whole. For further details about the independence of our Company from the Retained Lee's Pharm Group, please see the section headed "Relationship with Lee's Pharm" of the Prospectus.

董事、行政總裁及五名最高薪人士於報告期的薪酬詳情載於財務報表附註9及10。於報告期內，概無董事放棄或同意放棄任何薪酬，而本集團亦無向任何董事支付酬金作為加入本集團或於加入本集團時的獎勵或作為離職補償。

董事於重要交易、安排或合約的權益

除本年報董事會報告「關連交易」所披露者外，概無董事或與董事有關連的任何實體直接或間接於本公司、其控股公司或我們的任何附屬公司或同系附屬公司所訂立於截至2023年12月31日止年度內或結束時存續，對本集團而言屬重大(不論關於提供服務或其他原因)的任何交易、安排或合約中擁有重大權益。

於重大合約的權益

自上市日期起直至最後實際可行日期，我們並無控股股東。

董事於競爭性業務的權益

李小羿博士及李焯妮女士現時於李氏大藥廠出任董事。於最後實際可行日期，保留李氏大藥廠集團的餘下業務包括一種眼科藥物(即睿保特，用於在不產生血管生成作用的情況下促進組織癒合)，而我們的候選產品包括阿達帕林鹽酸克林黴素複方凝膠("ACCG")，一種用於治療中度尋常痤瘡的候選皮膚病藥物。李氏大藥廠及本公司均認為睿保特及ACCG將不會影響本集團與保留李氏大藥廠集團之間的業務劃分，且不會令本集團與保留李氏大藥廠集團之間產生任何激烈競爭，原因載於招股章程中「與李氏大藥廠的關係—保留李氏大藥廠集團與本集團之間的業務劃分—業務劃分」一節。

李小羿博士於上市前已辭任彼於李氏大藥廠的所有執行職務，現時僅於李氏大藥廠出任非執行董事。儘管李焯妮女士現時仍於李氏大藥廠出任執行董事及董事總經理，惟彼僅於本公司擔任非執行角色，不會於本集團內擔任任何執行高級管理層職位。我們的董事認為，本集團將以獨立於李氏大藥廠及符合我們股東整體利益的方式管理及營運。有關本公司獨立於保留李氏大藥廠集團的進一步詳情，請參閱招股章程中「與李氏大藥廠的關係」一節。

Report of Directors

董事會報告

Save as disclosed in the Prospectus and save for their respective interests in our Group, none of the Directors was interested in any business which competes or is likely to compete, directly or indirectly, with the businesses of our Group pursuant to Rule 8.10 of the Listing Rules for the year ended December 31, 2023.

From time to time our non-executive Directors may serve on the boards of both private and public companies within the broader healthcare and biopharmaceutical industries. However, as these non-executive Directors are neither our Controlling Shareholders nor members of our executive management team, we do not believe that their interests in such companies as directors would render us incapable of carrying on our business independently from the other companies in which they may hold directorships from time to time.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of our Company was entered or existed during the year ended December 31, 2023.

CONNECTED TRANSACTIONS

Among the related party transactions disclosed in Note 27 to the Financial Statements, the following transactions constitute connected transactions for our Company under Rule 14A.23 of the Listing Rules and are required to be disclosed in this annual report in accordance with Rule 14A.71 of the Listing Rules. Our Company confirmed that the other related party transactions do not fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) under Chapter 14A of the Listing Rules and complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules. Please see below the information required to be disclosed in compliance with Chapter 14A of the Listing Rules.

One-off Connected Transactions

(1) Lease Agreement

Lee's Pharm Guangzhou is an indirect wholly-owned subsidiary of Lee's Pharm, our Substantial Shareholder. Under the Listing Rules, Lee's Pharm Guangzhou is regarded as our connected person. Pursuant to the lease agreement (the “**Lease Agreement**”) entered into between Zhaoke Guangzhou (as lessee) and Lee's Pharm Guangzhou (as lessor) on March 1, 2022, Lee's Pharm Guangzhou agreed to lease to our Group the premises consists of seven plots with a total gross area of approximately 11,258 sq.m., which located at Zhujiang Industrial Park, Nansha District, Guangzhou, Guangdong Province, PRC, for our uses as office, production plant and warehouse. The terms of the Lease Agreement will expire on January 1, 2025, with a piece of plot lease from August 1, 2022.

除招股章程所披露者及彼等各自於本集團的權益外，截至2023年12月31日止年度，根據上市規則第8.10條，概無董事於直接或間接與或可能與本集團業務競爭的任何業務中擁有權益。

我們的非執行董事可能不時於較廣義的保健及生物製藥行業的私人及公眾公司的董事會效力。然而，由於該等非執行董事既非我們的控股股東，亦非我們的執行管理團隊成員，故我們並不認為彼等作為該等公司董事的權益會導致我們不能以獨立於彼等可能不時出任董事的其他公司的方式處理我們的事務。

管理合約

於截至2023年12月31日止年度，概無訂立或存在關於本公司全部或任何大部分業務的管理及行政合約。

關連交易

於財務報表附註27所披露的關聯方交易中，以下交易根據上市規則第14A.23條構成本公司的關連交易，按照上市規則第14A.71條須於本年報內披露。本公司已確認，其他關聯方交易並不符合上市規則第十四A章的「關連交易」或「持續關連交易」(視情況而定)的定義，且已符合上市規則第十四A章的披露規定。有關遵照上市規則第十四A章須披露的資料，請參閱下文。

一次性關連交易

(1) 租賃協議

李氏大藥廠(廣州)為我們主要股東李氏大藥廠的間接全資附屬公司。根據上市規則，李氏大藥廠(廣州)被視為我們的關連人士。根據兆科廣州(作為承租人)與李氏大藥廠(廣州)(作為出租人)於2022年3月1日訂立的租賃協議(「**租賃協議**」)，李氏大藥廠(廣州)同意向本集團出租位於中國廣東省廣州市南沙區珠江工業園的物業，當中包括七個總建築面積合共約11,258平方米的區塊，供我們用作辦公室、生產廠房及倉庫。租賃協議的年期將於2025年1月1日屆滿，當中一個區塊的租賃自2022年8月1日開始。

The total rental fee under the Lease Agreement amount to approximately RMB599,323 per month (inclusive of maintenance fee) to be paid monthly. The transaction amount incurred under the Lease Agreement during the Reporting Period was approximately RMB7.2 million.

Based on our independent assessment and commercial judgement, and considering the overall commercial terms, the common industry practice and long-term lease relationship between Zhaoke Guangzhou and Lee's Pharm Guangzhou, we believe it is cost efficient and beneficial to our operations to continue to lease the premises from Lee's Pharm Guangzhou. For further details, see our announcements published on the websites of the Stock Exchange and our Company dated March 1, 2022.

(2) Assets Transfer Agreement

Lee's Pharm Hefei is an indirect wholly-owned subsidiary of Lee's Pharm, our Substantial Shareholder. Under the Listing Rules, Lee's Pharm Hefei is regarded as our connected person. Pursuant to the assets transfer agreement (the "**Assets Transfer Agreement**") entered into between Zhaoke Guangzhou (as transferee) and Lee's Pharm Hefei (as transferor) on November 13, 2023, Zhaoke Guangzhou agreed to acquire, and Lee's Pharm Hefei agreed to transfer, among others, (i) the MAH and global distribution rights therefor, (ii) all intellectual property rights relating thereto, including all technologies and process relating to the R&D, registration and commercialization, (iii) contractual interests associated therewith, (iv) trademarks employed thereby, and (v) the remaining inventory thereof, as held by Lee's Pharm Hefei (the "**Target Assets**"), relating to Eyprotor.

The total consideration under the Assets Transfer Agreement is RMB60 million (subject to the Price Adjustment Mechanism as defined in the Assets Transfer Agreement), which shall be payable by Zhaoke HK to Lee's Pharm Hefei by installment according to milestones set out therein. If the Assets Transfer is not completed by June 30, 2024 (the "**Long Stop Date**"), each of Zhaoke Guangzhou and Zhaoke HK reserves the right to either extend the Long Stop Date to continue negotiations regarding the closing conditions and payment terms, or to terminate the Assets Transfer Agreement and demand a refund of the consideration already paid.

The transaction amount incurred under the Assets Transfer Agreement during the Reporting Period was RMB18.9 million.

Based on our independent assessment and commercial judgement, and considering the overall commercial terms, the common industry practice and long-term relationship between Zhaoke Guangzhou and Lee's Pharm Hefei, we believe the Assets Transfer Agreement is entered into in the ordinary course of business of our Company and on normal commercial terms, which are fair and reasonable and in the interests of our Company and our Shareholders as a whole. For further details, see our announcements published on the websites of the Stock Exchange and our Company dated November 13, 2023.

租賃協議下的租賃總額每月約為人民幣599,323元(包括維修費)，將每月支付。於報告期內根據租賃協議產生的交易額約為人民幣7.2百萬元。

基於我們的獨立評估及商業判斷，考慮到整體商業條款、行業慣例及兆科廣州與李氏大藥廠(廣州)的長期租賃關係，我們相信繼續向李氏大藥廠(廣州)租用該等物業具成本效益及有利於我們的營運。有關進一步詳情，請參閱聯交所網站及本公司網站所登載我們日期為2022年3月1日的公告。

(2) 資產轉讓協議

李氏大藥廠(合肥)為我們主要股東李氏大藥廠的間接全資附屬公司。根據上市規則，李氏大藥廠(合肥)被視為我們的關連人士。根據兆科廣州(作為承讓人)與李氏大藥廠(合肥)(作為轉讓人)於2023年11月13日訂立的資產轉讓協議(「**資產轉讓協議**」)，兆科廣州同意收購而李氏大藥廠(合肥)同意轉讓李氏大藥廠(合肥)所持有(其中包括)關於睿保特的(i)其上市許可持有人及環球分銷權，(ii)與其有關的所有知識產權，包括與研發、註冊及商業化有關的所有技術及程序，(iii)其相關合約利益，(iv)其使用的商標，及(v)其剩餘存貨(「**目標資產**」)。

資產轉讓協議的總代價為人民幣60百萬元(視乎資產轉讓協議所界定的價格調整機制而定)，應由兆科香港按照資產轉讓協議所載里程碑分期支付予李氏大藥廠(合肥)。倘資產轉讓未有於2024年6月30日(「**最後完成日期**」)完成，則兆科廣州及兆科香港各自保留權利延遲最後完成日期以繼續磋商截止條件及付款條款，或終止資產轉讓協議並要求退還已付代價。

於報告期內，根據資產轉讓協議產生的交易額為人民幣18.9百萬元。

基於我們的獨立評估及商業判斷，考慮到整體商業條款、行業慣例及兆科廣州與李氏大藥廠(合肥)的長期關係，我們相信資產轉讓協議乃在本公司的日常業務中訂立，條款為一般商務條款、屬公平合理且符合我們及我們股東的整體利益。有關進一步詳情，請參閱聯交所網站及本公司網站所登載我們日期為2023年11月13日的公告。

Continuing Connected Transactions

(1) Procurement of CMO Services

Pursuant to the master CMO service agreement entered into between Zhaoke Guangzhou (as purchaser) and Lee's Pharm Hefei (as supplier) on November 13, 2023 (the "Master CMO Service Agreement"), our Group agreed to engage Lee's Pharm Hefei as a CMO service provider to manufacture and supply Eyprotor for the commercial sale in compliance with GMP and relevant laws and regulations, at a pre-determined supply price per unit, subject to the relevant individual agreement or purchase order in the form and substance agreed by both parties from time to time. The Master CMO Service Agreement is set to take effect from the date when the Target Assets have been transferred from Lee's Pharm Hefei to Zhaoke Guangzhou and the relevant filing and registration with the regulatory authority in relation to such transfer have been completed, and will remain in force until December 31, 2025. Upon the expiration of such terms, in compliance with the applicable laws and regulations (including the Listing Rules), it will automatically renew for an additional term of three years, unless either party raises an objection in writing to terminate it within 30 days prior to the expiration date.

Based on our independent assessment and commercial judgement, and considering the overall commercial terms, the R&D capabilities and dedication proposed by Lee's Pharm Hefei and its relevant industry knowledge and experience, we believe engaging Lee's Pharm Hefei as our CMO service provider to provide the service contemplated under the Master CMO Service Agreement is commercially beneficial to the business of our Group. For further details, see our announcements published on the websites of the Stock Exchange and our Company dated November 13, 2023.

Historical transaction amounts

The transaction amount incurred under the Master CMO Service Agreement for the year ended December 31, 2023 was RMB2.0 million.

Caps on future transaction amounts

The proposed annual caps for each of the two months ended December 31, 2023 and the two years ending December 31, 2024 and 2025 is RMB2.0 million, RMB16.0 million and RMB21.0 million, respectively.

持續關連交易

(1) 購買CMO服務

根據兆科廣州(作為買方)與李氏大藥廠(合肥)(作為供應商)於2023年11月13日訂立的主CMO服務協議(「主CMO服務協議」),本集團同意委聘李氏大藥廠(合肥)為CMO服務提供商,於形式及內容經訂約雙方不時協定的相關個別協議或採購訂單的規限下,按預設單位供貨價,遵照GMP以及相關法律及法規製造及供應睿保特,以供商業銷售。主CMO服務協議準備由李氏大藥廠(合肥)已向兆科廣州轉讓目標資產並完成向監管機構辦理與該轉讓有關的存檔及登記之日起生效,並將一直生效,直至2025年12月31日為止。除非某一訂約方於屆滿日期前30天內提出書面反對而終止,否則有關年期將在符合適用法律及法規(包括上市規則)的前提下於屆滿時自動額外延續三年。

基於我們的獨立評估及商業判斷,考慮到整體商業條款、李氏大藥廠(合肥)的研發實力與付出的努力以及其相關行業知識及經驗,我們相信委聘李氏大藥廠(合肥)為CMO服務提供商提供根據主CMO服務協議擬提供的服務,對本集團業務而言符合商業利益。有關進一步詳情,請參閱聯交所網站及本公司網站所登載我們日期為2023年11月13日的公告。

歷史交易金額

截至2023年12月31日止年度,根據主CMO服務協議產生的交易金額為人民幣2.0百萬元。

未來交易金額上限

截至2023年12月31日止兩個月以及截至2024年及2025年12月31日止兩個年度各年的建議年度上限分別為人民幣2.0百萬元、人民幣16.0百萬元及人民幣21.0百萬元。

(2) Procurement of CRO Services for NVK002

Pursuant to the CRO service agreements (the “**NVK002 Service Agreements**”) entered into between Zhaoke Guangzhou and Lee’s Pharm Hefei on April 8, 2022, our Group agreed to engage Lee’s Pharm Hefei as a CRO service provider to provide relevant CRO services for developing NVK002 for myopia. Each of the NVK002 Service Agreements has a term commencing from April 8, 2022 to December 31, 2024.

Based on our independent assessment and commercial judgement, and considering the overall commercial terms, the R&D capabilities and dedication proposed by Lee’s Pharm Hefei, its relevant industry knowledge and experience and its familiarity with our Company’s needs and requirements, we believe engaging Lee’s Pharm Hefei as our CRO service provider to provide the services contemplated under the NVK002 Service Agreements is commercially beneficial to the business of our Group. For further details, see our announcements published on the websites of the Stock Exchange and our Company dated April 8, 2022.

Historical transaction amounts

The transaction amount incurred under the NVK002 Service Agreements during the Reporting Period was RMB18.1 million.

Caps on future transaction amounts

The proposed annual caps for each of the year ended December 31, 2023 and the year ending December 31, 2024 is RMB18.1 million and RMB18.1 million, respectively.

Our Company’s auditors were engaged to report on our Group’s continuing connected transactions 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 “Auditor’s Letter of Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditors have issued an unqualified letter containing their responsibilities and conclusions in respect of the abovementioned continuing connected transactions contemplated under the Master CMO Service Agreement and NVK002 Service Agreements as disclosed by our Group in this report in accordance with Rule 14A.56 of the Listing Rules.

(2) 就NVK002購買CRO服務

根據兆科廣州與李氏大藥廠(合肥)於2022年4月8日訂立的CRO服務協議(「**NVK002服務協議**」)，本集團同意委聘李氏大藥廠(合肥)為CRO服務提供商，以就開發治療近視的NVK002提供相關CRO服務。各份NVK002服務協議的年期自2022年4月8日開始，至2024年12月31日為止。

基於我們的獨立評估及商業判斷，考慮到整體商業條款、李氏大藥廠(合肥)的研發實力與付出的努力、李氏大藥廠(合肥)的相關行業知識及經驗以及對本公司需要及要求的熟知程度，我們相信委聘李氏大藥廠(合肥)為我們的CRO服務提供商提供根據NVK002服務協議擬提供的服務於商業上對本集團的業務有益。有關進一步詳情，請參閱聯交所網站及本公司網站所登載我們日期為2022年4月8日的公告。

歷史交易金額

於報告期內，根據NVK002服務協議產生的交易金額為人民幣18.1百萬元。

未來交易金額上限

截至2023年12月31日止年度及截至2024年12月31日止兩個年度各年的建議年度上限分別為人民幣18.1百萬元及人民幣18.1百萬元。

本公司核數師已獲委聘按照香港會計師公會頒佈的香港鑒證業務準則第3000號(經修訂)[審核或審閱歷史財務資料以外的鑒證業務]及參照實務說明第740號「關於《香港上市規則》所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。核數師已按照上市規則第14A.56條的規定發出一封無保留意見函件，當中載有其有關本集團於本報告內披露上述根據主CMO服務協議及NVK002服務協議擬進行的持續關連交易的責任及結論。

(3) Product Licensing

Lee's Pharm International is our Substantial Shareholder. Under the Listing Rules, Lee's Pharm International is regarded as our connected person. Our Company and Zhaoke Guangzhou, as licensors, entered into the license agreement with Lee's Pharm International and Lee's Pharm Guangzhou (together, the "Licensees") on October 2, 2020 (the "License Agreement"), pursuant to which we agreed to grant exclusive license rights to the Licensees to promote and commercialize the adapalene/clindamycin hydrochloride compound gel (the "Licensed Product") in the PRC, Hong Kong, Macau and Taiwan. In consideration, the Licensees agreed to pay an upfront payment of US\$10,000,000 within 30 days after the signing of the agreement and a milestone payment of US\$5,000,000 within 14 days after obtaining the relevant regulatory approval for the new drug registration of the Licensed Product in PRC, and to share with us the profit derived from the sale of Licensed Product (the "Profit Sharing"). In addition, pursuant to the License Agreement, we were engaged by the Licensees to exclusively manufacture the Licensed Product, and shall supply the Licensed Products to the Licensees in the PRC (the "Licensed Product Supply") at a determined supply price per unit. The License Agreement has an initial term commencing on the date of the agreement and continue to be in force and effect until the date of the tenth anniversary of the initial sale of the Licensed Product, and can be automatically extended for additional consecutive renewal terms of five years each, unless terminated earlier in accordance with the terms of the License Agreement. The License Agreement was entered into by our Group and the Retained Lee's Pharm Group out of independent commercial considerations since we expect to focus our resources on the R&D of ophthalmic pharmaceutical products, while the Retained Lee's Pharm Group has a developed business in dermatology field. It is natural and commercially beneficial for both groups to enter into the License Agreement so that both groups will be able to stick to their respective business plans and development paths. For further details on the procurement of CRO services, please refer to "Connected Transactions – Non-Exempt Continuing Connected Transactions – Product Licensing" of the Prospectus.

Historical transaction amount

We have not received any payment under the License Agreement for the year ended December 31, 2023 since the next payment milestone under the License Agreement has yet been achieved as of the end of the Reporting Period and there was no Licensed Products supplied or net sales revenue incurred for the year ended December 31, 2023 under the License Agreement.

(3) 產品許可

李氏大藥廠國際為我們的主要股東。根據上市規則，李氏大藥廠國際均被視為我們的關連人士。本公司及兆科廣州（作為許可方）與李氏大藥廠國際及李氏大藥廠（廣州）（統稱「被許可方」）於2020年10月2日訂立許可協議（「許可協議」），據此我們同意向被許可方授出獨家許可權，以於中國、香港、澳門及台灣推廣及商業化阿達帕林鹽酸克林黴素複方凝膠（「被許可產品」）。作為代價，被許可方同意於簽署協議後30日內支付預付款10,000,000美元及於被許可產品於中國的新藥登記取得相關監管批准後14日內支付里程碑付款5,000,000美元，並與我們分成銷售被許可產品產生的利潤（「利潤分成」）。此外，根據許可協議，我們獲被許可方委聘獨家製造被許可產品，並於中國按規定的供應單價向被許可方供應被許可產品（「被許可產品供應」）。許可協議初始年期自協議訂立日期開始，有效期直至被許可產品開始銷售起計滿10年之日，且將自動延期，每次額外續期5年，除非根據許可協議的條款提前終止。由於我們預期將集中資源於眼科藥物產品的研發，而保留李氏大藥廠集團於皮膚病學領域有成熟業務，故許可協議乃由本集團與保留李氏大藥廠集團基於獨立商業考慮因素訂立。訂立許可協議對兩方屬理所當然及可帶來商業利益，彼等可繼續恪守其各自的業務計劃及發展路徑。有關購買CRO服務的進一步詳情，請參閱招股章程中「關連交易—非豁免持續關連交易—產品許可」。

歷史交易金額

截至2023年12月31日止年度，由於許可協議下一個付款里程碑於報告期末尚未達成，故我們並無根據許可協議收取任何付款，而截至2023年12月31日止年度亦無根據許可協議供應被許可產品或產生淨銷售收入。

Caps on future transaction amounts

We have set the annual caps for the Licensed Product Supply and the Profit Sharing as formulas (the “**Formulas**”) below:

(i) *Licensed Product Supply*

The payment to be received by us from the Retained Lee’s Pharm Group for supplying the Licensed Products will be determined in accordance with the following formula:

Amount receivable by us under Licensed Product Supply = Unit supply price¹ amount of Licensed Product supplied

(ii) *Profit Sharing*

The payment receivable by us from the Retained Lee’s Pharm Group for Profit Sharing pursuant to the License Agreement will be determined in accordance with the following formula:

Amount of profit receivable by us under Profit Sharing² = (net sales revenue³ × 55%) – amount receivable by our Group under Licensed Product Supply (net of tax)

There was no Licensed Products supplied or net sales revenue incurred for the year ended December 31, 2023 under the License Agreement. Therefore, the auditor of our Company has not reported on the above continuing connected transactions contemplated under the License Agreement pursuant to Rule 14A.56 of the Listing Rules.

Notes:

- 1 The unit supply price is determined by taking into consideration the cost expected to be incurred by us for the manufacturing of Licensed Products and a gross profit margin of approximately 60% for such manufacturing.
- 2 Net sales revenue shall be net of value-added taxes and sales commissions paid to distributors.
- 3 If the formula produces negative results, we are not obligated to pay any amount to the Retained Lee’s Pharm Group.

For the year ended December 31, 2023, the Directors, including the independent non-executive Directors have reviewed the aforesaid continuing connected transactions and confirmed that: (i) the continuing connected transactions as set out above have been and will be entered into in the ordinary and usual course of business of our Group, on normal commercial terms or terms better to us, that are fair and reasonable and in the interest of us and our Shareholders as a whole; and (ii) the proposed annual caps and the alternative cap (as applicable) for the non-exempt continuing connected transactions described in this section are fair and reasonable and in the interests of our Company and the Shareholders as a whole.

未來交易金額上限

我們將被許可產品供應及利潤分成年度上限的公式(「公式」)設置如下：

(i) 被許可產品供應

我們就供應被許可產品自保留李氏大藥廠集團收取的付款將根據以下公式釐定：

我們就被許可產品供應應收的款項 = 所供應被許可產品的供應單價¹

(ii) 利潤分成

我們就根據許可協議進行利潤分成應收保留李氏大藥廠集團的付款將根據以下公式釐定：

我們根據利潤分成應收利潤金額² = (銷售淨收益³ × 55%) – 本集團根據被許可產品供應應收款項(除稅後)

截至2023年12月31日止年度並無根據許可協議供應被許可產品或產生淨銷售收入。因此，本公司核數師並無根據上市規則第14A.56條就上述根據許可協議擬進行的持續關連交易作出報告。

附註：

- 1 供應單價乃按我們就生產被許可產品預期將產生的成本及有關生產的毛利率約60%釐定。
- 2 銷售淨收益應扣除增值稅及付予分銷商的銷售佣金。
- 3 倘公式產生負數結果，我們無義務向保留李氏大藥廠集團支付任何款項。

截至2023年12月31日止年度，董事(包括獨立非執行董事)已審核上述持續關連交易，並已確認：(i)上文所載的持續關連交易已在本集團的日常業務中訂立，按照一般商務條款或更佳條款進行，條款公平合理，並且符合我們及我們股東的整體利益；及(ii)本節所述非豁免持續關連交易的建議年度上限及替代上限(如適用)屬公平合理，並符合本公司及股東的整體利益。

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

As of the Latest Practicable Date, the interests and short positions of the Directors or chief executive of our Company in any of the Shares, underlying Shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO), which have been notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of SFO (including any interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which were recorded in the register required to be kept by our Company pursuant to Section 352 of the SFO, or otherwise notified to our Company and the Stock Exchange pursuant to the Model Code were as follows:

Long positions in the Shares or underlying Shares of our Company

董事及最高行政人員於本公司或其相聯法團股份、相關股份以及債權證的權益及淡倉

於最後實際可行日期，本公司董事或最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份及債權證中擁有並已根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉(包括彼等根據證券及期貨條例相關條文被當作或視為擁有的任何權益或淡倉)，或已記錄於根據證券及期貨條例第352條本公司須存置的登記冊的權益及淡倉，或根據標準守則已知會本公司及聯交所的權益及淡倉如下：

於本公司股份或相關股份的好倉

Name of Director 董事姓名	Nature of interest 權益性質	Number of Shares 股份數目	Approximate percentage in shareholding ⁽⁷⁾ 佔股權概約百分比 ⁽⁷⁾
Dr. Li Xiaoyi ^{(1) (2) (3)} 李小羿博士 ⁽¹⁾⁽²⁾⁽³⁾	Beneficial owner 實益擁有人	14,702,800 ^(L)	2.69%
	Interest in controlled corporation 受控法團權益	2,187,600 ^(L)	0.40%
	Interest of spouse 配偶權益	166,666 ^(L)	0.03%
Mr. Dai Xiangrong ⁽⁴⁾ 戴向榮先生 ⁽⁴⁾	Beneficial owner 實益擁有人	1,461,200 ^(L)	0.27%
Ms. Leelalertsuphakun Wanee ⁽⁵⁾ 李煒妮女士 ⁽⁵⁾	Beneficial owner 實益擁有人	223,557 ^(L)	0.04%
Ms. Tiantian Zhang ⁽⁶⁾ 張甜甜女士 ⁽⁶⁾	Beneficial owner 實益擁有人	200,000 ^(L)	0.04%
Mr. Wong Hin Wing ⁽⁶⁾ 黃顯榮先生 ⁽⁶⁾	Beneficial owner 實益擁有人	200,000 ^(L)	0.04%
Prof. Lo Yuk Lam ⁽⁶⁾ 盧毓琳教授 ⁽⁶⁾	Beneficial owner 實益擁有人	200,000 ^(L)	0.04%
Mr. Liew Fui Kiang ⁽⁶⁾ 劉懷鏡先生 ⁽⁶⁾	Beneficial owner 實益擁有人	200,000 ^(L)	0.04%

Remark: The letter "L" denotes long position in such securities.

註：字母「L」指相關證券的好倉。

Notes:

- (1) Referring to the (i) 14,022,800 Shares underlying the options granted to Dr. Li Xiaoyi under the Pre-IPO Share Option Scheme; and (ii) 680,000 Shares underlying the options granted to Dr. Li Xiaoyi under the Post-IPO Share Option Scheme on December 15, 2022.
- (2) Dr. Li Xiaoyi holds 65% of the equity interest of Lee's Healthcare Industry Investments Limited, which in turn is the general partner of Lee's Healthcare Industry Fund L.P. For the purpose of the SFO, Dr. Li is deemed to have an interest in the 2,187,600 Shares held by Lee's Healthcare Industry Fund L.P..
- (3) Referring to the 166,666 Shares held by Dr. Li Xiaoyi's spouse.
- (4) Referring to the (i) 1,261,200 Shares underlying the options granted to Mr. Dai Xiangrong under the Pre-IPO Share Option Scheme; and (ii) 200,000 Shares underlying the options granted to Mr. Dai Xiangrong under the Post-IPO Share Option Scheme on December 15, 2022.
- (5) Referring to the (i) 23,557 Shares subscribed through preferential offering (as defined in the Prospectus); and (ii) 200,000 Shares underlying the options granted to Ms. Leelalertsuphakun Wanee under the Post-IPO Share Option Scheme on December 15, 2022.
- (6) Referring to the respective 200,000 Share underlying the options granted to Ms. Zhang Tiantian, Mr. Wong Hin Wing, Prof. Lo Yuk Lam and Mr. Liew Fui Kiang under the Post-IPO Share Option Scheme on December 15, 2022.
- (7) Calculated based on the number of the total issued share capital of our Company as of the Latest Practicable Date, being 546,139,172.

Save as disclosed above, as of the Latest Practicable Date, to the best knowledge of the Directors or chief executive of our Company, none of the Directors or chief executive of our Company had interests or short positions in the Shares, underlying Shares and debentures of our Company or any of its associated corporations (with the meaning of Part XV of the SFO) as recorded in the register required to be kept, pursuant to Section 352 of the SFO, or as otherwise notified to our Company and the Stock Exchange pursuant to the Model Code.

附註：

- (1) 指(i)與根據首次公開發售前購股權計劃向李小羿博士授出的購股權相關的14,022,800股股份；及(ii)與於2022年12月15日根據首次公開發售後購股權計劃向李小羿博士授出的購股權相關的680,000股股份。
- (2) 李小羿博士持有 Lee's Healthcare Industry Investments Limited 65% 的股權，而 Lee's Healthcare Industry Investments Limited 為 Lee's Healthcare Industry Fund L.P. 的普通合夥人。根據證券及期貨條例，李博士被視為於 Lee's Healthcare Industry Fund L.P. 持有的 2,187,600 股股份中擁有權益。
- (3) 指李小羿博士的配偶持有的 166,666 股股份。
- (4) 指(i)與根據首次公開發售前購股權計劃向戴向榮先生授出的購股權相關的 1,261,200 股股份；及(ii)與於 2022 年 12 月 15 日根據首次公開發售後購股權計劃向戴向榮先生授出的購股權相關的 200,000 股股份。
- (5) 指(i)透過優先發售(定義見招股章程)認購的 23,557 股股份；及(ii)與於 2022 年 12 月 15 日根據首次公開發售後購股權計劃向李焯妮女士授出的購股權相關的 200,000 股股份。
- (6) 指與於 2022 年 12 月 15 日根據首次公開發售後購股權計劃向張甜甜女士、黃顯榮先生、盧毓琳教授及劉懷鏡先生各人授出的購股權相關的 200,000 股股份。
- (7) 按照最後實際可行日期本公司已發行股本總數 546,139,172 股計算。

除上文所披露者外，於最後實際可行日期，就本公司董事或最高行政人員所知，概無本公司董事或最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第 XV 部)的股份、相關股份及債權證中擁有已記錄於根據證券及期貨條例第 352 條須存置的登記冊的權益或淡倉，或根據標準守則已知會本公司及聯交所的權益或淡倉。

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

As of the Latest Practicable Date, so far as the Directors are aware, the following persons (other than the Directors or chief executive of our Company) had or were deemed or taken to have interests or short positions in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO:

Long positions in the Shares or underlying Shares of our Company

主要股東於股份及相關股份的權益及淡倉

於最後實際可行日期，就董事所知，以下人士（本公司董事或最高行政人員除外）於本公司的股份或相關股份中擁有或被視為或當作擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露的權益或淡倉，或已記錄於根據證券及期貨條例第336條本公司須存置的登記冊的權益或淡倉：

於本公司股份或相關股份的好倉

Name of Shareholder 股東名稱	Nature of interest 權益性質	Total number of Shares/ underlying Shares 股份／相關股份總數	Approximate percentage in shareholding ⁽⁷⁾ 佔股權概約百分比 ⁽⁷⁾
Lee's Pharm ⁽¹⁾ 李氏大藥廠 ⁽¹⁾	Interest in controlled corporation 受控法團權益	140,379,600 ^(L)	25.70%
Lee's Pharm International ⁽¹⁾ 李氏大藥廠國際 ⁽¹⁾	Beneficial owner 實益擁有人	138,192,000 ^(L)	25.30%
GIC Private Limited ⁽²⁾ GIC Private Limited ⁽²⁾	Interest in controlled corporation 受控法團權益	33,049,880 ^(L)	6.05%
	Investment manager 投資經理	5,125,500 ^(L)	0.94%
GIC Special Investment Private Ltd. ⁽²⁾ GIC Special Investment Private Ltd. ⁽²⁾	Investment manager 投資經理	33,049,880 ^(L)	6.05%
GIC (Ventures) Pte. Ltd. ⁽²⁾ GIC (Ventures) Pte. Ltd. ⁽²⁾	Interest in controlled corporation 受控法團權益	33,049,880 ^(L)	6.05%
Apstar Investment Pte Ltd ⁽²⁾ Apstar Investment Pte Ltd ⁽²⁾	Interest in controlled corporation 受控法團權益	33,049,880 ^(L)	6.05%
Coyote Investment Pte Ltd ⁽²⁾ Coyote Investment Pte Ltd ⁽²⁾	Beneficial owner 實益擁有人	33,049,880 ^(L)	6.05%
Ms. Mak Siu Hang Viola ⁽³⁾ 麥少嫻女士 ⁽³⁾	Interest in controlled corporation 受控法團權益	40,341,100 ^(L)	7.39%
VMS Holdings Limited ⁽³⁾ VMS Holdings Limited ⁽³⁾	Interest in controlled corporation 受控法團權益	35,747,100 ^(L)	6.55%
Pandanus Associates Inc. ⁽⁴⁾ Pandanus Associates Inc. ⁽⁴⁾	Interest in controlled corporation 受控制法團	32,974,000	6.03%
Pandanus Partners L.P. ⁽⁴⁾ Pandanus Partners L.P. ⁽⁴⁾	Interest in controlled corporation 受控制法團	32,974,000	6.03%
FIL Limited ⁽⁴⁾ FIL Limited ⁽⁴⁾	Interest in controlled corporation 受控制法團	32,974,000	6.03%
FIDELITY CHINA SPECIAL SITUATIONS PLC ⁽⁴⁾ FIDELITY CHINA SPECIAL SITUATIONS PLC ⁽⁴⁾	Beneficial owner 實益擁有人	32,974,000	6.03%

Report of Directors

董事會報告

Name of Shareholder 股東名稱	Nature of interest 權益性質	Total number of Shares/ underlying Shares 股份／相關股份總數	Approximate percentage in shareholding ⁽⁷⁾ 佔股權概約百分比 ⁽⁷⁾
Hillhouse Capital Management, Ltd. ⁽⁵⁾	Investment manager	30,627,200 ^(L)	5.61%
Hillhouse Capital Management, Ltd. ⁽⁵⁾	投資經理		
Hillhouse Venture Fund V, L.P. ⁽⁵⁾	Interest in controlled corporation	30,627,200 ^(L)	5.61%
Hillhouse Venture Fund V, L.P. ⁽⁵⁾	受控法團權益		
COFL Holdings Limited ⁽⁵⁾	Beneficial owner	30,627,200 ^(L)	5.61%
COFL Holdings Limited ⁽⁵⁾	實益擁有人		
TPG Asia VII SF Pte. Ltd. ⁽⁶⁾	Beneficial owner	30,627,200 ^(L)	5.61%
TPG Asia VII SF Pte. Ltd. ⁽⁶⁾	實益擁有人		

Remark: The Letter "L" denotes long position in such securities. * refers the percentage less than 0.01%.

