

# ARRAIL 瑞尔®

Fabulous Smile . Confident You

## Arrail Group Limited 瑞爾集團有限公司

(於英屬維爾京群島註冊成立並於開曼群島存續的有限公司)  
(Incorporated in the British Virgin Islands with limited liability  
and continued in the Cayman Islands)

股份代號 Stock Code: 6639



# 2021/22 ANNUAL REPORT 年度報告

# Company Profile

## 公司簡介

We are a leading dental services group and have established a nationwide footprint in China, operating both Arrail Dental, a leading premium dental services brand, and Rytime Dental, a middle-end dental services brand.

Our mission is to give each of our patients a healthy and confident smile. Our vision is to become a world-leading dental group.

We have been providing dental services since we opened our first Arrail Dental clinic in 1999. We offer a diverse range of professional, personalized dental services spanning (i) general dentistry; (ii) orthodontics; and (iii) implantology. Through decades of commitment and endeavors in the dental healthcare industry, we have earned the trust of our patients.

我們是中國領先的口腔醫療服務集團，業務遍及全國，同時運營瑞爾齒科（領先的高端口腔醫療服務品牌）和瑞泰口腔（中端口腔醫療服務品牌）。

我們的使命是給每位患者帶來健康、自信的微笑。我們的願景是成為世界領先的口腔醫療服務集團。

自1999年開設第一家瑞爾齒科診所以來，我們一直提供口腔醫療服務。我們提供各類專業及個性化口腔醫療服務，包括(i)普通牙科；(ii)正畸科；及(iii)種植科。通過數十年來在口腔醫療行業的投入和努力，我們贏得了患者的信任。



# Table of Contents

## 目錄



|     |   |                |
|-----|---|----------------|
| 2   | Corporate Information   | 公司資料           |
| 5   | Chairman's Statement  | 主席報告           |
| 16  | Financial and Business Highlights                               | 財務及業務摘要        |
| 18  | Management Discussion and Analysis                              | 管理層討論與分析       |
| 42  | Profiles of Directors and Management                            | 董事及管理層簡介       |
| 50  | Directors' Report   | 董事會報告          |
| 91  | Corporate Governance Report                                     | 企業管治報告         |
| 113 | Environmental, Social and Governance Report                     | 環境、社會及管治報告     |
| 198 | Independent Auditor's Report                                    | 獨立審計師報告        |
| 209 | Consolidated Income Statement                                   | 合併損益表          |
| 211 | Consolidated Statement of Comprehensive Loss                    | 合併全面虧損表        |
| 212 | Consolidated Balance Sheet                                      | 合併資產負債表        |
| 214 | Consolidated Statement of Changes in Equity/(Deficit in Equity) | 合併權益／(權益虧絀)變動表 |
| 216 | Consolidated Statement of Cash Flows                            | 合併現金流量表        |
| 218 | Notes to the Consolidated Financial Statements                  | 合併財務報表附註       |
| 376 | Four Year Financial Summary                                     | 四年財務概要         |
| 377 | Definitions and Glossary of Technical Terms                     | 釋義及技術詞彙        |

# Corporate Information 公司資料

## BOARD OF DIRECTORS

### Executive Directors

Mr. ZOU Qifang (鄒其芳) (Chairman)  
Ms. Qin Jessie XIN  
Mr. ZHANG Jincai (章錦才)  
Mr. ZOU Jianlong (鄒劍龍)

### Independent Non-executive Directors

Ms. LIU Xiaomei Michelle  
Mr. SUN Jian (孫健)  
Mr. ZHANG Bang (張磅)

## AUDIT COMMITTEE

Mr. ZHANG Bang (張磅) (Chairman)  
Ms. LIU Xiaomei Michelle  
Mr. SUN Jian (孫健)

## REMUNERATION COMMITTEE

Mr. SUN Jian (孫健) (Chairman)  
Ms. LIU Xiaomei Michelle  
Mr. ZHANG Bang (張磅)

## NOMINATION COMMITTEE

Mr. SUN Jian (孫健) (Chairman)  
Ms. LIU Xiaomei Michelle  
Mr. ZHANG Bang (張磅)

## AUTHORISED REPRESENTATIVES

Ms. Qin Jessie XIN  
Ms. Au Wai Ching (區慧晶)

## COMPANY SECRETARY

Ms. Au Wai Ching (區慧晶)  
(associate member of The Hong Kong Chartered Governance  
Institute and The Chartered Governance Institute)

## REGISTERED OFFICE

Harneys Fiduciary (Cayman) Limited  
4th Floor, Harbour Place  
103 South Church Street  
P.O. Box 10240  
Grand Cayman KY1-1002  
Cayman Islands

## 董事會

### 執行董事

鄒其芳先生 (主席)  
辛勤女士  
章錦才先生  
鄒劍龍先生

### 獨立非執行董事

劉笑梅女士  
孫健先生  
張磅先生

## 審計委員會

張磅先生 (主席)  
劉笑梅女士  
孫健先生

## 薪酬委員會

孫健先生 (主席)  
劉笑梅女士  
張磅先生

## 提名委員會

孫健先生 (主席)  
劉笑梅女士  
張磅先生

## 授權代表

辛勤女士  
區慧晶女士

## 公司秘書

區慧晶女士  
(香港公司治理公會及特許公司治理公會的會員)

## 註冊辦事處

Harneys Fiduciary (Cayman) Limited  
4th Floor, Harbour Place  
103 South Church Street  
P.O. Box 10240  
Grand Cayman KY1-1002  
Cayman Islands

# Corporate Information

## 公司資料

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

6F, Building 11  
No. 18, Ziyue Road  
Chaolai Science Park  
Chaoyang District  
Beijing, the PRC

### 總部及中國主要營業地點

中國北京市  
朝陽區  
朝來高科技產業園  
紫月路18號院  
11號樓6層

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40/F, Dah Sing Financial Centre  
248 Queen's Road East  
Wanchai, Hong Kong

### 香港主要營業地點

香港灣仔  
皇后大道東248號  
大新金融中心40樓

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Harneys Fiduciary (Cayman) Limited  
4th Floor, Harbour Place  
103 South Church Street  
P.O. Box 10240  
Grand Cayman, KY1-1002  
Cayman Islands

### 股份過戶登記總處

Harneys Fiduciary (Cayman) Limited  
4th Floor, Harbour Place  
103 South Church Street  
P.O. Box 10240  
Grand Cayman, KY1-1002  
Cayman Islands

### HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### 香港股份過戶登記處

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室

### HONG KONG LEGAL ADVISOR

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

### 香港法律顧問

凱易律師事務所  
香港  
中環  
皇后大道中15號  
置地廣場  
告羅士打大廈26樓

# Corporate Information

## 公司資料

### AUDITOR

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

### COMPLIANCE ADVISOR

First Shanghai Capital Limited  
19/F, Wing On House  
71 Des Voeux Road Central  
Hong Kong

### STOCK CODE

6639

### COMPANY'S WEBSITE

[www.arrailgroup.com](http://www.arrailgroup.com)

### LISTING DATE

March 22, 2022

### PRINCIPAL BANKS

The Hongkong and Shanghai Banking Corporation Limited  
(Beijing Branch)  
1F, Fortune Financial Center  
5 Dongsanhuan Zhong Road  
Chaoyang District  
Beijing, the PRC

Shanghai Pudong Development Bank (Jingan Branch)  
88 Shimen Second Road  
Jingan District  
Shanghai, the PRC

### 審計師

羅兵咸永道會計師事務所  
執業會計師及註冊公眾利益實體審計師  
香港  
中環  
太子大廈廿二樓

### 合規顧問

第一上海融資有限公司  
香港中環  
德輔道中71號  
永安集團大廈19樓

### 股份代號

6639

### 公司網站

[www.arrailgroup.com](http://www.arrailgroup.com)

### 上市日期

2022年3月22日

### 主要往來銀行

香港上海滙豐銀行有限公司(北京分行)  
中國北京市  
朝陽區  
東三環中路5號  
財富金融中心1層

上海浦東發展銀行(靜安支行)  
中國上海市  
靜安區  
石門二路88號

# Chairman's Statement

## 主席報告

### TO GIVE EACH OF OUR PATIENTS A HEALTHY AND CONFIDENT SMILE

為每位患者帶來健康、自信的微笑



Dear Shareholders,

Thank you for your attention and support in the development of Arrail. I hereby take this opportunity to report to you the basic information on our operations for the year ended March 31, 2022 and outlook for the business development for the year ending March 31, 2023.

#### PERFORMANCE REPORT:

For the year ended March 31, 2022, despite the impact of the COVID-19 pandemic on the business development of the Company, we achieved growth in both revenue and Adjusted Net Profit by fully mobilizing internal resources and improving operating efficiency. Our revenue increased by 7.2%, visits of patients increased by 13.7%, and the Adjusted Net Profit of the Group increased by 18% for the full year. The financial position of the Group was also improved significantly, with a substantial increase in financial liquidity. The cash and cash equivalents of the Group amounted to RMB1.05 billion, representing a year-on-year increase of 55.6%. Net assets also turned from a negative RMB2.46 billion in the previous year to a positive RMB1.61 billion. Benefitted from the efforts of the Company in accumulating talents, business experience and skills, and capitals, we opened 5 new clinics and added 46 dental chairs during the year ended March 31, 2022.

尊敬的各位股東：

感謝各位在瑞爾發展中所給予的關注和支持。本人藉此機會向大家報告截至2022年3月31日止年度經營的基本情況，和對截至2023年3月31日止年度經營發展的展望。

#### 業績報告：

在截至2022年3月31日止年度，儘管本公司業務發展受到新冠疫情的影響，通過充分調動內部資源，提升運營效能，我們仍然實現了收入和經調整淨利潤的雙增長。全年收入增長7.2%，就診人次增長13.7%，本集團經調整淨利潤增長18%。本集團的財務狀況也有了明顯的改善，財務流動性得到了大幅的提升。本集團的現金和現金等價物達到人民幣10.5億元，同比增長55.6%，淨資產也由上一年的負人民幣24.6億元轉為正人民幣16.1億元。受惠於本公司在人才儲備、經營經驗技能、及資金方面的積累，截至2022年3月31日止年度，我們新開業了5家診所，新增46張牙科椅。

# Chairman's Statement

## 主席報告

### OPERATIONS REVIEW:

#### 1) Proactively dealing with the pandemic

Since the outbreak of the COVID-19 pandemic in early 2020, like dark clouds hanging in the sky, various uncertainties were casted over the development of enterprises. During the year ended March 31, 2022, our business was seriously impacted by the pandemic, many clinics had to be shut down, particularly in Xi'an and Dalian. Thanks to the nationwide coverage of the Company, the revenue contribution from each region is balanced, and therefore, the shut-down in one city or place did not go too far as to have a significant impact on our overall business and the Company maintained a steady progress in business operation. In places with large-scale clinic closures due to the pandemic, our medical and customer service teams maintained close communications with customers to prepare for post-pandemic openings. At the same time, we stepped up efforts in and improved the quality of online trainings by making full use of the suspension period to improve the technical capability of our medical personnel. As being well prepared, each clinic saw a significant rebound in business after reopening. In addition, during the pandemic, our medical team actively participated in the anti-pandemic work and assisted the government in providing nucleic acid testing and giving COVID-19 vaccination to more than 400,000 citizens. The impact of the pandemic on us is the same, but the way to respond to it may show completely different results after the pandemic ends.

#### 2) Greater efforts in business expansion

Despite the impact of the pandemic, we remain confident to the market. Such confidence comes from our frontline medical personnel's engagement with our customers. With our treatment, some customers get relief from pain and illness, some have more beautiful smiles, and some are finally able to nibble an apple years later, which make us deeply realize the focus on dental health, the pursuit of beauty and the longing for a better life of the public. We continued to expand our business during the year ended March 31, 2022. We opened 5 new clinics with 46 dental chairs in 2022 and had started the construction of two hospitals and six clinics with 160 dental chairs, which are expected to be opened within the year ending March 31, 2023. It is believed that those projects will help maintain a continuous growth in the coming years.

### 經營回顧：

#### 1) 積極應對疫情

新冠疫情從2020年初爆發以來，如同懸掛在天空中的烏雲，給企業的發展帶來了諸多不確定性。截至2022年3月31日止年度，公司業務受到疫情嚴重衝擊，許多診所不得不停止營業，其中西安、大連兩地尤為嚴重。所幸本公司是全國性的連鎖機構，各區域的收入貢獻均衡，因此一城一地的停擺對整體業務還不足以產生重大影響，本公司的業務保持穩中有進的運轉。而在因疫情爆發而停診的地區，我們的醫務和客服團隊與客戶保持溝通，為疫情後的開業做好準備。同時，我們加大了線上培訓的力度和質量，充分利用停診期間來提升醫務人員的技術能力。由於準備充分，恢復營業後各診所的業務都會出現了大幅度的反彈。另外在疫情期間，我們的醫務團隊積極加入抗疫工作，協助政府開展核酸檢測和新冠疫苗接種工作，服務了超過40萬名市民。疫情對大家的影響是相同的，但如何應對，將會在疫情結束後呈現完全不同的結果。

#### 2) 努力拓展業務

儘管受到疫情的衝擊，我們仍對市場充滿信心。這種信心來自我們的一線醫務人員與客戶的接觸。在接受我們治療後，我們的客戶有些人解決了病痛，有些人擁有更加美麗的微笑，有些人多年以後終於可以啃上一口蘋果，這些讓我們深刻體會到人們對於牙齒健康的重視，對美的追求，對美好生活的憧憬。我們於截至2022年3月31日止年度不斷拓展我們的業務。我們於2022年開設了5家新診所，增加了46張牙科椅，並已開始建設擁有160張牙科椅的兩家醫院及六家診所，預期於截至2023年3月31日止年度開業。相信該等項目將有助於在未來年度保持持續增長。



# Chairman's Statement

## 主席報告

### 3) Focus on improving operation efficiency

The Company continues to focus on the improvement of operating efficiency. Starting from the core indicators, i.e., RPC (Revenue per chair) and RPD (Revenue per dentist), it is divided into various other indicators of operation in respect of customer acquisition, conversion, average revenue per visit and customer satisfaction, etc. The Company conducts real-time analysis and conclusions through "5i5ya" (吾愛吾牙), a self-developed operation platform, to identify the best practice. The Company will update the operation SOP accordingly so as to improve the efficiency at each of the clinics. As a result, for the year ended March 31, 2022, we saw significant improvement of doctor performance, customer satisfaction and profit margins.

### 4) Encouraging to share the experiences

Dental service is a clinically-based practice with relatively fixed techniques but varying experiences. Given the relatively limited number of cases that each person can take on, only after a long period of accumulation can he or she become doctor with an expert skill set. On the other hand, dental service has strong consumption attributes, and each patient may have different personalities and different needs. How to meet individualized needs is a great challenge for customer service personnel. Digitizing experience is a long-term goal of our work. To this end, we have established a multi-level and multi-dimensional experience sharing platform. Learning from each other and utilizing other people's strengths to offset our own weaknesses is the key to the continuous progress of Arrail people.

### 3) 注重提升運營效能

本公司持續關注運營效能的提升，從核心指標即RPC (Revenue per chair)和RPD (Revenue per dentist)入手，按獲客、轉化、客單價、客戶滿意度等維度拆分至多種運營指標。公司利用自主研發運營平台「吾愛吾牙」系統進行實時分析匯總，以明確最佳做法。公司將相應更新SOP運營方式，以提高各診所的效能。因此，於截至2022年3月31日止年度，我們發現醫生業績、客戶滿意度及利潤率顯著改善。

### 4) 鼓勵共享經驗

口腔醫療服務是以臨床為主的學科，技術相對固定，但經驗各有不同。每個人接觸的病例相對有限，只有通過長時間的積累，方有可能成為專家級醫生。在另一方面，口腔醫療服務具備極強的消費屬性，每位患者性格各異，需求不同。如何滿足個性化需求是對客服人員的一大挑戰。把經驗數字化是我們一個長期的工作目標。為了實現這個目標，我們建立了多層級和多方位的經驗分享平台。互相學習，取長補短是瑞爾員工持續進步的關鍵。

# Chairman's Statement

## 主席報告

### 5) Continuously upgrade the platform

Data is valuable only after being connected and circulated. The platform is an effective way to promote data circulation. With the expansion of corporate scale, the role of platform becomes more prominent. In 2017, we devoted huge amount of resources to develop an intelligent and mobile operation management platform. The launch of the platform has greatly promoted the circulation of operations data, improved the efficiency of booking management, increased the capacity of quality control, strengthened the communication with customers and centralized procurement of the key supplies. During the year ended March 31, 2022, we launched the updated EMR (electronic medical record) 2.0 and upgraded the CRM system, which further strengthened the clinical quality control, improved the customer service system and further improved the operating efficiency.

### 6) Listing in Hong Kong

The successful listing on the Stock Exchange is an important milestone of Arrail Group. We are very optimistic about the dental market in China. At present, the market share of Arrail Group is less than 2%, and hence there is a huge growth opportunity before us. We know clearly that we could not achieve our growing objective without capital support. The listing in Hong Kong has broadened the financing channels and provided more financing options for our future development. Meanwhile, it has greatly enhanced the brand influence of Arrail and created more opportunities for us to attract talents and secure customers.

In preparing for the listing, we sorted out the management process in a comprehensive way, improved various compliance requirements and increased the experience of our management team. I believe that all those efforts will contribute to our rapid development in the future.

### 5) 平台持續迭代

數據只有連接並流通方有價值，而平台是促進數據流通的有效方式。隨着企業規模的擴大，平台作用愈加凸顯。我們在2017年，投入「巨資」開發了智能化、移動端的運營管理平台。平台開通後，大大促進了運營數據的流通，提升了預約管理效率，增強了質量控制能力，加強了與客戶之間的溝通，集中了主要供應材料的採購。截至2022年3月31日止年度，我們上線了升級版電子病例2.0版，升級了CRM系統，進一步加強了診所質量控制，完善了客戶服務體系，進一步提升了運營效率。

### 6) 實現香港上市

成功登陸香港交易所是瑞爾集團的一個重要里程碑。我們非常看好中國的口腔醫療市場。目前，瑞爾集團的市場份額不到2%，因此有巨大的增長機遇。我們明白，要實現增長目標就需要資本的支持。香港上市為我們的日後發展拓寬了融資渠道，提供了更多的融資選擇，同時大大提升了瑞爾品牌的影響力，為我們吸引人才，贏得客戶創造了更多的機會。

在準備上市的過程中，我們全面梳理了管理流程，完善了各項合規要求，鍛煉了管理團隊。我相信所有這些努力都將有助於今後的快速發展。

# Chairman's Statement

## 主席報告

### 7) Successfully granted the restricted share units (“RSUs”)

“Jointly creating value and together sharing results” is the guideline for this grant of RSUs of Arrail Group. We have reserved RSUs, which represents 22.4% of the total share capital of the Company, and have granted 76% of it to 616 employees who represent 18.5% of our total staff. Dental service is delivered through clinics and has strong retail attributes. Our frontline management personnel play a key role in ensuring clinical quality and customer satisfaction. Therefore, the grantees of such RSUs include all clinic directors, managers, head nurses and all doctors who have served in Arrail for more than 5 years. We believe that the concept of “jointly creating value and together sharing results” will help us attract more like-minded people and provide high-quality dental services to more consumers.

### 8) Give back to society

Charging itself with social responsibility at all times, Arrail Group actively participates in public welfare activities and insists on raising funds for orphans and disabled children. In fighting the pandemic, the clinics of Arrail Group in each place actively responded to the government call and organized volunteers to provide nucleic acid testing. In May, July and December 2021, Arrail Group and the China Oral Health Foundation jointly organized volunteers to go to Guizhou twice and Qinghai once to provide the dental check-up and treatment for orphans and disabled children, as well as children in need there. In 2021, RMB120,000 was raised during the charity golf tournaments held by Arrail Group in Beijing and Shenzhen respectively. Since 2011, Arrail Group has cooperated with the China Oral Health Foundation to hold charity golf tournaments to raise funds for the oral healthcare of orphans and disabled children. So far, more than 40,000 children have been benefited therefrom. We will continue to do our bit in order to make more kids smile. During the rainstorm in Henan, Arrail Group donated RMB1 million to the Red Cross Society of China to support the disaster relief work.

### 7) 成功發放受限制股份單位

「共同創造價值，一起分享成果」是瑞爾集團此次受限制股份單位發放的指導方針。我們預留了佔公司總股本22.4%的受限制股份單位，並向佔全體員工18.5%的616名員工發放了其中的76%。口腔醫療服務是通過診所提供的，有極強的零售屬性。在確保臨床質量，確保客戶滿意度方面，一線管理人員起着關鍵的作用。我們此次受限制股份單位的授予者包括所有的診所主任、經理、護士長和所有在瑞爾服務5年以上的醫生。我們相信，「共同創造價值，一起分享成果」的理念將有助於我們吸引更多的志同道合者，進而為更多的消費者提供優質的口腔醫療服務。

### 8) 積極回饋社會

瑞爾集團始終以踐行社會責任為己任，積極參與公益活動，堅持為孤殘兒童籌集善款。在抗疫過程中，瑞爾集團各地診所積極相應政府號召，組織志願者參與核酸檢測。2021年5月，7月和12月，瑞爾集團與中國牙防基金會合作組織志願者兩次赴貴州一次去青海，為孤殘兒童和有需求兒童提供口腔檢查和治療。2021年瑞爾集團分別於北京和深圳舉辦了慈善高爾夫球賽，籌集12萬人民幣善款。自2011年以來，瑞爾集團與中國牙防基金會合作，舉辦慈善高爾夫球賽，籌集善款，用於孤殘兒童口腔保健，至今已有4萬多名兒童受益。我們將繼續盡自己微薄之力，讓更多的兒童笑起來。在河南暴雨期間，瑞爾集團通過中國紅十字會捐贈100萬元人民幣支持抗災工作。

# Chairman's Statement

## 主席報告

### BUSINESS OUTLOOK:

In the coming year, we will take “one point, two sides and three bases” as the guideline for our business development. “One point” refers to healthy and rapid growth, which is our business objective; “two sides” refer to talent pool and clinical capability; “three bases” refer to lean management, digital application and corporate culture enhancement. “One point, two sides and three bases” is our internal strength. On the basis of maintaining good internal strength, we will upgrade and expand both Arrail and Rytime brands, actively develop new businesses, explore into new markets, and strive to assume corporate social responsibilities and walk steadily over great distances.

#### One point:

##### *Healthy and rapid growth*

Since the year ended March 31, 2021, the number of fully-fledged clinics of Arrail has exceeded 50%, which in turn has resulted in operating profit. The fully-fledged clinics have been operating for more than 6 years, which are contributors to the operating profit. For the year ended March 31, 2022, the number of fully-fledged clinics accounted for 56%, its revenue accounted for 74% of the total revenue, and its profit accounted for 96%. We believe that as long as the proportion of fully-fledged clinics is above 50%, we will be able to grow on a profitable basis. According to the development of the existing clinics, if the growth of our dental chairs maintains at approximately 15%, the number of fully-fledged clinics will be more than 50%. As such, under normal circumstances, it is possible that the profit growth is higher than the revenue growth, while the revenue achieves relatively rapid growth, thereby achieving the objective of healthy and rapid growth.

Meanwhile, we will proactively look for acquisition targets so to enter the new markets.

### 業務展望：

在未來一年裏，我們將以「一點、二面、三基礎」作為企業發展的指導方針。所謂「一點」，是指健康快速的增長，這是我們經營目標；「二面」是指人才儲備和臨床能力；「三基礎」是指精益化管理、數字化運用和企業文化提升。「一點、二面、三基礎」是我們的內功。在修煉好內功的基礎上，我們將對瑞爾和瑞泰兩個品牌進行升級和拓展，積極嘗試新業務，開闢新市場，並努力踐行企業社會責任，行穩致遠。

#### 一點：

##### *健康快速增長*

自截至2021年3月31日止年度以來，瑞爾穩健增長期診所的數量超過50%，進而產生了經營利潤。穩健增長期診所運營超過6年，是經營利潤的貢獻者。截至2022年3月31日止年度，穩健增長期診所數量佔比達56%，其收入佔總收入的74%，利潤佔96%。我們相信只要穩健增長診所佔比在50%以上，我們就有能力在盈利的基礎上實現增長。根據現有診所發展狀況，如果我們的牙科椅增長數量維持在15%左右，穩健增長期診所數量將維持在50%以上。這樣在正常情況下，我們就有可能實現在收入取得較高增速的同時，利潤增速高於收入增速，進而實現健康、快速增長的目標。

與此同時，我們將積極尋找收購對象以進入新的市場。

## Chairman's Statement 主席報告

### Two sides:

#### *Clinical capability*

As a medical service enterprise, the clinical quality is the foundation, and the clinical capability is the key. In terms of quality control, after more than 20 years of accumulation, we have established a complete control system and set red lines for medical operations. With the support of the platform, we have achieved daily monitoring and regular review. After the EMR (electronic medical record) 2.0 is launched, we will evaluate and iterate the existing management and control system to improve the efficiency of management and control and ensure the clinical quality.

Over the past 10 years, the dental technology has undergone tremendous changes, and digitalization and 3D printing technology have promoted the improvement of clinical capabilities. The rise of removable braces is actually the application of digital technology in the field of orthodontics. Digitalization also has huge application space in the field of prosthodontics and implantology. We will actively support the application of new technologies in the clinical field, encourage innovation, and promote exchanges with international advanced technical experts, thereby enhancing Arrail's overall medical capabilities. On the other hand, we will improve the construction of the consultation platform and promote the communication and sharing among the doctor teams. We will continue to implement the complex case consultation system and the multidisciplinary specialized cooperation system, and gather the strength of all experts within the Group to improve the ability of clinics and hospitals to handle multidisciplinary cases and complex cases within the discipline.

### 二面：

#### *臨床能力*

作為一家醫療服務企業，臨床質量是根本，臨床能力是關鍵。在質量管控方面，經過20多年的積累，我們建立了一套完整的管控體系，設定了醫療操作紅線。在平台的支持下，我們做到了日日監控，定期複查。電子病例2.0版上線之後，我們將對現有管控體系進行評估與迭代，提升管控效率，確保臨床質量。

在過去10多年裏，口腔醫療技術發生了巨大變化，數字化與3D打印技術推動了臨床能力的提升。隱形矯正的興起，實際就是數字化技術在正畸領域的應用。在修復與種植領域數字化也有着巨大的應用空間。我們將積極支持新技術在臨床領域的應用，鼓勵創新，推動與國際先進技術專家的交流，進而提升瑞爾的整體醫療能力。在另一方面，我們將完善會診平台的搭建，促進醫生團隊之間的交流和分享。我們將繼續推行複雜病例會診制度及多學科專科合作制度，集全集團專家的力量，提升各地診所和醫院處理多學科病例，以及學科內複雜病例的能力。

# Chairman's Statement

## 主席報告

### *Talent development*

The Company will adhere to the “empowerment” strategy, strengthen the selection and training of talents, and improve the talent training system. In respect of medical affairs, it will increase the recruitment of dental specialist and senior dentists while continuing the on-campus recruiting program, so as to reserve talents for the development of new projects. The Company plans to launch its internal dental specialist training program in the new fiscal year by selecting expert-level dentists as trainers to recruit experienced dentists as the trainees. The program will take about one year to complete, so as to cultivate a number of excellent dentists with strong ability and decent style. In respect of operations, it will make greater efforts in the selection of management personnel and the construction of a talent echelon, and will focus on identifying outstanding personnel with strong self-motivation, high learning ability, abundant experience in junior level management and development potential, while increasing the recruitment of management personnel at all levels and build a management echelon.

### **Three bases:**

#### *Lean management*

The Company will establish 4 working groups to promote lean management in terms of medical quality, customer service, marketing and operation process, improve standard processes, develop training courseware, formulate evaluation rules and form closed-loop management. Each group will be headed by the Company's senior management, and the members will be mainly frontline managers to ensure that the work of each group is targeted and implemented. The key objective of lean management is to ensure clinical quality, improve operational efficiency and enhance customer satisfaction. Each group will set its own goals and use OKRs (Objectives and Key Results) to advance their achievement. The management committee of the Company will regularly evaluate the work effectiveness of each group and make necessary adjustments in a timely manner. We expect to promote the flow of information, solve practical issues and cultivate front-line teams through working groups.

### *人才發展*

本公司將堅持「賦能」策略，加大人才選拔、培養力度，和完善人才培養體系。醫務端：在繼續校園招聘計劃的同時，加大對口腔醫療專家及資深牙醫的招聘力度，為新項目的發展儲備人才。本公司計劃在新的財年推出內部口腔醫療專家進修計劃，選拔專家級牙醫作為帶教導師，招募經驗豐富的牙醫作為進修生。該計劃將耗時一年完成，培養一批能力強，作風正的優秀牙醫。運營端：在管理人員的選拔，梯隊化建設方面下大功夫，重點選拔那些自驅力強，學習能力高有基層管理經驗，具備發展潛力的優秀人員進行培養。同時會加大各級管理人員招聘力度，建設管理梯隊。

### **三基礎：**

#### *精益化管理*

公司將成立4個工作小組，分別從醫療質量，客戶服務，市場推廣和運營流程方面推進精益化管理，完善標準流程，開發培訓課件，制定評估規則，形成閉環管理。各個小組將由公司高級管理人員任組長，小組成員以一線管理人員為主，以確保各個小組的工作有的放矢，得以落實。精益化管理的核心目標是確保臨床質量，提升運營效能，提高客戶滿意度。各個小組都將設立自己的目標，利用OKR（目標與關鍵成果法）推進目標的實現。本公司管委會將定期評估各個小組的工作成效，及時做出必要的調整。我們希望通過工作小組的方式，促進信息流通，解決實際問題，培養一線團隊。

## Chairman's Statement 主席報告

### *Digitalization initiatives*

Our goal to promote digitalization is to connect data, digitize experience and improve clinical efficiency through the application of digital technology. The application of the Company's operation management platform has substantially enhanced our ability to integrate data. Our digitalization initiatives will focus on improving operating efficiency in the new fiscal year. Starting from such core indicators as RPC and RPD, it is divided into various indicators of operation in respect of customer acquisition, conversion, average revenue per visit and customer satisfaction, etc., and the data platform is used for real-time analysis and conclusions to be updated with the operation condition of our clinics and dentists in a timely manner. The best working mode is derived from data analysis, and courseware is prepared for timely promotion. Meanwhile, the process is regularly iterated based on front-line feedback to continuously improve performance.

### *Enhance corporate culture*

Service genes are the key to the sustainable development of a clinical service enterprise, and the environment is a necessary condition for the survival, growth and development of service genes. After 23 years of hard work, Arrail Group has accumulated excellent service genes, built a leading brand and platform, and gathered a large number of outstanding talents who agree with its corporate culture and share the same value. On this basis, we will continue to promote the inheritance of our culture and improve the connotation of our culture through storytelling and experience sharing. People are influenced by the environment, and the environment is the manifestation of culture. We believe that as long as we continue to cultivate and evolve, Arrail culture will be inherited and the service genes will grow. Dental services have strong consumption attributes, and high-quality services are the only method to attract and retain customers. Arrail culture will become a solid moat for our sustainable development.

### *數字化措施*

將數據打通，將經驗數字化，通過數字化技術的應用提升臨床效率是我們推動數字化的目標。自本公司運營管理平台進入應用之後，大大提升了我們整合數據的能力。在新的財年，我們將把數字化措施的重點放在運營效能的提升方面。從核心指標RPC、RPD入手，按獲客、轉化、客單價、客戶滿意度等維度拆分至多種運營指標，利用數據平台進行實時分析匯總，及時掌握門店、醫生運營動向。通過數據分析，提煉最佳工作模式，形成課件，及時推廣。同時，根據一線反饋，定期迭代流程，持續提升效能。

### *夯實企業文化*

服務基因是一家臨床服務企業得以持續發展的關鍵，而環境是促成服務基因得以生存、成長、發揚光大的必要條件。經過23年的努力，瑞爾集團沉澱了優良的服務基因，打造了領先的品牌和平台，匯聚了一大批認同企業文化，志同道合的優秀人才。我們會在此基礎上，通過講故事，經驗分享的方式持續推動文化的傳承，不斷的提升文化的內涵。人是受環境影響的，而環境則是文化的展現。我們相信，只要持續耕耘，不斷進化，瑞爾文化定將得以傳承，服務基因定將得以成長。口腔醫療服務有着極強的消費屬性，優質服務是吸引客戶，留住客戶的不二法寶。瑞爾文化將成為可持續發展的堅固護城河。

# Chairman's Statement

## 主席報告

### BRAND UPGRADE AND EXPANSION:

#### Upgrade Arrail brand

After 23 years of accumulation, Arrail Dental has become a leading premium dental brand in China. However, we have also noted that, with the development of the economy, the domestic consumption capacity has grown substantially over the past 20 years, and the demand for high-quality services has continued to increase. In order to meet the growing consumer demand, we decide to launch "Arrail Plus" to upgrade the service standard and build flagship stores for Arrail. "Arrail Plus" will adopt a new operation and management model, select experienced clinical and service personnel, be equipped with advanced equipment, and provide more comfortable and private spaces. Through "Arrail Plus", we expect not only to meet consumer demand and enhance brand influence, but also lay a foundation for Arrail to enter more markets.

#### Expand Rytime coverage

The Company will continue to increase investment in Rytime brand, and actively expand its coverage while strengthening the existing markets. We will adopt a strategy of concentrating resources and focusing on investment, and principally expand into Southern China and Eastern China. We will proactively seek partners to enter new cities through acquisitions. We expect to jointly grow the business with partners, leveraging each other's strength.

Meanwhile, we will strengthen the promotion of Rytime brand, engage more target customer groups through online and offline interactions, and attract more customers to visit our stores.