註：字母「L」指相關證券的好倉。*指百分比少於0.01%。

Notes:

附註：

- (1) Lee's Pharm International is wholly owned by Lee's Pharm. Therefore, Lee's Pharm is deemed to be interested in the 138,192,000 Shares held by Lee's Pharm International under the SFO. Approximately 43.16% of the partnership interest in Lee's Pharm Healthcare Fund L.P. is held by Lee's Pharm. Therefore, Lee's Pharm is deemed to be interested in the 2,187,600 Shares held by Lee's Pharm Healthcare Fund L.P. under the SFO.
- (2) Coyote Investment Pte. Ltd. is a wholly-owned subsidiary of Apstar Investment Pte Ltd., which is in turn a wholly-owned subsidiary of GIC (Ventures) Pte. Ltd. Coyote Investment Pte. Ltd. is managed by GIC Special Investments Pte. Ltd., which is wholly owned by GIC Private Limited. Therefore, each of Apstar Investment Pte Ltd., GIC (Ventures) Pte. Ltd., GIC Special Investments Pte. Ltd. and GIC Private Limited is deemed to be interested in the 37,803,200 Shares held by Coyote Investment Pte. Ltd. under the SFO.
- (3) Each of Smart Rocket Limited, VMS Zhaoke Investment Fund SP and Bio Success Investment Limited holds 26,742,400, 4,629,500 and 4,375,200 Shares, respectively. Smart Rocket Limited, VMS Zhaoke Investment Fund SP and Bio Success Investments Limited are all indirect subsidiaries of VMS Holdings Limited, the ultimate beneficial owner of which is by Ms. Mak Siu Hang Viola (麥少嫻). Therefore, each of Ms. Mak Siu Hang Viola and VMS Holdings Limited is deemed to be interested in the 26,742,400 Shares held by Smart Rocket Limited, the 4,629,500 Shares held by VMS Zhaoke Investment Fund SP and the 4,375,200 Shares held by Bio Success Investment Limited under the SFO. VMS Investment Group Limited is a company in turn controlled by Ms. Mak Siu Hang Viola. Therefore, Ms. Mak Siu Hang Viola is also deemed to be interested in the 4,594,000 Shares held by VMS Investment Group Limited under the SFO.

- (1) 李氏大藥廠國際由李氏大藥廠全資擁有。因此，根據證券及期貨條例，李氏大藥廠被視為於李氏大藥廠國際持有的138,192,000股股份中擁有權益。Lee's Pharm Healthcare Fund L.P. 約43.16%的合夥權益由李氏大藥廠持有。因此，根據證券及期貨條例，李氏大藥廠被視為於Lee's Pharm Healthcare Fund L.P. 持有的2,187,600股股份中擁有權益。
- (2) Coyote Investment Pte. Ltd. 為 Apstar Investment Pte Ltd. 的全資附屬公司，而 Apstar Investment Pte Ltd. 為 GIC (Ventures) Pte. Ltd. 的全資附屬公司。Coyote Investment Pte. Ltd. 由 GIC Special Investments Pte. Ltd. 管理，而 GIC Special Investments Pte. Ltd. 由 GIC Private Limited 全資擁有。因此，根據證券及期貨條例，Apstar Investment Pte Ltd.、GIC (Ventures) Pte. Ltd.、GIC Special Investments Pte. Ltd. 及 GIC Private Limited 各自被視為於 Coyote Investment Pte. Ltd. 持有的37,803,200股股份中擁有權益。
- (3) Smart Rocket Limited、VMS Zhaoke Investment Fund SP 及 Bio Success Investment Limited 各自分別持有 26,742,400 股、4,629,500 股及 4,375,200 股股份。Smart Rocket Limited、VMS Zhaoke Investment Fund SP 及 Bio Success Investments Limited 均為 VMS Holdings Limited 的間接附屬公司，而 VMS Holdings Limited 的最終實益擁有人為麥少嫻女士。因此，根據證券及期貨條例，麥少嫻女士及 VMS Holdings Limited 各自被視為於 Smart Rocket Limited 持有的 26,742,400 股股份、VMS Zhaoke Investment Fund SP 持有的 4,629,500 股股份及 Bio Success Investment Limited 持有的 4,375,200 股股份中擁有權益。VMS Investment Group Limited 乃由麥少嫻女士控制的公司。因此，根據證券及期貨條例，麥少嫻女士亦被視為於 VMS Investment Group Limited 持有的 4,594,000 股股份中擁有權益。

Report of Directors 董事會報告

- (4) To the best knowledge of our Company, each of FIDELITY CHINA SPECIAL SITUATIONS PLC, FIL Limited and Pandanus Partners L.P. is ultimately controlled by Pandanus Associates Inc. through multiple intermediary shareholding entities.
- (4) 據本公司所知，FIDELITY CHINA SPECIAL SITUATIONS PLC、FIL Limited 及 Pandanus Partners L.P. 均受 Pandanus Associates Inc. 透過多間中間控股實體最終控制。
- (5) COFL Holdings Limited is a wholly-owned subsidiary of Hillhouse Venture Fund V, L.P. Hillhouse Capital Management, Ltd. acts as the sole management company of Hillhouse Venture Fund V, L.P. Therefore, each Hillhouse Capital Management, Ltd. and Hillhouse Venture Fund V, L.P. is deemed to be interested in the 30,627,200 Shares held by COFL Holdings Limited under the SFO.
- (5) COFL Holdings Limited 為 Hillhouse Venture Fund V, L.P. 的全資附屬公司。高瓴資本管理有限公司作為 Hillhouse Venture Fund V, L.P. 的唯一管理公司行事。因此，根據證券及期貨條例，高瓴資本管理有限公司及 Hillhouse Venture Fund V, L.P. 各自被視為於 COFL Holdings Limited 持有的 30,627,200 股股份中擁有權益。
- (6) Each of TPG Asia VII Finance, Limited Partnership (as sole ordinary shareholder of TPG Asia VII SF Pte. Ltd.), TPG Asia GenPar VII, L.P. (as a general partner of TPG Asia VII Finance, Limited Partnership), TPG Asia GenPar VII Advisors, Inc. (as a general partner of TPG Asia GenPar VII, L.P.), TPG Holdings III, L.P. (as the sole ordinary shareholder of TPG Asia GenPar VII Advisors, Inc.), TPG Holdings III-A, L.P. (as a general partner of TPG Holdings III, L.P.), TPG Holdings III-A, Inc. (as a general partner of TPG Holdings III-A, L.P.), TPG Group Holdings (SBS), L.P. (as the sole ordinary shareholder of TPG Holdings III-A, Inc.), TPG Group Holdings (SBS) Advisors, LLC (as a general partner of TPG Group Holdings (SBS), L.P.) and TPG Group Holdings (SBS) Advisors, Inc. (as the managing member of TPG Group Holdings (SBS) Advisors, LLC) is deemed to be interested in the Shares held by TPG Asia VII SF Pte. Ltd. under the SFO. TPG Group Holdings (SBS) Advisors, Inc. is controlled by Mr. David Bonderman and Mr. James G. Coulter, who disclaim beneficial ownership of the Shares held by TPG Asia VII SF Pte. Ltd. except to the extent of their pecuniary interest therein.
- (6) 根據證券及期貨條例，TPG Asia VII Finance, Limited Partnership (作為 TPG Asia VII SF Pte. Ltd. 的唯一普通股股東)、TPG Asia GenPar VII, L.P. (作為 TPG Asia VII Finance, Limited Partnership 的普通合夥人)、TPG Asia GenPar VII Advisors, Inc. (作為 TPG Asia GenPar VII, L.P. 的普通合夥人)、TPG Holdings III, L.P. (作為 TPG Asia GenPar VII Advisors, Inc. 的唯一普通股股東)、TPG Holdings III-A, L.P. (作為 TPG Holdings III, L.P. 的普通合夥人)、TPG Holdings III-A, Inc. (作為 TPG Holdings III-A, L.P. 的普通合夥人)、TPG Group Holdings (SBS), L.P. (作為 TPG Group Holdings (SBS) Advisors, LLC 的唯一普通股股東)、TPG Group Holdings (SBS) Advisors, LLC (作為 TPG Group Holdings (SBS), L.P. 的普通合夥人) 及 TPG Group Holdings (SBS) Advisors, Inc. (作為 TPG Group Holdings (SBS) Advisors, LLC 的管理成員) 各自被視為於 TPG Asia VII SF Pte. Ltd. 持有的股份中擁有權益。TPG Group Holdings (SBS) Advisors, Inc. 由 David Bonderman 先生及 James G. Coulter 先生控制，彼等放棄 TPG Asia VII SF Pte. Ltd. 所持股份的實益擁有權，惟彼等於其中的金錢利益除外。
- (7) Calculated based on the number of the total issued share capital of our Company as of the Latest Practicable Date, being 546,139,172.
- (7) 按照最後實際可行日期本公司已發行股本總數 546,139,172 股計算。

Save as disclosed above, our Company has not been notified of any other relevant interests or short positions in the issued share capital of our Company, other than the Directors and chief executive of our Company, as of the Latest Practicable Date, which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by us under Section 336 of the SFO.

除上文所披露者外，於最後實際可行日期，除本公司董事及最高行政人員外，本公司並無獲知會於本公司已發行股本中有任何其他相關權益或淡倉根據證券及期貨條例第 XV 部第 2 及 3 分部規定須向我們披露，或已記錄於根據證券及期貨條例第 336 條我們須存置的登記冊。

EMPLOYEE STOCK OPTION PLAN

During the year ended December 31, 2023 and up to the Latest Practicable Date, we have adopted two share option schemes which was required to be disclosed as below under the requirements of Chapter 17 of the Listing Rules.

Pre-IPO Share Option Scheme

The Pre-IPO Share Option Scheme was approved and adopted pursuant to the written resolutions of all Shareholders dated November 17, 2020.

Purpose

The purpose of Pre-IPO Share Option Scheme is to reward, retain and motivate the eligible persons for their contribution to our Group.

Participants

The eligible persons under Pre-IPO Share Option include our Group's employees, Directors, consultants and any other person the Board may in its absolute discretion think fit.

Maximum number of Shares available for issue

The maximum number of Shares available for issue upon exercise of all options to be granted under the Pre-IPO Share Option Scheme is 45,732,000 Shares, representing approximately 8.37% of the total issued share capital of our Company as of the Latest Practicable Date, being 546,139,172 Shares.

Maximum entitlement of each participant

The Pre-IPO Share Option Scheme contains no provisions on the maximum entitlement of each participant.

Option period

An option may be exercised in accordance with the rules under Pre-IPO Share Option Scheme at any time during the option period as specified by the Board in relation to each such option in its terms of grant. The Board may provide restrictions on how and when an option during the period for which an option must be held or a performance target, if any, which must be achieved before an option can be exercised.

Vesting period

All of the options granted under the Pre-IPO Share Option Scheme are exercisable upon vesting until the tenth anniversary of the date of grant.

僱員購股權計劃

於截至2023年12月31日止年度及直至最後實際可行日期，我們已採納兩項購股權計劃，須根據上市規則第十七章的規定披露如下。

首次公開發售前購股權計劃

首次公開發售前購股權計劃乃根據全體股東於2020年11月17日通過的書面決議案批准及採納。

目的

首次公開發售前購股權計劃旨在就合資格人士對本集團所作貢獻而回報、挽留及激勵合資格人士。

參與者

首次公開發售前購股權計劃的合資格人士包括本集團僱員、董事、顧問及任何董事會可能絕對酌情認為合適的其他人士。

可發行的股份數目上限

因根據首次公開發售前購股權計劃授出的所有購股權獲行使而可發行的股份數目上限為45,732,000股股份，相當於最後實際可行日期本公司已發行股本總數(即546,139,172股股份)約8.37%。

每名參與者的權益上限

首次公開發售前購股權計劃並無載有關於每名參與者權益上限的條文。

購股權期間

購股權可於董事會於授出條款中就各相關購股權訂明的購股權期限內隨時根據首次公開發售前購股權計劃的規則行使。董事會可就購股權可行使前須持有相關購股權的期限或須達成的表現目標(如有)的方式及時間作出限制。

歸屬期

根據首次公開發售前購股權計劃授出的所有購股權於歸屬後可予行使，直至授出日期的第十週年為止。

Report of Directors

董事會報告

Acceptance of offers of options

Subject to the rules under Pre-IPO Option Scheme and such other conditions as the Board may in its absolute and sole discretion sees fit, offers of options shall be made by us to the eligible person within the scheme period and shall be open for acceptance in writing and such notice of acceptance must be duly received by the secretary of our Company on or before 5:00 p.m. on the expiry date for acceptance of the offer specified in the offer provided that an offer shall not be open for acceptance after the expiry of 14 days from the date upon which the offer is made. Upon acceptance of the option, the grantee shall pay HK\$1 to our Company as consideration for the grant, and on the date of grant option certificate(s) under the common seal of our Company shall be issued. Offers of options not accepted within the option period shall lapse.

Basis of determining the consideration

The exercise price is determined by the Board on a fair and reasonable basis with reference to the performance of our Company and the past or potential contribution of the eligible persons to the business and operation of our Company, and notified to each grantee but in any event will be no less than the nominal value of the shares (if any) or (where applicable) such price as from time to time adjusted pursuant to the Pre-IPO Share Option Scheme.

Remaining life

The Pre-IPO Share Option Scheme became valid and effective for a period of 10 years commencing from November 17, 2020 to November 17, 2030. The remaining life of the Pre-IPO Share Option Scheme is over six years. No additional options shall be granted thereunder after the Listing Date, but in all other respects the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to the exercise of any options granted.

Before Listing, our Company had conditionally granted all 45,732,000 options to 109 grantees under the Pre-IPO Share Option Scheme. No further option has been granted under the Pre-IPO Share Option Scheme subsequent to the Listing Date. The exercise price of all the options granted under the Pre-IPO Share Option Scheme is between US\$0.09 to US\$1.14 per Share. The principal terms of the Pre-IPO Share Option Scheme is set out in "Appendix IV – Statutory and General Information – D. Share Option Schemes – 1. Pre-IPO Share Option Scheme" of the Prospectus.

接納購股權要約

受限於首次公開發售前購股權計劃規則及董事會可能絕對全權酌情認為適當的其他條件，購股權要約將由我們在計劃期限內向合資格人士發出並可供書面接納，接納通告須在要約中訂明的接納要約截止日期下午五時正或之前妥為送交本公司秘書，惟在作出要約當日後14日期限屆滿後，要約將不可供接納。接納購股權時，承授人須向本公司支付1港元作為授出購股權的代價，而於授出當日，本公司將發出加蓋本公司公章的購股權證書。在購股權期限內未獲接納的購股權要約將失效。

釐定代價的基準

行使價將由董事會按公平合理基準參考本公司的表現以及合資格人士對本公司業務及經營的過往或潛在的貢獻釐定，並告知各承授人（無論如何不會低於股份的面值（如有）或（如適用）根據首次公開發售前購股權計劃不時調整的價格）。

剩餘年期

首次公開發售前購股權計劃於2020年11月17日至2030年11月17日的十年期有效及生效。首次公開發售前購股權計劃的剩餘年期超過六年。於上市日期後概無據此授出新增購股權，惟首次公開發售前購股權計劃條文在所有其他方面對行使任何已授出購股權仍具十足效力及作用。

於上市前，本公司已根據首次公開發售前購股權計劃有條件授出全部45,732,000份購股權予109名承授人。於上市日期後，概無根據首次公開發售前購股權計劃進一步授出購股權。根據首次公開發售前購股權計劃授出的所有購股權的行使價介乎每股股份0.09美元至1.14美元。首次公開發售前購股權計劃的主要條款載於招股章程中「附錄四—法定及一般資料—D.購股權計劃—1.首次公開發售前購股權計劃」。

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董事會報告

The following table discloses movements in the outstanding options granted to all grantees under the Pre-IPO Share Option Scheme during the year ended December 31, 2023.

下表披露於截至2023年12月31日止年度，根據首次公開發售前購股權計劃授予所有承授人的尚未行使購股權的變動：

Name and category of grantee	Date of grant	Option period	Exercise price	Vesting period and performance target	Number of options granted between January 1, 2023 to December 31, 2023	Number of Shares underlying options as of January 1, 2023	Number of options exercised between January 1, 2023 to December 31, 2023	Number of options cancelled/lapsed between January 1, 2023 to December 31, 2023	Number of Shares underlying options as of December 31, 2023	Weighted average closing price per Share ⁽²⁾
承授人姓名及類別	授出日期	購股權期限	行使價 US\$ per share 每股美元	歸屬期 及表現目標	於2023年 1月1日至 2023年 12月31日期間 授出的購股權數目	於2023年 1月1日 尚未行使購股權 涉及的相關 股份數目	於2023年 1月1日至 2023年 12月31日 期間行使的 購股權數目	於2023年 1月1日至 2023年 12月31日期間 註銷/失效的 購股權數目	於2023年 12月31日 尚未行使 購股權涉及的 相關股份數目	每股股份 加權平均 收市價 ⁽²⁾
Directors										
董事										
Li Xiaoyi 李小羿	November 17, 2020 2020年11月17日	10 years commencing on the adoption date	0.09	Note 1 附註1	-	3,152,800	-	-	3,152,800	-
	December 9, 2020 2020年12月9日	自採納日期起計10年	1.14	Note 1 附註1	-	10,870,000	-	-	10,870,000	-
Dai Xiangrong	November 17, 2020	10 years commencing on the adoption date	0.09	Note 1 附註1	-	1,261,200	-	-	1,261,200	-
戴向榮	2020年11月17日	自採納日期起計10年		附註1						
Other 107 grantees in aggregate	Between November 17, 2020 to March 2, 2021	10 years commencing on the adoption date	Between 0.09 to 1.14	Note 1 附註1	-	21,759,508	(2,151,680)	(2,144,572)	17,463,256	4.02
另外107名承授人 (合計)	2020年11月17日至 2021年3月2日	自採納日期起計10年	0.09至1.14	附註1						
					-	37,043,508	(2,151,680)	(2,144,572)	32,747,256	-

Notes:

附註：

- (1) 20% of the options shall vest upon the completion of the Global Offering, 20% of the options shall vest on the first anniversary of the date of grant, 20% of the options shall vest on the second anniversary of the date of grant, 20% of the options shall vest on the third anniversary of the date of grant, and the remaining 20% of the options shall vest on the fourth anniversary of the date of grant. No individual performance target was set under the Pre-IPO Share Option Scheme.
- (1) 20%購股權應於全球發售完成時歸屬；以及各20%購股權應分別於授出日期的首個、第二個、第三個及第四個週年日歸屬。首次公開發售前購股權計劃下並無設定個別表現目標。
- (2) Representing the weighted average closing price of the Shares immediately before the dates on which the options were exercised.
- (2) 指緊接購股權獲行使日期前的股份加權平均收市價。

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董事會報告

Post-IPO Share Option Scheme

The Post-IPO Share Option Scheme was conditionally approved on April 1, 2021.

Purpose

The purpose of the Post-IPO Option Scheme is to provide incentive or reward to “Eligible Persons” (as defined below) for their contribution to, and continuing efforts to promote the interests of our Group and to incentivize them to remain within our Group, as well as for other purposes as the Board may approve from time to time.

Participants

Subject to the terms of the Post-IPO Share Option Scheme, the Board may, at its discretion, specify any conditions which must be satisfied before the option(s) under the Post-IPO Option Scheme may be exercised.

Eligible persons (“Eligible Persons”) include:

- any employee (whether full-time or part-time) of our Company or any of its subsidiaries who has contributed to our innovative projects, including but not limited to innovation committee member, project leader, engineer and technician;
- any person who, in the sole opinion of the Board, provides services to any member of our Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of our Group, excluding placing agents, financial advisors and professional service providers who are required to perform their services with impartiality and objectivity; and
- any Director.

Maximum number of Shares available for issue

The maximum number of Shares which may be issued upon exercise of all outstanding options granted under the Post-IPO Share Option Scheme, all schemes existing at such time and any new share option scheme of our Company must not in aggregate exceed 10% of the total number of Shares in issue as of the Listing Date, being 53,515,550 Shares, representing approximately 9.80% of the total issued share capital of our Company as at the Latest Practicable Date.

首次公開發售後購股權計劃

首次公開發售後購股權計劃乃於2021年4月1日有條件批准。

目的

首次公開發售後購股權計劃旨在就「合資格人士」(定義見下文)對本集團的貢獻及為推動本集團利益不懈努力向彼等提供激勵或獎勵，以及激勵彼等留任本集團，以及用於董事會可能不時批准的其他目的。

參與者

在首次公開發售後購股權計劃條款的規限下，董事會可酌情訂明首次公開發售後購股權計劃下的購股權可以行使前必須達成的任何條件。

合資格人士包括：

- 曾對我們的創新項目作出貢獻的本公司或其任何附屬公司的任何僱員(不論全職或兼職，包括但不限於創新委員會成員、項目負責人、工程師及技術人員)；
- 董事會全權認為於本集團任何成員公司的日常及正常業務過程中持續或循環向其提供符合本集團長遠增長利益的服務的任何人士，不包括配售代理、財務顧問及須公正客觀地履行服務的專業服務提供者；及
- 任何董事。

可發行的股份數目上限

於根據首次公開發售後購股權計劃、當時所有現存計劃及本公司任何新購股權計劃授出的所有尚未行使購股權獲行使後可能發行的股份數目上限合共不得超過上市日期已發行股份總數的10%，即53,515,550股股份，相當於最後實際可行日期本公司已發行股本總數約9.80%。

Maximum entitlement of each participant

No option shall be granted to any Eligible Person if, at the relevant time of grant, the total number of Shares issued and to be issued upon exercise of all options and options under any other share option schemes of our Company to the relevant Eligible Person in the 12-month period up to and including the date of such grant would exceed 1% of the total number of Shares in issue at such time, within any 12-month period unless certain conditions are satisfied.

Option period

The period during which the option may be exercised is determined by the Board at its discretion but shall expire in any event not later than the last day of the 10-year period after the date of grant of the option.

Vesting period

The Board may specify any conditions which must be satisfied before the option may be exercised, including without limitation, the purchase price, performance targets (if any) and minimum periods for which an option must be held before it can be exercised and any other terms in relation to the exercise of the option, including without limitation such percentages of the options that can be exercised during a certain period of time, as the Board may determine from time to time.

Acceptance of offers of options

The Board shall specify a date by which the grantee must accept the offer of option or be deemed to have declined it, being a date no later than 14 days after (i) the date on which the option is offered (the "Offer Date"), or (ii) the date on which the conditions for the offer are satisfied, if any, whichever is earlier.

Basis of determining the exercise price

The price at which each Share subject to an option may be subscribed for shall be a price solely determined by the Board and shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day; (ii) the average of the closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the Offer Date; and (iii) the nominal value of the Shares.

每名參與者的權益上限

倘若於授出的相關時間，截至相關授出日期(包括當日)止12個月期間內因所有購股權及本公司任何其他購股權計劃下的購股權獲行使而已經及將會發行予任何合資格人士的股份總數超過當時已發行股份總數的1%，則不得於該12個月期間內向相關合資格人士授出購股權，除非若干條件已經達成，則作別論。

購股權期間

購股權可行使的期間由董事會酌量釐定，惟無論如何不得遲於授出購股權日期後10年期間最後一日屆滿。

歸屬期

董事會可列明行使購股權前須達成的任何條件，包括但不限於購買價、表現目標(如有)及購股權於可行使前須持有的最短期限以及有關行使購股權的任何其他條款，包括但不限於董事會所不時釐定在某一期間內可行使購股權的百分比。

接納購股權要約

董事會應指明承授人必須接納購股權要約或被視為拒絕要約的日期，而該日期不得遲於(i)提出購股權要約日期(「要約日期」)或(ii)要約條件(如有)達成日期(以較早者為準)後14日。

行使價的釐定基準

購股權可認購所涉及股份的每股股份價格應為董事會全權釐定的價格，該價格至少為以下各項的最高者：(i)股份於要約日期(必須為營業日)在聯交所每日報價表所列的收市價；(ii)股份於緊接要約日期前五個營業日在聯交所每日報價表所列的平均收市價；及(iii)股份面值。

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董事會報告

Remaining life

The Post-IPO Share Option Scheme became valid and effective for a period of 10 years commencing on April 1, 2021. The remaining life of the Post-IPO Share Option Scheme is approximately six years. The principal terms of the Post-IPO Share Option Scheme are set out in “Appendix IV – Statutory and General Information – D. Share Option Schemes – 2. Post-IPO Share Option Scheme” of the Prospectus.

剩餘年期

首次公開發售後購股權計劃的有效期為自2021年4月1日起計10年。首次公開發售後購股權計劃的剩餘年期約為6年。首次公開發售後購股權計劃的主要條款載於招股章程中「附錄四—法定及一般資料—D.購股權計劃-2.首次公開發售後購股權計劃」。

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董事會報告

The following table discloses movements in the outstanding options granted to all grantees under the Post-IPO Share Option Scheme during Reporting Period.

下表披露於報告期內，根據首次公開發售後購股權計劃授予所有承授人的尚未行使購股權的變動：

Category and name of grantee	Date of grant	Option period	Vesting		Number of Shares under the outstanding options					As a percent of Shares in issue as of December 31, 2023	Closing price per Share ⁽⁵⁾	Weighted average closing price per Share ⁽⁶⁾	
			Exercise price per share	Period and performance target	As of January 1, 2023	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period				As of December 31, 2023
承授人類別及姓名	授出日期	購股權期間	每 股 行 使 價 (HKS) (港元)	期 間 及 表 現 目 標	於2023年 1月1日	於報告期內授出	於報告期內行使	於報告期內註銷	於報告期內失效	於2023年 12月31日	已發行股份 百分比	每股 收市價 ⁽⁵⁾ (HKS) (港元)	每股 收市價加權 平均收市價 ⁽⁶⁾
Directors													
董事													
Dr. Li Xiaoyi 李小弼博士	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2/Note 5 附註2/附註5	200,000	-	-	-	-	200,000	0.04%	-	-
	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 3 附註3	480,000	-	-	-	-	480,000	0.09%	-	-
Mr. Dai Xiangrong 戴向榮先生	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2/Note 5 附註2/附註5	200,000	-	-	-	-	200,000	0.04%	-	-
Ms. Leelalertsuphakun Wane 李海妮女士	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2/Note 5 附註2/附註5	200,000	-	-	-	-	200,000	0.04%	-	-
Ms. Tianlian Zhang 張甜甜女士	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2/Note 5 附註2/附註5	200,000	-	-	-	-	200,000	0.04%	-	-
Mr. Wong Hin Wing 黃顯榮先生	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2/Note 5 附註2/附註5	200,000	-	-	-	-	200,000	0.04%	-	-
Prof. Lo Yuk Lam 盧毓琳教授	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2/Note 5 附註2/附註5	200,000	-	-	-	-	200,000	0.04%	-	-
Mr. Liew Fui Kiang 劉懷鏡先生	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2/Note 5 附註2/附註5	200,000	-	-	-	-	200,000	0.04%	-	-
Employees													
僱員													
110 employees in aggregate	December 15, 2022	Note 1	3.26	Note 3/Note 4/ Note 5	5,940,000	-	(143,500)	(839,750)	(41,250)	4,915,500	0.90%	-	3.99
110名僱員(合計)	2022年12月15日	附註1		附註3/附註4/ 附註5									
Total 總計					7,820,000	-	(143,500)	(839,750)	(41,250)	6,795,500	1.25%		

Notes:

附註：

(1) 10 years commencing on their respective date of grant.

(1) 由其各自的授出日期起計十年。

(2) 50% of the options shall vest on the date of grant; and 50% of the options shall vest on the first anniversary of the date of grant.

(2) 50%購股權於授出日期歸屬；以及50%購股權於自授出日期起首個週年日歸屬。

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- (3) 10% of the options shall vest on each of the first, second, third and fourth anniversaries of the date of grant, respectively; 20% of the options shall vest upon achieving an R&D milestone for CsA ophthalmic gel milestones and certain financial performance targets of our Group; 20% of the options shall vest upon achieving an R&D milestone for NVK002 and certain financial performance targets of our Group; and 10% of the options shall respectively vest at the date when our market capitalization reaching certain targets, respectively.
- (4) The options granted will vest upon the achievement of various vesting conditions as specified in the offer letter to each grantee, including certain anniversaries of the date of grant, R&D milestones for our Group's key products as well as certain financial performance and market capitalization targets of our Group.
- (5) No individual performance target was set under the Post-IPO Share Option Scheme.
- (6) Representing the closing price of the Shares immediately before the date on which the options were granted.
- (7) Representing the weighted average closing price of the Shares immediately before the dates on which the options were exercised.
- (3) 各10%購股權於自授出日期起首個、第二個、第三個及第四個週年日歸屬；20%購股權於達成環孢素A眼凝膠的研發里程碑及本集團的若干財務表現目標時歸屬；20%購股權於達成NVK002的研發里程碑及本集團的若干財務表現目標時歸屬；而各10%購股權於市值達至若干目標的日期歸屬。
- (4) 已授出購股權將於達成承授人各自的要約函件內指明的不同歸屬條件時歸屬，包括授出日期的多個週年日、本集團主要產品的研發里程碑以及本集團的若干財務表現及市值目標。
- (5) 首次公開發售後購股權計劃下並無設定個別表現目標。
- (6) 指緊接購股權授出日期前的股份收市價。
- (7) 指緊接購股權獲行使日期前的股份加權平均收市價。

We did not grant any options to any Eligible Persons for the year ended December 31, 2023 according to Post-IPO Share Option Scheme.

As of December 31, 2023, the number of options available for future grant under the mandate of Post-IPO Share Option Scheme was 45,695,550.

During the Reporting Period, there was no option granted under the Share schemes of the Company. Therefore, the number of options granted during the year ended December 31, 2023 divided by weighted average number of issued shares for the same year is not applicable.

EQUITY-LINKED AGREEMENTS

Save for the Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme as set out in this annual report, no equity-linked agreements that will or may result in our Company issuing shares or that require our Company to enter into any agreements that will or may result in our Company issuing shares were entered into by our Group, or existed from the Listing Date till and up to December 31, 2023.

LAND AND PROPERTIES

As of the Latest Practicable Date, we did not own any properties.

MATERIAL LITIGATION

We were not involved in any material litigation or arbitration during the year ended December 31, 2023. The Directors are also not aware of any material litigation or claims that are pending or threatened against our Group during the year ended December 31, 2023.

截至2023年12月31日止年度，我們並無根據首次公開發售後購股權計劃向任何合資格人士授出任何購股權。

於2023年12月31日，根據首次公開發售後購股權計劃授權可於未來授出的購股權數目為45,695,550份。

於報告期內，並無根據本公司的股份計劃授出任何購股權。因此，以截至2023年12月31日止年度內授出的購股權數目除以同一年度的已發行股份加權平均數並不適用。

股票掛鈎協議

除本年報所載的首次公開發售前購股權計劃及首次公開發售後購股權計劃外，自上市日期起直至2023年12月31日，本集團並無訂立亦無存在任何股票掛鈎協議，將會或可能導致本公司發行股份或要求本公司訂立任何將會或可能導致本公司發行股份的協議。

土地及物業

於最後實際可行日期，我們並無擁有任何物業。

重大訴訟

我們於截至2023年12月31日止年度並無涉及任何重大訴訟或仲裁。董事亦不知悉於截至2023年12月31日止年度有任何待決或威脅向本集團提出的重大訴訟或申索。

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

Neither our Company nor any of our subsidiaries purchased, sold or redeemed any of our Company's listed securities during the Reporting Period.