### 品牌升級與拓展：

#### 瑞爾品牌升級

瑞爾齒科經過23年的沉澱已成為國內高端口腔醫療的領先品牌。但我們也注意到，在過去的20多年里，隨着經濟的發展，國內的消費能力在大幅增長，對優質服務的需求在不斷提升。為了滿足日益增長的消費需求，我們決定推出「瑞爾Plus」提升服務標準，打造瑞爾旗艦店。「瑞爾Plus」將採納全新的運營管理模式，選拔有經驗的臨床和服務人員，配備先進的設備以及提供更為舒適的私密空間。我們希望通過「瑞爾Plus」，不但可以滿足消費需求，提升品牌影響力，還可以為瑞爾進入更多的市場打下基礎。

#### 拓展瑞泰覆蓋範圍

本公司將繼續加大瑞泰品牌的投入，在做強已有市場的同時，積極拓展覆蓋範圍。我們將採用集中資源，聚焦投入的策略，重點拓展華南和華東兩地。我們將積極尋找合作夥伴，通過收購的方式進入新的城市。我們希望利用合作夥伴各自的優勢共同發展業務。

與此同時，我們將加大瑞泰品牌的推廣力度，通過線上線下互動，觸及更多的目標客戶群體，吸引更多的客戶到店體驗。



# Chairman's Statement

## 主席報告

### NEW BUSINESS INITIATIVES:

#### DSO model exploration

After 23 years of practice and accumulation, Arrail has established a relatively effective management system, independently developed an operation management platform, accumulated a large number of excellent clinical cases, built an online training platform, developed hundreds of training courseware, and established online supply system. We plan to create a DSO model that adapts to the current domestic situation through open platform and output management. We plan to actively explore this model in the new fiscal year.

#### Strengthen the development of Environmental, Social and Governance (ESG) policies

It is an enterprise's responsibility to assume social responsibilities and strengthen standardized operations. In the new fiscal year, we will further strengthen environmental management to save energy and reduce emissions, and strictly implement the recycling and management measures for medical wastes. We will continue to improve standardized management, optimize governance structure and strengthen risk management and control. We will endeavor to provide free dental diagnosis to communities, and actively participate in public welfare activities such as helping the less fortunate and the disabled and making charitable donations. We will enhance the communications with the Stock Exchange and other regulators and shareholders, maintain the transparency of information, and constantly create value for the Shareholders.

2022 will be a year full of challenges. The ups and downs of the pandemic have seriously affected consumer confidence. With material changes in domestic and foreign economy and politics, certain patterns have been broken with increased uncertainty. Challenges always go with opportunities. In March 2022, Arrail Group was successfully listed on the Stock Exchange, and 2022 became a new starting point for the Company's development. The way to deal with the challenges is to "never forget why you started, and your mission can be accomplished". We will proactively respond to challenges, uphold the mission of "to give each of our patients a healthy and confident smile", and seize every moment to forge ahead and live up to the expectations.

**Mr. Zou Qifang**  
Chairman  
Beijing, PRC

### 新業務舉措：

#### DSO 模式探索

經過23年的實踐和積累，瑞爾建立了相對有效的管理體系，自主開發了運營管理平台，積累了大量的優秀臨床案例，打造了線上培訓平台，開發了幾百個培訓課件，建立了線上供應系統。我們計劃通過開放平台、輸出管理的方式，打造一個適應國內現狀的DSO模式。我們計劃在新的財年對此模式進行積極探索。

#### 加強環境、社會及管治方面(ESG)工作建設

踐行社會責任，加強規範經營是一家企業應盡的責任。在新的財年裏，我們將進一步強化環境管理，節能減排，嚴格落實醫療廢物回收管理辦法。我們將持續完善規範管理，優化治理架構，加強風險管控。我們將大力開展基層義診，積極參與扶貧助殘、愛心捐贈等公益活動。我們會加強與聯交所等監管機構、加強與股東的溝通，保持信息透明，不斷為股東創造價值。

2022年將是充滿挑戰的一年，疫情起起伏伏，嚴重影響了消費者的信心；國內外經濟、政治都在發生着重大變化，一些格局被打破，不確定性在增加。挑戰永遠與機遇同行。2022年3月，瑞爾集團在聯交所成功上市，2022年成為了公司發展的新起點。面對挑戰，如何應對？我想「不忘初心，方得始終」。我們將積極應對挑戰，將秉承「為每位患者帶來健康、自信微笑」的使命，只爭朝夕，砥礪前行，不負韶華。

主席  
鄒其芳先生  
中國北京

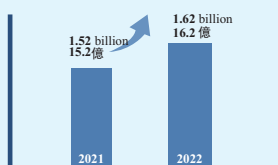
# Financial and Business Highlights

## 財務及業務摘要

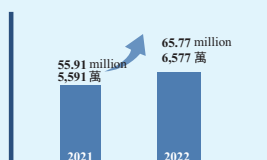
### Steady growth in business scale and continuous improvement in profitability

#### 業務規模穩步增長，盈利能力持續提高

The total revenues were RMB**1.62** billion, representing a year-on-year increase of **7.2%**  
總收入人民幣**16.2**億元，同比上升**7.2%**



The adjusted net profit was RMB**65.77** million, representing a year-on-year increase of **18.0%**  
經調整淨利潤人民幣**6,577**萬元，同比增長**18.0%**



The cash reserves were RMB**1.05** billion and the operating cash flows were RMB**220** million, representing a strong cash-flow generation ability  
現金儲備人民幣**10.5**億元，經營現金流人民幣**2.20**億元，現金流生成能力強勁

**112**  
Scale of store  
門店規模

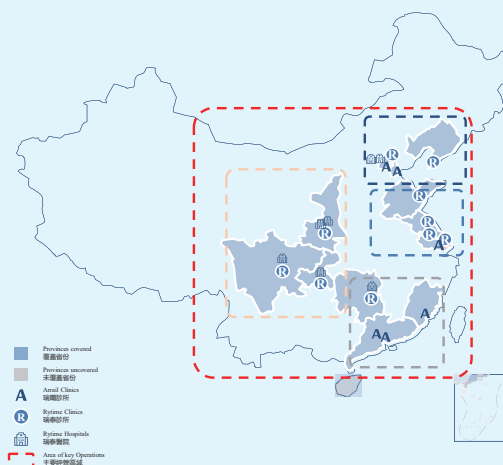
**5** clinics were newly opened and **3** clinics were upgraded/extended  
新開業**5**家診所，升級/擴建**3**家診所

**883**  
Dentists  
醫生數量

**27** dentists were added  
新增**27**名牙醫

**1.56** million  
patient visits  
門診量

An increase of **13.7%** achieved with repeat visit rates of **48.6%**  
增速**13.7%**，復診率達**48.6%**



Our revenues and our Adjusted Net Profit continued to grow, despite the impact of COVID-19 pandemic on our operations from time to time. For the year ended March 31, 2022, our revenue increased to RMB1,623.6 million, as compared to the revenue of RMB1,515.1 million recorded for the year ended March 31, 2021. We achieved an 18.0% increase in our Adjusted Net Profit, which was RMB65.8 million for the year ended March 31, 2022, as compared to RMB55.9 million for the year ended March 31, 2021.

儘管COVID-19疫情不時影響我們的業務，但我們的收入及經調整淨利潤持續增長。截至2022年3月31日止年度，我們的收入由截至2021年3月31日止年度錄得的人民幣1,515.1百萬元增加至人民幣1,623.6百萬元。我們的經調整淨利潤截至2022年3月31日止年度為人民幣65.8百萬元，較截至2021年3月31日止年度的人民幣55.9百萬元，增長18.0%。

# Financial and Business Highlights

## 財務及業務摘要

Our patient visits have increased steadily at our existing and newly opened clinics and hospitals. We have also seen continued improvement in our clinics and hospitals across all development stages, both at revenue level and gross profit level.

我們的現有及新開診所及醫院的接診人次一直穩定增加。我們所有發展階段的診所及醫院的收入水平及毛利水平均得到持續改善。

We resumed our business expansion following a hiatus after the outbreak of the COVID-19 pandemic. For the year ended March 31, 2022, five new clinics have been opened and three clinics have undergone major upgrades.

我們於COVID-19疫情爆發業務中斷後恢復業務擴張。截至2022年3月31日止年度，我們已新開五家診所，並對三家診所進行重大升級。

Our cash position has been further strengthened by the proceeds raised from our Listing on the Stock Exchange in March 2022.

我們的現金狀況因我們於2022年3月在聯交所上市所籌集的所得款項而得到進一步加強。

### NEWLY OPENED CLINICS

#### 新開設診所情況



newly opened  
新建開業

- 5 clinics were newly opened with 46 dental chairs added
- 5家診所完成開業，新增46張牙科椅



upgraded/extended  
升級／擴建

- 3 clinics with 39 dental chairs' upgrade/extension completed
- 3家診所(涉及39張牙科椅)完成升級／擴建專案

Chengdu Xichen Paradise Walk Clinic  
成都西宸天街診所



Chongqing University Town No. 2 Clinic  
重慶大學城二店診所



Hangzhou GT Land Plaza Clinic  
杭州高德診所



Beijing Shunyi Ruibo Clinic  
北京順義瑞博診所



Chengdu Financial City Clinic  
成都金樞城診所



Chongqing Yorkvilla Clinic  
重慶約克郡診所



Shenzhen OCT Harbour Clinic  
深圳歡樂海岸診所



Beijing Huamao Phase II Clinic  
北京華貿二期診所



# Management Discussion and Analysis

## 管理層討論與分析

### BUSINESS REVIEW

#### Overview

We are a leading dental services provider in the premium private dental service market in China. Founded in 1999, we have served approximately 8.1 million patient visits in the past ten years, and have been instrumental in raising public awareness and driving consumer recognition of the importance of dental care and good oral hygiene in China. Our network of dental clinics and hospitals provides a wide array of dental healthcare services across China. We adopt a dual-brand strategy through our “Arrail Dental” and “Rytime Dental” brands to serve customers of different economic and geographic backgrounds. Through decades of commitment and service in the dental healthcare industry, we have earned the trust of our patients, and have successfully established an extensive presence in China, as we are continuing to expand our footprint nationwide. As of March 31, 2022, we had 105 dental clinics and seven hospitals in 15 cities across China, with 883 experienced dentists. Our mission is to give each of our patients a healthy and confident smile, and our vision is to become a world-leading dental group.

We expanded our business by opening more clinics and hospitals in Tier-1 and Tier-2 cities across China. During the Reporting Period, we opened five new clinics with 46 dental chairs. We expanded and upgraded three clinics to 39 dental chairs. In addition, there were six clinics with a total of 86 dental chairs and two hospitals with a total of 75 dental chairs under construction as of March 31, 2022. We continue to hire competent dentists and enhance our dental professional team. The number of our dentists increased by 27 from 856 as of March 31, 2021, to 883 as of March 31, 2022.

#### 業務回顧

##### 概覽

我們是中國高端民營口腔醫療服務市場的領先口腔醫療服務提供商。自1999年成立以來，在過往十年當中，我們提供接診服務約8.1百萬人次，且在提高和促進中國公眾和消費者對口腔護理和良好口腔衛生的重要性的意識和認識方面發揮著重要作用。我們的口腔診所及醫院網絡在中國提供廣泛的口腔醫療服務。我們通過「瑞爾齒科」及「瑞泰口腔」品牌採取雙品牌戰略，以服務於不同經濟和區域背景的客戶。通過數十年來在口腔醫療行業的投入和服務，我們贏得了患者的信任，且由於我們繼續在全國範圍內拓展我們的版圖，我們已成功在中國建立廣泛的業務。截至2022年3月31日，我們在中國15個城市擁有105家口腔診所及七家醫院，883名資深牙醫。我們的使命是給每位患者帶來健康、自信的微笑，而我們的願景是成為世界領先的口腔醫療服務集團。

我們通過在全國一二線城市開設更多診所及醫院來拓展業務。於報告期間，我們新開設了五家診所，增加了46張牙科椅；擴大並升級三家診所，涉及39張牙科椅。此外，截至2022年3月31日，共擁有86張牙科椅的六家診所及共擁有75張牙科椅的兩家醫院正在建設中。我們繼續聘請富有才幹的牙醫並提升我們的口腔醫療專業團隊。我們的牙醫數量由截至2021年3月31日的856名增加27名至截至2022年3月31日的883名。

# Management Discussion and Analysis

## 管理層討論與分析

### Our Services

Our clinics and hospitals offer a diverse range of professional and customized dental services, consisting of (i) general dentistry; (ii) orthodontics; and (iii) implantology.

#### General Dentistry

General dentistry largely refers to the preventive services that all patients should receive on a regular basis, such as tooth cleaning, checking soft tissue, and screening for oral diseases and other potential problems, along with a range of basic restorative treatments, including fillings, crowns, bridges, dentures and more. Our general dentistry services include oral examination, treatment planning, preventive and cosmetic dentistry, endodontics, oral surgery, periodontal treatment, prosthodontics, pedodontics services and patient education.

#### Orthodontics

Orthodontics is a branch of dentistry that treats malocclusions, a condition in which the teeth are not correctly positioned when the mouth is closed, which may be caused by dental irregularity and disproportionate jaw relationships, among others. Our orthodontists provide orthodontic treatment using a range of medical dental devices, including fixed and/or removable braces, headgear, aligners and other appliances.

#### Implantology

Oral implantology is the branch of dentistry that deals with the permanent implantation of artificial teeth in the jaw when it is determined that a natural tooth must be extracted. With their high level of expertise, our implant dentists are able to treat complex cases and provide customized solutions based on the health of the jawbone and the specific needs of a patient.

### 我們的服務

我們的診所及醫院提供各類專業及訂製化口腔醫療服務，包括(i)普通牙科；(ii)正畸科；及(iii)種植科。

#### 普通牙科

普通牙科主要指所有患者應定期接受的預防服務，例如洗牙、軟組織檢查及篩查口腔疾病及其他潛在問題，以及一系列基本修復治療，包括補牙、牙冠、牙橋、托牙等。我們的普通牙科服務包括口腔檢查、治療計劃、預防及美容牙科、牙體牙髓科、口腔外科、牙周治療、修復科、兒童口腔科服務以及患者教育。

#### 正畸科

正畸科是治療咬合不正的牙科分支，咬合不正指因牙齒不整齊及頷骨比例不均衡等原因而導致口腔閉合時牙齒未正確定位的情況。我們的正畸科通過使用多種醫療口腔設備提供正畸治療，包括固定及／或隱形矯正、牙齒矯正器、牙套及其他設備。

#### 種植科

口腔種植科是涉及確定須拔出天然牙齒時而須於頷骨永久種植人造牙齒的牙科分支。憑藉其高水平的專業知識，我們的種植牙醫能根據頷骨的健康狀況及患者的特定需求治療複雜的病例並提供訂製解決方案。

# Management Discussion and Analysis

## 管理層討論與分析

### Dual-Brand Operations

As of March 31, 2022, we operated a total of 112 clinics and hospitals under the brand names of “Arrail Dental” and “Rytime Dental”, to provide dental services to different demographics across geographic regions.

#### Arrail Dental

**ARRAIL 瑞尔**  
Fabulous Smile . Confident You

We have been operating under the Arrail Dental brand since 1999, to provide premium dental services primarily to affluent consumers in Tier-1 and emerging Tier-1 cities in China. Arrail clinics are able to charge premium pricing based on their excellent quality of bespoke services and professionals. As of March 31, 2022, we operated a total of 51 Arrail clinics in seven cities in China, namely Beijing, Shanghai, Shenzhen, Guangzhou, Hangzhou, Tianjin and Xiamen. Our Arrail clinics are mainly concentrated in metropolitan areas and located at or in close proximity to prominent landmarks and properties. We plan to further penetrate existing markets to drive stronger monetization under the Arrail Dental brand.

#### Rytime Dental

**瑞泰口腔 RYTIME DENTAL**

We launched our operations under the Rytime Dental brand in 2012, primarily aiming to provide treatments to middle class customers in Tier-1 and key Tier-2 cities in the Northern, Eastern, Southern and Western parts of China. Rytime is positioned to capture the greater middle-end dental services market by offering high-quality dental services at attractive and relatively lower prices. As of March 31, 2022, we operated a total of seven hospitals and 54 Rytime clinics in 10 cities in China. We are able to provide a greater variety of treatments at our dental hospitals, such as giving general anesthesia and performing more complicated oral surgery procedures. Our Rytime Dental dental hospitals and clinics are typically located in the vicinity of residential areas, giving our customers easy access to convenient and quality dental care services. We plan to continue to expand our Rytime Dental network by broadening our reach to targeted regions and cities across China.