SHARE CAPITAL AND SHARES ISSUED

Details of movements in the share capital of our Company for the year ended December 31, 2023 and details of the Shares issued during the year ended December 31, 2023 are set out in Note 24 to the Financial Statements.

DEBENTURE ISSUED

We did not issue any debenture during the year ended December 31, 2023.

BANK LOANS AND OTHER BORROWINGS

As of December 31, 2023, we had a secured bank loan of RMB206.6 million which was repayable within one year or on demand, and details of the bank loan is set out in Note 20 to the Financial Statements.

CONVERTIBLE BONDS

During the Reporting Period, we did not issued any convertible bonds.

LOAN AGREEMENT WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDERS

During the Reporting Period and up to the Latest Practicable Date, we did not have any Controlling Shareholder.

DIVIDENDS

The Board does not recommend any payment of a final dividend for the year ended December 31, 2023.

購買、出售或贖回本公司上市證券

於報告期內，本公司或我們的任何附屬公司概無購買、出售或贖回任何本公司上市證券。

股本及已發行股份

本公司截至2023年12月31日止年度的股本變動詳情及截至2023年12月31日止年度的已發行股份詳情載於財務報表附註24。

已發行的債權證

於截至2023年12月31日止年度，我們並無發行任何債權證。

銀行貸款及其他借款

於2023年12月31日，我們的有抵押銀行貸款為人民幣206.6百萬元，須於一年內或按要求償還，銀行貸款詳情載於財務報表附註20。

可換股債券

於報告期內，我們並無發行任何可換股債券。

載有規定控股股東須履行特定責任的契諾的貸款協議

於報告期內及直至最後實際可行日期，我們並無任何控股股東。

股息

董事會不建議就截至2023年12月31日止年度派付任何末期股息。

Report of Directors

董事會報告

PERMITTED INDEMNITY

Pursuant to the Articles of Association and subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of our Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices.

We have arranged appropriate liability insurance to indemnify the Directors and senior management of our Company for their liabilities arising out of corporate activities. The insurance coverage will be reviewed on an annual basis.

DISTRIBUTABLE RESERVES

We may pay dividends out of the share premium account, retained earnings and any other reserves provided that immediately following the payment of such dividends, our Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

As of December 31, 2023, our Company did not have any distributable reserves.

Details of movements in the reserves of our Group and our Company during the year ended December 31, 2023 are set out in the consolidated statement of changes in equity on page 121 of this annual report.

CHARITABLE DONATIONS

During the year ended December 31, 2023, we did not make any charitable donations.

獲准許彌償條文

根據組織章程細則及在適用法律法規的規限下，每名董事就彼等或彼等當中任何人於執行職務時或就此可能招致或蒙受的一切訴訟、成本、收費、損失、損害賠償及開支，應獲得以本公司資產及利潤作出的彌償及保障以免受傷害。

我們已安排適當的責任保險，以就本公司董事及高級管理層因企業活動所產生的責任向彼等作出彌償。保險保障範圍會每年檢討。

可供分派儲備

我們可從股份溢價賬、保留盈利及任何其他儲備中派付股息，前提為於緊隨該等股息派付後，本公司將有能力於日常業務中償項到期時償付有關債項。

於2023年12月31日，本公司並無任何可供分派儲備。

本集團及本公司儲備於截至2023年12月31日止年度的變動詳情載於本年報第121頁的綜合權益變動表。

慈善捐款

於截至2023年12月31日止年度，我們並無作出任何慈善捐款。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of our Group during the Reporting Period are set out in Note 12 to the Financial Statements.

Use of Proceeds from the Global Offering

Our Company's Shares were listed on the Stock Exchange on April 29, 2021 with a total of 123,567,500 offer Shares issued. The net proceeds from the Global Offering amounted to approximately HK\$1,932.3 million, after deducting the underwriting fees, commissions and related listing expenses. As of December 31, 2023, such net proceeds were utilized as follows:

物業、廠房及設備

本集團物業、廠房及設備於報告期內的變動詳情載於財務報表附註12。

全球發售所得款項用途

本公司股份於2021年4月29日在聯交所上市，合共發行123,567,500股發售股份。全球發售的所得款項淨額約為1,932.3百萬港元，當中已扣除包銷費用、佣金及相關上市開支。於2023年12月31日，該等所得款項淨額已動用如下：

Use of proceeds from Listing	Amount of net proceeds for planned applications	Percentage of total net proceeds	Utilized net proceeds from		Unutilized net proceeds as of December 31, 2023	Expected time frame for unutilized amount
			Utilized net proceeds as of December 31, 2023	January 1, 2023 to December 31, 2023		
上市所得款項用途	作計劃用途的所得款項淨額 (HK\$ million) (百萬港元)	佔所得款項淨額總數百分比	於2023年12月31日已動用所得款項淨額 (HK\$ million) (百萬港元)	於2023年1月1日至2023年12月31日已動用所得款項淨額 (HK\$ million) (百萬港元)	於2023年12月31日未動用所得款項淨額 (HK\$ million) (百萬港元)	預期動用未動用款項的時間
For the clinical development and commercialization of our two Core Products	618.34	32.00%	270.37	36.80	347.97	
我們兩項核心產品的臨床開發及商業化						
1. Allocated to CsA Ophthalmic Gel	438.64	22.70%	182.93	21.76	255.71	By the end of 2025
1. 分配予環孢素A眼凝膠						2025年底或之前
2. Allocated to ZKY001	179.70	9.30%	87.44	15.04	92.26	By the end of 2025
2. 分配予ZKY001						2025年底或之前
The continuing R&D activities as well as commercialization of the other drug candidates in our pipeline	888.86	46.00%	557.73	252.71	331.13	
我們的管線中其他候選藥物的持續研發活動及商業化						
1. The continuing R&D activities of other key drug candidates	579.69	30.00%	342.05	183.70	237.64	By the end of 2025
1. 其他主要候選藥物的持續研發活動						2025年底或之前
2. The continuing R&D activities of other innovative and generic drug candidates	57.97	3.00%	57.97	-	-	-
2. 其他創新及仿製候選藥物的持續研發活動						-
3. The milestone payments of our other in-licensed drug candidate	96.62	5.00%	94.02	37.05	2.6	By the end of 2025
3. 我們其他引進候選藥物的里程碑付款						2025年底或之前
4. The further expansion of our sales and marketing team in anticipation of new product launches in the coming year	154.58	8.00%	63.69	31.96	90.89	By the end of 2025
4. 預計來年將推出新產品，因而進一步擴張銷售及營銷團隊						2025年底或之前

Report of Directors

董事會報告

Use of proceeds from Listing	Amount of net proceeds for planned applications	Percentage of total net proceeds	Utilized net proceeds from		Utilized net proceeds as of December 31, 2023	January 1, 2023 to December 31, 2023	Unutilized net proceeds as of December 31, 2023	Expected time frame for unutilized amount
			Utilized net proceeds as of December 31, 2023	January 1, 2023 to December 31, 2023				
上市所得款項用途	作計劃用途的所得款項淨額 (HK\$ million) (百萬港元)	佔所得款項淨額總數百分比	於2023年12月31日已動用所得款項淨額 (HK\$ million) (百萬港元)	1月1日至2023年12月31日已動用所得款項淨額 (HK\$ million) (百萬港元)	於2023年12月31日未動用所得款項淨額 (HK\$ million) (百萬港元)		預期動用未動用款項的時間	
Carrying out the production line expansion of our advanced Nansha manufacturing facility in anticipation of our product launches in the coming years	135.27	7.00%	135.27	-	-	-	-	
為我們位於南沙的先進生產設施進行生產線擴張，以籌備未來年度的產品上市							-	
Our business development activities and the expansion of drug pipelines	96.62	5.00%	96.62	-	-	-	-	
業務發展活動及藥品管線擴展							-	
Working capital and other general corporate purposes	193.23	10.00%	193.23	89.45	-	-	-	
營運資金及其他一般企業用途							-	
	1,932.32	100.00%	1,253.22	378.96	679.1			

As at December 31, 2023, all the unused net proceeds are held by our Company in short-term deposits with licensed banks or authorized financial institutions in Hong Kong and the PRC.

於2023年12月31日，所有未動用所得款項淨額已由本公司以短期存款方式存置於香港及中國持牌銀行或認可金融機構。

The expected timeline for utilizing the net proceeds from the Global Offering is based on the best estimation of future market conditions made by our Company and subject to changes in accordance with our actual business operation. Going forward, the net proceeds will be applied in the manner as set out in "Future Plans and Use of Proceeds" of the Prospectus and there is no change in the intended use of net proceeds as previously disclosed in the Prospectus.

動用全球發售所得款項淨額的預期時間表乃根據本公司對未來市況作出的最佳估計制訂，可能會按我們實際業務營運狀況作出更改。展望未來，所得款項淨額將按招股章程「未來計劃及所得款項用途」一節所載方式應用，而先前於招股章程披露的所得款項淨額擬定用途並無變動。

SUBSIDIARIES

Particulars of our Company's subsidiaries are set out in Note 14 to the Financial Statements.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report, there are no material subsequent events undertaken by our Group after December 31, 2023 and up to the Latest Practicable Date.

AGM AND CLOSURE OF REGISTER OF MEMBERS

The AGM is scheduled to be held on May 17, 2024. A notice convening the AGM will be published and dispatched to the Shareholders of our Company in the manner required by the Listing Rules in due course.

The register of members of our Company will be closed from May 13, 2024 to May 17, 2024, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the AGM, during which period no share transfers will be registered. To be eligible to attend the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with our Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on May 10, 2024.

CORPORATE GOVERNANCE

A report on the principle corporate governance practices adopted by our Company is set out in the Corporate Governance Report on pages 49 to 75 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available and within the knowledge of the Directors, our Company maintained the prescribed public float as required under the Listing Rules since the Listing Date and up to the Latest Practicable Date.

TAX RELIEF AND EXEMPTION

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

附屬公司

本公司附屬公司的詳情載於財務報表附註14。

報告期後事項

除本年報所披露者外，於2023年12月31日後及直至最後實際可行日期止，本集團並無進行重大期後事項。

股東週年大會及暫停辦理股份過戶登記手續

股東週年大會謹定於2024年5月17日舉行。召開股東週年大會的通告將於適當時候按上市規則規定的方式發表並寄發予本公司股東。

本公司將於2024年5月13日至2024年5月17日(包括首尾兩日)暫停辦理股份過戶登記手續，以釐定有權出席股東週年大會的股東的身份，期間將不會辦理任何股份過戶登記手續。為符合資格出席股東週年大會，所有已填妥的過戶表格連同有關股票必須於2024年5月10日下午四時三十分或之前，送交本公司的香港股份登記分處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712–1716舖)，以辦理登記手續。

企業管治

有關本公司所採納主要企業管治常規的報告載於本年報第49至75頁的企業管治報告。

足夠公眾持股量

基於可公開取得的資料及就董事所知，本公司自上市日期起直至最後實際可行日期維持上市規則所規定的指定公眾持股量。

稅務寬免及豁免

董事並不知悉股東因持有本公司上市證券而可享有的任何稅務寬免及豁免。

Report of Directors

董事會報告

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the relevant laws of the Cayman Islands where our Company is incorporated which would oblige our Company to offer new Shares on a pro-rata basis to existing Shareholders.

AUDITORS

Our Company has no change in auditors in any of the preceding three years. The Financial Statements for the year ended December 31, 2023 have been audited by KPMG, the auditor of our Company, who will retire at the conclusion of the AGM and being eligible, offer themselves for reappointment. A resolution for the re-appointment of by KPMG as auditor of our Company will be proposed at the AGM.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

We do not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

All references above to other sections, reports or notes in this report of Directors form part of this annual report.

By Order of the Board
Zhaoke Ophthalmology Limited
Dr. Li Xiaoyi
Chairman of the Board and executive Director

Hong Kong, March 27, 2024

優先購買權

組織章程細則或開曼群島(本公司註冊成立之地)相關法律下並無優先購買權條文，規定本公司須按比例向現有股東發售新股份。

核數師

本公司於過去三年內任何一年均無更換核數師。截至2023年12月31日止年度的財務報表由本公司核數師畢馬威會計師事務所審核。畢馬威會計師事務所將於股東週年大會結束時退任，並符合資格及願意接受重新委任。股東週年大會上將提呈有關重新委任畢馬威會計師事務所為本公司核數師的決議案。

根據上市規則須履行的持續披露責任

根據上市規則第13.20、13.21及13.22條，我們並無任何其他披露責任。

本董事會報告上文所有關於其他章節、報告或附註的提述構成本年報的一部分。

承董事會命
兆科眼科有限公司
董事會主席兼執行董事
李小羿博士

香港，2024年3月27日

Independent Auditor's Report

獨立核數師報告



Independent auditor's report to the shareholders of Zhaoke Ophthalmology Limited

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Zhaoke Ophthalmology Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 118 to 210, which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“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 (“HKSA”) 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”) together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

獨立核數師報告

致兆科眼科有限公司股東

(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第118至210頁的兆科眼科有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於2023年12月31日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表及附註，包括重大會計政策資訊及其他解釋資料。

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2023年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)連同有關我們審計開曼群島公司綜合財務報表的道德要求，我們獨立於貴集團，並已履行該等要求及守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

Assessment of impairment of in-licensed rights in intangible assets

Refer to notes 3 and 13 to the consolidated financial statements and the accounting policies in notes 2(f) and 2(h)(ii).

The Key Audit Matter	How the matter was addressed in our audit
<p>As at December 31, 2023, the Group's in-licensed rights in intangible assets, which were not ready for use, amounted to RMB317.3 million.</p> <p>These intangible assets are subject to impairment assessment annually even if there is no indication of impairment. The impairment assessment is performed at the product level by comparing its carrying value with its recoverable amounts, which is the higher of fair value less costs of disposal and value in use based on discounted cash flow forecasts.</p> <p>We identified the assessment of impairment of in-licensed rights in intangible assets as a key audit matter because of the significance of the carrying value of such assets to the consolidated financial statements and because the preparation of discounted cash flow forecasts for the purpose of impairment assessments involves estimating revenue growth rate and discount rates, which are subject to a significant degree of judgement and could be subject to management bias.</p>	<p>Our audit procedures to assess impairment of in-licensed rights in intangible assets included the following:</p> <ul style="list-style-type: none"> understanding and evaluating the design and implementation of key internal controls over the impairment assessment; with the assistance of our internal valuation specialists, assessing the methodology adopted by management in its preparation of the discounted cash flow forecasts with reference to the requirements of the prevailing accounting standards; evaluating the key assumptions adopted in the preparation of the discounted cash flow forecasts, including revenue growth rate with reference to our understanding of the business, historical trends and available industry information and market data; with the assistance of our internal valuation specialists, assessing the discount rates used in the discounted cash flow forecasts by benchmarking against other companies in the same industry;

關鍵審計事項(續)

評估無形資產中引進特許權的減值

請參閱綜合財務報表附註3及13以及附註2(f)及2(h)(ii)中的會計政策。

關鍵審計事項	我們的審計如何處理該事項
<p>於2023年12月31日，貴集團無形資產中未可使用的引進特許權為人民幣317,300,000元。</p> <p>該等無形資產即使並無減值跡象，仍須每年接受減值評估。減值評估在產品層面比較其賬面值與可收回金額（即公平值減出售成本與基於貼現現金流量預測計算的使用價值兩者的較高者）。</p> <p>我們將無形資產中引進特許權的減值評估確定為關鍵審計事項，因為這些資產的賬面值對綜合財務報表具有一定重要性，以及就減值評估目的而編製的貼現現金流量預測涉及估計收益增長率及貼現率，這些都存在很大程度的判斷成份及可能出現管理層偏頗的情況。</p>	<p>我們就評估無形資產中引進特許權的減值的審計程序包括：</p> <ul style="list-style-type: none"> 了解和評估對減值評估的關鍵內部控制的設計和實施； 在內部估值專家的協助下，評估管理層參考現行會計準則的要求編製貼現現金流量預測所採用的方法； 參考我們對業務的了解、歷史趨勢以及可獲得的行業資訊和市場資料，評估在編製貼現現金流量預測時採用的關鍵假設，包括收益增長率； 在內部估值專家的協助下，通過與其他同業公司進行比較，評估貼現現金流量預測中使用的貼現率；

KEY AUDIT MATTERS (CONTINUED)

Assessment of impairment of in-licensed rights in intangible assets

Refer to notes 3 and 13 to the consolidated financial statements and the accounting policies in notes 2(f) and 2(h)(ii).

關鍵審計事項(續)

評估無形資產中引進特許權的減值

請參閱綜合財務報表附註3及13以及附註2(f)及2(h)(ii)中的會計政策。

The Key Audit Matter	How the matter was addressed in our audit	關鍵審計事項	我們的審計如何處理該事項
	<ul style="list-style-type: none"> • comparing the key assumptions included in the discounted cash flows forecasts prepared by management in the prior year with the current year's performance to assess the accuracy of the prior year's forecast, making enquiries of management as to the reasons for any significant variations identified and whether these had been considered in the current year discounted cash flow forecasts and considering if there was any indication of management bias; • performing a sensitivity analysis of key assumptions in the discounted cash flow forecasts and considering the resulting impact on the impairment charge for the year and whether there were any indication of management bias; and • assessing the disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards. 		<ul style="list-style-type: none"> • 將管理層在去年編製的貼現現金流量預測中包含的關鍵假設與本年度的業績進行比較，以評估去年預測是否準確；向管理層詢問所識別的任何重大變動的原因，以及這些變動是否在本年度的貼現現金流量預測中被考慮；並考慮是否存在任何跡象顯示管理層有所偏頗； • 對貼現現金流量預測中的關鍵假設進行敏感性分析，並考慮由此對本年度減值費用產生的影響，以及是否存在任何跡象顯示管理層有所偏頗；及 • 參考現行會計準則的要求評估綜合財務報表中的披露。

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獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

Accruals for services fees to outsourced service providers

Refer to the accounting policies in note 2(f)(ii).

The Key Audit Matter	How the matter was addressed in our audit
<p>During the year ended December 31, 2023, the Group incurred significant research and development ("R&D") expenses of RMB333.1 million, of which service fees paid to contract research organizations ("CROs") and clinical site management operators ("SMOs") (collectively the "outsourced service providers") amounted to RMB161.0 million.</p> <p>We identified accruals for service fees for the outsourced service providers as a key audit matter because clinical trials are core part of the Group's R&D activities and there is a risk of under/over accruals of R&D expenses at the end of the reporting period given the significance of the Group's R&D expenses to the consolidated financial statements.</p>	<p>Our audit procedures to assess accruals for service fees to outsourced service providers included the following:</p> <ul style="list-style-type: none"> • understanding and evaluating the design and implementation of key internal controls over: <ul style="list-style-type: none"> ▪ the engagement of CROs and SMOs; ▪ the oversight and management of the progress of the underlying clinical trials; ▪ the accounting for related expenses; • inquiring management and project managers about the progress of clinical trials; • examining, on a sample basis, the service fees to outsourced service providers recorded during the year, agreeing them to the relevant service agreements, outsourced service providers' acknowledgement of milestones achieved, invoices and bank payment advices for settled balances and assessing whether the related service fees have been recognized in accordance with the requirements of the prevailing accounting standards; • re-calculating the accruals for service fees to the outsourced service providers and comparing the recalculated amount with the recorded amount, on a sample basis, based on the progress of related clinical trial activities/milestones achieved and the terms stated in the underlying service agreements;

關鍵審計事項(續)

臨床研究機構服務費用的應計款項

請參閱附註2(f)(ii)中的會計政策。

關鍵審計事項	我們的審計如何處理該事項
<p>截至2023年12月31日止年度，貴集團產生人民幣333,100,000元的龐大研發及開發(「研發」)開支，其中向合約研究機構(「CRO」)及臨床實地管理營運商(「實地管理營運商」)(以下統稱「臨床研究機構」)支付的服務費用為人民幣161,000,000元。</p> <p>我們將臨床研究機構服務費用的應計款項確定為關鍵審計事項，因為臨床試驗是貴集團研發活動的核心部分及貴集團的研發開支對綜合財務報表而言屬重大，因此會增加報告期末研發開支計提不足/超額計提的風險。</p>	<p>我們就臨床研究機構服務費用的應計款項的審計程序包括：</p> <ul style="list-style-type: none"> • 了解和評估以下關鍵內部控制的設計和實施： <ul style="list-style-type: none"> ▪ 委聘CRO和實地管理營運商； ▪ 監督和管理相關臨床試驗的進展； ▪ 相關費用的會計處理； • 向管理層和項目經理查詢臨床試驗的進展情況； • 抽樣檢查本年度記錄的臨床研究機構的服務費用；對照相關服務協定、臨床研究機構確認已達到的里程碑、結算餘額的發票和銀行付款通知；並評估相關服務費用是否已按照現行會計準則的要求確認； • 根據相關臨床試驗活動的進展/已達到的里程碑，以及相關服務協定中規定的條款，重新計算臨床研究機構服務費用的應計費用，並將重新計算的金額與記錄金額進行抽樣比較；

KEY AUDIT MATTERS (CONTINUED)

Accruals for services fees to outsourced service providers

Refer to the accounting policies in note 2(f)(ii).

關鍵審計事項(續)

臨床研究機構服務費用的應計款項

請參閱附註2(f)(ii)中的會計政策。

The Key Audit Matter	How the matter was addressed in our audit	關鍵審計事項	我們的審計如何處理該事項
	<ul style="list-style-type: none"> • sending confirmations to major outsourced service providers to confirm the service fees, progress/milestones achieved, on a sample basis. For unreturned confirmations, comparing service fees paid and payable to outsourced service providers with the underlying service agreements, outsourced service providers' acknowledgement of milestones achieved and invoices; • comparing actual service fee payments during the current year with the accrued service fees to outsourced service providers at the last reporting date to assess the accuracy of accruals of R&D expenses; and • comparing actual service fee payments made subsequent to the reporting date with the accrued service fees to outsourced service providers at the reporting date to assess whether there were any significant under/over-accrued balances. 		<ul style="list-style-type: none"> • 向主要臨床研究機構發出確認書，以抽樣確認服務費用、進度／已達到的里程碑。如未能收回確認書，則將已經和應支付給臨床研究機構的服務費用與相關服務協定、臨床研究機構所確認已達到的里程碑和發票進行比較； • 將本年度的實際服務費付款與上一個報告日期臨床研究機構的應計服務費進行比較，以評估研發開支應計款項計提是否準確；及 • 將報告日後的實際付款與報告日臨床研究機構的應計服務費用進行比較，以評估是否存在任何重大結餘的計提不足／超額計提。

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獨立核數師報告

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than 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 THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors 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.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

董事須在審核委員會的協助下負責監督 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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。本報告僅向整體股東發出，除此之外別無其他用途。我們不會就本報告的內容向任何其他人士負責或承擔責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

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- 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.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, 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.

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及為消除對獨立性的威脅所採取的行動或防範措施（若適用）。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

Independent Auditor's Report

獨立核數師報告

The engagement partner on the audit resulting in this independent auditor's report is Lau Tai Cheong.

出具本獨立核數師報告的審計項目合夥人是劉大昌。

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

March 27, 2024

畢馬威會計師事務所
執業會計師

香港中環
遮打道10號
太子大廈8樓

2024年3月27日

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended December 31, 2023

截至2023年12月31日止年度

		Notes	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
		附註		
Revenue	收益	4	18,750	–
Cost of sales	銷售成本		(4,503)	–
Gross profit	毛利		14,247	–
Other income	其他收入	5	82,044	38,041
Other net loss	其他虧損淨額	6	(3,515)	(29,731)
Research and development expenses	研發開支		(333,050)	(296,430)
General and administrative expenses	一般及行政費用		(84,404)	(86,109)
Selling and distribution expenses	銷售及分銷開支		(51,889)	(29,946)
Loss from operations	經營虧損		(376,567)	(404,175)
Finance costs	財務成本	7(a)	(7,921)	(3,142)
Loss before taxation	除稅前虧損	7	(384,488)	(407,317)
Income tax	所得稅	8	(550)	–
Loss for the year	年內虧損		(385,038)	(407,317)
Loss per share (RMB)	每股虧損(人民幣元)	11		
Basic	基本		(0.71)	(0.75)
Diluted	攤薄		(0.71)	(0.75)

The notes on pages 124 to 210 form part of these financial statements.

第124至210頁的附註構成財務報表的一部分。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended December 31, 2023

截至2023年12月31日止年度

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Loss for the year	年內虧損	(385,038)	(407,317)
Other comprehensive income for the year	年內其他全面收益		
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：		
Exchange differences on translation of financial statements of entities with functional currencies other than Renminbi ("RMB")	換算功能貨幣並非人民幣的實體財務報表的匯兌差額	61,107	210,902
Total comprehensive income for the year	年內全面收益總額	(323,931)	(196,415)

The notes on pages 124 to 210 form part of these financial statements.

第124至210頁的附註構成財務報表的一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At December 31, 2023

於2023年12月31日

		Notes 附註	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	12(a)	223,648	233,743
Intangible assets	無形資產	13	392,463	334,623
Prepayments on purchases of property, plant and equipment	購買物業、廠房及設備的預付款項		9,658	29,510
			625,769	597,876
Current assets	流動資產			
Inventories	存貨		6,141	–
Trade and other receivables	貿易及其他應收款項	15	61,147	75,457
Pledged bank balances	已抵押銀行結餘	16(a)	265,658	172,066
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	16(a)	–	8,873
Cash and cash equivalents	現金及現金等價物	16(a)	1,461,623	1,716,351
			1,794,569	1,972,747
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	18	116,637	83,418
Contract liabilities	合約負債	17	1,179	–
Amounts due to related companies	應付關聯公司款項	19	2,473	6,897
Bank loans	銀行貸款	20	206,577	94,500
Lease liabilities	租賃負債	21	9,585	9,725
			336,451	194,540
Net current assets	流動資產淨值		1,458,118	1,778,207
Total assets less current liabilities	資產總值減流動負債		2,083,887	2,376,083
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	21	21,864	27,703
Contract liabilities	合約負債	17	12,956	–
Deferred income	遞延收入	22	749	7
			35,569	27,710
Net assets	資產淨值		2,048,318	2,348,373
Capital and reserves	資本及儲備			
Share capital	股本	24(b)	–*	–*
Reserves	儲備		2,048,318	2,348,373
Total equity	權益總額		2,048,318	2,348,373

* The balance represents amount less than RMB1,000.

* 結餘金額少於人民幣1,000元。

Approved and authorised for issue by the board of directors on March 27, 2024.

於2024年3月27日經董事會批准及授權刊發。

Dr. Li Xiaoyi
李小羿博士
Director
董事

Mr. Dai Xiangrong
戴向榮先生
Director
董事

The notes on pages 124 to 210 form part of these financial statements.

第124至210頁的附註構成財務報表的一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended December 31, 2023

截至2023年12月31日止年度

Attributable to equity shareholders of the Company
本公司權益股東應佔

		Share capital	Share premium	Other reserve	Capital reserve	Merger reserve	Exchange reserve	Accumulated losses	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at January 1, 2022	於2022年1月1日的結餘	-*	5,413,964	4,358	86,759	2,411	9,953	(3,021,958)	2,495,487
Changes in equity for 2022:	2022年的權益變動：								
Loss for the year	年內虧損	-	-	-	-	-	-	(407,317)	(407,317)
Other comprehensive income	其他全面收益	-	-	-	-	-	210,902	-	210,902
Total comprehensive income	全面收益總額	-	-	-	-	-	210,902	(407,317)	(196,415)
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	-	-	-	48,051	-	-	-	48,051
Shares issued under share option schemes	根據購股權計劃發行股份	-*	13,547	-	(12,297)	-	-	-	1,250
Balance at December 31, 2022	於2022年12月31日的結餘	-*	5,427,511	4,358	122,513	2,411	220,855	(3,429,275)	2,348,373
Changes in equity for 2023:	2023年的權益變動：								
Loss for the year	年內虧損	-	-	-	-	-	-	(385,038)	(385,038)
Other comprehensive income	其他全面收益	-	-	-	-	-	61,107	-	61,107
Total comprehensive income	全面收益總額	-	-	-	-	-	61,107	(385,038)	(323,931)
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	-	-	-	22,023	-	-	-	22,023
Shares issued under share option schemes	根據購股權計劃發行股份	-*	16,125	-	(14,272)	-	-	-	1,853
Lapsed share options	已失效購股權	-	-	-	(7,457)	-	-	7,457	-
Balance at December 31, 2023	於2023年12月31日的結餘	-*	5,443,636	4,358	122,807	2,411	281,962	(3,806,856)	2,048,318

* The balance represents amount less than RMB1,000.

* 結餘金額少於人民幣1,000元。

The notes on pages 124 to 210 form part of these financial statements.

第124至210頁的附註構成財務報表的一部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended December 31, 2023

截至2023年12月31日止年度

			2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Operating activities	經營活動			
Loss before taxation	除稅前虧損		(384,488)	(407,317)
Adjustments for:	就以下各項作調整：			
Depreciation	折舊	7(c)	40,044	32,825
Amortization of intangible assets	無形資產攤銷	7(c)	8,660	2,249
Finance costs	財務成本	7(a)	7,921	3,142
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	23	22,023	46,684
Bank interest income	銀行利息收入	5	(77,399)	(30,415)
Gain on lease termination	終止租賃收益	6	(132)	—
Net foreign exchange loss	外匯虧損淨額		905	21,136
<i>Changes in working capital:</i>	<i>營運資金變動：</i>			
Increase in trade and other receivables	貿易及其他應收款項增加		14,763	(27,661)
Increase in inventories	存貨增加		(6,141)	—
Increase in trade and other payables and contract liabilities	貿易及其他應付款項及合約負債增加		54,413	35,138
Decrease in amounts due to related companies	應付關聯公司款項減少		(4,424)	(6,787)
Increase/(decrease) in deferred income	遞延收入增加/(減少)		741	(44)
Tax paid:	已付稅項：			
— Withholding tax paid	— 已付預扣稅		(550)	—
Net cash used in operating activities	經營活動所用現金淨額		(323,664)	(331,050)
Investing activities	投資活動			
Increase in pledged deposits	已抵押存款增加		(88,178)	(140,212)
Decrease in time deposits with original maturity over three months	原到期日超過三個月的定期存款減少		9,784	—
Decrease in prepayment on purchase of property, plant and equipment	購買物業、廠房及設備的預付款項減少		20,494	23,781
Payment for purchase of property, plant and equipment	購買物業、廠房及設備的付款		(36,467)	(78,652)
Payment for purchase of intangible assets	購買無形資產的付款		(58,800)	(159,900)
Interest received	已收利息		77,399	30,415
Net cash used in investing activities	投資活動所用現金淨額		(75,768)	(324,568)
Financing activities	融資活動			
Proceeds from bank loans	銀行貸款的所得款項	16(b)	120,821	93,811
Repayment of bank loans	償還銀行貸款	16(b)	(8,744)	(9,600)
Proceeds from shares issued under share option schemes	根據購股權計劃發行股份的所得款項		1,853	1,250
Capital element of lease rentals paid	已付租金的本金部分	16(b)	(8,760)	(6,089)
Interest element of lease rentals paid	已付租金的利息部分	16(b)	(1,756)	(1,783)
Interest paid	已付利息		(4,120)	(1,359)
Net cash generated from financing activities	融資活動所得現金淨額		99,294	76,230

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended December 31, 2023

截至2023年12月31日止年度

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(300,138)	(579,388)
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物	1,716,351	2,128,429
Effect of foreign exchange rate changes	外匯匯率變動影響	45,410	167,310
Cash and cash equivalents at the end of the year	年末現金及現金等價物	1,461,623	1,716,351

Notes
附註

16(a)

The notes on pages 124 to 210 form part of these financial statements.

第124至210頁的附註構成財務報表的一部分。

Notes to the Financial Statements

財務報表附註

1. GENERAL INFORMATION

Zhaoke Ophthalmology Limited (the “**Company**”) was incorporated in the British Virgin Islands (the “**BVI**”) on January 20, 2017. On April 29, 2020, the Company was redomiciled to the Cayman Islands with its registered office at Vistra (Cayman) Limited, Grand Pavilion, Hibiscus Way, 802 West Bay Road, George Town, Grand Cayman as an exempted company with limited liability under the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (the “**Cayman Companies Act**”).

The Company is an investment holding company. The Company and its subsidiaries (together, “**the Group**”) are principally engaged in the development, manufacturing and marketing of ophthalmic drugs and products.

2. MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

The Group’s consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and the disclosure requirements of the Hong Kong Companies Ordinance. The Group’s consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

1. 一般資料

兆科眼科有限公司(「**本公司**」)於2017年1月20日在英屬處女群島註冊成立。於2020年4月29日，本公司遷冊至開曼群島，根據開曼群島法律第22章公司法(1961年法例3，經綜合及修訂)(「**開曼公司法**」)成為獲豁免有限公司，註冊辦事處為Vistra (Cayman) Limited, Grand Pavilion, Hibiscus Way, 802 West Bay Road, George Town, Grand Cayman。

本公司為一間投資控股公司。本公司及其附屬公司(統稱「**本集團**」)主要從事眼科藥物及產品的開發、生產及營銷。

2. 重大會計政策

(a) 合規聲明

本集團的綜合財務報表已根據所有適用香港財務報告準則(香港會計師公會頒佈的所有適用個別香港財務報告準則、香港會計準則及詮釋的統稱)及香港公司條例的披露規定編製。此外，本集團的綜合財務報表遵守香港聯合交易所有限公司證券上市規則的適用披露條文。

香港會計師公會已頒佈若干於本集團本會計期間首次生效或可供提早採納的香港財務報告準則修訂本。附註2(c)提供初始應用本財務報表所反映於本會計期間與本集團有關的發展所產生的任何會計政策變動的資料。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended December 31, 2023 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

(c) Changes in accounting policies

The HKICPA has issued a new HKFRS and certain amendments to HKFRSs that are first effective for the current accounting period of the Group. The HKICPA also published "Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong" that provides guidance on the accounting consideration relating to the offsetting mechanism and the abolition of the mechanism. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2. 重大會計政策(續)

(b) 財務報表的編製基準

截至2023年12月31日止年度的綜合財務報表涵蓋本公司及其附屬公司。

編製財務報表所採用的計量基準為歷史成本基準。

編製符合香港財務報告準則的財務報表需要管理層作出影響政策的應用及所呈報的資產及負債、收入及開支金額的判斷、估計及假設。估計及相關假設建基於歷史經驗及被認為在相關情況下屬合理的多種其他因素，有關結果構成判斷沒有其他現成資料來源可供參考的資產與負債賬面值的基礎。實際結果可能有別於該等估計。

估計及相關假設會持續予以審閱。對會計估計的修訂於修訂估計的期間(倘修訂僅影響該期間)或修訂期間及未來期間(倘修訂影響當前及未來期間)確認。

管理層於應用香港財務報告準則時所作出對財務報表有重大影響的判斷及估計不明朗因素的主要來源在附註3論述。

(c) 會計政策變動

香港會計師公會已頒佈於本集團本會計期間首次生效的一項新訂香港財務報告準則及若干香港財務報告準則修訂本。香港會計師公會亦已頒佈「香港廢除強積金與長期服務金對沖機制的會計涵義」，就與對沖機制及廢除該機制有關的會計考慮因素提供指引。有關發展並無對本集團本期間或過往期間業績及財務狀況的編製或呈列方式造成重大影響。

本集團並無應用任何於本會計期間尚未生效的新訂準則或詮釋。

Notes to the Financial Statements

財務報表附註

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and cash flows and any unrealized profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interest within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognized.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with the resulting gain or loss being recognized in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognized at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(h)(ii)).

2. 重大會計政策(續)

(d) 附屬公司

附屬公司為受本集團控制的實體。本集團在承擔參與實體所產生的可變回報的風險或享有參與實體所產生的可變回報的權利並有能力通過對該實體所擁有的權力影響該等回報時控制該實體。在評估本集團是否擁有該權力時，僅考慮本集團及其他方所持有的實質權利。

附屬公司財務報表自控制開始日期直至控制結束日期止計入綜合財務報表。集團內公司間結餘、交易及現金流量以及集團內公司間交易所產生的任何未變現利潤在編製綜合財務報表時悉數抵銷。集團內公司間交易所產生的未變現虧損按與未變現收益相同的方式抵銷，但僅以未出現減值證據為限。

本集團於附屬公司權益的變動如並不導致失去控制權，則作為權益交易入賬，並在綜合權益內對控股及非控股權益金額作出調整，以反映相對權益變動，但不會對商譽作出調整亦不確認收益或虧損。

當本集團失去對附屬公司的控制權時，其按出售於該附屬公司的全部權益入賬，因此產生的收益或虧損於損益確認。於失去控制權當日在該前附屬公司保留的任何權益按公平值確認，該金額被視作初步確認金融資產的公平值，或(如適當)初步確認於聯營公司或合營企業的投資的成本。

於本公司的財務狀況表中，於附屬公司的投資按成本減減值虧損列賬(見附註2(h)(ii))。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(h)(ii)).

Cost includes expenditures that are directly attributable to the acquisition of an asset.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

	Estimated useful life
Properties leased for own use	Over the unexpired periods of the leases and their estimated useful lives
Leasehold improvements	Shorter of useful life or remaining lease term
Machinery and equipment	3–10 years
Furniture, fixture and office equipment	3–10 years
Motor vehicle	4 years

Where parts of an item of property, plant and equipment have different useful lives, the cost is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Construction in progress represents machinery and equipment pending installation and is stated at cost less impairment losses (see note 2(h)(ii)). Cost comprises the purchase costs of the asset and the related construction and installation costs.

Construction in progress is transferred to property, plant and equipment when the asset is substantially ready for its intended use and depreciation will be provided at the appropriate rates in accordance with the depreciation policies specified above.

No depreciation is provided in respect of construction in progress.

2. 重大會計政策(續)

(e) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損列賬(見附註2(h)(ii))。

成本包括收購資產的直接應佔支出。

物業、廠房及設備報廢或出售所產生的收益或虧損按估計出售所得款項淨額與相關項目的賬面金額之間的差額釐定，並於報廢或出售日期於損益確認。

折舊按於下列物業、廠房及設備估計可使用年期使用直線法撇銷其成本減估計殘值(如有)計算：

	估計可使用年期
自用租賃物業	未屆滿的租期及估計可使用年期
租賃物業裝修	可使用年期或剩餘租期(以較短者為準)
機器及設備	3–10年
傢具、固定裝置及辦公設備	3–10年
汽車	4年

倘物業、廠房及設備項目有部分存在不同的可使用年期，則成本按合理基準在各部分間分配，各部分獨立折舊。資產的可使用年期及殘值(如有)均每年予以檢討。

在建工程指待安裝的機器及設備，按成本減減值虧損列賬(見附註2(h)(ii))。成本包括資產的購買成本及相關的建造及安裝成本。

在建工程於資產實質可用作其擬定用途時轉撥至物業、廠房及設備，折舊按照上文所述折舊政策按適當比率計提撥備。

在建工程不計提折舊撥備。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets

(i) Patents

Patents are capitalized on the basis of the cost incurred to acquire and bring to use the specific patent. These costs are amortized over the estimated useful life of 10 to 17 years. The Group should assess whether there is any indication that patent is impaired at the end of each reporting period.

The patents relate to therapeutic technologies developed by the Group. The useful lives of the patents were estimated by the Group based on the respective periods over which economic benefits are expected to be derived from the underlying technologies. The estimation of the useful lives has taken into account the expected period required for the development of an innovative biopharmaceutical drug from its discovery to commercialization, the patent protection period, the historical life of similar products, the characteristics of such technologies, their update frequency and market requirement and competition. Based on the different commercialization commencement dates and the expected lifespan of economic benefits of individual technologies, the useful lives of the Group's patents have been assessed to range from 10 to 17 years.

2. 重大會計政策(續)

(f) 無形資產

(i) 專利

專利乃基於獲取和使用特定專利所產生的成本予以資本化。該等成本在10至17年的估計可使用年內攤銷。本集團應在各報告期末評估是否有跡象表明專利已減值。

專利與本集團開發的治療技術有關。本集團基於預期可自相關技術產生經濟利益的相應時間估計專利的可使用年期。可使用年期的估計考慮了開發創新生物藥物(從發現到商業化)預期所需的時間、專利保護期、類似產品的歷史年期、有關技術的特徵及更新頻率以及市場要求及競爭。基於各技術不同的開始商業化日期及經濟利益的預期期限，本集團專利的可使用年期被評估為介乎10至17年。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets (Continued)

(ii) Research and development expenditures

The Group incurs significant costs and efforts on research and development activities, which include expenditures on drug products. Research expenditures are charged to the profit or loss as an expense in the period the expenditures are incurred. Development costs are recognized as assets if they can be directly attributable to a newly developed drug products and all the following can be demonstrated:

- (i) the technical feasibility of completing the development project so that it will be available for use or sale;
- (ii) the Group's intention to complete the development project to use or sell it;
- (iii) the Group's ability to use or sell the development project;
- (iv) how the development project will generate probable future economic benefits for the Group;
- (v) the Group's availability of adequate technical, financial and other resources to complete the development and to use or sell the development project; and
- (vi) the ability to measure reliably the expenditures attributable to the development project.

The cost of an internally generated intangible asset is the sum of the expenditures incurred from the date the asset meets the recognition criteria above to the date when it is available for use. The costs capitalized in connection with the intangible asset include costs of materials and services used or consumed, employee costs incurred in the creation of the asset and an appropriate portion of relevant overheads. The Group generally considers capitalization criteria for internally generated intangible assets are met when obtaining regulatory approval of new drug license.

2. 重大會計政策(續)

(f) 無形資產(續)

(ii) 研發支出

本集團在研發活動上付出大量成本和精力，其中包括藥品支出。研究支出於產生支出期間作為開支從損益扣除。倘開發成本可直接歸屬於一種新開發藥品，並且可證實以下所有情況，則將確認為資產：

- (i) 完成該開發項目使其可供使用或出售在技術上可行；
- (ii) 本集團有意完成該開發項目以供使用或出售；
- (iii) 本集團有能力使用或出售開發項目；
- (iv) 開發項目為本集團產生潛在未來經濟利益的方式；
- (v) 本集團具備足夠技術、財務及其他資源可完成開發並使用或出售開發項目；及
- (vi) 有能力可靠計量開發項目應佔支出。

內部產生的無形資產的成本乃自該資產符合上述確認條件日期起至其可供使用日期止產生的支出總和。有關無形資產資本化的成本包括創造該資產所用或所耗的材料及服務成本以及所產生的員工成本及適當比例的相關經常性開支。本集團通常認為，於獲得新藥許可的監管批准時即滿足內部產生無形資產的資本化條件。

Notes to the Financial Statements

財務報表附註

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets (Continued)

(ii) Research and development expenditures (Continued)

Capitalized development expenditures are amortized using the straight-line method over the life of the related drug products. Amortization shall begin when the asset is available for use. Subsequent to initial recognition, internally generated intangible assets are reported as cost less accumulated amortization and accumulated impairment losses (see note 2(h)(ii)) (if any).

Development expenditures not satisfying the above criteria are recognized in the profit or loss as incurred and development expenditures previously recognized as an expense are not recognized as an asset in a subsequent period.

(iii) In-licenses

Intangible assets acquired separately are measured on initial recognition at cost.

Certain intangible assets are for licenses of intellectual properties in development, with non-refundable upfront payment, milestone payment and royalty payment. Upfront payment is capitalized when paid. The milestone payment is capitalized as intangible assets when incurred, unless the payment is for outsourced research and development work which would follow the capitalization policy in note 2(f)(ii). Royalty payment would be accrued for in line with the underlying sales and recognized as a cost of sales.

2. 重大會計政策(續)

(f) 無形資產(續)

(ii) 研發支出(續)

資本化開發支出於有關藥物產品的年期內以直線法攤銷。攤銷須於資產可供使用時開始進行。於初步確認後，內部產生的無形資產按成本減累計攤銷及累計減值虧損(如有)列賬(見附註2(h)(ii))。

不符合上述條件的開發支出於產生時在損益中確認，而過往確認為開支的開發支出不會於其後期間確認為資產。

(iii) 引進許可

單獨購入的無形資產於初步確認時按成本計量。

若干無形資產為開發中知識產權的許可，附帶不可退還預付款、里程碑付款及特許權使用費。預付款於支付時資本化。里程碑付款於產生時作為無形資產資本化，除非該付款用於外包研發工作，則採用附註2(f)(ii)所載的資本化政策。特許權使用費將按相關銷售進行累計並確認為銷售成本。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets (Continued)

(iii) In-licenses (Continued)

The intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortized when ready for use and over the economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Intangible assets with indefinite useful lives or not ready for use will not be amortized but tested for impairment annually either individually or at the cash generating unit level. The impairment test would compare the recoverable amount of the in-licenses asset to its carrying value. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

In-licenses with finite useful life are amortized using the straight-line basis over the commercial lives of the underlying products, commencing from the date when the products are put into commercial production.

In-licensed technologies acquired from third parties. The useful lives of the in-licensed technologies were estimated by the Group based on the respective periods over which economic benefits are expected to be derived from the underlying technologies. The estimation of the useful lives has taken into account the expected period required for the development of an innovative biopharmaceutical drug from its discovery to commercialization, the exclusive rights period of in-licensed technologies, the historical life of similar products, the characteristics of such technologies, their update frequency and market requirement and competition. Based on the different commercialization commencement dates and the expected lifespan of economic benefits of individual technologies, the useful lives of the Group's in-licensed technologies have been assessed to range from 5 to 15 years.

Both the period and method of amortization are reviewed annually.

2. 重大會計政策(續)

(f) 無形資產(續)

(iii) 引進許可(續)

無形資產的可使用年期分為有限期或無限期。有限期的無形資產隨後於可供使用時按可使用經濟年期攤銷，並於有跡象顯示無形資產可能減值時評估減值。具有有限可使用年期的無形資產的攤銷期及攤銷方法至少於各報告期末審查一次。具無限可使用年期或尚未可供使用的無形資產將不會攤銷，惟每年單獨或於現金產生單位層面進行減值測試。該減值測試將比較引進許可資產的可收回金額與賬面值。具無限年期的無形資產的可使用年期每年進行審查，以釐定無限年期的評估是否繼續得到支持。如否，則將可使用年期評估由無限改為有限的變動按前瞻性基準入賬。

具有有限可使用年期的引進許可於有關產品自產品投入商業生產日期起計的商業年期內以直線法攤銷。

引進許可技術乃向第三方購買。本集團基於預期可自相關技術產生經濟利益的相應時間估計引進許可技術的可使用年期。可使用年期的估計考慮了開發創新生物藥物(從發現到商業化)預期所需的時間、引進許可技術的專有權期限、類似產品的歷史年期、有關技術的特徵及更新頻率以及市場要求及競爭。基於各技術不同的開始商業化日期及經濟利益的預期期限，本集團引進許可技術的可使用年期被評估為介乎5至15年。

攤銷期及攤銷方法均每年予以檢討。

Notes to the Financial Statements

財務報表附註

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets (Continued)

(iv) Software

Computer software which is recognized at historical cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses (see note 2(h)(ii)). The Group amortized on a straight-line basis over their estimated useful lives of 5 years based on the current functionalities and the daily operation needs of the software.

IT applications development in progress represents IT applications pending execution and is stated at cost less impairment losses (see note 2(h)). Cost comprises the purchase costs of the asset and the related set up and installation costs.

Both the period and method of amortization are reviewed annually.

(v) Distribution rights

Distribution rights are capitalized on the basis of the cost incurred to acquire and bring to use the specific rights. These costs are amortized over the estimated useful life range from 10 to 17 years. The Group should assess whether there is any indication that the rights are impaired at the end of each reporting period.

The rights relate to exclusive rights to register, import, promote, distribute, market and sell certain medical devices and ophthalmic drug. The useful lives of the rights were estimated by the Group based on the respective periods over which economic benefits are expected to be derived from the underlying rights.

2. 重大會計政策(續)

(f) 無形資產(續)

(iv) 軟件

按歷史成本確認的電腦軟件其後按成本減去累計攤銷及累計減值虧損列賬(見附註2(h)(ii))。本集團根據該等軟件的現有功能及日常運作需要，於其估計可使用年期5年內以直線法攤銷。

開發中資訊科技應用程式指有待執行的資訊科技應用程式，按成本減去減值虧損列賬(見附註2(h))。成本包括資產購買成本以及相關設定及安裝成本。

攤銷期及攤銷方法均每年予以檢討。

(v) 分銷權

分銷權按收購指定權利及使指定權利可供使用所產生的成本資本化。該等成本按介乎10至17年的估計可使用年期攤銷。本集團應於各報告期末評估權利有否任何減值跡象。

權利涉及註冊、進口、宣傳、分銷、營銷及銷售若干醫療器械及眼科藥物的獨家權利。本集團基於預期從相關權利取得的經濟利益的相關期間估計權利的使用年期。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

At the lease commencement date, the Group recognizes a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalize the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalized are recognized as an expense on a systematic basis is over the lease term.

Where the lease is capitalized, the lease liability is initially recognized at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortized cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

2. 重大會計政策(續)

(g) 租賃資產

本集團於合約開始時評估有關合約是否屬租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬租賃或包含租賃。當客戶同時有權操縱可識別資產的用途及自有關用途獲得絕大部分經濟利益時，即已轉移控制權。

作為承租人

於租賃開始日期，本集團確認使用權資產和租賃負債(不包括租期為12個月或以下的短期租賃及低價值資產租賃)。當本集團就低價值資產訂立租約時，本集團會按逐項租賃決定是否將租賃資本化。與未資本化租賃相關的租賃付款在租期內系統性地確認為開支。

當租賃被資本化時，租賃負債按租期內應付租賃付款的現值初步確認，當中使用租賃所隱含的利率貼現，或如利率不易釐定，則使用相關增量借貸利率。於初步確認後，租賃負債按攤銷成本計量及使用實際利率法計算利息開支。不取決於指數或利率的可變租賃付款並未包括於租賃負債的計量中，因此於產生的會計期間自損益扣除。

Notes to the Financial Statements

財務報表附註

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Leased assets (Continued)

As a lessee (Continued)

The right-of-use asset recognized when a lease is capitalized is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2(e) and 2(h)(ii)).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets and measured at amortized cost (see notes 2(r)(ii)(a) and 2(h)(i)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2. 重大會計政策(續)

(g) 租賃資產(續)

作為承租人(續)

於租賃被資本化時確認的使用權資產初步按成本計量，包括租賃負債的初步金額加上於開始日期或之前作出的任何租賃付款，以及所產生的任何初步直接成本。如適用，使用權資產的成本亦包括拆除及移除相關資產或恢復相關資產或該資產所在工地所產生的估計成本，貼現至其現值，並扣除任何已收取的租賃優惠。使用權資產其後按成本減累計折舊及減值虧損列賬（見附註2(e)及2(h)(ii)）。

可退還租金按金的初步公平值與使用權資產分開入賬，並按攤銷成本計量（見附註2(r)(ii)(a)及(2)(h)(i)）。初步公平值與按金面值之間的差額入賬列作支付額外租賃付款，並計入使用權資產成本。

倘指數或利率的變動導致未來租賃付款出現變動；或倘本集團預期根據殘值擔保應付的估計金額出現變動；或倘本集團重新評估是否合理確定將行使購買、續期或終止選擇權導致出現變動，則將重新計量租賃負債。於按此方式重新計量租賃負債時，會對使用權資產的賬面金額作出相應調整，或如使用權資產的賬面金額已減至零，則調整將計入損益。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Leased assets (Continued)

As a lessee (Continued)

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract (“**lease modification**”) that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

The Group presents right-of-use assets in “property, plant and equipment” and presents “lease liabilities” separately in the consolidated statement of financial position.

(h) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognizes a loss allowance for expected credit losses (“**ECLs**”) on financial assets measured at amortized cost (including cash and cash equivalents, as well as trade and other receivables).

Financial assets measured at fair value are not subject to the ECLs assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

2. 重大會計政策(續)

(g) 租賃資產(續)

作為承租人(續)

倘租賃範圍或代價出現並非單獨入賬列作租賃的原有租賃合約所規定的變動(「**租賃修改**」)，亦會重新計量租賃負債。在此情況下，租賃負債基於經修訂租賃付款及租期，使用修改生效日期的經修訂貼現率重新計量。

於綜合財務狀況表內，長期租賃負債的流動部分按於報告期後十二個月內到期償付的合約付款現值釐定。

於綜合財務狀況表內，本集團在「物業、廠房及設備」項下呈列使用權資產，並單獨呈列「租賃負債」。

(h) 信貸虧損及資產減值

(i) 金融工具的信貸虧損

本集團就按攤銷成本計量的金融資產(包括現金及現金等價物以及貿易及其他應收款項)的預期信貸虧損確認虧損撥備。

按公平值計量的金融資產毋須進行預期信貸虧損評估。

預期信貸虧損的計量

預期信貸虧損為對信貸虧損的概率加權估計。信貸虧損以所有預期現金不足額(即本集團按照合約應收的現金流量與本集團預期可收取的現金流量之間的差額)的現值計量。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Measurement of ECLs (Continued)

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof; and
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the end of reporting period; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECLs model applies.

Loss allowances for receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具的信貸虧損(續)

預期信貸虧損的計量(續)

倘貼現影響重大，則預期現金不足額將採用以下貼現率貼現：

- 固定利率的金融資產以及貿易及其他應收款項：於初步確認時釐定的實際利率或其近似值；及
- 浮息金融資產：即期實際利率。

估計預期信貸虧損時所考慮的最長期間是以本集團承受信貸風險的最長合約期間為準。

於計量預期信貸虧損時，本集團會考慮在無需付出過多成本或努力下即可獲得的合理可靠資料，包括有關過往事件、現時狀況及未來經濟環境預測的資料。

預期信貸虧損將採用以下基準計量：

- 12個月預期信貸虧損：指報告期末後12個月內可能發生的違約事件所導致的預期虧損；及
- 整個存續期預期信貸虧損：指預期信貸虧損模型項下項目在整個存續期內所有可能違約事件所導致的預期虧損。

應收款項的虧損撥備一般按等同於整個存續期預期信貸虧損的金額計量。該等金融資產的預期信貸虧損是利用建基於本集團過往信貸虧損經驗的撥備矩陣估算，並按在報告日期債務人的特定因素及對當前和預測整體經濟狀況的評估作出調整。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Measurement of ECLs (Continued)

For all other financial instruments, the Group recognizes a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the end of reporting period with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or (ii) the financial asset is 90 days past due. 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.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具的信貸虧損(續)

預期信貸虧損的計量(續)

至於所有其他金融工具，本集團會以相等於12個月預期信貸虧損的金額確認虧損撥備，除非自初步確認以來該金融工具的信貸風險大幅上升，在此情況下，虧損撥備會以相等於整個存續期預期信貸虧損的金額計量。

信貸風險大幅上升

評估金融工具的信貸風險自初步確認以來有否大幅上升時，本集團會比較於報告期末及於初步確認日期評估的金融工具發生違約的風險。作出重新評估時，本集團認為，倘(i)債務人不大可能在本集團無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸債務；或(ii)金融資產已逾期90日，則發生違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Significant increases in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at end of each reporting period to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECLs amount is recognized as an impairment gain or loss in profit or loss. The Group recognizes an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具的信貸虧損(續)

信貸風險大幅上升(續)

具體而言，評估信貸風險自初步確認以來有否大幅上升時會考慮以下資料：

- 未能按合約到期日期支付本金或利息；
- 金融工具外部或內部信貸評級(如有)實際或預期顯著惡化；
- 債務人經營業績實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人向本集團履行其責任的能力有重大不利影響。

信貸風險大幅上升的評估視乎金融工具的性質按個別基準或共同基準進行。倘評估按共同基準進行，則金融工具按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

本集團於各報告期末重新計量預期信貸虧損，以反映金融工具的信貸風險自初步確認以來發生的變動。預期信貸虧損金額的任何變動均會於損益中確認為減值收益或虧損。本集團確認所有金融工具的減值收益或虧損，並通過虧損撥備賬對其賬面金額作出相應調整。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Basis of calculation of interest income

Interest income recognized in accordance with note 2(r) (i) 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 the amortized cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or being more than 90 days past due;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganization;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具的信貸虧損(續)

利息收入的計算基準

按照附註2(r)(i)確認的利息收入乃基於金融資產的賬面總額計算，除非該金融資產出現信貸減值，在此情況下，利息收入按該金融資產的攤銷成本(即賬面總額減虧損撥備)計算。

於各報告日期，本集團會評估金融資產是否出現信貸減值。當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，即表示金融資產出現信貸減值。

金融資產信貸減值的證據包括以下可觀察事件：

- 債務人出現嚴重財政困難；
- 違反合約，如欠繳或逾期超過90天；
- 借款人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；或
- 由於發行人的財務困難，證券的活躍市場消失。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the asset becomes 90 days past due or when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognized no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets;
- intangible assets;
- other non-current assets; and
- investment in a subsidiary in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具的信貸虧損(續)

撇銷政策

倘日後實際上收回款項無望，本集團則會撇銷(部分或全部)金融資產的賬面總額。該情況通常出現在資產已逾期90日或本集團確定債務人沒有資產或可產生足夠現金流量的收入來源來償還所撇銷的金額。

隨後收回過往已撇銷的資產於收回期間在損益內確認為減值撥回。

(ii) 非流動資產減值

本集團於各報告期末審閱內部及外部資料來源，以識別下列資產是否出現減值跡象，或過往已確認的減值虧損是否已不再存在或可能減少：

- 物業、廠房及設備(包括使用權資產)；
- 無形資產；
- 其他非流動資產；及
- 本公司財務狀況表中於一間附屬公司的投資。

如有上述任何跡象出現，則會估計有關資產的可收回金額。此外，對於尚未可供使用的無形資產及具有無限可使用年期的無形資產，無論是否存在減值跡象，均每年估計可收回金額。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(ii) Impairment of non-current assets (Continued)

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit). A portion of the carrying amount of a corporate asset (for example, head office building) is allocated to an individual cash-generating unit if the allocation can be done on a reasonable and consistent basis, or to the smallest group of cash-generating units if otherwise.

– Recognition of impairment losses

An impairment loss is recognized in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use (if determinable).

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(ii) 非流動資產減值(續)

– 計算可收回金額

資產的可收回金額為其公平價值減出售成本與使用價值兩者的較高者。在評估使用價值時，估計未來現金流量會按照可以反映當時市場對貨幣時間值的評估及該項資產的特定風險的稅前貼現率，貼現至其現值。倘資產所產生現金流入基本上並非獨立於其他資產所產生的現金流入，則於能獨立產生現金流入的最小資產組別(即現金產生單位)層面釐定可收回金額。如企業資產(如總部樓宇)賬面金額的一部分可按合理一致的基準分配，則亦分配至個別現金產生單位，否則分配至最少的現金產生單位組別。

– 確認減值虧損

倘資產或其所屬現金產生單位的賬面金額超過可收回金額，則於損益確認減值虧損。就現金產生單位確認的減值虧損會首先分配以減少分配至現金產生單位(或單位組別)的任何商譽的賬面金額，然後按比例分配以減少該單位(或單位組別)中其他資產的賬面金額，惟資產的賬面值不會減至低於其個別公平價值減出售成本或使用價值(如可釐定)。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(ii) Impairment of non-current assets (Continued)

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognized.

(i) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of raw materials and finished goods are calculated using the weighted average cost formula. Costs comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and costs necessary to make the sale.

When the inventories are sold, the carrying amount of those inventories is recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(ii) 非流動資產減值(續)

– 撥回減值虧損

就除商譽以外的資產而言，倘用於釐定可收回金額的估計出現有利變化，則撥回減值虧損。商譽的減值虧損不會撥回。

所撥回的減值虧損僅限於過往年度並未確認減值虧損而應釐定的資產賬面金額。所撥回減值虧損在確認撥回的年度計入損益。

(i) 存貨

存貨乃按成本及可變現淨值兩者的較低者列賬。原材料及製成品的成本按加權平均成本公式計算。成本包括使存貨達致當前地點及狀況的所有採購及其他成本。可變現淨值指於日常業務中的估計銷售價格減完成的所有估計成本及作出銷售的所需成本。

於存貨售出時，該等存貨的賬面金額於確認有關收益的期間確認為開支。任何將存貨撇減至可變現淨值的撇減金額以及所有存貨虧損均於出現撇減或虧損的期間確認為開支。存貨撇減的撥回金額於出現撥回的期間確認為作為開支確認的存貨金額減少。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Receivables

A receivable is recognized when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Receivables are subsequently stated at amortized cost, using the effective interest method and including an allowance for credit losses (see note 2(h)(i)).

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 2(h)(i).

(l) Contract liabilities

A contract liability is recognized when the customer pays non-refundable consideration before the Group recognizes the related revenue (see note 2(r)(i)). A contract liability is also recognized if the Group has an unconditional right to receive non-refundable consideration before the Group recognizes the related revenue. In such latter cases, a corresponding receivable is also recognized (see note 2(j)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(r)(ii)).

(m) Payables

Payables are initially recognized at fair value and are subsequently stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(n) Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between the amount initially recognized and redemption value being recognized in the consolidated statement of profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

2. 重大會計政策(續)

(j) 應收款項

應收款項於本集團有無條件權利收取代價時確認。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。

應收款項其後以實際利率法按攤銷成本列賬，並包括信貸虧損撥備(見附註2(h)(i))。

(k) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、於銀行及其他財務機構的活期存款，以及短期、流通性高、可隨時兌換成已知金額的現金且無重大價值變動風險且於購入後三個月內到期的投資。現金及現金等價物須按照附註2(h)(i)所載的政策評估預期信貸虧損。

(l) 合約負債

合約負債於本集團確認相關收益(見附註2(r)(i))前，客戶已支付不可退還代價時確認。倘本集團有無條件權利於確認相關收益前收取不可退還代價，亦會確認合約負債。在後者的情況下，亦會確認相應應收款項(見附註2(j))。

當合約包括重大融資部分時，合約結餘包括根據實際利率法應計的利息(見附註2(r)(ii))。

(m) 應付款項

應付款項初步按公平值確認，其後則按攤銷成本列賬，惟倘貼現影響不大，則按發票金額列賬。

(n) 計息借款

計息借款初步按公平值減應佔交易成本確認。於初步確認後，計息借款按攤銷成本列賬，初步確認金額與贖回價值之間的任何差額連同任何應付利息和費用使用實際利率法於借款期內於綜合損益表中確認。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Contributions to local retirement schemes pursuant to the relevant labor rules and regulations in the jurisdictions in which the Group's subsidiaries located are recognized as an expense in profit or loss as incurred, except to the extent that they are included in the cost of inventories not yet recognized as an expense.

(ii) Share-based payments

The fair value of share options granted to employees, directors or consultants is recognized as an expense with a corresponding increase in a capital reserve within equity over the period that the individuals become unconditionally entitled to the options. Share options granted to employees, directors or consultants, are measured at grant date using the binomial model, taking into account the terms and conditions upon which the options were granted.

The amount recognized as an expense is adjusted to reflect the number of share options for which the related service and non-market vesting conditions are expected to be met, such that amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date.

2. 重大會計政策(續)

(o) 僱員福利

(i) 短期僱員福利及界定供款退休計劃供款

薪金、年終花紅、有薪年假、界定供款退休計劃供款及非金錢福利成本均於僱員提供有關服務的年度累計。凡有關付款或結算被延遲及其具重大影響，則該等款項按現值列賬。

根據本集團附屬公司所在司法管轄區的相關勞動規則及法規向當地退休計劃作出的供款，於作出供款時在損益確認為開支，但有關供款計入尚未確認為開支的存貨成本則除外。

(ii) 以股份為基礎的付款

向僱員、董事或顧問授出的購股權的公平值在個人無條件享有購股權期間確認為開支，並相應增加權益內的資本儲備。向僱員、董事或顧問授出的購股權於授出日期採用二項式模型計量，當中考慮授出購股權的條款及條件。

確認為開支的金額經調整以反映預期符合相關服務及非市場歸屬條件的購股權數目，使最終確認為開支的金額基於歸屬日期確實符合相關服務及非市場表現條件的獎勵數目。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Employee benefits (Continued)

(ii) Share-based payments (Continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognized in prior years is charged/credited to the profit or loss for the year of the review, unless the original expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. The equity amount is recognized in the capital reserve until either the option is exercised (when it is included in the amount recognized in share capital for the shares issued) or the option expires (when it is released directly to equity).

(p) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognized in profit or loss except to the extent that they relate to items recognized in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognized in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

2. 重大會計政策(續)

(o) 僱員福利(續)

(ii) 以股份為基礎的付款(續)

於歸屬期內，本集團會檢討預期將歸屬的購股權數目。據此對過往年度已確認累計公平值所作的任何調整，均在檢討年度內扣除自／計入損益，除非原開支符合資格確認為資產，並對資本儲備作出相應調整，則屬例外。權益金額於資本儲備確認，直至購股權獲行使(屆時會計入就所發行股份於股本確認的金額)或購股權屆滿(屆時會直接撥入權益)為止。

(p) 所得稅

本年度的所得稅包括即期稅項及遞延稅項資產與負債的變動。即期稅項及遞延稅項資產與負債的變動均在損益中確認，惟如涉及於其他全面收益或直接於權益中確認的項目，則相關稅項金額亦分別在其他全面收益或直接於權益中確認。

即期稅項乃根據年內應課稅收入，採用於報告期末已制定或實質性制定的稅率，並就過往年度的應付稅項調整計算的預期應付稅項。

遞延稅項資產與負債分別來自資產與負債於財務報告內的賬面金額與稅基之間的差額所產生的可扣減及應課稅暫時差額。遞延稅項資產亦可因尚未動用的稅項虧損及尚未動用的稅項抵免而產生。

Notes to the Financial Statements

財務報表附註

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) Income tax (Continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilized, are recognized. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilized.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognized is measured based on the expected manner of realization or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

2. 重大會計政策(續)

(p) 所得稅(續)

除若干有限的例外情況外，所有遞延稅項負債及遞延稅項資產(以有可能用於抵銷未來應課稅利潤的資產為限)均會予以確認。可支持確認因可扣減暫時差額而產生的遞延稅項資產的未來應課稅利潤，包括因撥回現有應課稅暫時差額而產生的可扣減暫時差額，惟該等差額須與同一稅務機關及相同應課稅實體有關，且預期於預期撥回可扣減暫時差額的同一期間撥回，或於可轉回或結轉遞延稅項資產所產生稅項虧損的多個期間內撥回。於釐定現時應課稅暫時差額可否支持確認未動用稅項虧損及抵免所產生的遞延稅項資產時亦採用相同準則，即該等差額與同一稅務機關及相同應課稅實體有關，且預期於可動用稅項虧損或抵免的一個或多個期間內撥回，方會入賬。

確認遞延稅項資產與負債的少數例外情況，為與從初步確認但並不影響會計及應課稅利潤的資產或負債(前提是並非業務合併的一部分)產生的暫時性差額，及與於附屬公司的投資有關的暫時性差額，惟就應課稅差額而言，僅以本集團可控制撥回時間且不大可能在可預見未來撥回的差額為限，或就可扣減差額而言，則以可能在未來撥回的差額為限。

已確認的遞延稅項金額乃按資產與負債賬面金額的預期實現或結算方式，使用於報告期末已制定或實質性制定的稅率計量。遞延稅項資產與負債並不貼現。

遞延稅項資產的賬面金額於各報告期末檢討，而倘不再可能有足夠的應課稅利潤可供動用相關稅項利益，則遞延稅項資產會減少。所減少金額可在有足夠應課稅利潤可能出現時撥回。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) Income tax (Continued)

Additional income taxes that arise from the distribution of dividends are recognized when the liability to pay the related dividends is recognized.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realize the current tax assets and settle the current tax liabilities on a net basis or realize and settle simultaneously.