### 雙品牌經營

截至2022年3月31日，我們以「瑞爾齒科」及「瑞泰口腔」品牌經營共112家診所及醫院，為多個地域的不同人群提供口腔醫療服務。

#### 瑞爾齒科

**ARRAIL 瑞尔**  
Fabulous Smile . Confident You

我們自1999年以來一直以瑞爾齒科品牌開展業務，主要為中國一線及新興一線城市的富裕消費者提供高端口腔醫療服務。瑞爾診所能夠憑藉其卓越的口腔醫療服務質量和患者護理收取溢價。截至2022年3月31日，我們在國內七個城市（即北京、上海、深圳、廣州、杭州、天津及廈門）合共經營51家瑞爾診所。我們的瑞爾診所主要集中在大都市地區，位於或靠近著名的地標和物業。我們計劃進一步加強對現有市場的滲透，使瑞爾齒科品牌具備更強的變現能力。

#### 瑞泰口腔

**瑞泰口腔 RYTIME DENTAL**

我們於2012年以瑞泰口腔品牌開展業務，主要為華北、華東、華南以及西區的一線及核心二線城市的中產階層客戶提供治療。瑞泰蓄勢待發，通過具吸引力且相對實惠的價格提供高質量的口腔醫療服務來佔領更大的中端口腔醫療服務市場。截至2022年3月31日，我們在中國10個城市合共經營7家醫院及54家瑞泰診所。我們能在我們的口腔醫院提供更廣泛的治療，例如進行全身麻醉及進行更複雜的口腔外科手術。瑞泰口腔的口腔醫院及診所通常位於居民區附近，使我們的客戶可輕鬆獲得便利及優質的口腔護理服務。我們計劃通過在中國目標地區及城市擴充市場據點擴展我們的瑞泰口腔網絡。

# Management Discussion and Analysis

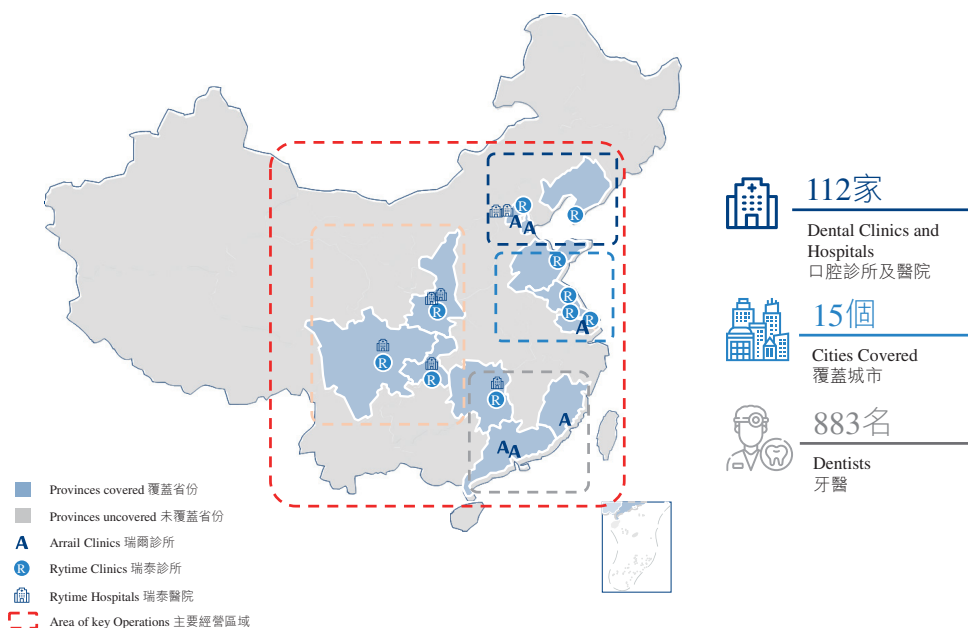
## 管理層討論與分析

### Our Hospitals and Clinics

As of March 31, 2022, we operated (i) 105 clinics of which 51 clinics were under the Arrail Dental brand and 54 clinics were under the Rytime Dental brand; and (ii) seven hospitals under the Rytime Dental brand, as illustrated in the map below.

### 我們的醫院及診所

如以下地圖所示，截至2022年3月31日，我們以瑞泰口腔品牌經營(i)105家診所（其中瑞爾齒科品牌51家及瑞泰口腔品牌54家）；及(ii)七家醫院。



#### Notes:

- (1) Operating data as of March 31, 2022.
- (2) Including four clinics in Changsha operated under exclusive consultation and service agreements whose financial results are not consolidated into our consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS").

#### 附註：

- (1) 截至2022年3月31日的經營數據。
- (2) 包括位於長沙的四家根據獨家諮詢及服務協議運營的診所，其財務業績按照國際財務報告準則（「國際財務報告準則」）未併入我們的合併財務報表。

# Management Discussion and Analysis

## 管理層討論與分析

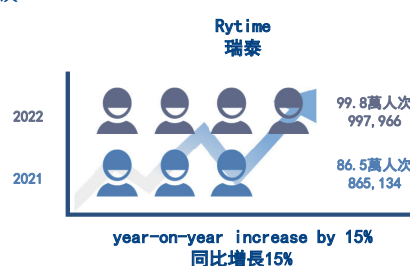
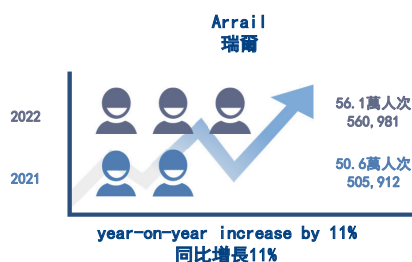
The number of our total patients increased from 577,996 for the year ended March 31, 2021 to 676,022 for the year ended March 31, 2022, representing an increase of 17.0%, and our total patient visits increased from 1,371,046 for the year ended March 31, 2021 to 1,558,947 for the year ended March 31, 2022, representing an increase of 13.7%. The following table sets forth the breakdown by brands in relation to our operating and financial performance.

患者總人數由截至2021年3月31日止年度的577,996人增加至截至2022年3月31日止年度的676,022人，相當於增加17.0%，而總接診人次由截至2021年3月31日止年度的1,371,046人次增加至截至2022年3月31日止年度的1,558,947人次相當於增加13.7%。下表載列按品牌劃分的有關經營及財務表現明細。

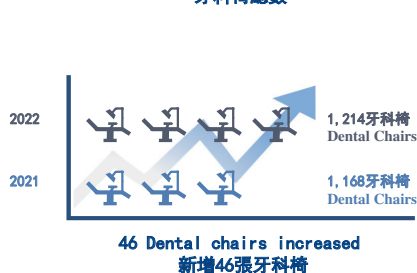
For the year ended March 31,  
截至3月31日止年度

|  |                        | 2022<br>2022年    | 2021<br>2021年 |
|--|------------------------|------------------|---------------|
| <b>Total patient visits</b>                        | <b>總接診人次</b>           | <b>1,558,947</b> | 1,371,046     |
| Arrail   | 瑞爾                     | 560,981          | 505,912       |
| Rytime   | 瑞泰                     | 997,966          | 865,134       |
| <b>Total number of dental chairs</b>               | <b>牙科椅總數</b>           | <b>1,214</b>     | 1,168         |
| Arrail   | 瑞爾                     | 482              | 476           |
| Rytime   | 瑞泰                     | 732              | 692           |
| <b>Visits per dental chair</b>                     | <b>每張牙科椅的就診次數</b>      | <b>1,284</b>     | 1,174         |
| Arrail   | 瑞爾                     | 1,164            | 1,063         |
| Rytime   | 瑞泰                     | 1,363            | 1,250         |
| <b>Revenue per dental chair (RMB in thousands)</b> | <b>每張牙科椅的收入(人民幣千元)</b> | <b>1,311</b>     | 1,258         |
| Arrail   | 瑞爾                     | 1,691            | 1,588         |
| Rytime   | 瑞泰                     | 1,061            | 1,031         |

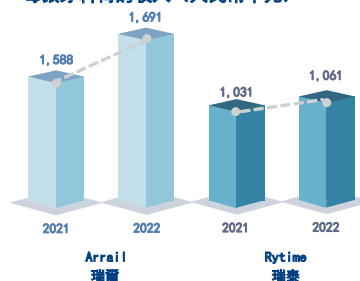
Total Number of Patient Visits  
總接診人次



Total Number of Dental Chairs  
牙科椅總數



Revenue per Dental Chair (RMB in thousands)  
每張牙科椅的收入(人民幣千元)

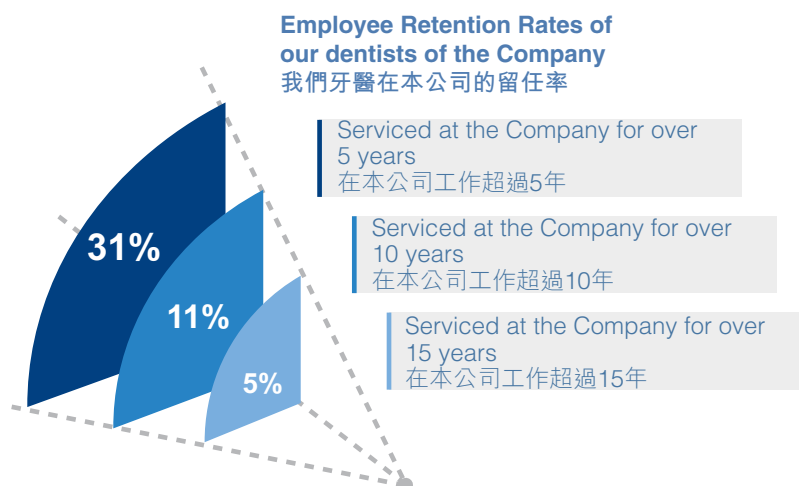


Note: for the year ended March 31  
附註：截至3月31日止年度



# Management Discussion and Analysis

## 管理層討論與分析



Note: Operating data as at March 31, 2022

As of March 31, 2022, over 50.1% of our full-time dentists had master's degrees or above, and many held titles and qualifications such as chief medical director or medical discipline leader. Our team of dentists have on average 10.6 years of post-qualification experience in the industry. The average monthly revenue generated per dentist who joined us in 2017, 2018, and 2019 during each calendar year, grew at a CAGR of 53%, 31%, and 80% during their respective employment periods up to the end of calendar year 2021. Dentists with more than five, ten and fifteen years of experience with us accounted for 31.4%, 11.1% and 5.1% of our total dentists, which indicates strong employee retention rates.

附註：截至2022年3月31日的經營數據

截至2022年3月31日，我們超過50.1%的全職牙醫擁有碩士或以上學位，並且許多牙醫持有主治醫師或醫學學科帶頭人等頭銜和資格。我們的牙醫團隊取得資格後平均擁有10.6年的行業經驗。於2017年、2018年及2019年各日曆年期間加入我們的每名牙醫產生的月均業績在各自受僱期間直至2021年曆年末以53%、31%及80%的年複合增長率增長。與我們的僱傭關係超過五年、十年及十五年的牙醫佔我們牙醫總數的31.4%、11.1%及5.1%，顯示出較高的僱員留任率。

# Management Discussion and Analysis

## 管理層討論與分析

Our repeat visit rates, defined as the percentage of patients that revisited our clinics or hospitals beyond six months after their initial visits, excluding follow-up consultations of the same treatment, were 48.6% for the year ended March 31, 2022 (45.8% for the year ended March 31, 2021). Approximately 22% of our new patients were referred by our existing patients for the year ended March 31, 2022.

### Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures during the Reporting Period

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

### Events after the Reporting Period

On 2 April 2022, a subsidiary of the Company entered into an investment agreement to acquire 14.1% equity interest of Shenzhen Baocheng Dental Hospital for a cash consideration of RMB25 million. As at 31 March 2022, a deposit amounted to RMB5 million was paid to the existing shareholders of Shenzhen Baocheng Dental Hospital for the purpose of first installment for the consideration.

On 19 April 2022, the Company entered into a subscription agreement with AP China Unicorn Fund SPC to purchase wealth management products amounted to US\$3,000,000 at a fixed annualized return rate of 1.2%. The wealth management product is subject to a lock-up period of six months and can be redeemed by the Company at any time upon expiration of the lock-up period.

On July 8, 2022, a subsidiary of the Company entered into an investment agreement to acquire 51% equity interest of Wuxi Tongshan Dental Hospital Co., Ltd (無錫市通善口腔醫院有限公司) (the "Investment"). For further details on the Investment, please refer to the announcement of the Company dated July 8, 2022.

Save as disclosed above, the Company is not aware of any material subsequent events from the end of the Reporting Period to the date of this annual report.

### Future Plans for Material Investments and Capital Assets

The Group intends to utilize the net proceeds raised from the Global Offering for business expansion, optimization of our IT infrastructure and working capital in the manner set out in the Prospectus and the section headed "Future Prospects" below. Save as these, the Group does not have any concrete committed plans for material investments and capital assets in 2022.

截至2022年3月31日止年度，我們的忠誠客戶複診率（即首次就診起計六個月後再次到我們的診所或醫院就診的患者的百分比，不包括同一診療的後續問診）為48.6%（截至2021年3月31日止年度為45.8%）。截至2022年3月31日止年度，約22%的新患者由現有患者引薦。

### 於報告期間內重大投資、重大收購及出售子公司、聯營公司及合營公司

於報告期間本公司概無進行重大投資、重大收購及出售子公司、聯營公司及合營公司。

### 報告期間後事項

於2022年4月2日，本公司一家子公司訂立投資協議，以現金對價人民幣25百萬元收購深圳寶城口腔醫院14.1%股權。於2022年3月31日，已向深圳寶城口腔醫院現有股東支付對價的首期按金人民幣5百萬元。

於2022年4月19日，本公司與AP China Unicorn Fund SPC訂立認購協議，以固定年化回報率1.2%購買3,000,000美元的理財產品。該理財產品的鎖定期為六個月，本公司可於鎖定期屆滿後隨時贖回有關理財產品。

於2022年7月8日，本公司一家子公司訂立投資協議，以收購無錫市通善口腔醫院有限公司51%股權（「投資」）。有關投資的進一步詳情，請參閱本公司日期為2022年7月8日的公告。

除上文所披露者外，本公司並不知悉自報告期間末至本年報日期發生任何重大期後事項。

### 未來重大投資及資本資產計劃

本集團擬按照招股章程及下文「未來前景」一節所載方式將全球發售所籌集的所得款項淨額用於業務擴張、優化我們的信息技術基礎設施及營運資金。除此之外，本集團並未於2022年內制定重大投資及資本資產的任何確切計劃。

# Management Discussion and Analysis

## 管理層討論與分析

### Employees and Remuneration

As of March 31, 2022, we had a total of 3,336 full-time employees, all of whom were based in various cities in China. Our employees reflect the geographic footprint we currently serve. The following table sets forth our employees by functions as of March 31, 2022:

| Function<br>職能               |           | Number of<br>Employees<br>僱員人數 | %<br>百分比    |
|------------------------------|-----------|--------------------------------|-------------|
| Dentists                     | 牙醫        | 883                            | 26.5%       |
| Nursing staff                | 護理人員      | 1,238                          | 37.1%       |
| Customer service staff       | 客服人員      | 645                            | 19.3%       |
| General administrative staff | 一般行政人員    | 361                            | 10.8%       |
| Marketing team               | 營銷團隊      | 209                            | 6.3%        |
| <b>Total</b>                 | <b>總計</b> | <b>3,336</b>                   | <b>100%</b> |

We offer our employees different remuneration packages based on their positions. Generally, the remuneration structure of our employees includes salary, benefits and bonuses. Our compensation programs are designed to remunerate our employees based on their performance, measured against specified objective criteria. We maintain standard employee benefit plans required by PRC laws and regulations, including housing fund contributions, pension insurance, medical insurance, workplace injury insurance, unemployment insurance, and maternity insurance.

We have also set up a platform in the BVI to hold incentive shares for a total amount of 119,972,600 shares, representing approximately 20.6% of the total issued share capital of the Company as of March 31, 2022, for the participants under the RSU Scheme. As of March 31, 2022, an aggregate of 616 employees were approved by the Board to be the grantees with a total of 91,723,525 underlying shares pursuant to the RSU Scheme.

During the Reporting Period, our Group did not experience any significant problems with its employees due to labour disputes nor did it experience any difficulty in the recruitment and retention of staff.

### 僱員及薪酬

截至2022年3月31日，我們擁有合共3,336名全職僱員，均分佈在全國多個城市工作。我們的僱員反映我們目前所服務的地域範圍。下表載列截至2022年3月31日按職能劃分的僱員：

我們根據僱員的職位向他們提供不同的薪酬待遇。總體而言，僱員的薪酬架構包括薪金、福利及獎金。我們的薪酬計劃旨在根據僱員的績效（根據規定客觀標準進行衡量）確定僱員的薪酬。我們維持中國法律法規規定的標準僱員福利計劃，包括住房公積金供款、養老金保險、醫療保險、工傷保險、失業保險及生育保險。

我們亦已於英屬維爾京群島設立平台，以根據受限制股份單位計劃為參與者持有合共119,972,600股激勵股份，佔截至2022年3月31日本公司已發行股本總額約20.6%。截至2022年3月31日，根據受限制股份單位計劃，合共616名僱員獲董事會批准成為承授人，可獲授合共91,723,525股相關股份。

於報告期間內，本集團概無因勞工糾紛而與其僱員發生任何重大問題，亦無在招聘及留聘員工方面出現任何困難。

# Management Discussion and Analysis

## 管理層討論與分析

### Future Prospects

The development of the dental services market in China is mainly driven by economic development, an ageing population, digitalization, rising public awareness of dental health and other related factors. According to Frost & Sullivan Report, the market size of dental services in China reached RMB145.0 billion in 2021 and maintains an average annual growth rate of 20%. It is expected to reach RMB300.0 billion by 2025. Based on the experience of overseas developed markets, a chain operation is generally considered to have greater advantages than an individual operation in terms of speed of development. Though the Company's businesses are under the effect of the COVID pandemic, we are of the opinion that the demand for dental services will not vanish and the pandemic will eventually end. As the pandemic enters a normalized stage in China, the operations of our affected clinics have also shown a tendency of rebound. For the year ended March 31, 2022, the Company had 1.558 million patient visits, increased by 13.7% as compared to the year ended March 31, 2021. We expect such trend will continue.