(q) Provisions and contingent liabilities

Provisions are recognized when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. 重大會計政策(續)

(p) 所得稅(續)

分派股息所產生的額外所得稅於支付相關股息的責任確認時確認。

即期稅項結餘及遞延稅項結餘和其變動額會分開列示，並且不予抵銷。即期稅項資產及遞延稅項資產只會在本集團有合法可執行權利以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件的情況下，方可分別抵銷即期稅項負債和遞延稅項負債：

- 即期稅項資產與負債：本公司或本集團擬按淨額基準結算，或同時變現該資產和結算該負債；或
- 遞延稅項資產與負債：該等資產與負債須與同一稅務機關就以下其中一項徵收的所得稅項有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體，而該等實體計劃在預期有大額遞延稅項負債或資產需要清償或可以收回的各未來期間，按淨額基準變現即期稅項資產和清償即期稅項負債，或同時變現該資產和清償該負債。

(q) 撥備及或然負債

如果本集團須就已發生的事件承擔法定或推定責任，可能需要流出經濟利益以履行有關責任，則在可以作出可靠的估計時，本集團便會確認撥備。如果貨幣時間值屬重大，則撥備按預期履行有關責任所需支出的現值入賬。

倘經濟利益流出的可能性較低，或是無法對有關金額作出可靠的估計，則會將該責任披露為或然負債，除非流出經濟利益的可能性極低則除外。倘本集團的可能責任須視乎某宗或多宗未來事件是否發生方能確定是否存在，則亦會披露為或然負債，除非流出經濟利益的可能性極低則除外。

Notes to the Financial Statements

財務報表附註

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Revenue and other income

Income is classified by the Group as revenue when it arises from the sales of goods or provision of services in the ordinary course of the Group's business.

The Group is the principal for its revenue transactions and recognizes revenue on a gross basis, including the sales of ophthalmic drugs and products. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

Further details of the Group's revenue recognition policies are as follows:

(i) Revenue from contracts with customers

Revenue is recognized when control over a product or service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

(a) Sales of ophthalmic drugs and products

Revenue is recognized when the customer takes possession of and accepts the goods. Payment terms and conditions vary by customers and are based on the billing schedule established in the contracts or purchase orders with customers, but the Group generally provides credit terms to customers within 60 days upon customer acceptance.

2. 重大會計政策(續)

(r) 收益及其他收入

本集團將其日常業務過程中銷售貨品或提供服務所產生的收益分類為收入。

本集團為收益交易的主事人，按總額基準確認收益，包括眼科藥物及產品的銷售額。於確定本集團以主事人或代理人身份行事時，本集團考慮產品轉讓予客戶前否取得對產品的控制權。控制權指本集團有能力指示產品的使用並取得產品絕大部分剩餘利益。

本集團收益確認政策的進一步詳情如下：

(i) 客戶合約收益

收益於產品或服務的控制權轉讓予客戶時，按本集團預期有權收取已承諾代價之金額(不包括代表第三方收取的金額，如增值稅或其他銷售稅)確認。

(a) 銷售眼科藥物及產品

收益於客戶取得貨品的管有權並接收貨品時確認。付款條款及條件因客戶而異，以與客戶訂立的合約或採購訂單中規定的賬單開立時間表為據，惟本集團一般向客戶提供由客戶接收貨品起計60天以內的信貸期。

**2. MATERIAL ACCOUNTING POLICIES
(CONTINUED)**

**(r) Revenue and other income
(Continued)**

**(i) Revenue from contracts with customers
(Continued)**

**(b) Royalty income and income from exclusive
distribution rights**

Royalty income earned through a license is recognized as the underlying sales are recorded by the licensee.

Income from exclusive distribution rights arises from the receipt of upfront, milestones and other similar payments in respect of granting of exclusive distribution rights of the Group's products to third parties. These payments are generally recognized as income over time over the contract period.

2. 重大會計政策(續)

(r) 收益及其他收入(續)

(i) 客戶合約收益(續)

**(b) 特許權使用費收入及獨
家分銷權收入**

透過一項許可賺取的特許權使用費收入於被許可方錄得有關銷售額時確認。

獨家分銷權收入來自就本集團產品向第三方授出獨家分銷權收取預付款、里程碑付款及其他類似款項。該等付款通常於合約期內隨時間確認為收入。

Notes to the Financial Statements

財務報表附註

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Revenue and other income (Continued)

(ii) Other income

(a) Interest income

Interest income is recognized as it accrues using the effective interest method.

(b) Government grants

Government grants are recognized in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognized as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognized initially as deferred income and amortized to profit or loss on a straight-line basis over the useful life of the asset by way of being recognized in other income.

(s) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognized in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognizes such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

2. 重大會計政策(續)

(r) 收益及其他收入(續)

(ii) 其他收入

(a) 利息收入

利息收入採用實際利率法於應計時確認。

(b) 政府補助

政府補助於有合理保證會收到及本集團將符合其附帶條件時，於財務狀況表內初步確認。補償本集團已產生開支的補助於與產生開支相同的期間內按有系統基準於損益中確認為收入。補償本集團資產成本的補助初步確認為遞延收入，並透過於其他收入中確認，在資產的可使用年期內以直線法從損益攤銷。

(s) 外幣換算

於年內的外幣交易按於交易日適用的外幣匯率換算。以外幣計值的貨幣資產及負債，按於報告期末適用的外幣匯率換算。匯兌收益及虧損於損益中確認。

以外幣按歷史成本計量的非貨幣資產及負債使用於交易日適用的外幣匯率換算。交易日為本公司初步確認該等非貨幣資產或負債之日。按公平值列賬並以外幣計值的非貨幣資產及負債乃使用於計量公平值當日適用的外幣匯率換算。

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Translation of foreign currencies (Continued)

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. The resulting exchange differences are recognized in other comprehensive income and accumulated separately in equity in the exchange reserve.

(t) Borrowing costs

Borrowing costs are expensed in the period in which they are incurred.

(u) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or a joint venture of the other entity (or an associate or a joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

2. 重大會計政策(續)

(s) 外幣換算(續)

國外經營業績按與於交易日適用的外幣匯率相近的匯率換算為人民幣。由此產生的匯兌差額於其他全面收益確認並於匯兌儲備的權益中獨立累計。

(t) 借款成本

借款成本在產生期間列作開支。

(u) 關聯方

- (a) 倘屬以下人士，則該人士或該人士的近親與本集團有關聯：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司主要管理層人員的成員。
- (b) 倘符合下列任何條件，則該實體與本集團有關聯：
- (i) 該實體和本集團為同一集團的成員公司(即各自的母公司、附屬公司及同系附屬公司彼此間有關聯)。
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或為另一實體所屬集團的成員公司的聯營公司或合營企業)。
 - (iii) 兩間實體均為同一第三方的合營企業。
 - (iv) 一間實體是某一第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。

Notes to the Financial Statements

財務報表附註

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(u) Related parties (Continued)

- (b) (Continued)
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(v) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2. 重大會計政策(續)

(u) 關聯方(續)

- (b) (續)
- (v) 該實體為本集團或與本集團有關聯的實體為僱員利益而設立的離職福利計劃。
 - (vi) 該實體受(a)所識別人士控制或共同控制。
 - (vii) (a)(i)所識別人士對該實體有重大影響力或為該實體(或該實體的母公司)主要管理層人員的成員。
 - (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供主要管理層人員服務。

某一名人士的近親指在與實體交易時預期會影響該名人士或被該名人士影響的家屬。

(v) 分部報告

經營分部及於財務報表內呈報的各分部項目金額乃根據定期提供予本集團最高行政管理人員以向本集團各業務及地理位置分部分配資源及評估該等分部的表現的財務資料確定。

就財務呈報而言，除非分部具備相似的經濟特徵及在產品及服務性質、生產工序性質、客戶類型或類別、分配產品或提供服務所使用的方法以及監管環境的性質方面相似，否則個別重大經營分部不會合併計算。個別非重大的經營分部倘符合上述大部分標準，則可合併計算。

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

Key sources of estimation uncertainty

Note 25 contains information about the assumptions and their risk factors relating to financial instruments.

Other key sources of estimation uncertainty is as follows:

Impairment assessment of intangible assets not ready for use

Intangible assets not ready for use are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired. In-licensed rights acquired by the Group that are subject to continuing research and development work prior to commercialisation of products are classified as intangible assets not ready for use.

An impairment loss is recognized for the amount by which the intangible asset's carrying amount exceeds its recoverable amount, which is the higher of the asset's fair value less costs of disposal and value in use. Depending on the Group's assessment of the overall materiality of the asset under review and complexity of deriving reasonable estimates of the recoverable amount, the Group may perform such assessments utilizing internal resources or the Group may engage external advisors to counsel the Group. Regardless of the resources utilized, the Group is required to make many assumptions to make these assessments, including revenue growth rate and discount rates. Changes in any of these assumptions could result in a material change to future estimates of the recoverable amount of any asset. Details of the impairment assessment are disclosed in note 13.

3. 重大會計判斷及估計

估計不明朗因素的主要來源

附註25載有與金融工具有關的假設及其風險因素的資料。

其他估計不明朗因素的主要來源載列如下：

未可供使用的無形資產減值評估

未可供使用的無形資產每年進行減值測試，或出現有跡象顯示可能減值的事件或情況變化時更頻繁地進行減值測試。本集團所收購於產品商業化前須持續進行研發工作的引進特許權分類為未可供使用的無形資產。

減值虧損按無形資產的賬面金額高於其可收回金額的金額確認。可收回金額即有關資產的公平值減出售成本或使用價值兩者的較高者。視乎本集團對所審查資產的整體重要性的評估及合理估計可收回金額的複雜性，本集團可能會利用內部資源進行有關評估，亦可能委聘外部顧問向本集團提供意見。不論利用何種資源，本集團於評估時均須作出眾多假設，包括收益增長率及貼現率。該等假設如出現任何變動，可能會導致日後對任何資產可收回金額的估計出現重大變動。減值評估的詳情於附註13披露。

Notes to the Financial Statements

財務報表附註

4. REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are development, manufacturing and marketing of ophthalmic drugs and products.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Revenue from contracts with customers within the scope of HKFRS 15			
Point in time:			
Sales of ophthalmic drugs	於某一時點： 銷售眼科藥物	4,736	-
Sales of ophthalmic products	銷售眼科產品	8,414	-
Over time:			
Income from exclusive distribution rights	隨時間： 獨家分銷權收入	5,600	-
		18,750	-

The Group's customer base is diversified and includes two customers (2022: Nil) with whom transactions have exceeded 10% of the Group's revenue. In 2023, income from exclusive distribution rights and sales of ophthalmic products to these customers, amounted to approximately RMB5,600,000 (2022: Nil) and RMB2,600,000 (2022: Nil) respectively, and arose in South Korea and Mainland China respectively. Details of concentration of credit risk arising from these customers are set out in note 25(a).

(ii) Revenue expected to be recognized in the future arising from contracts with customers in existence at the reporting date

As at December 31, 2023, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB14,135,000 (2022: Nil). This amount represents income from granting of exclusive distribution rights of the Group's products under distribution and supply agreements entered into between the Group and its customers, and will be recognized as income over the remaining contractual period.

4. 收益及分部報告

(a) 收益

本集團的主要業務為眼科藥物及產品的開發、生產及營銷。

(i) 收益分列

客戶合約收益按主要產品或服務線分列如下：

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Revenue from contracts with customers within the scope of HKFRS 15			
Point in time:			
Sales of ophthalmic drugs	於某一時點： 銷售眼科藥物	4,736	-
Sales of ophthalmic products	銷售眼科產品	8,414	-
Over time:			
Income from exclusive distribution rights	隨時間： 獨家分銷權收入	5,600	-
		18,750	-

本集團的顧客群多元化，包括兩名（2022年：無）交易額佔本集團收益超過10%的客戶。於2023年，來自獨家分銷權及向該等客戶銷售眼科產品的收入分別約為人民幣5,600,000元（2022年：無）及人民幣2,600,000元（2022年：無），乃產生自南韓及中國大陸。因該等客戶產生的信貸集中風險詳情載於附註25(a)。

(ii) 於報告日期現存客戶合約所產生並預期於日後確認的收益

於2023年12月31日，分配予本集團現有合約下剩餘履約義務的交易價格總額為人民幣14,135,000元（2022年：無）。該金額代表來自根據本集團與其客戶訂立的分銷及供應協議授出本集團產品獨家分銷權的收入，將於餘下合約期內確認為收入。

4. REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

Operating segments are identified on the basis of internal reports that the Group's most senior executive management reviews regularly in allocating resources to segments and in assessing their performances.

The Group's most senior executive management makes resources allocation decisions based on internal management functions and assess the Group's business performance as one integrated business instead of by separate business lines or geographical regions. Accordingly, the Group has only one operating segment and therefore, no segment information is presented.

Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and intangible assets ("specified non-current assets"). The geographical location of customers is based on their operating location. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, and the location of the operation to which they are allocated, in the case of intangible assets.

		Revenues from external customers		Specified non-current assets	
		來自外部客戶的收益		特定非流動資產	
		2023	2022	2023	2022
		2023年	2022年	2023年	2022年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Hong Kong (place of domicile)	香港(所在地)	769	–	306,662	269,948
Mainland China	中國大陸	12,381	–	309,449	298,418
South Korea	南韓	5,600	–	–	–
		18,750	–	616,111	568,366

4. 收益及分部報告(續)

(b) 分部報告

經營分部乃根據本集團最高行政管理層於向分部分配資源及評估分部表現時定期審閱的內部報告確定。

本集團的最高行政管理層根據內部管理職能作出資源分配決策，並將本集團視為一項綜合業務(而非按獨立業務線或地理區域)評估業務表現。因此，本集團只有一個經營分部，亦因此並無呈列任何分部資料。

地區資料

下表載列有關(i)本集團來自外部客戶的收益；及(ii)本集團的物業、廠房及設備以及無形資產(「特定非流動資產」)的地理位置資料。客戶的地理位置基於其經營地點。就物業、廠房及設備而言，特定非流動資產的地理位置基於資產所在實際位置；而就無形資產而言，特定非流動資產的地理位置基於其獲分配業務所在位置。

Notes to the Financial Statements

財務報表附註

5. OTHER INCOME

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Bank interest income	銀行利息收入	77,399	30,415
Government grants	政府補助		
– Employment support grants (note (i))	– 就業支援補助(附註(i))	303	544
– Other government grants (note (ii))	– 其他政府補助(附註(ii))	3,084	6,935
Others	其他	1,258	147
		82,044	38,041

Notes:

- (i) The amount represents government grants received from various PRC government authorities in connection with the fiscal subsidies for providing financial support to enterprises and paying wages to the employees.
- (ii) The amount represents subsidies received from government for encouragement of technology research and development and compensation on the capital expenditure of production lines.

附註：

- (i) 該金額指從各中國政府機關收到的政府補助，與用於向企業提供財務支持及向僱員支付工資的財政補貼有關。
- (ii) 該金額指從政府收到的補貼，以鼓勵技術研發以及補償生產線資本支出。

6. OTHER NET LOSS

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Net foreign exchange loss	外匯虧損淨額	(3,647)	(29,731)
Gain on lease termination	終止租賃收益	132	–
		(3,515)	(29,731)

6. 其他虧損淨額

Notes to the Financial Statements

財務報表附註

7. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

(a) Finance costs

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Interest on bank loans	銀行貸款利息	6,165	1,359
Interest on lease liabilities	租賃負債利息	1,756	1,783
		7,921	3,142

(b) Staff costs

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Salaries, wages and other benefits	薪金、工資及其他福利	100,232	85,163
Contribution to defined benefit retirement plans	向界定福利退休計劃作出的供款	6,291	5,590
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	20,321	41,362
		126,844	132,115

Notes:

- (i) The Group operates a Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.
- (ii) Pursuant to the relevant labor rules and regulations in the PRC, the Group in the PRC participates in defined contribution retirement benefit schemes (the "Schemes") organized by the local government authorities whereby the Company and its subsidiaries in the PRC are required to make contributions to the Schemes based on certain percentages of the eligible employee's salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees.
- (iii) Staff costs includes remuneration of directors and senior management (notes 9 and 10).

7. 除稅前虧損

除稅前虧損乃經扣除以下各項後達致：

(a) 財務成本

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Interest on bank loans	6,165	1,359
Interest on lease liabilities	1,756	1,783
	7,921	3,142

(b) 員工成本

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Salaries, wages and other benefits	100,232	85,163
Contribution to defined benefit retirement plans	6,291	5,590
Equity-settled share-based payment expenses	20,321	41,362
	126,844	132,115

附註：

- (i) 本集團根據香港強制性公積金計劃條例為於香港僱傭條例司法管轄範圍內受僱而之前未獲界定福利退休計劃保障的僱員營辦強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立受託人管理的界定供款退休計劃。根據強積金計劃，僱主及其僱員須各自按僱員相關收入的5%向計劃作出供款，每月相關收入上限為30,000港元。計劃的供款即時歸屬。
- (ii) 根據中國的相關勞動規章制度，本集團在中國參與由地方政府部門組織的界定供款退休福利計劃(「計劃」)。據此，本公司及其於中國的附屬公司須按合資格僱員薪金的若干百分比向計劃供款。地方政府部門負責履行支付退休員工的全部養老金義務。
- (iii) 員工成本包括董事及高級管理層的薪酬(附註9及10)。

Notes to the Financial Statements

財務報表附註

7. LOSS BEFORE TAXATION (CONTINUED)

(c) Other items

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Amortization of intangible assets	無形資產攤銷	8,660	2,249
Depreciation charge	折舊費用		
– owned property, plant and equipment	– 自有物業、廠房及設備	31,633	25,740
– right-of-use assets	– 使用權資產	8,411	7,085
Auditors' remuneration	核數師酬金		
– audit services	– 審核服務	2,150	2,150
– other services	– 其他服務	1,107	1,077

8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

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

(a) Cayman Islands income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Cayman Companies Act.

There is no income tax in the Cayman Islands and accordingly, the operating results reported by the Company, is not subject to any income tax in the Cayman Islands.

(b) Hong Kong income tax

No provision for Hong Kong profits tax has been provided for at the rate of 16.5% as the Group has no estimated assessable profits.

(c) The PRC corporate income tax

No provision for Mainland China income tax has been provided for at a rate of 25% pursuant to the Corporate Income Tax Law of the PRC (the "CIT Law") and the respective regulations, as the Group's PRC entities have no estimated assessable profits.

7. 除稅前虧損(續)

(c) 其他項目

8. 綜合損益表中的所得稅

本集團須就其成員公司註冊及經營所在司法管轄區所產生或所得利潤按實體基準繳納所得稅。

(a) 開曼群島所得稅

本公司根據開曼公司法於開曼群島註冊成立為獲豁免有限公司。

開曼群島並無所得稅，因此，本公司報告的經營業績在開曼群島毋須繳納任何所得稅。

(b) 香港所得稅

由於本集團並無估計應課稅利潤，故並無按16.5%的稅率計提香港利得稅撥備。

(c) 中國企業所得稅

由於本集團的中國實體並無估計應課稅利潤，故根據中國企業所得稅法(「企業所得稅法」)及有關法規，並無按25%的稅率計提中國內地所得稅撥備。

Notes to the Financial Statements 財務報表附註

8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

(d) Withholding tax

The Group is subject to withholding tax on income from exclusive distribution rights granted to a customer based on a withholding tax rate of 10% under the tax law in Korea.

(e) Taxation in the consolidated statement of profit or loss represents:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Current tax – Overseas	即期稅項—海外	550	–

(f) Reconciliation between tax expense and accounting loss at applicable tax rates:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Loss before taxation	除稅前虧損	(384,488)	(407,317)
Notional tax on loss before taxation, calculated at the rates applicable to losses in jurisdictions concerned	除稅前虧損的名義稅項(按相關司法管轄區虧損的適用稅率計算)	(93,506)	(90,000)
Tax effect of non-deductible expenses	不可扣減開支的稅務影響	3,058	9,083
Tax effect of non-taxable income	非應課稅收入的稅務影響	(1,596)	(1,155)
Tax effect of tax losses not recognized	未確認稅項虧損的稅務影響	120,806	119,411
Tax effect of deductible temporary differences not recognized	未確認之可扣減暫時性差額的稅務影響	168	(1)
Tax effect of super deduction for research and development expenses (note)	研發開支加計扣除的稅務影響(附註)	(28,930)	(37,338)
Withholding tax	預扣稅	550	–
		550	–

Note: According to the CIT Law, an additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income effective from January 1, 2021.

附註：根據企業所得稅法，由2021年1月1日起，應課稅收入可額外扣除100%的符合條件所產生研發開支。

8. 綜合損益表中的所得稅(續)

(d) 預扣稅

本集團須就向一名客戶授出獨家分銷權的收入根據韓國稅法按預扣稅稅率10%繳納預扣稅。

(e) 綜合損益表中的稅項指：

(f) 稅項開支與會計虧損按適用稅率計算的對賬：

Notes to the Financial Statements

財務報表附註

8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

(g) Deferred tax assets not recognized

In accordance with the accounting policy set out in note 2(p), the Group has not recognized any deferred tax assets in respect of the following items:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Tax losses	稅項虧損	1,456,638	940,805
Deductible temporary differences	可扣減暫時性差額	4,248	3,578
		1,460,886	944,383

It is not probable that future taxable profits against which the tax losses and deductible temporary differences can be utilized will be available in the relevant tax jurisdiction and entity.

(h) Deductible losses that are not recognized as deferred tax assets will be expired as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
2025	2025年	119,002	119,002
2026	2026年	294,696	294,695
2027	2027年	400,263	400,263
2028	2028年	419,927	–
Do not expire under current tax legislation	現行稅務法例下不會到期	222,750	126,845
		1,456,638	940,805

8. 綜合損益表中的所得稅(續)

(g) 未確認的遞延稅項資產

按照附註2(p)所載會計政策，本集團並未就以下項目確認任何遞延稅項資產：

相關稅務司法管轄區及實體不大可能產生未來應課稅利潤以供動用稅項虧損及可扣減暫時性差額。

(h) 未確認為遞延稅項資產的可扣減虧損將到期如下：

Notes to the Financial Statements

財務報表附註

9. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

9. 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例披露的董事酬金如下：

		2023 2023年					
		Salaries, allowances and benefits in kind 薪金、津貼及 實物福利	Discretionary bonuses 酌情花紅	Retirement scheme contributions 退休計劃供款	Share-based payments 以股份 為基礎的付款	Total 總計	
		Directors' fees 董事袍金					
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
Executive directors	執行董事						
- Dr. Li Xiaoyi	- 李小羿博士	-	6,980	3,072	584	17,354	
- Mr. Dai Xiangrong	- 戴向榮先生	-	653	163	-	1,817	
Non-executive Directors	非執行董事						
- Ms. Leelalertsuphakun Wanee	- 李燁妮女士	272	-	-	-	422	
- Ms. Cai Li (resigned on November 27, 2023)	- 蔡俐女士(於2023年11月27日辭任)	-	-	-	-	-	
- Mr. Chen Yu	- 陳宇先生	-	-	-	-	-	
- Ms. Tiantian Zhang	- 張甜甜女士	272	-	-	-	422	
Independent Non-executive Directors	獨立非執行董事						
- Mr. Wong Hin Wing	- 黃顯榮先生	272	-	-	-	422	
- Prof. Lo Yuk Lam	- 盧毓琳教授	272	-	-	-	422	
- Mr. Liew Fui Kiang	- 劉懷鏡先生	272	-	-	-	422	
		1,360	7,633	3,235	584	21,281	

Notes to the Financial Statements

財務報表附註

9. DIRECTORS' EMOLUMENTS (CONTINUED)

9. 董事酬金(續)

		2022 2022年					
		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Share-based payments	Total
		董事袍金	薪金、津貼及實物福利	酌情花紅	退休計劃供款	為基礎的付款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事						
- Dr. Li Xiaoyi	- 李小羿博士	-	6,491	2,933	541	11,260	21,225
- Mr. Dai Xiangrong	- 戴向榮先生	-	621	103	-	1,597	2,321
Non-executive Directors	非執行董事						
- Ms. Leelertsuphakun Wanee	- 李燁妮女士	259	-	-	-	155	414
- Ms. Cai Li (resigned on November 27, 2023)	- 蔡俐女士(於2023年11月27日辭任)	-	-	-	-	-	-
- Mr. Chen Yu	- 陳宇先生	-	-	-	-	-	-
- Ms. Tiantian Zhang	- 張甜甜女士	259	-	-	-	155	414
Independent Non-executive Directors	獨立非執行董事						
- Mr. Wong Hin Wing	- 黃顯榮先生	259	-	-	-	155	414
- Prof. Lo Yuk Lam	- 盧毓琳教授	259	-	-	-	155	414
- Dr. Tam Lai Fan Gloria (resigned on April 11, 2022)	- 譚麗芬醫生(於2022年4月11日辭任)	73	-	-	-	-	73
- Mr. Liew Fui Kiang (appointed on June 6, 2022)	- 劉懷鏡先生(於2022年6月6日獲委任)	147	-	-	-	155	302
		1,256	7,112	3,036	541	13,632	25,577

Note: There was no payment to any of the directors or the individuals with highest emoluments (as disclosed in note 10) as an inducement to join or upon joining the Group or as compensation for loss of any office during the year ended December 31, 2023 and 2022.

附註：於截至2023年及2022年12月31日止年度，並無向任何董事或最高酬金人士(如附註10所披露)支付任何款項，作為加入或於加入本集團時的獎勵或作為離職補償。

Notes to the Financial Statements

財務報表附註

10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, one (2022: one) of them is a director whose emoluments are disclosed in note 9. The aggregate of the emoluments in respect of the other four (2022: four) individuals are as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他酬金	9,994	8,000
Discretionary bonuses	酌情花紅	1,949	1,665
Share-based payments	以股份為基礎的付款	6,355	12,842
Retirement scheme contributions	退休計劃供款	16	64
		18,314	22,571

The emoluments of the four (2022: four) individuals with the highest emoluments are within the following bands:

		2023 2023年 Number of individuals 人數	2022 2022年 Number of individuals 人數
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	2	–
HK\$4,000,001 – HK\$4,500,000	4,000,001港元至4,500,000港元	–	1
HK\$4,500,001 – HK\$5,000,000	4,500,001港元至5,000,000港元	1	–
HK\$5,000,001 – HK\$5,500,000	5,000,001港元至5,500,000港元	–	1
HK\$7,000,001 – HK\$7,500,000	7,000,001港元至7,500,000港元	–	1
HK\$8,000,001 – HK\$8,500,000	8,000,001港元至8,500,000港元	1	–
HK\$9,500,001 – HK\$10,000,000	9,500,001港元至10,000,000港元	–	1

10. 最高酬金人士

在五名最高酬金人士中，一名(2022年：一名)為董事，其酬金於附註9披露。其餘四名(2022年：四名)人士的酬金總額如下：

四名(2022年：四名)最高酬金人士的酬金處於以下範圍：

Notes to the Financial Statements

財務報表附註

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB385,038,000 (2022: RMB407,317,000) and the weighted average of 543,922,707 ordinary shares (2022: 542,172,689 ordinary shares) in issue during the year calculated as follows:

		2023 2023年 Number of shares 股份數目	2022 2022年 Number of shares 股份數目
Issued ordinary shares at the beginning of the year	年初已發行普通股	543,843,992	541,946,928
Effect of shares issued related to equity-settled share-based transactions	就以權益結算以股份為基礎的交易發行股份的影響	78,715	225,761
Weighted average number of ordinary shares at the end of the year	年末普通股加權平均數	543,922,707	542,172,689

(b) Diluted loss per share

Diluted loss per share is the same as basic loss per share for the years ended December 31, 2023 and 2022, as all of the potential ordinary shares are anti-dilutive.

11. 每股虧損

(a) 每股基本虧損

每股基本虧損乃按年內的本公司普通權益股東應佔虧損人民幣385,038,000元(2022年：人民幣407,317,000元)及已發行普通股加權平均數543,922,707股(2022年：542,172,689股)計算如下：

(b) 每股攤薄虧損

由於所有潛在普通股均具有反攤薄影響，故截至2023年及2022年12月31日止年度的每股攤薄虧損與每股基本虧損相同。

Notes to the Financial Statements

財務報表附註

12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

(a) Reconciliation of carrying amount

(a) 賬面金額的對賬

		Properties leased for own use	Leasehold improvements	Machinery and equipment	Furniture, fixture and office equipment 傢具、固定裝置 及辦公室設備	Motor vehicle	Construction in progress	Total
		自用租賃物業 RMB'000 人民幣千元	租賃物業裝修 RMB'000 人民幣千元	機器及設備 RMB'000 人民幣千元	及辦公室設備 RMB'000 人民幣千元	機動車輛 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost:	成本：							
At January 1, 2022	於2022年1月1日	38,623	7,118	178,728	6,621	978	18,331	250,399
Exchange adjustments	匯兌調整	214	242	–	129	33	–	618
Additions	添置	16,999	17	341	833	–	63,976	82,166
Transfer from construction in progress	轉撥自在建工程	–	–	20,890	–	–	(20,890)	–
Lease modification	租賃修改	(383)	–	–	–	–	–	(383)
Disposals	出售	(77)	–	–	–	–	–	(77)
At December 31, 2022 and January 1, 2023	於2022年12月31日及 2023年1月1日	55,376	7,377	199,959	7,583	1,011	61,417	332,723
Exchange adjustments	匯兌調整	67	84	–	45	12	–	208
Additions	添置	3,742	–	1,701	579	395	24,279	30,696
Transfer from construction in progress	轉撥自在建工程	–	–	52,996	318	–	(53,314)	–
Disposals	出售	(1,227)	–	–	–	–	–	(1,227)
At December 31, 2023	於2023年12月31日	57,958	7,461	254,656	8,525	1,418	32,382	362,400
Accumulated depreciation:	累計折舊：							
At January 1, 2022	於2022年1月1日	16,314	1,834	44,961	2,762	210	–	66,081
Exchange adjustments	匯兌調整	81	41	–	23	6	–	151
Charge for the year	年內支出	7,068	1,027	23,091	1,389	250	–	32,825
Written back on disposals	於出售時撥回	(77)	–	–	–	–	–	(77)
At December 31, 2022 and January 1, 2023	於2022年12月31日及 2023年1月1日	23,386	2,902	68,052	4,174	466	–	98,980
Exchange adjustments	匯兌調整	48	29	–	15	4	–	96
Charge for the year	年內支出	8,406	1,058	29,084	1,167	329	–	40,044
Written back on disposals	於出售時撥回	(368)	–	–	–	–	–	(368)
At December 31, 2023	於2023年12月31日	31,472	3,989	97,136	5,356	799	–	138,752
Net book value:	賬面淨值：							
At December 31, 2023	於2023年12月31日	26,486	3,472	157,520	3,169	619	32,382	223,648
At December 31, 2022	於2022年12月31日	31,990	4,475	131,907	3,409	545	61,417	233,743

Notes to the Financial Statements

財務報表附註

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Notes 附註	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Properties leased for own use, carried at depreciated cost	(i)	26,486	31,990
Furniture, fixture and office equipment, carried at depreciated cost	(ii)	—	5
		26,486	31,995

Notes:

(i) Properties leased for own use

The Group has obtained the right to use properties as its buildings for its research and development, offices and staff quarters through tenancy agreements. The leases typically run for an initial period of two to ten years. None of the leases includes variable lease payments.

(ii) Furniture, fixture and office equipment

The Group leases furniture, fixture and office equipment for an initial period of five years. None of the leases includes variable lease payments.

The analysis of expense items in relation to leases recognized in profit or loss is as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Depreciation charge of right-of-use assets by class of underlying asset (note 7(c)):	按相關資產類別劃分的使用權資產折舊費用(附註7(c)):		
Properties leased for own use	自用租賃物業	8,406	7,068
Furniture, fixture and office equipment	傢具、固定裝置及辦公室設備	5	17
		8,411	7,085
Interest on lease liabilities (note 7(a))	租賃負債利息(附註7(a))	1,756	1,783
Expenses relating to short-term lease	有關短期租賃的開支	586	—

12. 物業、廠房及設備(續)

(b) 使用權資產

按相關資產類別劃分的使用權資產賬面淨值分析如下：

	Notes 附註	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Properties leased for own use, carried at depreciated cost	(i)	26,486	31,990
Furniture, fixture and office equipment, carried at depreciated cost	(ii)	—	5
		26,486	31,995

附註：

(i) 自用租賃物業

本集團透過租賃協議取得將有關物業用作其研發、辦公室及員工宿舍樓宇的權利。租賃的初步租期通常為2至10年。租賃概不包含可變租賃付款。

(ii) 傢具、固定裝置及辦公室設備

本集團租賃傢具、固定裝置及辦公室設備的初步期限為5年。租賃概不包含可變租賃付款。

就租賃於損益確認的支出項目分析如下：

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Right-of-use assets (Continued)

During the year, additions to right-of-use assets were RMB3,742,000 (2022: RMB16,999,000). This amount primarily related to the capitalized lease payments payable under new tenancy agreements.