At the same time, a number of policies concerning the development of the dental industry, including the "centralized procurement of dental implants" and the "reform of healthcare service pricing at public medical institutions (including the dental departments)", have been implemented in recent years. The Company believes that these policies will be conducive to the publicity and popularization of various dental treatments and raise dental health awareness of the public, which will further increase patient visits in dental institutions, especially for basic treatment. Guided by a number of policies issued by the state and local governments in China, the private healthcare development environment in China will continue to be improved in a standardized, healthy and sustainable manner. Undoubtedly, the private healthcare will achieve rapid development. As the largest premium dental chain group in China, the Company will further benefit from to the core advantages of "Talent, Brand, System" and seize the huge opportunities arising from the development of the dental market.

### 未來前景

中國口腔醫療服務市場的發展主要受經濟發展、人口老齡化、數字化、公眾對於口腔健康意識的提升及其他相關因素驅動，根據弗若斯特沙利文的報告，中國口腔醫療服務市場之規模在2021年為人民幣1,450億元，保持年均20%的增長。預計在2025年達到人民幣3,000億。根據海外發達市場的經驗看，連鎖經營較個體機構在發展速度上着較大的優勢。儘管目前公司的業務受到新冠疫情的影響，但是我們認為，口腔醫療的需求不會消失，疫情也終會過去。隨着國內疫情進入常態化階段，受影響的門店的運營呈現出反彈的趨勢。截至2022年3月31日止年度，本公司2022財年接待的客戶量為155.8萬人次，較截至2021年3月31日止年度增長13.7%，我們預測這一趨勢將持續。

同時，近年來有多個涉及口腔醫療發展政策出台，包括「種植牙集採」、「公立醫療機構醫療服務價格調整(含口腔科)」等。本公司相信，這些政策將有利於宣傳和普及各項口腔醫療治療方式，使更多的人關注自身口腔醫療健康，提升口腔醫療機構就診量，尤其是基礎治療的就診量。在國家及各地方政府多項政策的引導下，我國民營醫療發展環境會向着規範、健康及可持續發展的方向不斷前進，民營醫療毫無疑問會取得快速發展。本公司作為國內最大的高端口腔連鎖醫療集團，將進一步受惠於「人才、品牌、系統」的核心優勢，抓緊這次口腔醫療市場發展的重大機遇。

# Management Discussion and Analysis

## 管理層討論與分析

In the future, the Company is expected to:

1) *Continue to take medical quality management as a lifeline for enterprise development*

Like many industries, quality control is always the essence of the development of an industry, which also applies to the dental industry. The Company takes medical quality as a lifeline for enterprise development and ensures medical quality through various systems, such as dentist recruitment, professional training and development, medical red line management system, specialized case classification, dentist classification, complex medical condition discussion, and multidisciplinary treatment, so as to provide customers with professional dental services.

2) *Intensify talent development with brand influence*

The Company will adhere to “empowerment and assistance” as its talent development principle. In respect of medical affairs, we will increase the recruitment of specialists and senior dentists while insisting on on-campus recruiting; and in respect of operations, it will make greater efforts in the selection of management personnel and the construction of a talent echelon, and will focus on identifying outstanding management personnel with strong self-motivation, high learning ability and development potential.

3) *Continuously improve operating efficiency*

The Company will continue to focus on the improvement of operating efficiency. From the core indicators, including revenue per chair and performance per dentist, to various other indicators of operation in respect of customer acquisition, conversion, average customer unit price and customer satisfaction, etc., the Company will make real-time analysis and conclusions with its self-developed SaaS system “5i5ya” (吾愛吾牙) to be updated with the operation condition of its clinics and dentists in a timely manner. With standardized chain operations, the Company expects to improve the average value of the overall performance and reduce the variability among clinics.

關於未來，本公司預期將：

1) *持續將醫療質量管理作為企業發展的生命線*

如同各個行業，質量控制永遠是行業發展的本質，口腔醫療行業亦如此。本公司視醫療質量為企業發展的生命線，通過牙醫招聘、專業帶教培養、醫療紅線管理制度、專科病例分級、牙醫分級、複雜病例討論及跨多學科會診等多項制度確保醫療質量，為客戶提供專業口腔醫療服務。

2) *藉助品牌影響力，加大人才培養力度*

本公司將堅持「賦能、幫扶」作為人才培養的原則。在醫務方面，我們在堅持校園招聘的同時，加大對專科牙醫及資深牙醫的招聘力度；在運營方面，我們在管理人員的選拔，加大建設人才梯隊化之力度，重點選拔自驅力強、學習能力高及有發展潛力的優秀管理人員。

3) *不斷提升運營效能*

本公司持續關注運營效能的提升，從核心指標包括每張牙科椅的收入及每名牙醫的業績到其他有關客戶獲得、轉化、平均客單價、及客戶滿意度等，利用自主研发的SaaS系統「吾愛吾牙」進行實時分析及匯總，及時掌握門店、醫生運營動向。本公司希望通過連鎖化運營模式提升整體效能均值及縮小診所之間的方差。

# Management Discussion and Analysis

## 管理層討論與分析

### 4) *Enhance Corporate Culture*

Corporate culture endows our Company with a unique working atmosphere, which will in turn regulate and affect everyone's behavior and way of doing things. As the corporate culture and core competitive edge of the Company, "integrity, professionalism and being a good person" is vital for the Company to achieve cross-regional development and become a national chain dental institution. It is one of the "moats" of the Company. In the future, the Company will unswervingly promote and maintain the construction of its corporate culture.

### 5) *Continue to strengthen the development of Environmental, Social and Governance policies*

The Company will improve the environmental management methods to save energy and reduce emissions, and focus on the management and recycling of medical wastes; the Company will assume its social responsibilities by organizing various public welfare activities, such as continuing to provide free dental diagnosis to communities, helping the less fortunate and the disabled, supporting the pandemic prevention and making charitable donations, to protect the interests of all stakeholders; and the Company will continue to improve and reinforce corporate governance and standardized public company management, optimize governance structure, strengthen internal control and risk management, further enhance the communications with the Stock Exchange and other regulators and shareholders, maintain the transparency of information, and constantly create value for the Shareholders.

### **Impact of COVID-19**

Since late May 2021, new regional COVID-19 outbreaks have hit certain areas in China which subsequently spread to several other cities. To contain the spread of COVID-19, local governments imposed various restrictions on business and social activities, including travel restrictions and mandated temporary shutdowns of business operations across certain regions. As a result, we had a slowdown in patient visit growth and revenue growth in the affected areas from June 2021 to March 2022, compared to the same periods in 2020 and 2021.

### 4) 夯實企業文化

企業文化賦予本公司獨特的工作氛圍，其亦規範並影響每一個人的行為及做事方式。「誠信、專業、做好人」作為本公司的企業文化，是本公司的核心競爭優勢，也是實現跨區域發展，成為全國連鎖口腔醫療機構的重要因素。是本公司的「護城河」之一。未來，本公司將堅定不移地推動並維繫本公司之企業文化建設。

### 5) 繼續加強環境、社會及管治工作建設

公司將強化環境管理方法，節能減排，注重醫療廢物的管理與回收等工作；公司將踐行社會責任，繼續大力開展基層義診、扶貧助殘、防疫支援、愛心捐贈等公益活動，保障所有利益相關者的權益；公司還將不斷改進及加強企業管治及上市公司規範化管理，優化治理架構，加強內部控制及風險管理，進一步加強與聯交所等監管機構及與股東的溝通，保持信息透明化，不斷為股東創造價值。

### **COVID-19的影響**

自2021年5月下旬以來，新一輪區域性COVID-19疫情已在中國若干地區出現，其後擴散到其他多個城市。為控制COVID-19的傳播，地方政府對企業及社會活動實施多項限制，包括出行限制及指令暫時停止若干區域的商業運營。因此，2021年6月至2022年3月期間我們於受影響地區的接診人次及收入增長均較2020年及2021年同期放緩。

## Management Discussion and Analysis 管理層討論與分析

The municipal government of Beijing temporarily suspended “multi-site practices” for medical practitioners. Namely, local medical practitioners are temporarily prohibited from practicing across multiple sites, which could lead to a shortage of practitioners for the normal operations of dental services in Beijing. In addition, the local governments mandated temporary closures of certain of our hospitals and clinics. Consequently, four of our clinics in Xi’an experienced temporary closure in late October and early November in 2021, and 11 of our clinics in Chengdu and Chongqing in November and December 2021, which has adversely affected our business performance in the regional markets. Due to the lockdown in the city of Xi’an, all of our dental hospitals and clinics in the city were closed temporarily in late December 2021, and were reopened around early February 2022. Our dental clinic in Tianjin experienced temporary closure for less than a week in January 2022 and has resumed operations.

For the year ended March 31, 2022, 34 of our clinics and hospitals with totally 342 dental chairs were temporarily closed ranging from 1 day to 102 days due to COVID-19, which impacted our capacity to provide services and prohibited our patients from visiting us. In addition, many patients postponed their dental treatment plan due to COVID-19.

Having considered that (i) the governmental authorities have put significant resources and efforts to contain the regional COVID-19 outbreaks, and (ii) we do not plan to, nor are we aware of any government policy to, permanently shut down any of our existing hospitals or clinics in the affected areas, the Directors believe that despite the fact we may continue to experience slowdowns in patient visit growth and revenue growth in the short term, the sporadic regional resurgence of COVID-19 is unlikely to have a material adverse impact on our business, results of operations and financial conditions as a whole in the long term.

We are closely monitoring the development of the COVID-19 pandemic and continuously evaluating any potential impact on our business, results of operations and financial condition.

北京市政府暫停執業醫師「多點執業」。也就是說，暫時禁止當地執業醫師跨多個地點執業，這可能導致北京口腔醫療服務正常運作所需的從業人員短缺。此外，當地政府要求暫時關閉我們的某些醫院及診所。因此，我們在西安的四家診所於2021年10月底及11月初暫時關閉，我們在成都及重慶的11家診所於2021年11月及12月暫時關閉，這對我們在區域市場的業務表現造成不利影響。由於西安市封城，我們於該市的所有口腔醫院及診所自2021年12月下旬起暫時關閉，並於2022年2月上旬左右重新營業。我們位於天津市的口腔診所於2022年1月暫時關閉不到一週，目前已恢復營業。

截至2022年3月31日止年度，由於COVID-19我們的34家診所及醫院合共342張牙科椅暫時關閉1天至102天，這影響了我們提供服務的能力，也使我們的患者無法前來就診。此外，由於COVID-19，很多患者推遲了他們的口腔治療計劃。

考慮到(i)政府機關已投放大量資源及精力以控制區域性COVID-19疫情及(ii)我們並無計劃或獲悉任何政府政策要求永久關閉受影響地區內任何現有的醫院或診所，董事相信，儘管短期而言我們的接診人次增長及收入增長可能持續放緩，長期而言再次零星出現區域性COVID-19疫情不太可能對我們整體的業務、經營業績及財務狀況造成重大不利影響。

我們密切監察COVID-19疫情的發展並持續評估對業務、經營業績及財務狀況的任何潛在影響。

# Management Discussion and Analysis

## 管理層討論與分析

### FINANCIAL REVIEW

#### Overview

The following discussion is based on, and should be read in conjunction with, the financial information and the notes included elsewhere in this annual report.

#### Revenue

During the Reporting Period, we primarily generated revenues from operating dental clinics and hospitals across the PRC. Our revenues increased by 7.2% from RMB1,515.1 million for the year ended March 31, 2021, to RMB1,623.6 million for the year ended March 31, 2022. This was primarily due to the increase of patient visits from both our existing and newly-opened clinics and hospitals.

#### Revenues by Dental Service Offerings

We offer a diverse range of professional and customized dental services, covering mainly three dental sectors (i) general dentistry; (ii) orthodontics; and (iii) implantology. The following table sets forth a breakdown of our revenues by types of dental services, both in absolute amount and as a percentage of our total revenues, for the periods indicated.

### 財務回顧

#### 概覽

以下討論乃基於本年報其他部分所載財務資料及其附註，並應與之一併閱讀。

#### 收入

於報告期間，我們主要通過在中國各地運營口腔診所及醫院獲得收入。我們的收入由截至2021年3月31日止年度的人民幣1,515.1百萬元增加7.2%至截至2022年3月31日止年度的人民幣1,623.6百萬元。這主要是由於我們現有及新開設的診所及醫院的接診人次增加所致。

#### 按口腔醫療服務產品劃分的收入

我們提供各類專業及訂製化口腔醫療服務，主要涵蓋三個牙科分部：(i)普通牙科；(ii)正畸科；及(iii)種植科。下表載列我們於所示期間按口腔醫療服務類型劃分的收入明細，以絕對金額及佔我們總收入的百分比列示。

| For the year ended March 31,<br>截至3月31日止年度                  |                   |                  |               |                  |               |
|---|-------------------|------------------|---------------|------------------|---------------|
| 2022  |                   | 2021             |               |                  |               |
| 2022年   |                   | 2021年            |               |                  |               |
| RMB   | %                 | RMB              | %             |                  |               |
| 人民幣元  | %                 | 人民幣元             | %             |                  |               |
| (RMB in thousands, except for percentages)<br>(人民幣千元，百分比除外) |                   |                  |               |                  |               |
| General dentistry   | 普通牙科              | 872,586          | 53.7%         | 828,452          | 54.7%         |
| Orthodontics  | 正畸科               | 366,264          | 22.6%         | 342,273          | 22.6%         |
| Implantology  | 種植科               | 353,079          | 21.7%         | 299,568          | 19.8%         |
| Others <sup>(1)</sup>                                       | 其他 <sup>(1)</sup> | 31,624           | 2.0%          | 44,834           | 3.0%          |
| <b>Total</b>  | <b>總計</b>         | <b>1,623,553</b> | <b>100.0%</b> | <b>1,515,127</b> | <b>100.0%</b> |

Note:

(1) Primarily include revenues generated from sale of dental materials in our ordinary course of business and the operation of our denture manufacturing plants.

附註：

(1) 主要包括於日常業務過程中自銷售齒科材料及運營義齒製作廠房產生的收入。



# Management Discussion and Analysis

## 管理層討論與分析

### Revenue by Dental Service Offerings

按口腔醫療服務產品劃分的收入



Note: for the year ended March 31

附註：截至3月31日止年度

Revenues generated from (i) general dentistry increased by 5.3% from RMB828.5 million for the year ended March 31, 2021 to RMB872.6 million for the year ended March 31, 2022; (ii) orthodontics increased by 7.0% from RMB342.3 million for the year ended March 31, 2021 to RMB366.3 million for the year ended March 31, 2022; and (iii) implantology increased by 17.9% from RMB299.6 million for the year ended March 31, 2021 to RMB353.1 million for the year ended March 31, 2022.

我們(i)普通牙科產生的收入由截至2021年3月31日止年度的人民幣828.5百萬元增加5.3%至截至2022年3月31日止年度的人民幣872.6百萬元；(ii)正畸科產生的收入由截至2021年3月31日止年度的人民幣342.3百萬元增加7.0%至截至2022年3月31日止年度的人民幣366.3百萬元；及(iii)種植科產生的收入由截至2021年3月31日止年度的人民幣299.6百萬元增加17.9%至截至2022年3月31日止年度的人民幣353.1百萬元。

### Revenues by Brand

We adopt a dual-brand strategy through our Arrail Dental and Rytime Dental brands to provide differentiated dental services to different target markets. As of March 31, 2022, we operated 51 dental clinics in Tier-1 cities under the Arrail Dental brand, and operated 55 dental clinics and seven dental hospitals primarily in Tier-1 and key Tier-2 cities under the Rytime Dental brand. The following table sets forth a breakdown of our revenues by brands, both in absolute amount and as a percentage of our total revenues, for the periods indicated.

### 按品牌劃分的收入

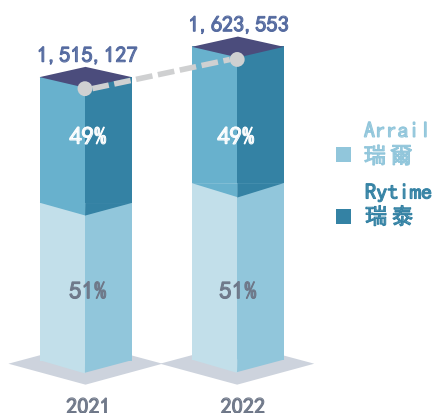
我們透過瑞爾齒科及瑞泰口腔品牌採納雙品牌戰略，向不同目標市場提供差異化口腔醫療服務。截至2022年3月31日，我們以瑞爾齒科品牌在一線城市運營51家口腔診所，並以瑞泰口腔品牌主要在一線及核心二線城市運營55家口腔診所及7家口腔醫院。下表載列於所示期間我們按品牌劃分的收入明細，以絕對金額及佔我們總收入的百分比列示。

# Management Discussion and Analysis

## 管理層討論與分析

### Revenue by Brand (RMB in thousands)

按品牌劃分的收入(人民幣千元)



Note: for the year ended March 31

附註：截至3月31日止年度

### For the year ended March 31,

截至3月31日止年度

| 2022                                       |   | 2021  |   |
|--|---|-------|---|
| 2022年                                      |   | 2021年 |   |
| RMB  | % | RMB   | % |
| 人民幣元                                       | % | 人民幣元  | % |
| (RMB in thousands, except for percentages) |   |       |   |
| (人民幣千元，百分比除外)                              |   |       |   |

|               |           |                  |               |           |        |
|---------------|-----------|------------------|---------------|-----------|--------|
| Arrail Dental | 瑞爾齒科      | <b>831,550</b>   | <b>51.2%</b>  | 767,219   | 50.6%  |
| Rytime Dental | 瑞泰口腔      | <b>792,003</b>   | <b>48.8%</b>  | 747,908   | 49.4%  |
| <b>Total</b>  | <b>總計</b> | <b>1,623,553</b> | <b>100.0%</b> | 1,515,127 | 100.0% |

### Cost of Sales

Our cost of sales primarily consists of (i) employee benefits expenses; (ii) depreciation and amortization; and (iii) dental materials used. Employee benefits expenses primarily consist of salaries, benefits and bonuses, including social security costs and housing benefits. Depreciation and amortization expenses primarily consist of depreciation of our medical equipment, office equipment and furniture, leasehold improvements, and right-of-use assets, representing the leases of dental clinics and hospitals. Dental material used primarily consist of purchase costs of raw materials and consumables mainly comprising customized dentures, dental braces, implant and dental crowns for implantology, orthodontics and restorations.

### 銷售成本

我們的銷售成本主要包括(i)僱員福利開支、(ii)折舊及攤銷；及(iii)所用齒科材料。僱員福利開支主要包括薪金、福利及花紅，包括社會保障成本及住房福利。折舊及攤銷開支主要包括醫療設備、辦公設備及傢具、租賃物業裝修及使用權資產(口腔診所及醫院的租賃)的折舊。所用齒科材料主要包括原材料及耗材(主要包括種植科、正畸及修復使用的訂製假牙、牙套、植牙及牙冠)的採購成本。

# Management Discussion and Analysis

## 管理層討論與分析

The following table sets forth a breakdown of our cost of sales by nature, both in absolute amounts and as a percentage of total cost of sales, for the periods indicated.

下表載列我們於所示期間按性質劃分的銷售成本明細，以絕對金額及佔我們總銷售成本的百分比列示。

| <b>For the year ended March 31,</b>        |                   |                  |               |           |        |
|--|-------------------|------------------|---------------|-----------|--------|
| <b>截至3月31日止年度</b>                          |                   |                  |               |           |        |
|  |                   | <b>2022</b>      |               | 2021      |        |
|  |                   | <b>2022年</b>     |               | 2021年     |        |
|  |                   | <b>RMB</b>       | <b>%</b>      | RMB       | %      |
|  |                   | 人民幣元             | %             | 人民幣元      | %      |
| (RMB in thousands, except for percentages) |                   |                  |               |           |        |
| (人民幣千元，百分比除外)                              |                   |                  |               |           |        |
| Employee benefits expenses                 | 僱員福利開支            | <b>670,580</b>   | <b>52.1%</b>  | 585,364   | 50.9%  |
| Depreciation and amortization              | 折舊及攤銷             | <b>227,725</b>   | <b>17.7%</b>  | 213,676   | 18.6%  |
| Dental materials used                      | 所用齒科材料            | <b>253,254</b>   | <b>19.7%</b>  | 232,344   | 20.2%  |
| Consulting fees                            | 諮詢費               | <b>43,139</b>    | <b>3.4%</b>   | 34,992    | 3.0%   |
| Office and property management expenses    | 辦公及物業管理開支         | <b>45,962</b>    | <b>3.5%</b>   | 44,465    | 3.9%   |
| Others <sup>(1)</sup>                      | 其他 <sup>(1)</sup> | <b>46,336</b>    | <b>3.6%</b>   | 39,866    | 3.4%   |
| <b>Total</b>                               | <b>總計</b>         | <b>1,286,996</b> | <b>100.0%</b> | 1,150,707 | 100.0% |

Note:

附註：

(1) Primarily include rental expenses, travelling expenses, training expenses and utility expenses.

(1) 主要包括租金開支、差旅開支、培訓開支及水電費。

Our cost of sales increased by 11.8% from RMB1,150.7 million for the year ended March 31, 2021, to RMB1,287.0 million for the year ended March 31, 2022, primarily due to (i) the increase in employee benefits expenses as a result of (a) the increase of dentists and nursing staff to serve our increased customer base and (b) the impact of the termination of concessions of the social security and provident fund; (ii) the increase in dental materials used as a result of business expansion; and (iii) the increase in depreciation of property, plant and equipment and right-of-use assets in line with our business expansion.

我們的銷售成本由截至2021年3月31日止年度的人民幣1,150.7百萬元增加11.8%至截至2022年3月31日止年度的人民幣1,287.0百萬元，主要是由於(i)僱員福利開支因(a)牙醫及護理人員增加以服務我們增加的客戶群；及(b)社保公積金減免政策取消的影響而增加；(ii)所用齒科材料因業務擴張而增加；及(iii)隨著我們業務的擴張，物業、廠房及設備以及使用權資產的折舊增加。

# Management Discussion and Analysis

## 管理層討論與分析

### Gross Profit

Our gross profit decreased by 7.6% from RMB364.4 million for the year ended March 31, 2021 to RMB336.6 million for the year ended March 31, 2022, primarily due to (i) the impact of the termination of concessions of the social security and provident funds; and (ii) newly-opened clinics and hospitals which are still in the ramping-up period.

### Selling and Distribution Expenses

Our selling and distribution expenses primarily consist of (i) employee benefits expenses for our sales and marketing staff; (ii) advertising and marketing expenses; and (iii) consulting fees. The following table sets forth a breakdown of our selling and distribution expenses, both in absolute amounts and as a percentage of total cost of revenues, for the periods indicated.

| <b>For the year ended March 31,</b>        |                   |               |               |              |          |
|--|-------------------|---------------|---------------|--------------|----------|
| <b>截至3月31日止年度</b>                          |                   |               |               |              |          |
|  |                   | <b>2022</b>   |               | <b>2021</b>  |          |
|  |                   | <b>2022年</b>  |               | <b>2021年</b> |          |
|  |                   | <b>RMB</b>    | <b>%</b>      | <b>RMB</b>   | <b>%</b> |
|  |                   | <b>人民幣元</b>   | <b>%</b>      | <b>人民幣元</b>  | <b>%</b> |
| (RMB in thousands, except for percentages) |                   |               |               |              |          |
| (人民幣千元，百分比除外)                              |                   |               |               |              |          |
| Employee benefits expenses                 | 僱員福利開支            | <b>40,029</b> | <b>50.3%</b>  | 34,028       | 43.0%    |
| Advertising and marketing expenses         | 廣告及營銷開支           | <b>33,588</b> | <b>42.2%</b>  | 38,165       | 48.2%    |
| Consulting fees                            | 諮詢費               | <b>2,816</b>  | <b>3.5%</b>   | 2,282        | 2.9%     |
| Others <sup>(1)</sup>                      | 其他 <sup>(1)</sup> | <b>3,192</b>  | <b>4.0%</b>   | 4,647        | 5.9%     |
| <b>Total</b>                               | <b>總計</b>         | <b>79,625</b> | <b>100.0%</b> | 79,122       | 100.0%   |

Note:

(1) Primarily include travelling expenses, training expenses and recruitment expenses.

Our selling and distribution expenses remained stable at RMB79.1 million for the year ended March 31, 2021 and RMB79.6 million for the year ended March 31, 2022.

### 毛利

我們的毛利由截至2021年3月31日止年度的人民幣364.4百萬元減少7.6%至截至2022年3月31日止年度的人民幣336.6百萬元，主要是由於(i)社保公積金減免政策取消的影響；及(ii)新開診所和醫院仍處於擴張期所致。

### 銷售及經銷開支

我們的銷售及經銷開支主要包括(i)銷售及營銷人員的僱員福利開支、(ii)廣告及營銷開支及(iii)諮詢費。下表載列我們於所示期間的銷售及經銷開支明細，以絕對金額及佔總收入成本的百分比列示。

附註：

(1) 主要包括差旅開支、培訓開支及招聘開支。

我們的銷售及經銷開支維持穩定，截至2021年3月31日止年度為人民幣79.1百萬元，截至2022年3月31日止年度為人民幣79.6百萬元。

# Management Discussion and Analysis

## 管理層討論與分析

### Administrative Expenses

Our administrative expenses primarily consist of (i) share-based compensation expenses; (ii) employee benefits expenses for our directors, senior management and other administrative staff; (iii) listing expenses; (iv) consulting fees; and (v) depreciation and amortization. The following table sets forth a breakdown of our administrative expenses, both in absolute amounts and as a percentage, for the periods indicated.

### 行政開支

我們的行政開支主要包括(i)股份酬金開支；(ii)董事、高級管理層及其他行政人員的僱員福利開支；(iii)上市開支；(iv)諮詢費；及(v)折舊及攤銷。下表載列我們於所示期間的行政開支明細，以絕對金額及所佔百分比列示。

|   |                   | For the year ended March 31,<br>截至3月31日止年度                  |               |                |               |
|---|-------------------|---|---------------|----------------|---------------|
|   |                   | 2022<br>2022年   |               | 2021<br>2021年  |               |
|   |                   | RMB   | %             | RMB            | %             |
|   |                   | 人民幣元  | %             | 人民幣元           | %             |
|   |                   | (RMB in thousands, except for percentages)<br>(人民幣千元，百分比除外) |               |                |               |
| Share-based compensation expenses       | 股份酬金開支            | 95,021  | 34.4%         | –              | –             |
| Employee benefits expenses              | 僱員福利開支            | 83,401  | 30.2%         | 72,229         | 55.4%         |
| Listing expenses                        | 上市開支              | 42,501  | 15.4%         | 5,871          | 4.5%          |
| Consulting fees                         | 諮詢費               | 15,234  | 5.5%          | 17,612         | 13.5%         |
| Depreciation and amortization           | 折舊及攤銷             | 16,659  | 6.0%          | 14,659         | 11.2%         |
| Office and property management expenses | 辦公及物業管理開支         | 4,903   | 1.8%          | 4,108          | 3.2%          |
| Auditor's remuneration                  | 審計師薪酬             | 3,500   | 1.3%          | –              | –             |
| Others <sup>(1)</sup>                   | 其他 <sup>(1)</sup> | 14,874  | 5.4%          | 15,851         | 12.2%         |
| <b>Total</b>                            | <b>總計</b>         | <b>276,093</b>  | <b>100.0%</b> | <b>130,330</b> | <b>100.0%</b> |

Note:

(1) Primarily include travelling expenses, training expenses and recruitment expenses.

Our administrative expenses increased by 111.9% from RMB130.3 million for the year ended March 31, 2021 to RMB276.1 million for the year ended March 31, 2022, primarily due to (i) share-based compensation expenses of RMB95.0 million in connection with the grant of RSUs to our employees pursuant to the RSU Scheme; and (ii) the increase of listing expenses.

附註：

(1) 主要包括差旅開支、培訓開支及招聘開支。

我們的行政開支由截至2021年3月31日止年度的人民幣130.3百萬元增加111.9%至截至2022年3月31日止年度的人民幣276.1百萬元，主要是由於(i)根據受限制股份單位計劃向我們的僱員授出受限制股份單位涉及的股份酬金開支人民幣95.0百萬元；及(ii)上市開支增加所致。

# Management Discussion and Analysis

## 管理層討論與分析

### Research and Development Expenses

Our research and development expenses primarily consist of (i) employee benefits expenses for our research and development staff; and (ii) consulting fees. The following table sets forth a breakdown of our research and development expenses, both in absolute amounts and as a percentage, for the periods indicated.

### 研發開支

我們的研發開支主要包括(i)研發人員的僱員福利開支；及(ii)諮詢費。下表載列我們於所示期間的研發開支明細，以絕對金額及所佔百分比列示。

|   |                   | For the year ended March 31,<br>截至3月31日止年度 |               |               |               |
|---|-------------------|--|---------------|---------------|---------------|
|   |                   | 2022<br>2022年                              |               | 2021<br>2021年 |               |
|   |                   | RMB  | %             | RMB           | %             |
|   |                   | 人民幣元                                       | %             | 人民幣元          | %             |
| (RMB in thousands, except for percentages)<br>(人民幣千元，百分比除外) |                   |  |               |               |               |
| Employee benefits expenses                                  | 僱員福利開支            | 26,633                                     | 80.9%         | 25,083        | 91.8%         |
| Consulting fees   | 諮詢費               | 4,323                                      | 13.1%         | 1,709         | 6.3%          |
| Depreciation and amortization                               | 折舊及攤銷             | 1,596                                      | 4.8%          | 114           | 0.4%          |
| Others <sup>(1)</sup>                                       | 其他 <sup>(1)</sup> | 366  | 1.2%          | 405           | 1.5%          |
| <b>Total</b>  | <b>總計</b>         | <b>32,918</b>                              | <b>100.0%</b> | <b>27,311</b> | <b>100.0%</b> |

Note:

(1) Primarily include travelling expenses, property management expenses and utility expenses.

附註：

(1) 主要包括差旅開支、物業管理開支及水電費。

Our research and development expenses increased by 20.5% from RMB27.3 million for the year ended March 31, 2021 to RMB32.9 million for the year ended March 31, 2022, primarily because of the increase of consulting fees to develop our information technology system.

我們的研發開支由截至2021年3月31日止年度的人民幣27.3百萬元增加20.5%至截至2022年3月31日止年度的人民幣32.9百萬元，主要是由於開發我們的信息技術系統的諮詢費增加。

# Management Discussion and Analysis

## 管理層討論與分析

### Net Reversal of Impairment Loss/(Impairment Loss) on Financial Assets

Net reversal of impairment loss/(impairment loss) on financial assets refer to impairment charges recorded based on the difference between the cash flows contractually due and all the cash flows that we expect to receive from trade and other receivables. Our net reversal of impairment loss on financial assets was RMB4.6 million for the year ended March 31, 2022, compared to net impairment loss on financial assets of RMB5.5 million for the year ended March 31, 2021, primarily due to the settlement of loans to related parties.

### Operating Loss/Profit

For the year ended March 31, 2022, our operating loss was RMB28.6 million, compared to an operating profit of RMB124.5 million for the year ended March 31, 2021, mainly due to share-based compensation expenses and listing expenses. Excluding the share-based compensation expenses and listing expenses, our operating profit would be RMB109.0 million.

### Net Finance Costs

Our net finance costs increased from RMB44.3 million for the year ended March 31, 2021 to RMB47.4 million for the year ended March 31, 2022, primarily due to the financing cost incurred for the issuance of Series E Preferred Shares, offset by the decrease of interest expense on borrowings.

### Fair Value Changes of Convertible Redeemable Preferred Shares

Our fair value changes of convertible redeemable preferred shares increased from RMB424.3 million for the year ended March 31, 2021 to RMB541.1 million for the year ended March 31, 2022, primarily due to the increase of our valuation as a result of the business growth. Convertible redeemable preferred shares were converted to ordinary shares upon the Listing, and we do not expect to record any further fair value change of convertible redeemable preferred shares.

### 金融資產淨減值虧損撥回/(減值虧損)

金融資產淨減值虧損撥回/(減值虧損)指根據合同到期的現金流量與我們預期自貿易及其他應收款項收到的所有現金流量之間的差額所記錄的減值費用。截至2022年3月31日止年度，我們的金融資產淨減值虧損撥回為人民幣4.6百萬元，而截至2021年3月31日止年度則為金融資產淨減值虧損人民幣5.5百萬元，主要是由於結清給關聯方提供的貸款所致。

### 經營虧損/利潤

截至2022年3月31日止年度，我們的經營虧損為人民幣28.6百萬元，而截至2021年3月31日止年度則為經營利潤人民幣124.5百萬元，主要是由於股份酬金開支及上市開支所致。剔除股份酬金開支及上市開支，我們的經營利潤將為人民幣109.0百萬元。

### 淨財務成本

我們的淨財務成本由截至2021年3月31日止年度的人民幣44.3百萬元增加至截至2022年3月31日止年度的人民幣47.4百萬元，主要是由於就發行E輪優先股產生的財務成本所致，但被借款利息開支減少所抵銷。

### 可轉換可贖回優先股的公允價值變動

我們的可轉換可贖回優先股的公允價值變動由截至2021年3月31日止年度的人民幣424.3百萬元增加至截至2022年3月31日止年度的人民幣541.1百萬元，主要是由於業務增長令我們的估值增加。可轉換可贖回優先股於上市後轉換為普通股，我們預期不會進一步錄得任何可轉換可贖回優先股的公允價值變動。

# Management Discussion and Analysis

## 管理層討論與分析

### Loss for the Year

As a result of the foregoing, our loss for the year increased from RMB597.8 million for the year ended March 31, 2021 to RMB696.4 million for the year ended March 31, 2022, primarily due to the impact of changes in fair value of our convertible redeemable preferred shares, bond, and warrants and share-based compensation expenses we incurred during such periods.