During the year ended December 31, 2023, the total cash outflow for leases were RMB11,102,000 (2022: RMB7,872,000).

Details of the maturity analysis of lease liabilities are set out in note 21.

Depreciation of property, plant and equipment including right-of-use assets has been charged to the consolidated statement of profit or loss as follow:

12. 物業、廠房及設備(續)

(b) 使用權資產(續)

年內添置使用權資產人民幣3,742,000元(2022年：人民幣16,999,000元)。此金額主要與根據新租賃協議應付的資本化租賃付款有關。

截至2023年12月31日止年度，租賃現金流出總額為人民幣11,102,000元(2022年：人民幣7,872,000元)。

租賃負債的到期日分析詳情載於附註21。

包括使用權資產在內的物業、廠房及設備折舊已於綜合損益表扣除如下：

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Research and development expenses 研發開支	35,332	29,581

Notes to the Financial Statements

財務報表附註

13. INTANGIBLE ASSETS

13. 無形資產

		In-licensed		Distribution		Total 總計
		Patents 專利	rights 引進特許權	Software 軟件	rights 分銷權	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
			(Note (b)) (附註(b))		(Note (c)) (附註(c))	
Cost:	成本：					
At January 1, 2022	於2022年1月1日	25,652	132,954	12,547	–	171,153
Exchange adjustments	匯兌調整	–	12,718	1,841	39	14,598
Additions	添置	–	131,428	27,127	1,345	159,900
At December 31, 2022 and January 1, 2023	於2022年12月31日及 2023年1月1日	25,652	277,100	41,515	1,384	345,651
Exchange adjustments	匯兌調整	–	6,564	1,141	39	7,744
Additions	添置	–	33,597	6,335	18,868	58,800
At December 31, 2023	於2023年12月31日	25,652	317,261	48,991	20,291	412,195
Accumulated amortization:	累計攤銷：					
At January 1, 2022	於2022年1月1日	8,688	–	82	–	8,770
Exchange adjustments	匯兌調整	–	–	9	–	9
Charge for the year	年內支出	2,044	–	205	–	2,249
At December 31, 2022 and January 1, 2023	於2022年12月31日及 2023年1月1日	10,732	–	296	–	11,028
Exchange adjustments	匯兌調整	–	–	44	–	44
Charge for the year	年內支出	2,044	–	6,616	–	8,660
At December 31, 2023	於2023年12月31日	12,776	–	6,956	–	19,732
Net book value:	賬面淨值：					
At December 31, 2023	於2023年12月31日	12,876	317,261	42,035	20,291	392,463
At December 31, 2022	於2022年12月31日	14,920	277,100	41,219	1,384	334,623

(a) Amortization of intangible assets has been charged to the consolidated statement of profit or loss as follows:

(a) 無形資產攤銷已於綜合損益表扣除如下：

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Research and development expenses	研發開支	2,292	2,044

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights

		TAB014	IC-265	NVK002	PAN-90806	NTC014	NTC010	Resolv ER	BRIMOCHOL™ PF and Carbachol PF	Total
		TAB014	IC-265	NVK002	PAN-90806	NTC014	NTC010	Resolv ER	BRIMOCHOL™ PF及 Carbachol PF	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		Note (i)	Note (ii)	Note (iii)	Note (iv)	Note (v)	Note (v)	Note (vi)	Note (vii)	
		附註(i)	附註(ii)	附註(iii)	附註(iv)	附註(v)	附註(v)	附註(vi)	附註(vii)	
Cost of in-license rights	引進特許權成本									
At January 1, 2022	於2022年1月1日	21,792	9,540	63,214	22,135	3,061	6,891	6,321	-	132,954
Additions	增加	30,566	-	-	-	-	-	-	100,862	131,428
Exchange adjustments	匯兌調整	-	838	5,553	1,944	269	605	556	2,953	12,718
At December 31, 2022	於2022年12月31日	52,358	10,378	68,767	24,079	3,330	7,496	6,877	103,815	277,100
At January 1, 2023	於2023年1月1日	52,358	10,378	68,767	24,079	3,330	7,496	6,877	103,815	277,100
Additions	增加	-	-	21,219	12,378	-	-	-	-	33,597
Exchange adjustments	匯兌調整	-	294	2,076	758	94	212	193	2,937	6,564
At December 31, 2023	於2023年12月31日	52,358	10,672	92,062	37,215	3,424	7,708	7,070	106,752	317,261

The balance of in-licensed rights represent payments made to acquire development and commercialization rights of ophthalmic drugs and products from third parties and are not available for use. Due to the inherent uncertainties in the research and development processes, these assets are particularly at risk of impairment if the project is not expected to result in a commercialized product. Key terms of these licenses are set out below:

(i) License agreements with TOT BIOPHARM International Company Limited (“TOT BIOPHARM”)

On January 5, 2017, Zhaoke Guangzhou entered into a license agreement with TOT BIOPHARM, a China-based biopharmaceutical company dedicated to developing and commercializing innovative biological drugs and therapies and listed on The Stock Exchange of Hong Kong Limited, for licensing TAB014 bio-pharmaceutical know-how for development and commercialization for a period of 10 years in Mainland China, Hong Kong and Macau. TAB014 is an ophthalmic formulation of bevacizumab for the treatment of retinal neovascularisation, such as wet age-related macular degeneration (“wAMD”).

13. 無形資產(續)

(b) 引進特許權

引進特許權的結餘指為從第三方獲得眼科藥物及產品的開發及商業化權利所作付款，尚未可供使用。由於研發過程中固有的不確定性，如該項目預計不會產生商業化產品，則該等資產尤其易受減值風險影響。該等許可的主要條款載列如下：

(i) 與東曜藥業股份有限公司(「東曜藥業」)訂立的許可協議

於2017年1月5日，兆科廣州與東曜藥業(一間致力於開發創新生物藥物及療法並將其商業化及已於香港聯合交易所有限公司上市的中國生物製藥公司)訂立許可協議，以授權在中國內地、香港及澳門開發及商業化TAB014生物製藥專有技術，為期10年。TAB014是貝伐單抗的眼科製劑，用於治療視網膜血管新生，例如濕性老年黃斑部病變(「wAMD」)。

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(i) License agreements with TOT BIOPHARM International Company Limited (“TOT BIOPHARM”) (Continued)

Zhaoke Guangzhou made the non-refundable upfront payment of RMB8,400,000 and the first milestone payment of RMB8,400,000 upon signing of the license agreement and obtaining Investigational New Drug approval respectively during the year ended December 31, 2017. Zhaoke Guangzhou made the second milestone payment of RMB6,300,000 for execution of Phase II clinical trial during the year ended December 31, 2020. Zhaoke Guangzhou made the first development milestone payment of RMB8,400,000 upon first patient enrollment of Phase III clinical trial and the first and second commercial milestone payment of RMB16,000,000 and RMB8,000,000 upon signing of the supplemental license agreement and obtaining the National Medical Products Administration approval respectively during the year ended December 31, 2022. Zhaoke Guangzhou is also obliged to make certain payments upon the achievement of certain development milestones, certain commercial milestones and royalty payments at the applicable royalty rates based on net sales of the products in Mainland China, Hong Kong and Macau.

On March 1, 2022, Zhaoke Guangzhou finalized a supplemental license agreement with TOT BIOPHARM, pursuant to which Zhaoke Guangzhou will have full control and responsibility in the execution of clinical trials and the ultimate decision-making power in the development and commercialization of TAB014 in Mainland China, Hong Kong and Macau. Zhaoke Guangzhou is also given the right of developing TAB014 for other ophthalmic indications besides wAMD or novel formulations for ophthalmic indications. Pursuant to the supplemental agreement, in light of the adjustment to the mode of collaboration, the payment schedule of the commercialization milestone payments has also been adjusted accordingly such that it is primarily linked to the regulatory approval progress of TAB014, while the total milestone payment amount remains the same as that in the original agreement signed on January 5, 2017.

13. 無形資產(續)

(b) 引進特許權(續)

(i) 與東曜藥業股份有限公司(「東曜藥業」)訂立的許可協議(續)

截至2017年12月31日止年度，兆科廣州分別在簽訂許可協議及獲得新藥臨床試驗申請批准後支付不可退還預付款人民幣8,400,000元及首筆里程碑付款人民幣8,400,000元。截至2020年12月31日止年度，兆科廣州為進行第II期臨床試驗支付第二筆里程碑付款人民幣6,300,000元。截至2022年12月31日止年度，兆科廣州於第III期臨床試驗的首名患者入組後支付第一筆開發里程碑付款人民幣8,400,000元，以及分別在簽訂補充許可協議及獲得國家藥品監督管理局批准後支付首筆及第二筆商業里程碑付款人民幣16,000,000元及人民幣8,000,000元。兆科廣州亦有義務在實現若干開發里程碑及商業里程碑後支付若干款項，以及根據有關產品在中國內地、香港及澳門的淨銷售額按照適用的特許權使用費率支付特許權使用費。

於2022年3月1日，兆科廣州與東曜藥業落實一份補充許可協議，據此，兆科廣州將對執行TAB014的臨床試驗擁有全面控制權及責任，並對TAB014的開發及在中港澳商業化擁有最終決策權。兆科廣州亦獲得就wAMD以外其他眼科適應症開發TAB014或就眼科適應症開發創新藥方的權利。根據補充協議，由於對合作模式作出調整，故商業化里程碑付款的付款時間表亦已相應調整，致使時間表主要與TAB014的監管審批進度掛鉤，而總里程碑付款額與於2017年1月5日簽訂的原協議所列者一致。

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(ii) License agreement with IACTA Pharmaceuticals Inc. (“IACTA”)

On July 24, 2020, Zhaoke Hong Kong entered into a license agreement with IACTA, a US-based ophthalmology-focused pharmaceutical company developing drugs with novel mechanisms of action that treat diseases in areas of significant unmet medical need, to acquire the exclusive rights to IC-265 for dry eye and IC-270 for allergic conjunctivitis (i.e. “Licensed know-how”) for development and commercialization for a period of 10 years in Mainland China, Hong Kong, Macau, Taiwan and the South East Asian countries.

Zhaoke Hong Kong made a non-refundable upfront payment of US\$1,500,000 (equivalent to RMB10,391,000) during the year ended December 31, 2020. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of specific development milestones, commercial milestones and royalty payments based on net sales of the products in Mainland China, Hong Kong, Macau, Taiwan and the South East Asian countries.

(iii) License agreement with Nevakar, Inc. (“Nevakar”)

On October 19, 2020, Zhaoke Hong Kong entered into a license agreement with Nevakar, a US-based biopharmaceutical company developing multiple innovative medications in the ophthalmic and hospital injectable areas, for the exclusive rights to develop, manufacture and commercialize NVK002, a novel topical eye treatment for slowing the progression of myopia in children, for a period of 15 years in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

13. 無形資產(續)

(b) 引進特許權(續)

(ii) 與IACTA Pharmaceuticals Inc. (「IACTA」)訂立的許可協議

於2020年7月24日，兆科香港與IACTA(一間專注眼科藥物的美國製藥公司，為治療醫療需求缺口巨大的疾病開發具新型作用機制的藥物)訂立許可協議，以收購用於乾眼症的IC-265及用於過敏性結膜炎的IC-270的獨家權利(即「授權專有技術」)，以於中國內地、香港、澳門、台灣及東南亞國家開發及商業化，為期10年。

截至2020年12月31日止年度，兆科香港已支付不可退還預付款1,500,000美元(相當於人民幣10,391,000元)。兆科香港亦有義務在實現若干具體開發里程碑及商業里程碑後支付若干款項，以及根據有關產品在中國內地、香港、澳門、台灣及東南亞國家的淨銷售額支付特許權使用費。

(iii) 與Nevakar, Inc. (「Nevakar」)訂立的許可協議

於2020年10月19日，兆科香港與Nevakar(一間總部設於美國、開發多種眼科及醫院可注射範疇創新藥的生物製藥公司)訂立許可協議，以取得於中國內地、香港、澳門、台灣、韓國及東南亞國家開發、製造及商業化NVK002(一種減慢兒童近視加深的新型外用眼部療法)的獨家權利，為期15年。

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(iii) License agreement with Nevakar, Inc. ("Nevakar") (Continued)

Zhaoke Hong Kong made a non-refundable upfront payment of US\$10,000,000 (equivalent to RMB68,828,000) during the year ended December 31, 2020. Zhaoke Hong Kong made the contribution milestone payment of US\$3,000,000 (equivalent to RMB21,219,000) during the year ended December 31, 2023. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of specific development milestones, commercial milestones and royalty payments based on net sales of the products in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

(iv) License agreement with PanOptica, Inc. ("PAN")

On December 15, 2020, Zhaoke Hong Kong entered into a license agreement with PAN, a US-based ophthalmology-focused pharmaceutical company developing a topical eye drop for the treatment of sight-threatening eye diseases caused by abnormal or leaky blood vessels, for the exclusive rights to develop, manufacture and commercialize PAN-90806, a wAMD solution, for a period of 10 years in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

Zhaoke Hong Kong made an upfront payment of US\$3,500,000 (equivalent to RMB24,101,000) during the year ended December 31, 2020. Zhaoke Hong Kong made the first development milestone payment of US\$1,750,000 (equivalent to RMB12,378,000) during the year ended December 31, 2023. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of specific development milestones, commercial milestones and royalty payments based on net sales of the products in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

13. 無形資產(續)

(b) 引進特許權(續)

(iii) 與Nevakar, Inc. ("Nevakar")訂立的許可 協議(續)

截至2020年12月31日止年度，兆科香港已支付不可退還預付款10,000,000美元(相當於人民幣68,828,000元)。截至2023年12月31日止年度，兆科香港已支付貢獻里程碑付款3,000,000美元(相當於人民幣21,219,000元)。兆科香港亦有義務在實現若干具體開發里程碑及商業里程碑後支付若干款項，以及根據有關產品在中國內地、香港、澳門、台灣、南韓及東南亞國家的淨銷售額支付特許權使用費。

(iv) 與PanOptica, Inc. ("PAN")訂立的許可協議

於2020年12月15日，兆科香港與PAN(一間總部設於美國、專注眼科藥物的製藥公司，正為治療因血管異常或出血引致對視力構成威脅的眼部疾病而開發一種外用滴眼液)訂立許可協議，以獲取在中國內地、香港、澳門、台灣、韓國及東南亞國家開發、製造及商業化PAN-90806(一種wAMD解決方案的)獨家權利，為期10年。

截至2020年12月31日止年度，兆科香港已支付預付款3,500,000美元(相當於人民幣24,101,000元)。截至2023年12月31日止年度，兆科香港已支付首筆開發里程碑付款1,750,000美元(相當於人民幣12,378,000元)。兆科香港亦有義務在實現若干具體開發里程碑及商業里程碑後支付若干款項，以及根據有關產品在中國內地、香港、澳門、台灣、南韓及東南亞國家的淨銷售額支付特許權使用費。

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(v) License agreements with NTC S.r.l. ("NTC")

Zhaoke Hong Kong entered into a license agreement with NTC, an Italy-based pharmaceutical company specialized in developing innovative therapeutic solutions in the areas of drugs, nutraceuticals and medical devices, to acquire the exclusive rights to NTC014 for the indication of moderate-to-severe bacterial conjunctivitis and NTC010 for the prevention and treatment of inflammation and inflection associated with cataract surgery for development and commercialization in Mainland China, Hong Kong, Macau, Taiwan and the South East Asian countries.

NTC014

On December 31, 2020, Zhaoke Hong Kong entered into a license agreement with NTC for licensing NTC014 for development and commercialization for a period of 12 years in Mainland China, Hong Kong, Macau, Taiwan and the South East Asian countries.

Zhaoke Hong Kong made a non-refundable upfront payment of EUR400,000 (equivalent to RMB3,109,000) during the year ended December 31, 2021. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of specific development milestones and commercial milestones.

NTC010

On February 15, 2021, Zhaoke Hong Kong entered into a license agreement with NTC for licensing NTC010 for development and commercialization in Mainland China.

Zhaoke Hong Kong made the non-refundable upfront payment of EUR300,000 (equivalent to RMB2,333,000) and the first milestone payment of EUR600,000 (equivalent to RMB4,666,000) upon signing of the license agreement and obtaining Investigational New Drug approval respectively during the year ended December 31, 2021. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of specific development milestones and commercial milestones.

13. 無形資產(續)

(b) 引進特許權(續)

(v) 與NTC S.r.l. (「NTC」) 訂立的許可協議

兆科香港與NTC(一間總部位於意大利的製藥公司，專門從事藥物、營養保健品及醫療器械範圍的創新療法方案開發)訂立許可協議，以獲取在中國內地、香港、澳門、台灣及東南亞國家開發及商業化用於治療中重度細菌性結膜炎適應症的NTC014及用於預防及治療白內障手術相關炎症及感染的NTC010的獨家權利。

NTC014

於2020年12月31日，兆科香港與NTC訂立許可協議，以獲取在中國內地、香港、澳門、台灣及東南亞國家開發及商業化NTC014的許可權，為期12年。

截至2021年12月31日止年度，兆科香港已支付不可退還預付款400,000歐元(相當於人民幣3,109,000元)。兆科香港亦有義務在實現若干具體開發里程碑及商業里程碑後支付若干款項。

NTC010

於2021年2月15日，兆科香港與NTC訂立許可協議，以獲取在中國內地開發及商業化NTC010的許可權。

截至2021年12月31日止年度，兆科香港分別在簽訂許可協議及獲得新藥臨床試驗申請批准後支付不可退還預付款300,000歐元(相當於人民幣2,333,000元)及首筆里程碑付款600,000歐元(相當於人民幣4,666,000元)。兆科香港亦有義務在實現若干具體開發里程碑及商業里程碑後支付若干款項。

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(vi) License agreement with KATO Pharmaceuticals, Inc. (“KATO”)

On May 31, 2021, Zhaoke Hong Kong entered into a license agreement with KATO, a US-based clinical stage biopharmaceutical company dedicated to the development of novel therapies for pathologies of the eye with an emphasis on unmet medical needs, for licensing KATO patent rights for development and commercialization in Mainland China, Hong Kong, Macau and the South East Asian countries. KATO patent rights is an intravitreal injection of liposome-loaded urea for the treatment of vitreomacular traction.

Zhaoke Hong Kong made the non-refundable upfront payment of US\$1,000,000 (equivalent to RMB6,421,000) upon signing of the license agreement during the year ended December 31, 2021. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of certain development milestones, certain commercial milestones and royalty payments at the applicable royalty rates based on net sales of the products in Mainland China, Hong Kong, Macau and the South East Asian countries.

(vii) License agreement with Visus Therapeutics, Inc. (“Visus”)

On May 6, 2022, the Company entered into a license agreement with Visus, a US-based clinical-stage pharmaceutical company focused on developing innovative ophthalmic therapies to improve vision, to acquire the exclusive rights to BRIMOCHOL™ PF and Carbachol PF for correction of the loss of near vision associated with presbyopia for development and commercialization for a period of 10 years in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

13. 無形資產(續)

(b) 引進特許權(續)

(vi) 與KATO Pharmaceuticals, Inc. (「KATO」)訂立的許可協議

於2021年5月31日，兆科香港與KATO(一間處於臨床階段的美國生物製藥公司，專注於重點開發存在醫療需求缺口的眼部病症新療法)訂立許可協議，以獲取在中國內地、香港、澳門及東南亞國家開發及商業化KATO專利權的許可權。KATO專利權為一種治療脂質體尿素的玻璃體腔內注射藥物，用於治療玻璃體黃斑黏連。

截至2021年12月31日止年度，兆科香港已於簽訂許可協議時支付不可退還預付款1,000,000美元(相當於人民幣6,421,000元)。兆科香港亦有義務在實現若干開發里程碑及商業里程碑後支付若干款項，以及根據有關產品在中國內地、香港、澳門及東南亞國家的淨銷售額按照適用的特許權使用費率支付特許權使用費。

(vii) 與Visus Therapeutics, Inc.(「Visus」)訂立的許可協議

於2022年5月6日，本公司與Visus(一間處於臨床階段的美國製藥公司，專注於開發改善視力的創新眼科療法)訂立許可協議，以獲取在中國內地、香港、澳門、台灣、南韓及東南亞國家開發及商業化用於矯正因老花眼而喪失的近距離視力的BRIMOCHOL™ PF及Carbachol PF的獨家權利，為期10年。

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(vii) License agreement with Visus Therapeutics, Inc. (“Visus”) (Continued)

The Company made a non-refundable upfront payment of US\$15,000,000 (equivalent to RMB100,862,000) during the year ended December 31, 2022. The Company is also obliged to make certain payments upon the achievement of specific regulatory milestones, commercial milestones, sales-driven milestones and royalty payments based on net sales of the products in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

(viii) Impairment test

As at December 31, 2023 and 2022, all in-licensed rights were not ready for use and the Group continues the underlying research and development activities. As such, they are subject to annual impairment tests based on the recoverable amount of the CGU to which the intangible assets are related, which is at the product level. Management determined the recoverable amount of the relevant CGU using the value in use calculations. These calculations use cash flow projections based on management’s expectations of timing of commercialization and revenue growth rates of the drugs over the license period of individual in-licensed rights. The valuation is considered to be level 3 in the fair value measurement hierarchy due to unobservable inputs used in the valuation.

With the assistance of an external appraiser, management determined the recoverable amount of the in-licensed rights based on the following approach and the key assumptions:

- The revenue growth rates were based on the expected market penetration rate and selling conditions considering the features of marketing and technology development; and
- The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

13. 無形資產(續)

(b) 引進特許權(續)

(vii) 與Visus Therapeutics, Inc. (「Visus」)訂立的許可協議(續)

截至2022年12月31日止年度，本公司已支付不可退還預付款15,000,000美元(相當於人民幣100,862,000元)。本公司亦有義務在實現若干具體開發里程碑、商業里程碑及銷售里程碑後支付若干款項，以及根據有關產品在中國內地、香港、澳門、台灣、南韓及東南亞國家的淨銷售額支付特許權使用費。

(viii) 減值測試

於2023年及2022年12月31日，所有引進特許權尚未可供使用，本集團繼續開展相關研發活動。因此，其須根據與無形資產在產品層面相關的現金產生單位的可收回金額進行年度減值測試。管理層採用使用價值計算法釐定相關現金產生單位的可收回金額。本集團基於管理層對商業化時間表及個別引進特許權許可期內的收益增長率的預期，使用現金流量預測計算使用價值。由於估值使用不可觀察輸入數據，故該估值被視為公平值計量層級中的第三級。

在外聘估值師的協助下，管理層按以下方法及主要假設釐定引進特許權的可收回金額：

- 預期收益增長率乃根據預期市場滲透率及銷售情況得出，當中考慮到營銷及技術開發的特點；及
- 所使用的貼現率為稅前，並反映相關現金產生單位的特定風險。

Notes to the Financial Statements

財務報表附註

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(viii) Impairment test (Continued)

The key assumptions used for calculation of value-in-use of individual in-licensed rights as at December 31, 2023 and 2022 are as follows:

TAB014

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	28%	28%
Expected revenue growth rate	預期收益增長率	0% ~ 274%	0% ~ 274%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	283,879	196,218
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	52,358	52,358

IC-265

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	29%	28%
Expected revenue growth rate	預期收益增長率	0% ~ 877%	0% ~ 848%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	81,397	35,055
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	10,672	10,378

NVK002

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	27%	25%
Expected revenue growth rate	預期收益增長率	-5% ~ 81%	-5% ~ 84%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	1,155,183	829,267
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	92,062	68,767

13. 無形資產(續)

(b) 引進特許權(續)

(viii) 減值測試(續)

於2023年及2022年12月31日，用於計算個別引進特許權公平值的主要假設如下：

TAB014

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	28%	28%
Expected revenue growth rate	預期收益增長率	0% ~ 274%	0% ~ 274%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	283,879	196,218
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	52,358	52,358

IC-265

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	29%	28%
Expected revenue growth rate	預期收益增長率	0% ~ 877%	0% ~ 848%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	81,397	35,055
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	10,672	10,378

NVK002

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	27%	25%
Expected revenue growth rate	預期收益增長率	-5% ~ 81%	-5% ~ 84%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	1,155,183	829,267
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	92,062	68,767

Notes to the Financial Statements

財務報表附註

13. INTANGIBLE ASSETS (CONTINUED)

13. 無形資產(續)

(b) In-licensed rights (Continued)

(b) 引進特許權(續)

(viii) Impairment test (Continued)

(viii) 減值測試(續)

PAN-90806

PAN-90806

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	31%	29%
Expected revenue growth rate	預期收益增長率	-4%~281%	-5%~291%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	397,017	413,496
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	37,215	24,079

NTC014

NTC014

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	27%	27%
Expected revenue growth rate	預期收益增長率	0%~82%	0%~82%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	44,585	27,808
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	3,424	3,330

NTC010

NTC010

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	26%	26%
Expected revenue growth rate	預期收益增長率	8%~140%	8%~140%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	42,848	54,436
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	7,708	7,496

Resolv ER

Resolv ER

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	30%	28%
Expected revenue growth rate	預期收益增長率	-4%~24%	-4%~24%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	23,601	23,442
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	7,070	6,877

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(viii) Impairment test (Continued)

BRIMOCHOL™ PF and Carbachol PF

		2023 2023年	2022 2022年
Pre-tax discount rate	稅前貼現率	27%	27%
Expected revenue growth rate	預期收益增長率	1% ~ 234%	1% ~ 234%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	143,294	120,040
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	106,752	103,815

Based on the result of impairment assessments, there was no impairment as at December 31, 2023 and 2022.

Impairment test – sensitivity

The Group has performed sensitivity test by increasing 1% of pre-tax discount rate or decreasing 5% of expected revenue, which are the key assumptions for determining the recoverable amount of the intangible assets, with all other variables held constant. The impacts on the amount by which the intangible asset's recoverable amount above their carrying amount (headroom) are as below:

TAB014

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	231,521	143,860
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(21,783)	(19,363)
Impact by decreasing expected revenue	降低預期收益的影響	(15,322)	(12,401)

13. 無形資產(續)

(b) 引進特許權(續)

(viii) 減值測試(續)

BRIMOCHOL™ PF及 Carbachol PF

	2023 2023年	2022 2022年
Pre-tax discount rate	27%	27%
Expected revenue growth rate	1% ~ 234%	1% ~ 234%
Recoverable amount of CGU (in RMB'000)	143,294	120,040
Carrying amount of CGU (in RMB'000)	106,752	103,815

基於減值評估的結果，於2023年及2022年12月31日，概無出現減值。

減值測試－敏感度

本集團通過在所有其他變數保持不變的情況下，分別將稅前貼現率提高1%或預期收益降低5%(兩者為釐定無形資產可收回金額的主要假設)進行敏感度測試。對無形資產可收回金額超出其賬面金額的數額(緩衝)的影響如下：

TAB014

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	231,521	143,860
Impact by increasing pre-tax discount rate	(21,783)	(19,363)
Impact by decreasing expected revenue	(15,322)	(12,401)

Notes to the Financial Statements

財務報表附註

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(viii) Impairment test (Continued)

IC-265

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	70,725	24,677
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(8,377)	(7,637)
Impact by decreasing expected revenue	降低預期收益的影響	(4,180)	(2,965)

NVK002

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	1,063,121	760,500
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(89,189)	(76,970)
Impact by decreasing expected revenue	降低預期收益的影響	(70,829)	(55,862)

PAN-90806

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	359,802	389,417
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(42,456)	(45,723)
Impact by decreasing expected revenue	降低預期收益的影響	(26,586)	(27,959)

13. 無形資產(續)

(b) 引進特許權(續)

(viii) 減值測試(續)

IC-265

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	70,725	24,677
Impact by increasing pre-tax discount rate	(8,377)	(7,637)
Impact by decreasing expected revenue	(4,180)	(2,965)

NVK002

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	1,063,121	760,500
Impact by increasing pre-tax discount rate	(89,189)	(76,970)
Impact by decreasing expected revenue	(70,829)	(55,862)

PAN-90806

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	359,802	389,417
Impact by increasing pre-tax discount rate	(42,456)	(45,723)
Impact by decreasing expected revenue	(26,586)	(27,959)

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(viii) Impairment test (Continued)

NTC014

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	41,161	24,478
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(9,028)	(4,214)
Impact by decreasing expected revenue	降低預期收益的影響	(8,484)	(3,238)

NTC010

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	35,140	46,940
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(8,112)	(5,558)
Impact by decreasing expected revenue	降低預期收益的影響	(7,803)	(4,415)

Resolv ER

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	16,531	16,565
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(3,409)	(3,616)
Impact by decreasing expected revenue	降低預期收益的影響	(2,167)	(2,200)

13. 無形資產(續)

(b) 引進特許權(續)

(viii) 減值測試(續)

NTC014

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	41,161	24,478
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(9,028)	(4,214)
Impact by decreasing expected revenue	降低預期收益的影響	(8,484)	(3,238)

NTC010

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	35,140	46,940
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(8,112)	(5,558)
Impact by decreasing expected revenue	降低預期收益的影響	(7,803)	(4,415)

Resolv ER

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	16,531	16,565
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(3,409)	(3,616)
Impact by decreasing expected revenue	降低預期收益的影響	(2,167)	(2,200)

13. INTANGIBLE ASSETS (CONTINUED)

(b) In-licensed rights (Continued)

(viii) Impairment test (Continued)

BRIMOCHOL™ PF and Carbachol PF

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	36,542	16,225
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(15,091)	(14,312)
Impact by decreasing expected revenue	降低預期收益的影響	(11,390)	(15,348)

Considering there were still sufficient headroom based on the assessments, management believes that a reasonably possible change in any of the key assumptions on which management has based its determination of the CGUs' recoverable amount would not cause their carrying amount to exceed their recoverable amount.

(c) Distribution rights

(i) Distribution agreement with C&V Tech, Inc.

On October 4, 2022, Zhaoke Hong Kong entered into a distribution and supply agreement with C&V Tech, Inc., a Korea-based medical device manufacturer developing medical devices for the diagnosis, treatment, and prevention of glaucoma, to acquire the exclusive rights to TONO-i, an innovative tonometer designed to be contactless, portable and self-measuring, for registration, import, promotion, distribution, marketing and selling for a period of 10 years in Mainland China, Hong Kong, Macau and Taiwan.

Zhaoke Hong Kong made a non-refundable distribution fee of US\$200,000 (equivalent to RMB1,345,000) during the year ended December 31, 2022.

As at December 31, 2023, the distribution rights were still under preparation stage and were not ready for use.

13. 無形資產(續)

(b) 引進特許權(續)

(viii) 減值測試(續)

BRIMOCHOL™ PF及 Carbachol PF

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Headroom	36,542	16,225
Impact by increasing pre-tax discount rate	(15,091)	(14,312)
Impact by decreasing expected revenue	(11,390)	(15,348)

考慮到經評估後仍有充足的緩衝，管理層認為其釐定現金產生單位可收回金額所依據的任何主要假設的合理可能變更不會導致賬面金額超過可收回金額。

(c) 分銷權

(i) 與C&V Tech, Inc.訂立的分銷協議

於2022年10月4日，兆科香港與C&V Tech, Inc. (一間於開發診斷、治療及預防青光眼的韓國醫療器材製造商)訂立分銷及供應協議，以獲取在中國內地、香港、澳門及台灣登記、進口、推廣、分銷、營銷及出售TONO-i的獨家權利，為期10年。TONO-i是一款創新的眼壓計，設計特點為免觸式、便攜及可自行測量。

截至2022年12月31日止年度，兆科香港已支付不可退還分銷費200,000美元(相當於人民幣1,345,000元)。

於2023年12月31日，分銷權仍在準備階段，尚未可供使用。

Notes to the Financial Statements

財務報表附註

13. INTANGIBLE ASSETS (CONTINUED)

(c) Distribution rights (Continued)

(ii) Distribution agreement with Zhaoke Pharmaceutical (Hefei) Company Limited (“Lee’s Pharm Hefei”)

On November 13, 2023, Zhaoke Guangzhou entered into a distribution and assets transfer agreement with Lee’s Pharm Hefei, to acquire the distribution right and associated assets of Eyprotor, a ophthalmology drug for promoting the replacement and utilization of glucose and oxygen by eye tissues and cells.

Zhaoke Guangzhou made the first consideration installment of RMB20,000,000 during the year ended December 31, 2023. Zhaoke Guangzhou is also obliged to make further consideration installments upon approval of product registration and achievement of specific sales milestones.

13. 無形資產(續)

(c) 分銷權(續)

(ii) 與兆科藥業(合肥)股份有限公司(「李氏大藥廠(合肥)」)訂立分銷協議

於2023年11月13日，兆科廣州與李氏大藥廠(合肥)訂立分銷及資產轉讓協議，以收購睿保特(能促進眼組織及細胞對葡萄糖及氧氣的攝取及利用的眼科藥物)的分銷權及相關資產。

截至2023年12月31日止年度，兆科廣州已支付第一期代價人民幣20,000,000元。此外，兆科廣州有責任於產品註冊獲批准及達成特定銷售里程碑後進一步支付分期代價。

14. INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

14. 於附屬公司的投資

下表僅列出對本集團業績、資產或負債造成主要影響的附屬公司詳情。除非另有列明，否則所持股份類別為普通股。

Name of company 公司名稱	Place of incorporation/ establishment and business 註冊成立/成立及 營業地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Zhaoke Hong Kong 兆科香港	Hong Kong 香港	Hong Kong dollar (“HK\$”) 10,000 10,000港元	100%	–	Development of ophthalmology products 眼科產品開發
Zhaoke Guangzhou**@	The PRC	US\$80,000,000 (note)	–	100%	Development and manufacturing of ophthalmology drugs and products 開發及製造眼科藥物及產品
兆科廣州**@	中國	80,000,000美元(附註)			

Note: During the year ended December 31, 2023, Zhaoke Hong Kong injected capital of US\$30,000,000 for strengthening the capital base of Zhaoke Guangzhou.