### Property, Plant and Equipment

Our property, plant and equipment primarily consist of (i) medical equipment; (ii) office equipment and furniture; (iii) motor vehicles; and (iv) leasehold improvements. Our property, plant and equipment increased from RMB260.8 million as of March 31, 2021 to RMB297.8 million as of March 31, 2022 due to newly-opened clinics and hospitals in line with our business expansion.

### Right-of-use Assets

Our right-of-use assets represent leases of dental clinics, hospitals, and office space in accordance with IFRS 16. Our right-of-use assets increased from RMB595.1 million as of March 31, 2021 to RMB703.5 million as of March 31, 2022, primarily because we leased more properties for newly-opened clinics and hospitals.

### Net Current Assets

We had net current assets of RMB884.4 million as of March 31, 2022, compared to net current liabilities of RMB3,164.5 million as of March 31, 2021, primarily because the convertible redeemable preferred shares were re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares upon the Listing.

### Trade Receivables

Trade receivables are primarily amounts due from customers for dental materials sold and dental services performed in the ordinary course of business. Trade receivables are classified as current assets if they are expected to be collected in one year or less. We typically charge our individual patients upon rendering our services. In addition, for our corporate clients, we usually grant them a credit period ranging from 10 to 60 days.

### 年內虧損

由於上述原因，我們的年內虧損由截至2021年3月31日止年度的人民幣597.8百萬元增加至截至2022年3月31日止年度的人民幣696.4百萬元，主要由於可轉換可贖回優先股、債券及權證的公允價值變動影響以及我們於有關期間內產生的股份酬金開支所致。

### 物業、廠房及設備

我們的物業、廠房及設備主要包括(i)醫療設備；(ii)辦公設備及傢具；(iii)汽車；及(iv)租賃物業裝修。我們的物業、廠房及設備由截至2021年3月31日的人民幣260.8百萬元增加至截至2022年3月31日的人民幣297.8百萬元，乃由於隨著我們業務的擴張，新開設診所及醫院所致。

### 使用權資產

根據國際財務報告準則第16號，我們的使用權資產指口腔診所、醫院及辦公場所的租賃。我們的使用權資產由截至2021年3月31日的人民幣595.1百萬元增加至截至2022年3月31日的人民幣703.5百萬元，主要由於我們就新開設診所及醫院租賃更多物業所致。

### 淨流動資產

截至2022年3月31日，我們的淨流動資產為人民幣884.4百萬元，而截至2021年3月31日則為淨流動負債人民幣3,164.5百萬元，主要是由於可轉換可贖回優先股於上市後自動轉換為普通股，其將自負債重新指定為權益。

### 貿易應收款項

貿易應收款項主要為就日常業務過程中銷售的齒科材料及提供的口腔醫療服務應收客戶的款項。倘貿易應收款項預期於一年或以內收回，則分類為流動資產。我們通常在提供服務時向個人患者收費。此外，就企業客戶而言，我們通常授予介乎10至60天的信貸期。



# Management Discussion and Analysis

## 管理層討論與分析

Our trade receivables were RMB72.9 million and RMB71.3 million as of March 31, 2021 and 2022, respectively. Our trade receivables turnover days were 16 days for the year ended March 31, 2021, and 20 days for the year ended March 31, 2022. The increase of turnover days was mainly due to the increase in accounts receivables from commercial and governmental medical insurance programs.

### Other Receivables

Our other receivables primarily consist of (i) loans to related parties; (ii) rental and other deposits; (iii) loans to employees, net of loss allowance. Our other receivables included in current assets decreased by 69.2% from RMB83.0 million as of March 31, 2021 to RMB25.6 million as of March 31, 2022, primarily due to the settlement of loans to related parties and amounts due from related parties.

### Trade and Other Payables

Our trade payables primarily represent the amount due to our suppliers. Our suppliers typically granted us a credit period of 90 days. Trade payables are classified as current liabilities if payment is due within one year or less, and as non-current liabilities if due over one year. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Our trade payables decreased by 38.8% from RMB121.3 million as of March 31, 2021 to RMB74.2 million as of March 31, 2022, primarily due to the settlement of trade payable to one of our main suppliers. Our trade payables turnover days decreased from 79 days for the year ended March 31, 2021 to 58 days for the year ended March 31, 2022 accordingly.

### Other Payables

Our other payables primarily consist of (i) employee benefits payable; (ii) payables due to related parties and shareholders; and (iii) taxes payables. Our other payables increased by 14.8% from RMB173.3 million as of March 31, 2021 to RMB198.9 million as of March 31, 2022, primarily due to the unpaid consideration of RMB36.5 million to buy out the share interest from a minority shareholder of a subsidiary of the Group and the increase of unpaid listing fees of RMB19.6 million, offset by settlement of payables due to related parties and shareholders.

截至2021年及2022年3月31日，我們的貿易應收款項分別為人民幣72.9百萬元及人民幣71.3百萬元。截至2021年3月31日止年度及截至2022年3月31日止年度，我們的貿易應收款項週轉天數分別為16天及20天。週轉天數增加主要是由於來自商業及政府醫療保險計劃的應收賬款增加。

### 其他應收款項

我們的其他應收款項主要包括(i)向關聯方提供貸款；(ii)租賃及其他按金；(iii)向僱員提供貸款，並已扣除虧損撥備。我們計入流動資產的其他應收款項由截至2021年3月31日的人民幣83.0百萬元減少69.2%至截至2022年3月31日的人民幣25.6百萬元，主要是由於結清向關聯方提供貸款及應收關聯方款項。

### 貿易及其他應付款項

我們的貿易應付款項主要為應付供應商款項。我們的供應商通常給予我們90天的信貸期。倘貿易應付款項於一年或較短期間內到期，有關款項則分類為流動負債，而倘貿易應付款項於一年以上到期，則分類為非流動負債。其最初按其公允價值確認，隨後採用實際利率法按攤銷成本計量。

我們的貿易應付款項由截至2021年3月31日的人民幣121.3百萬元減少38.8%至截至2022年3月31日的人民幣74.2百萬元，主要是由於結清應付我們一名主要供應商的貿易應付款項。因此，我們的貿易應付款項週轉天數由截至2021年3月31日止年度的79天減少至截至2022年3月31日止年度的58天。

### 其他應付款項

我們的其他應付款項主要包括(i)應付僱員福利；(ii)應付關聯方及股東款項；及(iii)應付稅項。我們的其他應付款項由截至2021年3月31日的人民幣173.3百萬元增加14.8%至截至2022年3月31日的人民幣198.9百萬元，主要是由於向本集團一家子公司少數股東收購股權的未支付對價人民幣36.5百萬元及未支付上市費用增加人民幣19.6百萬元，被結清應付關聯方及股東款項所抵銷。

# Management Discussion and Analysis

## 管理層討論與分析

### Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss primarily represent our investments in wealth management products with an aggregate principal amount of approximately RMB197.0 million with a fixed annualized return rate of 1.2% and unlisted debt instruments of RMB34.7 million. On 10 February 2022, 14 and 15 March 2022, the Company and a subsidiary of the Company entered into the subscription agreements with Growth Vanguard Fund SPC to purchase wealth management products amounted to US\$31,040,000 at fixed annualized return rate of 1.2%. The wealth management product is subject to a lock-up period of one month and can be redeemed by the Company at any time upon expiration of the lock-up period. The unlisted debt instruments represent preferred shares issued by Hangzhou Jarvis Medical Technology Company Limited\* (杭州佳沃思醫療科技有限公司), representing 8.22% of equity interests in that company.

### Prepayments

Our prepayments primarily consist of (i) prepayments for braces; (ii) incremental cost of obtaining contracts, representing the commissions to dentists; (iii) prepayments for inventories other than braces; (iv) payment for equipments; and (v) short-term lease prepayments. Our prepayments increased by 19.7% from RMB124.0 million as of March 31, 2021 to RMB148.4 million as of March 31, 2022, primarily due to increase of prepayments for equipments inventories and leases as result of business expansion.

### Foreign Exchange Exposure

Since we operate mainly in the PRC with most of the transactions settled in Renminbi, our management considers that our business is not exposed to significant foreign exchange risk as there are no significant assets or liabilities which are denominated in the currencies other than our functional currency. During the Reporting Period, the Company's currency translation differences mainly arise from the translation of the financial statements of our Company from its functional currency in United States dollars to the reporting currency in Renminbi.

Our Directors would from time to time review the analysis prepared by our account department and assess whether there is any material and adverse impact on our financial performance and whether we should enter into any hedging or derivative financial instruments to manage such foreign exchange risk exposures.

### 按公允價值計入損益的金融資產

我們按公允價值計入損益的金融資產主要指我們於財富管理產品的投資，本金總額約為人民幣197.0百萬元，固定年化回報率為1.2%，以及非上市債務工具人民幣34.7百萬元。於2022年2月10日、2022年3月14日及15日，本公司及本公司一家子公司與Growth Vanguard Fund SPC訂立認購協議，以固定年化回報率1.2%購買31,040,000美元的理財產品。該理財產品的鎖定期為一個月，本公司可於鎖定期屆滿後隨時贖回有關理財產品。非上市債務工具指杭州佳沃思醫療科技有限公司發行的優先股，佔該公司的8.22%股權。

### 預付款項

我們的預付款項主要包括(i)牙套預付款項；(ii)獲得合同的增量成本，即醫生佣金；(iii)存貨（牙套除外）預付款項；(iv)設備付款及(v)短期租賃預付款項。我們的預付款項由截至2021年3月31日的人民幣124.0百萬元增加19.7%至截至2022年3月31日的人民幣148.4百萬元，主要是由於業務擴張導致設備、存貨及租賃預付款項增加。

### 外匯風險

由於我們主要在中國經營業務，大部分交易均以人民幣結算，由於我們並無以功能貨幣以外的貨幣計值的重大資產或負債，故管理層認為我們的業務並無面臨重大外匯風險。於報告期間，本公司的貨幣換算差額主要由本公司財務報表中功能貨幣美元兌呈報貨幣人民幣的換算所產生。

董事會將不時審閱我們會計部編製的分析，並評估是否會對我們的財務表現產生任何重大不利影響，以及我們是否應訂立任何對沖或衍生金融工具來管理該等外匯風險敞口。

# Management Discussion and Analysis

## 管理層討論與分析

### Contingent Liabilities

As of March 31, 2022, we did not have any material contingent liabilities, guarantees, or legal, arbitration or administrative proceedings pending or threatened against us that we expect would materially adversely affect our financial position or results of operations.

### Liquidity and Financial Resources

During the Reporting Period, we financed our operations and other capital expenditure requirements primarily through cash generated from our operations and proceeds raised from the Company's series E round of financing and the Listing on the Stock Exchange on March 22, 2022. As of March 31, 2022, we had cash and cash equivalents of RMB1,052.3 million, as compared with RMB676.3 million as of March 31, 2021.

There is no material change in the capital structure of the Company since the date of the Listing. The capital of the Company comprises only ordinary shares.

### Capital Expenditures

Capital expenditures represent purchase of property, equipment and intangible assets. For the year ended March 31, 2022, we incurred capital expenditures of RMB120.8 million, compared to RMB34.0 million for the year ended March 31, 2021, primarily due to the expansion and renovation of dental clinics and hospitals. We intend to fund our planned capital expenditures through a combination of the net proceeds from the Global Offering, bank facilities and other borrowings, as well as cash generated from operations.

### Borrowings and Gearing Ratio

During the Reporting Period, we incurred borrowings which were primarily denominated in Renminbi, to finance our capital expenditure and working capital requirements. As of March 31, 2022, we had obtained bank loan facilities of RMB333.5 million.

As of March 31, 2022, the gearing ratio (calculated as total borrowings divided by total equity and multiplied by 100%) is 8.5%.

### Charge on Asset

As of March 31, 2022, we pledged US\$15 million (equivalent to RMB95.3 million) to a bank as the collateral for bank loans of RMB80.1 million.

### 或然負債

截至2022年3月31日，我們並無任何重大或然負債、擔保或向我們作出尚未了結或面臨威脅的法律、仲裁或行政程序，從而預期對我們的財務狀況或經營業績造成重大不利影響。

### 流動資金及財務資源

於報告期間，我們主要通過我們的經營所得現金以及本公司E輪融資及於2022年3月22日於聯交所上市所籌集的所得款項為運營及其他資本支出需求提供資金。截至2022年3月31日，我們的現金及現金等價物為人民幣1,052.3百萬元，而截至2021年3月31日則為人民幣676.3百萬元。

本公司資本架構自上市日期起並無重大變動。本公司資本僅包括普通股。

### 資本支出

資本支出指購買物業、設備及無形資產。截至2022年3月31日止年度，我們產生資本支出人民幣120.8百萬元，截至2021年3月31日止年度則為人民幣34.0百萬元，主要由於口腔診所及醫院的擴張及裝修所致。我們擬透過結合全球發售淨所得款項、銀行融資及其他借款以及經營所得現金為我們的計劃資本支出提供資金。

### 借款及資本負債比率

於報告期間，我們通過借款為資本支出及營運資金需求撥付資金，其主要以人民幣呈列。截至2022年3月31日，我們已取得銀行貸款額度人民幣333.5百萬元。

截至2022年3月31日，資本負債比率（按借款總額除以總權益再乘以100%計算）為8.5%。

### 資產抵押

截至2022年3月31日，我們向一家銀行抵押15百萬元（相等於人民幣95.3百萬元）作為人民幣80.1百萬元銀行貸款的抵押品。

# Profiles of Directors and Management

## 董事及管理層簡介

### EXECUTIVE DIRECTORS

**Mr. ZOU Qifang (鄒其芳)**, aged 68, is our founder, chairman of the Board and chief executive officer. He has been our Director since May 2001 and was re-designated as an executive Director in June 2021. Mr. Zou founded our Group in April 1999. He is responsible for overall strategic planning and business direction planning, supervising and management of the Group's business. Prior to founding our Group, Mr. Zou served as an associate in Bankers Trust Company, a commercial bank providing wholesale financial services, from July 1994 to April 1995. He served as a management consultant in A.T. Kearney (Hong Kong) Limited (科爾尼(香港)有限公司), a global management consulting firm, from June 1995 to September 1996. Mr. Zou served as a manager in Tianjin Smith Kline & French Laboratories Ltd. (中美天津史克製藥有限公司) from 1982 to August 1990.

Mr. Zou received a bachelor's degree in English from Tianjin Foreign Studies University (天津外國語大學) (formerly known as Tianjin Foreign Studies College (天津外國語學院)) in Tianjin, the PRC in July 1982. Mr. Zou received a master's degree in business administration from the Wharton School of University of Pennsylvania, in Pennsylvania, the US in May 1994. Mr. Zou has been a member of the board of advisors of School of Dental Medicine of the University of Pennsylvania since October 2010 and a member of the executive board for Asia of the Wharton School of the University of Pennsylvania from 2008 to 2018. Mr. Zou is an advisor to the dean of School of Dental Medicine of the Harvard University since 2019 and a director of the 2005 committee of WRSA Chamber of Commerce since 2005. Mr. Zou has also been a member of CEO Organization since 2013 and a Trustee of Center for Excellence in Education (CEE, a global education foundation) since 2019. He received the Annual China Entrepreneurship Award from the Wharton School of the University of Pennsylvania in 2018.