附註：於截至2023年12月31日止年度，兆科香港已注資30,000,000美元以加強兆科廣州的資本基礎。

* KPMG are not the statutory auditors of this company.

* 該公司的法定核數師並非畢馬威會計師事務所。

The company name in English is a direct translation of the registered Chinese name for the purpose of identification.

該公司的英文名稱為註冊中文名稱的直接翻譯，僅供識別。

@ Registered under the laws of the PRC as a foreign investment enterprise.

@ 根據中國法律註冊為外商投資企業。

Notes to the Financial Statements

財務報表附註

15. TRADE AND OTHER RECEIVABLES

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Trade receivables, net of loss allowance	貿易應收款項(扣除虧損撥備)	3,710	–
Value-added tax recoverable	可收回增值稅	643	31,140
Prepayments to suppliers	預付供應商款項	38,605	27,383
Other receivables	其他應收款項	18,189	16,934
		61,147	75,457

All trade and other receivables are expected to be recovered or recognized as expenses within one year.

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Within 1 month	1個月內	1,381	–
1 to 2 months	1至2個月	667	–
2 to 3 months	2至3個月	–*	–
Over 3 months but within 6 months	超過3個月但6個月內	1,662	–
		3,710	–

* The balance represents amount less than RMB1,000.

Trade receivables are due within 30–90 days from the date of billing. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 25(a).

15. 貿易及其他應收款項

所有貿易及其他應收款項預期將於一年內收回或確認為開支。

賬齡分析

於報告期末，貿易應收款項基於發票日期及扣除虧損撥備後的賬齡分析如下：

* 結餘金額少於人民幣1,000元。

貿易應收款項於開票日期後30至90日內到期。有關本集團貿易應收款項信貸政策及信貸風險的進一步詳情載於附註25(a)。

Notes to the Financial Statements

財務報表附註

16. CASH AND BANK BALANCES

(a) Cash and bank balances comprise:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Cash at banks	銀行現金	1,461,623	1,716,351
Cash and cash equivalents in the consolidated statement of cash flows	於綜合現金流量表的現金及現金等價物	1,461,623	1,716,351
Pledged bank balances (note)	已抵押銀行結餘(附註)	265,658	172,066
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	—	8,873
		1,727,281	1,897,290

Note: As at December 31, 2023 and 2022, these bank balances were pledged to banks for a banking facility and letter of credit facilities.

16. 現金及銀行結餘

(a) 現金及銀行結餘包括：

附註：於2023年及2022年12月31日，該等銀行結餘已抵押予銀行以取得銀行融資及信用證融資。

Notes to the Financial Statements

財務報表附註

16. CASH AND BANK BALANCES (CONTINUED)

16. 現金及銀行結餘(續)

(b) Reconciliation of liabilities arising from financing activities

(b) 融資活動所產生負債的對賬

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

下表詳述本集團融資活動所產生負債的變動，包括現金及非現金變動。融資活動所產生負債為現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動現金流量的負債。

		Bank loans 銀行貸款 RMB'000 人民幣千元 (note 20) (附註20)	Lease liabilities 租賃負債 RMB'000 人民幣千元 (note 21) (附註21)	Total 總計 RMB'000 人民幣千元
At January 1, 2022	於2022年1月1日	10,289	26,743	37,032
Changes from financing cash flows:	融資現金流量變動：			
Proceeds from bank loans	銀行貸款的所得款項	93,811	-	93,811
Repayment from bank loans	償還銀行貸款	(9,600)	-	(9,600)
Capital element of lease rentals paid	已付租金的本金部分	-	(6,089)	(6,089)
Interest element of lease rentals paid	已付租金的利息部分	-	(1,783)	(1,783)
Total changes from financing cash flows	融資現金流量變動總額	84,211	(7,872)	76,339
Exchange adjustments	匯兌調整	-	158	158
Other changes:	其他變動：			
Increase in lease liabilities from entering into new leases during the period	期內訂立新租賃所產生的租賃負債增加	-	16,999	16,999
Decrease in lease liabilities from lease modification	租賃修改所產生的租賃負債減少	-	(383)	(383)
Interest expenses (note 7(a))	利息開支(附註7(a))	-	1,783	1,783
Total other changes	其他變動總額	-	18,399	18,399
At December 31, 2022 and January 1, 2023	於2022年12月31日及2023年1月1日	94,500	37,428	131,928
Changes from financing cash flows:	融資現金流量變動：			
Proceeds from bank loans	銀行貸款的所得款項	120,821	-	120,821
Repayment from bank loans	償還銀行貸款	(8,744)	-	(8,744)
Capital element of lease rentals paid	已付租金的本金部分	-	(8,760)	(8,760)
Interest element of lease rentals paid	已付租金的利息部分	-	(1,756)	(1,756)
Total changes from financing cash flows	融資現金流量變動總額	112,077	(10,516)	101,561
Exchange adjustments	匯兌調整	-	30	30
Other changes:	其他變動：			
Increase in lease liabilities from entering into new leases during the period	期內訂立新租賃所產生的租賃負債增加	-	3,742	3,742
Decrease in lease liabilities from lease termination	終止租賃所產生的租賃負債減少	-	(991)	(991)
Interest expenses (note 7(a))	利息開支(附註7(a))	-	1,756	1,756
Total other changes	其他變動總額	-	4,507	4,507
At December 31, 2023	於2023年12月31日	206,577	31,449	238,026

Notes to the Financial Statements

財務報表附註

16. CASH AND BANK BALANCES (CONTINUED)

(c) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Within operating cash flows	經營活動現金流量	586	–
Within financing cash flows	融資活動現金流量	10,516	7,872
		11,102	7,872

These amounts relate to the followings:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Lease rentals paid	已付租賃租金	11,102	7,872

16. 現金及銀行結餘(續)

(c) 租賃現金流出總額

現金流量表所列租賃金額包括下列項目：

該等金額與下列項目有關：

Notes to the Financial Statements

財務報表附註

17. CONTRACT LIABILITIES

17. 合約負債

Contract liabilities	合約負債	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Granting of exclusive distribution rights – Upfront payments	授出獨家分銷權 — 預付款	14,135	–

Typical payment terms which impact on the amount of contract liabilities recognized are as follows:

The Group receives upfront payments in respect of granting of exclusive distribution rights of its products to customers. The upfront payments received are recognized as contract liabilities and will be recognized as income over the remaining contract period.

對所確認合約負債金額構成影響的一般付款條款如下：

本集團就向客戶授出其產品的獨家分銷權收取預付款。已收預付款確認為合約負債，並將於餘下合約期內確認為收入。

Movements in contract liabilities	合約負債變動	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Balance at January 1	於1月1日的結餘	–	–
Increase in contract liabilities as a result of receipt of upfront payments	合約負債因收取預付款而增加	14,135	–
Balance at December 31	於12月31日的結餘	14,135	–

The amount of contract liabilities expected to be recognized as income after more than one year is RMB12,956,000 (2022: RMB Nil). All of the other contract liabilities are expected to be recognized as income within one year.

預期於一年後確認為收入的合約負債金額為人民幣12,956,000元(2022年：人民幣零元)。預期所有其他合約負債均會於一年內確認為收入。

Notes to the Financial Statements

財務報表附註

18. TRADE AND OTHER PAYABLES

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Trade payables	貿易應付款項	1,166	–
Payables for purchase of property, plant and equipment	購買物業、廠房及設備的應付款項	6,775	16,252
Payroll payables	應付薪金	16,383	16,474
Accrued costs for research and development expenses	研發開支應計成本	74,656	36,921
Payables for purchase of materials (note (i))	採購材料的應付款項(附註(i))	8,101	4,154
Accrued office expenses and others	應計辦公室開支及其他	7,954	8,414
Other taxes payables (note (ii))	其他應付稅項(附註(ii))	1,602	1,203
		116,637	83,418

Notes:

- (i) As at December 31, 2023 and 2022, all payables for purchase of materials are aged within one year, based on invoice date.
- (ii) Accrued withholding taxes on the acquisitions of development and commercialization rights of ophthalmic drugs and products from third parties based on appropriate withholding tax rates applicable to the relevant jurisdictions.

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

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

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Within 1 month	1個月內	433	–
1 to 3 months	1至3個月	137	–
Over 3 months but within 6 months	超過3個月但6個月內	596	–
		1,166	–

19. AMOUNTS DUE TO RELATED COMPANIES

Amounts due to related companies are unsecured, interest-free and repayable with a maximum credit terms of 30 days or on demand.

18. 貿易及其他應付款項

附註：

- (i) 於2023年及2022年12月31日，所有採購材料的應付款項基於發票日期的賬齡為一年。
- (ii) 向第三方收購眼科藥物及產品開發及商業化權利的應計預扣稅乃按適用於相關司法管轄區的適當預扣稅稅率計算。

所有貿易及其他應付款項預期將於一年內結清或按要求償還。

於報告期末，貿易應付款項基於發票日期的賬齡分析如下：

19. 應付關聯公司款項

應付關聯公司款項為無抵押、免息、信貸期最長30天或按要求償還。

Notes to the Financial Statements

財務報表附註

20. BANK LOANS

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Secured and repayable within 1 year or on demand	有抵押及於1年內或按要求償還	206,577	94,500

The bank loans were obtained by the Group's subsidiary, Zhaoke Guangzhou.

At December 31, 2023, Zhaoke Guangzhou had banking facilities of RMB230,000,000 (2022: RMB130,000,000) and utilized to an extent of RMB206,577,000 (2022: RMB94,500,000), and the respective bank loan was secured by the Group's pledged bank balances (note 16(a)).

20. 銀行貸款

銀行貸款由本集團附屬公司兆科廣州取得。

於2023年12月31日，兆科廣州有人民幣230,000,000元（2022年：人民幣130,000,000元）的銀行融資，並已動用人民幣206,577,000元（2022年：人民幣94,500,000元）。相關銀行貸款由本集團的已抵押銀行結餘（附註16(a)）抵押。

21. LEASE LIABILITIES

At December 31, 2023 and 2022, the lease liabilities were repayable as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Within 1 year or on demand	於一年內或按要求	9,585	9,725
After 1 year but within 2 years	一年後但於兩年內	7,533	7,591
After 2 year but within 5 years	兩年後但於五年內	14,331	18,480
After 5 years	五年後	—	1,632
		21,864	27,703
		31,449	37,428

21. 租賃負債

於2023年及2022年12月31日，租賃負債償還時間如下：

22. DEFERRED INCOME

As at December 31, 2023 and 2022, deferred income of the Group represented grants received from the government to compensate the capital expenditure on production lines. Government grants are recognized as other income over the useful lives of relevant machinery.

The amount of government grants recognized in the consolidated statement of profit or loss is disclosed in note 5.

22. 遞延收入

於2023年及2022年12月31日，本集團的遞延收入指自政府收取以補償生產線資本支出的補助。政府補助於相關機器的可使用年內內確認為其他收入。

於綜合損益表確認的政府補助金額於附註5披露。

23. EQUITY SETTLED SHARE-BASED TRANSACTIONS

(i) Pre-IPO Scheme

On November 17, 2020, the shareholders of the Company approved the Pre-IPO Share Option Scheme (the “Pre-IPO Scheme”) which is a share-based incentive plan to reward, retain and motivate the Group’s employees, directors and consultants (collectively, “eligible persons”). Under the Pre-IPO Scheme, the directors of the Company are authorized, at their discretion, to grant share options to acquire ordinary shares of the Company to eligible persons on a fair and reasonable basis with reference to the performance of the Company and contribution of the individuals.

- (a) The terms and conditions of the share options granted are as follows:

		Number of options 購股權數目	Contractual life of options 購股權的合約期	Vesting conditions 歸屬條件
Options granted to directors:	向董事授出的購股權：			
– On November 17, 2020	– 於2020年11月17日	4,414,000	10 years 10年	Note a 附註a
– On December 9, 2020	– 於2020年12月9日	10,870,000	10 years 10年	Note a 附註a
Options granted to employees:	向僱員授出的購股權：			
– On November 17, 2020	– 於2020年11月17日	12,927,600	10 years 10年	Note a 附註a
– On December 9, 2020	– 於2020年12月9日	4,148,000	10 years 10年	Note a 附註a
– On December 9, 2020	– 於2020年12月9日	5,716,400	10 years 10年	Note b 附註b
– On March 2, 2021	– 於2021年3月2日	3,430,400	9.7 years 9.7年	Note a 附註a
Options granted to consultants:	向顧問授出的購股權：			
– On November 17, 2020	– 於2020年11月17日	4,225,600	10 years 10年	Note a 附註a
		45,732,000		

- (a) 20% upon completion of the Company’s IPO; 20% on the first anniversary from the date of grant; 20% on the second anniversary from the date of grant; 20% on the third anniversary from the date of grant; and 20% on the fourth anniversary from the date of grant.
- (b) 20% upon completion of the Company’s IPO; 15% on the first anniversary from the date of grant; 15% on the second anniversary from the date of grant; 15% on the third anniversary from the date of grant; 15% on the fourth anniversary from the date of grant; 10% upon meeting certain market conditions during the first and second year from the date of the Company’s IPO; and 10% upon meeting certain market conditions during the third and fourth year from the date of the Company’s IPO.

23. 以權益結算以股份為基礎的交易

(i) 首次公開發售前計劃

於2020年11月17日，本公司股東批准首次公開發售前購股權計劃（「首次公開發售前計劃」），作為獎勵、挽留及激勵本集團僱員、董事及顧問（統稱「合資格人士」）的股份激勵計劃。根據首次公開發售前計劃，本公司董事獲授權按公平合理的基準，參考本公司的表現及個人的貢獻，酌情向合資格人士授出購買本公司普通股的購股權。

- (a) 已授出購股權的條款及條件如下：

- (a) 20%於本公司的首次公開發售完成時歸屬；20%於授出日期起的首個週年日歸屬；20%於授出日期起的第二個週年日歸屬；20%於授出日期起的第三個週年日歸屬；及20%於授出日期起的第四個週年日歸屬。
- (b) 20%於本公司的首次公開發售完成時歸屬；15%於授出日期起的首個週年日歸屬；15%於授出日期起的第二個週年日歸屬；15%於授出日期起的第三個週年日歸屬；15%於授出日期起的第四個週年日歸屬；10%於本公司首次公開發售日期起第一及第二年內達成若干市場條件時歸屬；及10%於本公司首次公開發售日期起第三及第四年內達成若干市場條件時歸屬。

23. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(i) Pre-IPO Scheme (Continued)

(a) (Continued)

The contractual life of the above options is ten years.

For accounting purposes, service condition is not considered in the grant date fair value measurement of the services received. The completion of the Company's IPO is considered a non-market performance vesting condition which is taken into consideration in estimating the number of options that are expected to vest. Market conditions are reflected in the grant date fair value.

(b) The number and weighted average exercise prices of share options are as follows:

		2023 2023年		2022 2022年	
		Weighted average exercise price 加權平均行使價	Number of options 購股權數目	Weighted average exercise price 加權平均行使價	Number of options 購股權數目
Outstanding at the beginning of the period	期初發行在外	US\$0.74 0.74美元	37,043,508	US\$0.71 0.71美元	38,940,572
Exercised during the period	期內行使	US\$0.09 0.09美元	(2,151,680)	US\$0.09 0.09美元	(1,897,064)
Forfeited during the period	期內沒收	US\$0.33 0.33美元	(676,320)	-	-
Lapsed during the period	期內失效	US\$0.51 0.51美元	(1,468,252)	-	-
Outstanding at the end of the period	期末發行在外	US\$0.80 0.80美元	32,747,256	US\$0.74 0.74美元	37,043,508
Exercisable at the end of the period	期末可行使	US\$0.82 0.82美元	20,360,508	US\$0.80 0.80美元	16,943,382

The weighted average share price at the date of exercise for shares options exercised during the year was US\$0.52 (2022: US\$0.33).

The options outstanding at December 31, 2023 had an exercise price of US\$0.09 or US\$1.14 (2022: US\$0.09 or US\$1.14) and a weighted average remaining contractual life of 6.88 years (2022: 7.88).

23. 以權益結算以股份為基礎的交易(續)

(i) 首次公開發售前計劃(續)

(a) (續)

上述購股權的合約期為10年。

就會計處理而言，計量所取得服務於授出日期的公平值時並未考慮服務條件。本公司首次公開發售完成被視為在估計預計將歸屬的購股權數目時考慮的非市場表現歸屬條件。於授出日期的公平值已反映市場條件。

(b) 購股權數目及加權平均行使價如下：

年內已行使購股權於行使日期的加權平均股價為0.52美元(2022年：0.33美元)。

於2023年12月31日發行在外購股權的行使價為0.09美元或1.14美元(2022年：0.09美元或1.14美元)，加權平均剩餘合約期為6.88年(2022年：7.88年)。

23. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(i) Pre-IPO Scheme (Continued)

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial model.

Grant date		November 17, 2020 2020年 11月17日	December 9, 2020 2020年 12月9日	March 2, 2021 2021年 3月2日
Fair value at measurement date	於計量日期的公平值	US\$0.91–US\$0.92 0.91美元至0.92美元	US\$0.38–US\$0.48 0.38美元至0.48美元	US\$0.46–US\$0.54 0.46美元至0.54美元
Share price	股份價格	US\$1.00 1.00美元	US\$1.01 1.01美元	US\$1.14 1.14美元
Exercise price	行使價	US\$0.09 0.09美元	US\$1.14 1.14美元	US\$1.14 1.14美元
Expected volatility	預期波動	43.93%	43.23%	43.21%
Option life	購股權期限	10 years 10年	10 years 10年	9.7 years 9.7年
Expected dividend yield	預期股息率	0.00%	0.00%	0.00%
Risk-free interest rate	無風險利率	0.86%	0.94%	1.43%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

23. 以權益結算以股份為基礎的交易(續)

(i) 首次公開發售前計劃(續)

(c) 購股權的公平值及假設

以已授出購股權換取的已取得服務的公平值乃參考所授出購股權的公平值計量。所授出購股權的公平值估計根據二項式模型計量。購股權的合約期用作該模型的輸入數據。提前行使的預期已計入二項式模型。

預期波動乃基於歷史波動(按購股權加權平均剩餘期限計算)，並就基於公開資料預期的任何未來波動變更作出調整。預期股息乃基於歷史股息得出。主觀輸入數據假設的變動可能對公平值估計產生重大影響。

23. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(i) Pre-IPO Scheme (Continued)

- (d) Equity-settled share-based payment expenses recognized in the consolidated statement of profit or loss are as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Research and development expenses	研發開支	281	10,609
General and administrative expenses	一般及行政費用	15,891	32,439
Selling and distribution expenses	銷售及分銷開支	1,192	2,633
		17,364	45,681

During the year, the expenses include equity-settled share-based payment to consultants of RMB1,702,000 (2022: RMB5,322,000).

(ii) Post-IPO Scheme

On April 1, 2021, the shareholders of the Company approved the Post-IPO Share Option Scheme (the "Post-IPO Scheme") which is a share-based incentive plan to reward, retain and motivate the eligible persons. Under the Post-IPO Scheme, the directors of the Company are authorized, at their discretion, to grant share options to acquire ordinary shares of the Company to eligible persons on a fair and reasonable basis with reference to the performance of the Company and contribution of the individuals.

23. 以權益結算以股份為基礎的交易(續)

(i) 首次公開發售前計劃(續)

- (d) 在綜合損益表中確認的以權益結算以股份為基礎的付款開支如下：

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Research and development expenses	研發開支	281	10,609
General and administrative expenses	一般及行政費用	15,891	32,439
Selling and distribution expenses	銷售及分銷開支	1,192	2,633
		17,364	45,681

年內的開支包括向顧問支付的以權益結算以股份為基礎的付款人民幣1,702,000元(2022年：人民幣5,322,000元)。

(ii) 首次公開發售後計劃

於2021年4月1日，本公司股東批准首次公開發售後購股權計劃(「首次公開發售後計劃」)，作為獎勵、挽留及激勵合資格人士的股份激勵計劃。根據首次公開發售後計劃，本公司董事獲授權按公平合理的基準，參考本公司的表現及個人的貢獻，酌情向合資格人士授出購買本公司普通股的購股權。

Notes to the Financial Statements

財務報表附註

23. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(ii) Post-IPO Scheme (Continued)

(a) The terms and conditions of the share options granted are as follows:

		Number of options 購股權數目	Contractual life of options 購股權的合約期	Vesting conditions 歸屬條件
Options granted to directors:	向董事授出的購股權：			
– On 15 December 2022	– 於2022年12月15日	1,000,000	10 years 10年	Note a 附註a
– On 15 December 2022	– 於2022年12月15日	880,000	10 years 10年	Note b 附註b
Options granted to employees:	向僱員授出的購股權：			
– On 15 December 2022	– 於2022年12月15日	1,440,000	10 years 10年	Note b 附註b
– On 15 December 2022	– 於2022年12月15日	840,000	10 years 10年	Note c 附註c
– On 15 December 2022	– 於2022年12月15日	3,660,000	10 years 10年	Note d 附註d
		7,820,000		

(a) 50% on the date of grant; and 50% on the first anniversary from the date of grant.

(b) 10% on the first anniversary from the date of grant; 10% on the second anniversary from the date of grant; 10% on the third anniversary from the date of grant; 10% on the fourth anniversary from the date of grant; 40% upon meeting certain research and development as well as financial performance milestones; and 20% upon meeting certain market conditions.

(c) 10% on the first anniversary from the date of grant; 10% on the second anniversary from the date of grant; 10% on the third anniversary from the date of grant; 10% on the fourth anniversary from the date of grant; and 60% upon meeting certain research and development as well as financial performance milestones.

23. 以權益結算以股份為基礎的交易(續)

(ii) 首次公開發售後計劃(續)

(a) 已授出購股權的條款及條件如下：

(a) 50%於授出日期歸屬；及50%於授出日期起的首個週年日歸屬。

(b) 10%於授出日期起的首個週年日歸屬；10%於授出日期起的第二個週年日歸屬；10%於授出日期起的第三個週年日歸屬；10%於授出日期起的第四個週年日歸屬；40%於達成若干研發及財務表現里程碑時歸屬；及20%於達成若干市場條件時歸屬。

(c) 10%於授出日期起的首個週年日歸屬；10%於授出日期起的第二個週年日歸屬；10%於授出日期起的第三個週年日歸屬；10%於授出日期起的第四個週年日歸屬；及60%於達成若干研發及財務表現里程碑時歸屬。

23. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(ii) Post-IPO Scheme (Continued)

(a) (Continued)

- (d) 25% on the first anniversary from the date of grant; 25% on the second anniversary from the date of grant; 25% on the third anniversary from the date of grant; and 25% on the fourth anniversary from the date of grant.

The contractual life of the above options is ten years.

For accounting purposes, service and performance conditions are not considered in the grant date fair value measurement of the services received and performance met. The completion of certain research and development as well as financial performance milestones are considered non-market performance vesting conditions which are taken into consideration in estimating the number of options that are expected to vest. Market conditions are reflected in the grant date fair value.

- (b) The number and weighted average exercise prices of share options are as follows:

		2023 2023年		2022 2022年	
		Weighted average exercise price 加權 平均行使價	Number of options 購股權數目	Weighted average exercise price 加權 平均行使價	Number of options 購股權數目
Outstanding at the beginning of the period	期初發行在外的	HK\$3.26 3.26港元	7,820,000	—	—
Granted during the period	期內授出	—	—	HK\$3.26 3.26港元	7,820,000
Exercised during the period	期內行使	HK\$3.26 3.26港元	(143,500)	—	—
Forfeited during the period	期內沒收	HK\$3.26 3.26港元	(839,750)	—	—
Lapsed during the period	期內失效	HK\$3.26 3.26港元	(41,250)	—	—
Outstanding at the end of the period	期末發行在外的	HK\$3.26 3.26港元	6,795,500	HK\$3.26 3.26港元	7,820,000
Exercisable at the end of the period	期末可行使	HK\$3.26 3.26港元	1,497,250	HK\$3.26 3.26港元	500,000

The options outstanding at December 31, 2023 had an exercise price of HK\$3.26 and a weighted average remaining contractual life of 8.96 years.

23. 以權益結算以股份為基礎的交易(續)

(ii) 首次公開發售後計劃(續)

(a) (續)

- (d) 25%於授出日期起的首個週年日歸屬；25%於授出日期起的第二個週年日歸屬；25%於授出日期起的第三個週年日歸屬；及25%於授出日期起的第四個週年日歸屬。

上述購股權的合約期為10年。

就會計處理而言，計量所取得服務及所達成表現於授出日期的公平值時並未考慮服務及表現條件。完成若干研發及財務表現里程碑被視為在估計預計將歸屬的購股權數目時考慮的非市場表現歸屬條件。於授出日期的公平值已反映市場條件。

- (b) 購股權的數目及加權平均行使價如下：

於2023年12月31日發行在外的購股權的行使價為3.26港元，加權平均剩餘合約期為8.96年。

23. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(ii) Post-IPO Scheme (Continued)

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial model.

Grant date 授出日期		December 15, 2022 2022年12月15日
Fair value at measurement date	於計量日期的公平值	HK\$1.44 – HK\$1.84 1.44港元至1.84港元
Share price	股份價格	HK\$3.23 3.23港元
Exercise price	行使價	HK\$3.26 3.26港元
Expected volatility	預期波動	47.19%
Option life	購股權期限	10 years 10年
Expected dividend yield	預期股息率	0.00%
Risk-free interest rate	無風險利率	3.65%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

(d) Equity-settled share-based payment expenses recognized in the consolidated statement of profit or loss are as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Research and development expenses	研發開支	1,661	88
General and administrative expenses	一般及行政費用	2,309	878
Selling and distribution expenses	銷售及分銷開支	689	37
		4,659	1,003

23. 以權益結算以股份為基礎的交易(續)

(ii) 首次公開發售後計劃(續)

(c) 購股權的公平值及假設

以已授出購股權換取的已取得服務的公平值乃參考所授出購股權的公平值計量。所授出購股權的公平值估計根據二項式模型計量。購股權的合約期用作該模型的輸入數據。提前行使的預期已計入二項式模型。

預期波動乃基於歷史波動(按購股權加權平均剩餘期限計算), 並就基於公開資料預期的任何未來波動變更作出調整。預期股息乃基於歷史股息得出。主觀輸入數據假設的變動可能對公平值估計產生重大影響。

(d) 在綜合損益表中確認的以權益結算以股份為基礎的付款開支:

Notes to the Financial Statements

財務報表附註

24. CAPITAL AND RESERVES

(a) Movement in components of the equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the reporting period are set out below:

Company

		Share capital	Share premium	Other reserve	Capital reserve	Exchange reserve	Accumulated losses	Total
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	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
Balance at January 1, 2022	於2022年1月1日的結餘	-*	5,413,964	(129,033)	86,759	(8,898)	(2,542,628)	2,820,164
Changes in equity for 2022:	2022年的權益變動：							
Loss for the year	年內虧損	-	-	-	-	-	(12,369)	(12,369)
Other comprehensive income	其他全面收益	-	-	-	-	247,341	-	247,341
Equity-settled share-based payment expenses	以股權結算以股份為基礎的付款開支	-	-	-	48,051	-	-	48,051
Shares issued under share option schemes	根據購股權計劃發行的股份	-*	13,547	-	(12,297)	-	-	1,250
Balance at December 31, 2022 and January 1, 2023	於2022年12月31日及2023年1月1日的結餘	-*	5,427,511	(129,033)	122,513	238,443	(2,554,997)	3,104,437
Changes in equity for 2023:	2023年的權益變動：							
Loss for the year	年內虧損	-	-	-	-	-	26,495	26,495
Other comprehensive income	其他全面收益	-	-	-	-	88,107	-	88,107
Equity-settled share-based payment expenses	以股權結算以股份為基礎的付款開支	-	-	-	22,023	-	-	22,023
Shares issued under share option schemes	根據購股權計劃發行股份	-*	16,125	-	(14,272)	-	-	1,853
Lapsed share options	已失效購股權	-	-	-	(7,457)	-	7,457	-
Balance at December 31, 2023	於2023年12月31日的結餘	-*	5,443,636	(129,033)	122,807	326,550	(2,521,045)	3,242,915

* The balance represents amount less than RMB1,000.

(a) 權益組成部分變動

本集團綜合權益各組成部分年初及年末結餘的對賬載於綜合權益變動表。本公司權益個別組成部分於各報告期初及期末之間的變動詳情載於下文：

本公司

* 結餘金額少於人民幣1,000元。

Notes to the Financial Statements

財務報表附註

24. CAPITAL AND RESERVES (CONTINUED)

(b) Share capital

Issued and fully paid

		2023 2023年		2022 2022年	
		Number of shares 股份數目	Amount 金額 RMB'000 人民幣千元	Number of shares 股份數目	Amount 金額 RMB'000 人民幣千元
Ordinary shares, issued and fully paid	已發行及繳足普通股				
At the beginning of the year	年初	543,843,992	—*	541,946,928	—*
Shares issued under share option schemes	根據購股權計劃發行的股份	2,295,180	—*	1,897,064	—*
At the end of the year	年末	546,139,172	—*	543,843,992	—*

* The balance represents amount less than RMB1,000.

(c) Issued ordinary shares

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

(d) Dividends

The directors do not recommend the payment of any dividend for the year ended December 31, 2023 (2022: Nil).

24. 資本及儲備(續)

(b) 股本

已發行及繳足

		2023 2023年		2022 2022年	
		Number of shares 股份數目	Amount 金額 RMB'000 人民幣千元	Number of shares 股份數目	Amount 金額 RMB'000 人民幣千元
Ordinary shares, issued and fully paid	已發行及繳足普通股				
At the beginning of the year	年初	543,843,992	—*	541,946,928	—*
Shares issued under share option schemes	根據購股權計劃發行的股份	2,295,180	—*	1,897,064	—*
At the end of the year	年末	546,139,172	—*	543,843,992	—*

* 結餘金額少於人民幣1,000元。

(c) 已發行普通股

普通股持有人有權收取不時宣派的股息，並於本公司大會上就每股份享有一票的投票權。所有普通股於本公司剩餘資產中享有均等的權益。

(d) 股息

董事不建議派付截至2023年12月31日止年度的任何股息(2022年：無)。

24. CAPITAL AND RESERVES (CONTINUED)

(e) Nature and purpose of reserves

(i) Share premium

The share premium represents the difference between the par value of the ordinary shares of the Company and proceeds received from the issue of the ordinary shares of the Company. Under the Cayman Companies Act, the share premium account of the Company is distributable to the ordinary shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debts as they fall due in the ordinary course of the business.

(ii) Other reserves

Other reserves represent (i) the waiver of the amount from a shareholder arising from the issue of the Company's ordinary shares to a shareholder as deemed distribution to a shareholder; and (ii) the waiver of the amounts due to fellow subsidiaries arising from research and development activities as capital contribution to the Group, pursuant to instructions from the then ultimate holding company in July 2020 and August 2020 respectively.

(iii) Capital reserve

The capital reserve comprises the portion of the grant date fair value of unexercised share options granted to employees, directors and consultants of the Group that has been recognized in accordance with the accounting policy adopted for share-based payments in note 2(o)(ii).

(iv) Merger reserve

Merger reserve represents the difference between the fair value of the consideration paid for the acquisition of Zhaoke Guangzhou from Zhaoke PHK and the investment cost as originally contributed by Zhaoke PHK.

24. 資本及儲備(續)

(e) 儲備性質及目的

(i) 股份溢價

股份溢價指本公司普通股面值與本公司發行普通股收取的所得款項之間的差額。根據開曼公司法，本公司的股份溢價賬可分派予本公司普通股股東，惟緊隨建議分派股息之日後，本公司須有能力於日常業務中清償到期債務。

(ii) 其他儲備

其他儲備指根據當時最終控股公司先後於2020年7月及2020年8月作出的指示，(i)放棄因本公司向一名股東發行普通股而應收一名股東的款項，作為視作向一名股東分派；及(ii)豁免因研發活動而應付同系附屬公司的款項，作為對本集團的出資。

(iii) 資本儲備

資本儲備包括於授予本集團僱員、董事及顧問而未行使的購股權於授出日期的公平值中，按照附註2(o)(ii)中就以股份為基礎的付款採納的會計政策確認的部分。

(iv) 合併儲備

合併儲備指就向兆科藥業香港收購兆科廣州支付的代價之公平值與兆科藥業香港初步出資投資成本之間的差額。

24. CAPITAL AND RESERVES (CONTINUED)

(e) Nature and purpose of reserves (Continued)

(v) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations with functional currency other than RMB. The reserve is dealt with in accordance with the accounting policies set out in note 2(s).

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders return, taking into consideration the future of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows and projected capital expenditures.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, new debt financing or the redemption of existing debt. The Group made no changes to its capital management objectives, policies or processes during the current and prior years.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

24. 資本及儲備(續)

(e) 儲備性質及目的(續)

(v) 匯兌儲備

匯兌儲備包括換算功能貨幣並非人民幣的業務的財務報表所產生的所有外匯差額。該儲備乃根據附註2(s)所載會計政策處理。

(f) 資本管理

本集團管理資本的首要任務乃保證本集團持續經營的能力，以繼續為股東提供回報及為其他持份者帶來利益。

本集團積極及定期檢討及管理資本架構，以確保最佳資本架構及股東回報，並考慮本集團的未來及資本效率、當時及預期盈利能力、預期經營現金流量及預期資本支出。

本集團管理資本架構以及根據經濟狀況轉變作出調整。本集團或會通過調整向股東派發的股息、向股東退還資本、發行新股、新債務融資或贖回現有債務以保持或調整資本架構。本集團本年度及過往年度的資本管理目標、政策或程序並無轉變。

本公司或其任何附屬公司均沒有外部施加的資本要求。

25. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below:

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade and other receivables. The Group's exposure to credit risk arising from cash and bank balances is limited because the counterparties are reputable banks, for which the Group considered to have insignificant credit risk.

The Group does not provide any guarantees which would expose the Group to credit risk.

The Group has assessed that during the year, trade and other receivables has not had a significant increase in credit risk since initial recognition. Thus, a 12-month expected credit loss approach that results from possible default event within 12 months of the end of the reporting period is adopted by the Group. The Group assesses the credit quality of the counterparties by taking into account their financial position, the past loss experience, existing market conditions as well as forward looking information at the end of the reporting period. Further quantitative disclosure in respect of the Group's exposure to credit risk arising from trade and other receivables is set out in note 15.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the Company's shareholders when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

25. 金融風險管理及金融工具 公平值

本集團在日常業務中面臨信貸、流動資金、利率和貨幣風險。本集團面臨該等風險的敞口及本集團管理該等風險所用的金融風險管理政策和慣例描述如下：

(a) 信貸風險

信貸風險指交易對手違反合約責任而導致本集團蒙受財務損失的風險。本集團的信貸風險主要來自貿易及其他應收款項。本集團來自現金及銀行結餘的信貸風險有限，因為交易對手為信譽良好銀行，故本集團認為信貸風險並不重大。

本集團並無提供將令本集團面臨信貸風險的任何擔保。

本集團已評估年內貿易及其他應收款項的信貸風險自首次確認以來並無大幅上升。因此，本集團採用於報告期末12個月內可能違約事件產生的12個月預期信貸虧損方法。於報告期末，本集團透過考慮交易對手的財務狀況、過往虧損經驗、當時市場狀況以及前瞻性資料評估交易對手的信貸質素。有關本集團因貿易及其他應收款項而產生的信貸風險的進一步定量披露資料載於附註15。

(b) 流動資金風險

本集團內各營運實體負責各自的現金管理，包括就現金盈餘進行短期投資和貸款集資以應付預期現金需求，惟於借款超過若干預定授權水平時需經本公司的股東批准。本集團的政策是定期監察流動資金需求，以確保維持充足的現金儲備以及向主要金融機構取得充足的承諾信貸額度，應付短期及較長期流動資金需求。

25. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk (Continued)

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

		Contractual undiscounted cash outflow 合約未貼現現金流出				Total 總計	Carrying amount 賬面金額
		Within 1 year or on demand 於一年內或 按要求	More than 1 year but less than 2 years 超過一年 但少於兩年	More than 2 years but less than 5 years 超過兩年 但少於五年	More than 5 years 超過五年		
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at December 31, 2023	於2023年12月31日						
Trade and other payables	貿易及其他應付款項	116,637	–	–	–	116,637	116,637
Amounts due to related companies	應付關聯公司款項	2,473	–	–	–	2,473	2,473
Bank loans	銀行貸款	206,577	–	–	–	206,577	206,577
Lease liabilities	租賃負債	9,859	8,441	16,299	–	34,599	31,449
		335,546	8,441	16,299	–	360,286	357,136
As at December 31, 2022	於2022年12月31日						
Trade and other payables	貿易及其他應付款項	83,418	–	–	–	83,418	83,418
Amounts due to related companies	應付關聯公司款項	6,897	–	–	–	6,897	6,897
Bank loans	銀行貸款	94,500	–	–	–	94,500	94,500
Lease liabilities	租賃負債	9,899	8,166	21,883	2,193	42,141	37,428
		194,714	8,166	21,883	2,193	226,956	222,243

(c) Interest rate risk

The Group's interest-bearing financial liabilities at variable rate at the end of the reporting period are bank loans, and the cash flow interest risk arising from the change of market interest rate on the balance of relatively short maturity is not considered significant. The Group's interest-bearing financial liabilities at fixed interest rates at the end of the reporting period are lease liabilities that are measured at amortized cost, and the change of market interest rate does not expose the Group to cash flow interest rate risk. Overall, the Group's exposure to interest rate risk is not significant.

25. 金融風險管理及金融工具 公平值(續)

(b) 流動資金風險(續)

下表列示本集團非衍生金融負債於報告期末的餘下合約期限，乃根據合約未貼現現金流量(包括使用合約利率計算的利息付款；或倘為浮動利率，則根據於報告期末的現行利率計算)以及本集團可能須付款的最早日期計算：

(c) 利率風險

本集團於報告期末以浮動利率計息的金融負債為銀行貸款，而該到期日較短的結餘因市場利率變動而產生的現金流量利率風險被視為不重大。本集團於報告期末以固定利率計息的金融負債為按攤銷成本計量的租賃負債，而市場利率變動不會令本集團面臨現金流量利率風險。整體而言，本集團面臨的利率風險並不重大。

25. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk

The Group is exposed to currency risk primarily through different functional currency in different subsidiaries which give rise to cash and bank balances and payables that are denominated in a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily EUR and US\$.

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognized assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency is excluded.

25. 金融風險管理及金融工具公平值(續)

(d) 貨幣風險

本集團面臨的貨幣風險主要來自各附屬公司不同的功能貨幣，該等附屬公司產生以交易所涉業務的功能貨幣以外的貨幣計值的現金及銀行結餘以及應付款項。產生此風險的貨幣主要為歐元及美元。

(i) 面臨貨幣風險

下表詳述本集團於報告期末因已確認資產或負債(以資產與負債所涉實體功能貨幣以外貨幣計值)而產生的貨幣風險。為呈報目的，有關風險金額乃以人民幣列示，使用年結日的即期匯率換算。因將外國業務的財務報表換算為本集團呈列貨幣而產生的差額並無計算在內。

		Exposure to foreign currencies 外幣風險			
		2023 2023年		2022 2022年	
		US\$ 美元	EUR 歐元	US\$ 美元	EUR 歐元
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	28,564	7	5,145	689
Trade and other payables	貿易及其他應付款項	—	—	—	(1,733)
Net exposures arising from recognized assets and liabilities	已確認資產與負債產生的風險淨額	28,564	7	5,145	(1,044)

25. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk (Continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss after tax (and accumulated losses) and other components of consolidated equity that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

		2023 2023年		2022 2022年	
		Increase/ (decrease) in foreign exchanges rates	(Decrease)/ increase on loss after tax and accumulated losses	Increase/ (decrease) in foreign exchanges rates	(Decrease)/ increase on loss after tax and accumulated losses
		外幣匯率 上升/(下降)	除稅後虧損及 累計虧損 (減少)/增加 RMB'000 人民幣千元	外幣匯率 上升/(下降)	除稅後虧損及 累計虧損 (減少)/增加 RMB'000 人民幣千元
US\$	美元	5% (5%)	(1,428) 1,428	5% (5%)	(257) 257
EUR	歐元	5% (5%)	—* —*	5% (5%)	52 (52)

* The balance represents amount less than RMB1,000.

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' loss after tax and equity measured in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments which expose the Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis for 2022.

25. 金融風險管理及金融工具 公平值(續)

(d) 貨幣風險(續)

(ii) 敏感度分析

下表顯示在所有其他風險變數保持不變的情況下，倘於報告期末令本集團面臨重大風險的外幣匯率於該日出現變動，本集團除稅後虧損(及累計虧損)及綜合權益其他組成部分將出現的即時變動。

* 結餘金額少於人民幣1,000元。

上表呈列的分析結果乃為呈報目的綜合按報告期末的適用匯率將各集團實體以其各自功能貨幣計量的除稅後虧損及權益換算為人民幣所造成的即時影響。

有關敏感度分析假設於報告期末令本集團面臨外幣風險的金融工具已應用外幣匯率變動重新計量。該分析乃按與2022年相同的基準進行。

Notes to the Financial Statements

財務報表附註

25. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair value measurements

All other financial instruments are carried at amortized costs not materially different from their fair values as at December 31, 2023 and 2022.

26. COMMITMENT

Commitments outstanding at December 31, 2023 not provided for in the financial statements were as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Contracted for research and development expenses	就研發開支訂約	9,841	239,027
Contracted for acquisition of machinery and equipment	就購買機器及設備訂約	13,637	13,441
Contracted for purchase of materials	就購買材料訂約	34,800	24,691
		58,278	277,159

27. MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 9 and certain of the highest paid employees as disclosed in note 10, is as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他酬金	26,491	25,430
Discretionary bonuses	酌情花紅	6,590	6,339
Share-based payments	以股份為基礎的付款	16,080	33,917
Retirement scheme contributions	退休計劃供款	1,150	1,243
		50,311	66,929

Total remuneration is included in "staff costs" (see note 7(b)).

25. 金融風險管理及金融工具公平值(續)

(e) 公平值計量

於2023年及2022年12月31日，所有其他金融工具按與其公平值並無重大差異的攤銷成本列賬。

26. 承擔

財務報表內於2023年12月31日尚未撥備的未履行承擔如下：

27. 重大關聯方交易

(a) 主要管理層人員薪酬

本集團主要管理層人員薪酬(包括已付附註9所披露本公司董事及附註10所披露若干最高薪僱員款項)如下：

薪酬總額計入「員工成本」(見附註7(b))。

27. MATERIAL RELATED PARTY
TRANSACTIONS (CONTINUED)

(b) Financing arrangements

27. 重大關聯方交易(續)

(b) 融資安排

		Amounts owed by the Group to a related party 本集團結欠一名關聯方款項 As at December 31, 於12月31日		Related interest expense 相關利息開支 Year ended December 31, 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Lease liabilities due to Zhaoke Pharmaceutical (Guangzhou) Limited	應付兆科藥業(廣州)有限 公司的租賃負債	28,520	33,957	1,540	1,682

Note: The outstanding balances arising from the leasing arrangements with Zhaoke Pharmaceutical (Guangzhou) Limited are included in "Lease liabilities" (note 21). Further details of the lease arrangements are set out in note 12(b)(i).

On March 1, 2022, Zhaoke Guangzhou renewed the leasing arrangements in relation to the leased premises with Zhaoke Pharmaceutical (Guangzhou) Limited, an indirect wholly owned subsidiary of Lee's Pharmaceutical Holdings Limited ("Lee's Pharm"), a substantial shareholder of the Company. The terms of the arrangements commenced on March 1, 2022 and will expire on January 31, 2025.

附註：與兆科藥業(廣州)有限公司訂立租賃安排所產生的未支付結餘計入「租賃負債」(附註21)。有關該等租賃安排的進一步詳情載於附註12(b)(i)。

於2022年3月1日，兆科廣州與兆科藥業(廣州)有限公司(本公司主要股東李氏大藥廠控股有限公司(「李氏大藥廠」)的間接全資附屬公司)就租賃物業重續租賃安排。安排年期於2022年3月1日開始，於2025年1月31日屆滿。

Notes to the Financial Statements

財務報表附註

27. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

27. 重大關聯方交易(續)

(c) Other significant related party transactions

(c) 其他重大關聯方交易

The Group had the following transactions with related parties:

本集團與關聯方訂有以下交易：

		Year ended December 31, 截至12月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Purchase of goods	購買貨品		
Guangzhou Zhaoke Lian Fa Pharmaceutical Limited (note (i))	廣州兆科聯發醫藥有限公司 (附註(i))	582	162
Zhaoke Pharmaceutical (Guangzhou) Limited (note (ii))	兆科藥業(廣州)有限公司 (附註(ii))	—	735
Procurement of CRO Services	購買CRO服務		
Zhaoke Pharmaceutical (Hefei) Co. Limited (note (iii))	兆科藥業(合肥)有限公司 (附註(iii))	18,066	15,124
Procurement of administrative services	購買行政服務		
Zhaoke Pharmaceutical (Guangzhou) Limited (note (iv))	兆科藥業(廣州)有限公司 (附註(iv))	1,170	153
Procurement of CMO Services	購買CMO服務		
Zhaoke Pharmaceutical (Hefei) Co. Limited (note (v))	兆科藥業(合肥)有限公司 (附註(v))	1,997	—
Acquisition of distribution rights	收購分銷權		
Zhaoke Pharmaceutical (Hefei) Co. Limited (note (vi))	兆科藥業(合肥)有限公司 (附註(vi))	18,868	—
Short-term lease of properties	物業短期租賃		
Zhaoke Pharmaceutical (Hefei) Co. Limited (note (vii))	兆科藥業(合肥)有限公司 (附註(vii))	586	—

27. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Other significant related party transactions (Continued)

Notes:

- (i) This represents purchase of goods from Guangzhou Zhaoke Lian Fa Pharmaceutical Limited, an indirect wholly owned subsidiary of Lee's Pharm, in respect of materials for research and development.
- (ii) This represents purchase of goods from Zhaoke Pharmaceutical (Guangzhou) Limited, an indirect wholly owned subsidiary of Lee's Pharm, in respect of equipment for research and development.
- (iii) This represents CRO Service fee paid to Zhaoke Pharmaceutical (Hefei) Co. Limited, an indirect wholly owned subsidiary of Lee's Pharm, in relation to research and development.
- (iv) This represents consultancy service fee paid to Zhaoke Pharmaceutical (Guangzhou) Limited, an indirect wholly owned subsidiary of Lee's Pharm, in relation to research and development.
- (v) This represents CMO Service fee paid to Zhaoke Pharmaceutical (Hefei) Co. Limited, an indirect wholly owned subsidiary of Lee's Pharm, in relation to manufacture and supply of goods.
- (vi) This represents acquisition of distribution rights and associated assets of a drug from Zhaoke Pharmaceutical (Hefei) Co. Limited, an indirect wholly owned subsidiary of Lee's Pharm.
- (vii) This represents short-term lease of properties from Zhaoke Pharmaceutical (Hefei) Co. Limited, an indirect wholly owned subsidiary of Lee's Pharm.

(d) Applicability of the Listing Rules relating to connected transactions

The related party transactions disclosed in note 27(b) and (c) above constitute connected transactions or continuing connected transactions. Among which, purchase of goods, procurement of administrative services and short-term lease of properties are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as they are below the de minimis threshold under Rule 14A.76(1). The disclosures required by Chapter 14A of the Listing Rules are provided in section headed "Connected Transactions" of the Report of Directors.

27. 重大關聯方交易(續)

(c) 其他重大關聯方交易(續)

附註：

- (i) 指就研發材料向廣州兆科聯發醫藥有限公司(李氏大藥廠的間接全資附屬公司)購買貨品。
- (ii) 指就研發設備向兆科藥業(廣州)有限公司(李氏大藥廠的間接全資附屬公司)購買貨品。
- (iii) 指就研發向兆科藥業(合肥)有限公司(李氏大藥廠的間接全資附屬公司)支付的CRO服務費用。
- (iv) 指就研發向兆科藥業(廣州)有限公司(李氏大藥廠的間接全資附屬公司)支付的顧問服務費用。
- (v) 指就製造及供應貨品向兆科藥業(合肥)有限公司(李氏大藥廠的間接全資附屬公司)支付的CMO服務費用。
- (vi) 指向兆科藥業(合肥)有限公司(李氏大藥廠的間接全資附屬公司)收購一款藥物的分銷權及相關資產。
- (vii) 指來自兆科藥業(合肥)有限公司(李氏大藥廠的間接全資附屬公司)的物業短期租賃。

(d) 就關連交易應用上市規則

上文附註27(b)及(c)披露的關聯方交易構成關連交易或持續關連交易。其中，購買貨品、購買行政服務及物業短期租賃因低於上市規則第14A.76(1)條最低豁免水平，獲豁免遵守上市規則第十四A章的披露規定。上市規則第十四A章所規定的披露載於董事會報告中「關連交易」一節。

Notes to the Financial Statements

財務報表附註

28. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

28. 公司層面的財務狀況表

		At December 31, 於12月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
		Notes 附註	
Non-current assets	非流動資產		
Intangible assets	無形資產		103,815
Investments in subsidiaries	於附屬公司的投資	14	126,902
			230,717
Current assets	流動資產		
Other receivables and prepayments	其他應收款項及預付款項		8,356
Amount due from a subsidiary	應收一間附屬公司款項		1,530,923
Pledged bank balances	已抵押銀行結餘		35,763
Time deposits with original maturity over three months	原到期日超過三個月的定期存款		8,873
Cash and cash equivalents	現金及現金等價物		1,295,407
			2,879,322
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計費用		5,602
			5,602
Net current assets	流動資產淨值		2,873,720
Net assets	資產淨值		3,104,437
Capital and reserves	資本及儲備	24	
Share capital	股本	24(b)	—*
Reserves	儲備		3,104,437
Total equity	權益總額		3,104,437

* The balance represents amount less than RMB1,000.

* 結餘金額少於人民幣1,000元。

Approved and authorized for issue by the board of directors on March 27, 2024.

於2024年3月27日經董事會批准及授權刊發。

Dr. Li Xiaoyi
李小羿博士
Director
董事

Mr. Dai Xiangrong
戴向榮先生
Director
董事

Notes to the Financial Statements

財務報表附註

29. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED DECEMBER 31, 2023

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended December 31, 2023 and which have not been adopted in these financial statements. These developments include the followings which may be relevant to the Group:

29. 於截至2023年12月31日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋可能產生的影響

截至本財務報表刊發日期，香港會計師公會已頒佈於截至2023年12月31日止年度尚未生效且並無於本財務報表中獲採納的多項新訂或經修訂準則。可能與本集團有關的變動包括以下各項：

	Effective for accounting periods beginning on or after 於以下日期或之後開始的會計期間生效
Amendments to HKAS 1, <i>Presentation of financial statements: Classification of liabilities as current or non-current</i> (“2020 amendments”) 香港會計準則第1號(修訂本)財務報表的呈列：將負債分類為流動或非流動(「2020年修訂本」)	January 1, 2024 2024年1月1日
Amendments to HKAS 1, <i>Presentation of financial statements: Non-current liabilities with covenants</i> (“2022 amendments”) 香港會計準則第1號(修訂本)財務報表的呈列：附帶契諾的非流動負債(「2022年修訂本」)	January 1, 2024 2024年1月1日
Amendments to HKFRS 16, <i>Leases: Lease liability in a sale and leaseback</i> 香港財務報告準則第16號(修訂本)租賃：售後租回中的租賃負債	January 1, 2024 2024年1月1日
Amendments to HKAS 7, <i>Statement of cash flows and HKFRS 7, Financial Instruments: Disclosures: Supplier finance arrangements</i> 香港會計準則第7號(修訂本)現金流量表及香港財務報告準則第7號(修訂本)金融工具：披露：供應商融資安排	January 1, 2024 2024年1月1日
Amendments to HKAS 21, <i>The effects of changes in foreign exchange rates: Lack of exchangeability</i> 香港會計準則第21號(修訂本)匯率變動的影響：缺乏可兌換性	January 1, 2025 2025年1月1日

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正在評估該等變動於首次應用期間的預期影響。迄今之結論為，採納該等變動不大可能對綜合財務報表構成重大影響。

Definitions

釋義

“AGM” 「股東週年大會」	the annual general meeting of our Company 本公司股東週年大會
“ANDA” 「簡化新藥申請」	abbreviated new drug application, an application for a generic drug to an approved drug in China 簡化新藥申請，於中國對已獲批藥物的仿製藥申請
“Articles of Association” 「組織章程細則」	the articles of association of our Company conditionally adopted on April 1, 2021 and affective on the Listing Date, as amended from time to time 本公司於2021年4月1日有條件採納並於上市日期生效的組織章程細則，經不時修訂
“ASEAN” 「東盟」	the Association of Southeast Asian Nations 東南亞國家聯盟
“Audit Committee” 「審核委員會」	the audit committee of the Board 董事會轄下的審核委員會
“Board” or “Board of Directors” 「董事會」	the board of directors of our Company 本公司董事會
“Business Day” 「營業日」	a day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong 香港銀行通常向公眾開放辦理一般銀行業務的日子，且並非星期六、星期日或香港公眾假期
“BVI” 「英屬處女群島」	the British Virgin Islands 英屬處女群島
“CBO” 「首席業務官」	the chief business officer of our Company 本公司首席業務官
“CDE” 「藥品審評中心」	the Center for Drug Evaluation of NMPA (國家藥品監督管理局藥品審評中心), a division of the NMPA mainly responsible for review and approval of IND and NDA 國家藥品監督管理局藥品審評中心，國家藥監局的下屬部門，主要負責新藥試驗申請及新藥申請的審批
“CED” 「CED」	corneal epithelial defect 角膜上皮缺損
“CEO” 「行政總裁」	the chief executive officer of our Company 本公司行政總裁
“CFO” 「首席財務官」	the chief financial officer of our Company 本公司首席財務官
“CG Code” 「企業管治守則」	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules 上市規則附錄C1所載企業管治守則
“China” or “the PRC” 「中國」	the People’s Republic of China excluding, for the purpose of this annual report and for geographical reference only and except where the context requires otherwise, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan 中華人民共和國，就本年報而言及僅供地理參考及除文義另有所指外，不包括香港、中國澳門特別行政區及台灣

Definitions

釋義

“CMO” [首席醫學官]	the chief medical officer of our Company 本公司首席醫學官
“Companies Act of the Cayman Islands” [開曼群島公司法]	the Companies Act Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time 開曼群島法律第22章公司法(1961年法例3，經綜合及修訂)，經不時修訂、補充或以其他方式修改
“Company”, “our Company”, “the Company”, “we”, or “Zhaoke Ophthalmology” [本公司]、[我們]或[兆科眼科]	Zhaoke Ophthalmology Limited 兆科眼科有限公司
“connected person(s)” [關連人士]	has the meaning ascribed thereto under the Listing Rules 上市規則賦予該詞的涵義
“connected transaction(s)” [關連交易]	has the meaning ascribed thereto under the Listing Rules 上市規則賦予該詞的涵義
“Controlling Shareholder(s)” [控股股東]	has the meaning ascribed thereto under the Listing Rules 上市規則賦予該詞的涵義
“Core Product(s)” [核心產品]	has the meaning ascribed to it in Chapter 18A of the Listing Rules; for purposes of this annual report, our Core Product refers to CsA ophthalmic gel and ZKY001 具有上市規則第十八A章賦予該詞的涵義；就本年報而言，我們的核心產品指環孢素A眼凝膠及ZKY001
“CRO” [CRO]	contract research organization, a company that provides support to pharmaceutical companies by providing a range of professional research services on a contract basis 合約研究機構，以約聘形式提供各類專業研究服務，為製藥公司提供支援的公司
“CsA” [環孢素A]	a selective immuno-suppressant that inhibits calcineurin, an activator of T cells 抑制鈣調磷酸酶(T細胞的激活素)的選擇性免疫抑制劑
“CSO” [首席科學官]	the chief science officer of our Company 本公司首席科學官
“DED” [乾眼症]	dry eye disease 乾眼症
“Director(s)” [董事]	the director(s) of our Company, including all executive directors, non-executive directors and independent non-executive directors 本公司董事，包括全體執行董事、非執行董事及獨立非執行董事
“DME” [DME]	diabetic macular edema 糖尿病黃斑水腫
“EMA” [EMA]	European Medicines Agency 歐洲藥品管理局
“EU” [歐盟]	the European Union 歐洲聯盟
“Executive Committee” [執行委員會]	the executive committee of the Board 董事會轄下的執行委員會

Definitions

釋義

“FDA” 「FDA」	the United States Food and Drug Administration 美國食品藥品監督管理局
“Financial Statements” 「財務報表」	the consolidated financial statements of the Group for the year ended December 31, 2023 as audited by KPMG 經畢馬威會計師事務所審核的本集團截至2023年12月31日止年度綜合財務報表
“Global Offering” 「全球發售」	the offer for subscription of the shares and placing of the shares as described in the Prospectus 招股章程所述的股份認購要約及股份配售
“GMP” 「GMP」	good manufacturing practice 藥品生產質量管理規範
“Greater China” 「大中華」	the PRC, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan 中國、香港、中國澳門特別行政區及台灣
“Group”, “our Group”, “the Group”, “we” 「本集團」或「我們」	our Company and its subsidiaries 本公司及其附屬公司
“HK\$” or “HKD” 「港元」	Hong Kong dollars, the lawful currency of Hong Kong 香港法定貨幣港元
“HKFRS” 「香港財務報告準則」	Hong Kong Financial Reporting Standards 香港財務報告準則
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“IND” 「新藥試驗申請」	investigational new drug, the application for which is the first step in the drug review process by regulatory authorities to decide whether to permit clinical trials. Also known as clinical trial application, or CTA, in China 新藥臨床試驗申請，其為監管機構確定是否允許進行臨床試驗的藥物審批過程的第一步。在中國亦被稱為臨床試驗申請
“Investment Committee” 「投資委員會」	the investment committee of the Board 董事會轄下的投資委員會
“KOLs” 「KOL」	key opinion leaders, who are professionals that influence their peers’ medical practice, including but not limited to prescribing behavior 關鍵意見領袖，對同儕的醫療實務(包括但不限於處方行為)有影響力的專業人士
“Latest Practicable Date” 「最後實際可行日期」	April 19, 2024, being the latest practicable date prior to the printing of this annual report for the purpose of ascertaining the information contained herein 2024年4月19日，即本年報付印前為確定其中所載資料的最後實際可行日期
“Lee’s Pharm” 「李氏大藥廠」	Lee’s Pharmaceutical Holdings Limited (李氏大藥廠控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 950) 李氏大藥廠控股有限公司，一間於開曼群島註冊成立的獲豁免有限公司，其股份於聯交所主板上市(股份代號：950)

Definitions

釋義

“Lee’s Pharm Guangzhou” 「李氏大藥廠(廣州)」	Zhaoke Pharmaceutical (Guangzhou) Limited (兆科藥業(廣州)有限公司), a limited liability company established in the PRC on March 3, 2011 and a subsidiary of Lee’s Pharm 兆科藥業(廣州)有限公司，於2011年3月3日在中國成立的有限責任公司，為李氏大藥廠的附屬公司
“Lee’s Pharm Hefei” 「李氏大藥廠(合肥)」	Zhaoke Pharmaceutical (Hefei) Company Limited (兆科藥業(合肥)有限公司), a limited liability company established in the PRC on February 7, 1994 and a subsidiary of Lee’s Pharm 兆科藥業(合肥)有限公司，於1994年2月7日在中國成立的有限責任公司，為李氏大藥廠的附屬公司
“Lee’s Pharm International” 「李氏大藥廠國際」	Lee’s Pharmaceutical International Limited, a limited liability company incorporated in the BVI on August 1, 2001 and a subsidiary of Lee’s Pharm Lee’s Pharmaceutical International Limited，一間於2001年8月1日在英屬處女群島註冊成立的有限公司，為李氏大藥廠的附屬公司
“Listing” or “IPO” 「上市」或「首次公開發售」	the listing of our Shares on the Main Board of the Stock Exchange 股份於聯交所主板上市
“Listing Date” 「上市日期」	April 29, 2021, being the date on which dealings in our Shares first commence on the Main Board of the Stock Exchange 2021年4月29日，即股份於聯交所主板首次開始買賣的日期
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time 聯交所證券上市規則，經不時修訂或補充
“MAH” 「上市許可持有人」	Marketing Authorization Holder, an authorization acquired by the holder upon receipt of the drug registration certificate granted by the NMPA, which allows the holder to partner with contract manufacturing organizations to manufacture the drug concerned 藥品上市許可持有人，持有人於收到國家藥監局批授的藥品註冊證書後取得的許可，容許持有人與合約製造機構合作製造相關藥品
“Main Board” 「主板」	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange 聯交所運作的證券交易所(不包括期權市場)，獨立於聯交所GEM並與之並行運作
“MOA” 「作用機制」	mechanism of action 作用機制
“Model Code” 「標準守則」	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules 上市規則附錄C3所載上市發行人董事進行證券交易的標準守則
“NDA” 「新藥申請」	new drug application, an application through which the drug sponsor formally proposes that the relevant regulatory authority approve a new drug for sales and marketing 新藥上市申請，新藥研發主辦人通過該申請正式建議相關監管機構批准新藥銷售及上市
“NMPA” 「國家藥監局」	National Medical Products Administration, the institution that performs the functions of China Food and Drug Administration instead according to the Institutional Reform Plan of the State Council of the PRC 國家藥品監督管理局，根據中國國務院的機構改革方案，代替國家食品藥品監督管理總局履行職能的機構
“Nomination Committee” 「提名委員會」	the nomination committee of the Board 董事會轄下的提名委員會

<p>“Post-IPO Share Option Scheme”</p> <p>「首次公開發售後購股權計劃」</p>	<p>the post-IPO share option scheme adopted by our Company on April 1, 2021, effective from the Listing Date, as amended from time to time, the principal terms of which are set out in “Appendix IV – Statutory and General Information – D. Share Option Schemes – 2. Post-IPO Share Option Scheme” in the Prospectus</p> <p>本公司於2021年4月1日採納並自上市日期起生效的首次公開發售後購股權計劃，經不時修訂，其主要條款載於招股章程「附錄四—法定及一般資料—D.購股權計劃—2.首次公開發售後購股權計劃」</p>
<p>“Pre-IPO Share Option Scheme”</p> <p>「首次公開發售前購股權計劃」</p>	<p>the pre-IPO share option scheme adopted by our Company on November 17, 2020, the principal terms of which are set out in “Appendix IV – Statutory and General Information – D. Share Option Schemes – 1. Pre-IPO Share Option Scheme” in the Prospectus</p> <p>本公司於2020年11月17日採納的首次公開發售前購股權計劃，其主要條款載於招股章程「附錄四—法定及一般資料—D.購股權計劃—1.首次公開發售前購股權計劃」</p>
<p>“Prospectus”</p> <p>「招股章程」</p>	<p>the prospectus issued by our Company dated April 16, 2021</p> <p>本公司於2021年4月16日刊發的招股章程</p>
<p>“R&D”</p> <p>「研發」</p>	<p>research and development</p> <p>研究及開發</p>
<p>“Remuneration Committee”</p> <p>「薪酬委員會」</p>	<p>the remuneration committee of the Board</p> <p>董事會轄下的薪酬委員會</p>
<p>“Reporting Period”</p> <p>「報告期」</p>	<p>the year ended December 31, 2023</p> <p>截至2023年12月31日止年度</p>
<p>“Retained Lee’s Pharm Group”</p> <p>「保留李氏大藥廠集團」</p>	<p>Lee’s Pharm and its subsidiaries, for the avoidance of doubt, excluding our Group</p> <p>李氏大藥廠及其附屬公司，為免生疑問，不包括本集團</p>
<p>“RMB”</p> <p>「人民幣」</p>	<p>Renminbi</p> <p>人民幣</p>
<p>“SFO”</p> <p>「證券及期貨條例」</p>	<p>Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time</p> <p>香港法例第571章《證券及期貨條例》，經不時修訂、補充或以其他方式修改</p>
<p>“Share(s)”</p> <p>「股份」</p>	<p>ordinary shares in the share capital of our Company of US\$0.00000025 each</p> <p>本公司股本中每股面值0.00000025美元的普通股</p>
<p>“Shareholder(s)”</p> <p>「股東」</p>	<p>holder(s) of Shares</p> <p>股份持有人</p>
<p>“South Korea”</p> <p>「南韓」</p>	<p>the Republic of Korea, its territories, its possessions and all areas subject to its jurisdiction</p> <p>大韓民國、其領土、屬地及受其司法管轄的所有地區</p>
<p>“Stock Exchange”</p> <p>「聯交所」</p>	<p>The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited</p> <p>香港聯合交易所有限公司，為香港交易及結算所有有限公司的全資附屬公司</p>
<p>“Substantial Shareholder(s)”</p> <p>「主要股東」</p>	<p>has the meaning ascribed thereto under the Listing Rules</p> <p>上市規則賦予該詞的涵義</p>

Definitions

釋義

“TOT BIOPHARM” 「東曜藥業」	TOT BIOPHARM International Company Limited (東曜藥業股份有限公司), formerly known as TOT BIOPHARM International Company Limited (東源國際醫藥股份有限公司), a limited liability company established under the laws of Hong Kong in 2009 and one of our licensing partners, whose shares are listed on the Stock Exchange (stock code: 1875) 東曜藥業股份有限公司，前稱東源國際醫藥股份有限公司，於2009年根據香港法例成立的有限公司，為我們的許可方夥伴之一，其股份於聯交所上市(股份代號：1875)
“United States”, “U.S.” or “US” 「美國」	the United States of America, its territories, its possessions and all areas subject to its jurisdiction 美利堅合眾國、其領土、其屬地及受其司法管轄的所有地區
“US\$” or “USD” 「美元」	United States dollars, the lawful currency of the United States 美國法定貨幣美元
“VEGF” 「VEGF」	vascular endothelial growth factor, a signal protein produced by cells that stimulates the formation of blood vessels 血管內皮生長因子，細胞所產生可促進血管形成的一種信號蛋白質
“wAMD” 「wAMD」	wet age-related macular degeneration 濕性老年黃斑部病變
“Zhaoke Guangzhou” 「兆科廣州」	Zhaoke (Guangzhou) Ophthalmology Pharmaceutical Co., Ltd. (兆科(廣州)眼科藥物有限公司), a limited liability company established in the PRC on June 16, 2016 and an indirect wholly-owned subsidiary of our Company 兆科(廣州)眼科藥物有限公司，於2016年6月16日在中國成立的有限責任公司，為本公司的間接全資附屬公司
“Zhaoke HK” 「兆科香港」	Zhaoke (Hong Kong) Ophthalmology Pharmaceutical Limited (兆科(香港)眼科藥物有限公司), a limited liability company incorporated in Hong Kong on July 24, 2017 and a wholly-owned subsidiary of our Company 兆科(香港)眼科藥物有限公司，於2017年7月24日在香港註冊成立的有限公司，為本公司的全資附屬公司



MIX
Paper from responsible sources
源自負責任的森林資源的紙張
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