### 執行董事

**鄒其芳先生**，68歲，我們的創始人、主席兼首席執行官。他自2001年5月起擔任董事並於2021年6月調任執行董事。鄒先生於1999年4月創立本集團。他負責總體戰略規劃和業務方向規劃、監督及管理本集團業務。在創立本集團之前，鄒先生於1994年7月至1995年4月擔任美國信孚銀行（一家提供批發金融服務的商業銀行）的投資顧問。他於1995年6月至1996年9月擔任科爾尼（香港）有限公司（一家全球性管理諮詢公司）的管理顧問。鄒先生於1982年至1990年8月擔任中美天津史克製藥有限公司的經理。

鄒先生於1982年7月獲得中國天津市天津外國語大學（前稱天津外國語學院）的英語專業學士學位。鄒先生於1994年5月獲得美國賓夕法尼亞的賓夕法尼亞大學沃頓商學院的工商管理碩士學位。自2010年10月起，鄒先生一直擔任賓夕法尼亞大學口腔醫學院顧問委員會成員，並於2008年至2018年擔任賓夕法尼亞大學沃頓商學院亞洲董事會成員。鄒先生自2019年起擔任哈佛大學口腔醫學院院長顧問，並自2005年起擔任歐美同學會商會2005委員會的理事。鄒先生亦自2013年起擔任CEO Organization的成員，並自2019年起擔任Center for Excellence in Education (CEE，一家全球教育基金會)的受託人。他於2018年獲得賓夕法尼亞大學沃頓商學院頒發的年度企業家。

## Profiles of Directors and Management 董事及管理層簡介

**Ms. Qin Jessie XIN**, aged 52, is our executive Director and chief financial officer. Ms. Xin joined our Group in July 2015. She has been our Director since August 2017 and was re-designated as an executive Director in June 2021. She is responsible for supervising accounting and financing of the Group. Prior to joining our Group, Ms. Xin served as a deputy general manager of finance in iKang Healthcare Group (愛康國賓集團), the shares of which are listed on the NASDAQ (stock code: KANG), from May 2011 to June 2015.

Ms. Xin received a bachelor's degree in commerce from McGill University in Quebec, Canada in October 1997 and a master's degree in business administration from the California State University in California, the US in March 2008. Ms. Xin has been a public accountant certified by the State Board of Accountancy of State of Delaware since October 2004.

**Mr. ZHANG Jincai (章錦才)**, aged 59, is our executive Director and chief medical officer. He is responsible for overseeing medical services of the Group and operations of our dental hospitals and clinics. Mr. Zhang joined our Group in June 2019 and served as our executive president of medical affairs from June 2019 to May 2020. He has served as the chief medical officer of our Group and general manager of hospitals and clinics since June 2020. Prior to joining our Group, Mr. Zhang served as the chairman of the board of Zhejiang Tongce Dental Medical Management Co., Ltd. (浙江通策口腔醫院投資管理集團有限公司), a subsidiary of TC Medical (通策醫療股份有限公司) which was listed on Shanghai Stock Exchange with stock code: 600763, from June 2015 to May 2019. He was a professor of oral medicine in the West China Medical Center of Sichuan University (四川大學華西醫學中心) (formerly known as the West China Medical University (華西醫科大學)) from January 1989 to May 2001.

辛勤女士，52歲，我們的執行董事兼首席財務官。辛女士於2015年7月加入本集團。她自2017年8月起擔任董事並於2021年6月調任執行董事。她負責監督本集團的會計和財務。在加入本集團之前，辛女士於2011年5月至2015年6月擔任愛康國賓集團（其股份於納斯達克上市（股份代號：KANG））財務副總經理。

辛女士於1997年10月獲得加拿大魁北克麥吉爾大學的商科學士學位，並於2008年3月獲得美國加州的加州州立大學的工商管理碩士學位。自2004年10月以來，辛女士一直是經特拉華州會計師公會認證的執業會計師。

章錦才先生，59歲，我們的執行董事兼首席醫療官。他負責監督本集團的醫療服務和我們的口腔醫院及診所的運營。章先生於2019年6月加入本集團，並於2019年6月至2020年5月擔任醫療事務的執行總裁。他自2020年6月起擔任本集團的首席醫療官兼醫院及診所的總經理。在加入本集團之前，章先生於2015年6月至2019年5月擔任浙江通策口腔醫院投資管理集團有限公司（通策醫療股份有限公司（於上海證券交易所上市的公司，股票代碼：600763）的子公司）的董事長。他於1989年1月至2001年5月擔任四川大學華西醫學中心（前稱華西醫科大學）的口腔醫學教授。

## Profiles of Directors and Management 董事及管理層簡介

Mr. Zhang obtained a physician's practicing certificate from the NHC in December 2001. He received a government special allowance from the State Council of the PRC in March 1998. He also received the 7th Chinese Physician Prize issued by the Chinese Medical Doctor Association (中國醫師協會) in November 2010. He was the vice president of the 4th Council of the Chinese Stomatological Association (中華口腔醫學會第四屆理事會) and the chairman of the 4th Periodontology Professional Committee of the Chinese Stomatological Association (中華口腔醫學會第四屆牙周病學專業委員會).

Mr. Zhang received a bachelor's degree in medicine from the School of Medicine of the Zhejiang University (浙江醫科大學) (formerly known as Zhejiang Medical University (浙江醫科大學)) in Zhejiang Province, the PRC in August 1983. He obtained a master's degree in medicine in December 1986 and a doctoral degree in clinical medicine in June 1989 from the West China Medical Center of Sichuan University (四川大學華西醫學中心) (formerly known as the West China Medical University (華西醫科大學)) in Sichuan Province, the PRC. Mr. Zhang completed the postdoctoral training from the School of Dentistry of the University of California, San Francisco in California, the US in December 1992.

**Mr. ZOU Jianlong (鄒劍龍)**, aged 60, is our executive Director and vice president. Mr. Zou joined our Group in April 1999. He has been our Director since March 2020 and was re-designated as an executive Director in June 2021. He is responsible for overseeing procurement and supply, administration, compliance and other departments of the Group. As one of our most senior employees, Mr. Zou helped our Group in market development in Shenzhen and Shanghai and served as head of operations. He took the lead in the establishment and daily operation of various middle office departments such as marketing, human resources, investment development, engineering management and compliance, and has made a significant contribution to the development of our Group over the past 20 years. Prior to joining our Group, Mr. Zou served as a manager of administration and human resources department in Shenzhen Haibin Pharmaceutical Co., Ltd. (深圳海濱製藥有限公司) from July 1995 to June 1998.

章先生於2001年12月取得國家衛健委發放的醫師執業證書。他於1998年3月獲得中國國務院政府特殊津貼。他還於2010年11月獲得中國醫師協會頒發的第七屆中國醫師獎。他曾擔任中華口腔醫學會第四屆理事會副理事長及中華口腔醫學會第四屆牙周病學專業委員會主席。

章先生於1983年8月獲得中國浙江省浙江醫科大學的醫學學士學位。他於1986年12月及1989年6月分別獲得中國四川省四川大學華西醫學中心(前稱華西醫科大學)醫學碩士學位及臨床醫學博士學位。章先生於1992年12月在美國加州的加州大學舊金山分校口腔醫學院完成博士後培訓。

**鄒劍龍先生**，60歲，我們的執行董事兼副總裁。鄒先生於1999年4月加入本集團。他自2020年3月起擔任董事並於2021年6月調任執行董事。他負責監督本集團的採購與供應、行政、合規及其他部門。作為我們最資深的僱員之一，鄒先生幫助本集團在深圳及上海進行市場開發，並擔任營運主管。他主導了營銷、人力資源、投資開發、工程管理及合規等多個中層部門的建立及日常運作，在過去20年為本集團的發展作出了重要貢獻。在加入本集團之前，鄒先生於1995年7月至1998年6月擔任深圳海濱製藥有限公司行政和人事部經理。

## Profiles of Directors and Management 董事及管理層簡介

Mr. Zou received a bachelor's degree in science from Jiangxi Normal University (江西師範大學) (formerly known as Jiangxi Normal College (江西師範學院)) in Jiangxi Province, the PRC in July 1983. He obtained a master's degree in engineering from the University of Science and Technology Beijing (北京科技大學) in Beijing, the PRC in January 1991.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Ms. LIU Xiaomei Michelle**, aged 54, was appointed as our independent non-executive Director with effect from November 25, 2021. She is responsible for providing independent opinion and judgment to the Board.

From December 2003 to December 2010, she served as a managing director at Beijing Lianban Investment Management Co., Ltd. (北京聯辦投資管理有限公司) and responsible for investment and financing activities. Since December 2010, Ms. Liu has served as the chief financial officer in Hexun Information Technology Co., Ltd. (和訊信息科技有限公司), which focuses on internet services and responsible for the financial management and strategic investment and financing of the company.

Ms. Liu received her bachelor's degree in finance from the University of International Business and Economics (對外經濟貿易大學) (formerly known as the China Institute of Finance (中國金融學院)) in July 1991. She further received her master of business administration degree (MBA) from the Wharton School of the University of Pennsylvania in May 1997.

**Mr. SUN Jian (孫健)**, aged 67, was appointed as our independent non-executive Director with effect from November 25, 2021. He is primarily responsible for providing independent opinion and judgment to the Board. Mr. Sun currently serves as an executive director of Brayn International Corporation Limited (栢睿國際股份有限公司), a company principally engaged in business consultancy services, since January 2020. He was appointed as a partner emerita (終身名譽合夥人) of A.T. Kearney Inc. (科爾尼管理諮詢公司) in April 2018. Mr. Sun served as a senior global partner of A.T. Kearney (Hong Kong) Limited (科爾尼(香港)有限公司) and A.T. Kearney (Shanghai) Management Consulting Co., Ltd. (科爾尼(上海)企業諮詢有限公司) from December 1994 to March 2018. Prior to that, he served as a business analyst in Eastman Kodak Company Medical Imaging Branch (柯達公司醫療影像分公司) from July 1994 to November 1994.

鄒先生於1983年7月獲得中國江西省江西師範大學(前稱江西師範學院)的理學學士學位。他於1991年1月獲得中國北京北京科技大學的工程學碩士學位。

### 獨立非執行董事

**劉笑梅女士**，54歲，獲委任為我們的獨立非執行董事，自2021年11月25日起生效。她負責向董事會提供獨立意見和判斷。

於2003年12月至2010年12月，她擔任北京聯辦投資管理有限公司董事總經理，負責投融資活動。自2010年12月起，劉女士擔任和訊信息科技有限公司(該公司專注於互聯網服務)的首席財務官，負責該公司的財務管理及戰略投融資。

劉女士於1991年7月獲得對外經濟貿易大學(前稱中國金融學院)的金融學學士學位。她於1997年5月進一步獲得賓夕法尼亞大學沃頓商學院的工商管理碩士(MBA)學位。

**孫健先生**，67歲，獲委任為我們的獨立非執行董事，自2021年11月25日起生效。他主要負責向董事會提供獨立意見和判斷。孫先生自2020年1月至今擔任栢睿國際股份有限公司(一家主要從事商業諮詢服務的公司)的執行董事。他於2018年4月獲委任為科爾尼管理諮詢公司的終身名譽合夥人。孫先生於1994年12月至2018年3月擔任科爾尼(香港)有限公司及科爾尼(上海)企業諮詢有限公司的高級全球合夥人。在此之前，他於1994年7月至1994年11月擔任柯達公司醫療影像分公司的業務分析師。

## Profiles of Directors and Management 董事及管理層簡介

Mr. Sun received a bachelor's degree in engineering from the East China University of Science and Technology (華東理工大學) (formerly known as the East China Institute of Chemical Technology (華東化工學院)) in Shanghai, the PRC in May 1982. He obtained a master's degree in economics through on job learning from the Shanghai Academy of Social Sciences (上海社會科學院) in Shanghai, the PRC in August 1986. Mr. Sun received a master's degree in business administration (MBA) from the Simon Business School at the University of Rochester in New York, the US in June 1994. He received a doctoral degree of arts from China Academy of Art (中國美術學院) in Zhejiang Province, the PRC in June 2019.

**Mr. ZHANG Bang (張磅)**, aged 54, was appointed as our independent non-executive Director with effect from November 25, 2021. He is primarily responsible for providing independent opinion and judgment to the Board.

Mr. Zhang is currently the chief corporate officer of Octave (Shanghai) Enterprise Management Company Limited (音昱(上海)企業管理有限公司), having held that position since April 2018. Mr. Zhang served as the chief financial officer of DG Group (雙志偉業集團) from February 2016 to February 2018 and Golden Jaguar Group (金錢豹餐飲集團) from November 2013 to November 2015. He served as the senior vice president and chief financial officer of Mai Wang Information Technology (Shanghai) Co., Ltd. (麥網信息技術(上海)有限公司), a subsidiary of MecoxLane Co. Ltd. (麥考林集團), a company previously listed on the NASDAQ with stock code MCOX, from July 2009 to October 2013.

Mr. Zhang was an independent director of ChinaCache International Holdings Limited, a company listed on NASDAQ with stock code CCIH, from July 2017 to November 2020. Currently, Mr. Zhang holds directorships in the following listed companies: (i) independent director of Jupai, a company listed on NYSE with stock code JP and since July 2015; and (ii) independent non-executive director of E-House (China) Enterprise Holdings Limited, a company listed on the Stock exchange with stock code 2048 since July 2018.

He received his master's degree in business administration in June 2001 from Jinan University (暨南大學) in China. Mr. Zhang is both a fellow of the Chartered Institute of Management Accountants and a chartered global management accountant of the Association of International Certified Professional Accountants.

孫先生於1982年5月獲得中國上海華東理工大學(前稱華東化工學院)的工程學學士學位。他於1986年8月通過在職學習獲得中國上海市上海社會科學院的經濟學碩士學位。孫先生於1994年6月獲得美國紐約羅切斯特大學西蒙商學院的工商管理碩士(MBA)學位。他於2019年6月獲得中國浙江省中國美術學院的美術博士學位。

張磅先生，54歲，獲委任為我們的獨立非執行董事，自2021年11月25日起生效。他主要負責向董事會提供獨立意見和判斷。

張先生自2018年4月至今擔任音昱(上海)企業管理有限公司的首席企業官。張先生於2016年2月至2018年2月擔任雙志偉業集團的首席財務官及於2013年11月至2015年11月擔任金錢豹餐飲集團的首席財務官。他於2009年7月至2013年10月擔任麥網信息技術(上海)有限公司(麥考林集團(一家先於納斯達克上市的公司，證券代碼：MCOX)的子公司)的高級副總裁兼首席財務官。

張先生於2017年7月至2020年11月擔任ChinaCache International Holdings Limited(一家於納斯達克上市的公司，證券代碼：CCIH)的獨立董事。目前，張先生於以下上市公司擔任董事職位：(i)自2015年7月起擔任鉅派(一家於紐約證券交易所上市的公司，證券代碼：JP)的獨立董事；及(ii)自2018年7月起擔任易居(中國)企業控股有限公司(一家於聯交所上市的公司，股份代號：2048)的獨立非執行董事。

他於2001年6月獲得中國暨南大學的工商管理碩士學位。張先生亦為英國特許管理會計師公會資深會員及國際執業專業會計師公會的特許全球管理會計師。



# Profiles of Directors and Management

## 董事及管理層簡介

### SENIOR MANAGEMENT

**Mr. ZOU Qifang (鄒其芳)**, aged 68, also acts as our chief executive officer. He is responsible for overall strategic planning and business direction planning, supervising and management of the Group's business. Please see section headed "Mr. ZOU Qifang – Executive Directors" above for details of his biography.

**Ms. Qin Jessie XIN**, aged 52, also acts as our chief financial officer. She is responsible for supervising accounting and financing of the Group. Please see section headed "Ms. Qin Jessie XIN – Executive Directors" above for details of her biography.

**Mr. ZHANG Jincai (章錦才)**, aged 59, also acts as our chief medical officer and general manager of hospitals and clinics. He is responsible for overseeing medical services of the Group and operations of our dental hospitals and clinics. Please see section headed "Mr. ZHANG Jincai – Executive Directors" above for details of his biography.

**Mr. ZOU Jianlong (鄒劍龍)**, aged 59, is one of our vice presidents. He is responsible for overseeing, procurement and supply, administration, compliance and other departments of the Group. Please see section headed "Mr. ZOU Jianlong – Executive Directors" above for details of his biography.

**Mr. QU Bo (曲勃)**, aged 53, was appointed as our vice president and chief operation officer in October 2020. He is responsible for overseeing operations of the Group. Mr. Qu joined our Group in May 2007.

Prior to joining our Group, Mr. Qu served as a lawyer at Liaoning Fada Law Firm (遼寧法大律師事務所) (formerly known as Dalian Fada Law Firm (大連法大律師事務所)) from December 1992 to June 1995. He served as a manager of mainland China business in Van Yu Trading Company Limited (香港萬友貿易有限公司) from June 1997 to January 2002.

Mr. Qu received his bachelor's degree in law from the Law School of the Jilin University (吉林大學) in China in July 1990. He further received his master's degree in international business from the Ohio State University in the US in March 1998. He received his master of business administration (MBA) degree from the York University, Canada in June 2004 and recognized by the Chinese Service Center for Scholarly Exchange of the Ministry of Education in November 2006.

### 高級管理層

**鄒其芳先生**，68歲，亦擔任我們的首席執行官。他負責總體戰略規劃和業務方向規劃、監督及管理本集團業務。有關其履歷詳情，請參閱上文「鄒其芳先生 – 執行董事」一節。

**辛勤女士**，52歲，亦擔任我們的首席財務官。她負責監督本集團的會計和財務。有關其履歷詳情，請參閱上文「辛勤女士 – 執行董事」一節。

**章錦才先生**，59歲，亦擔任我們的首席醫療官兼醫院及診所的總經理。他負責監督本集團的醫療服務和我們的口腔醫院及診所的運營。有關其履歷詳情，請參閱上文「章錦才先生 – 執行董事」一節。

**鄒劍龍先生**，59歲，我們的副總裁之一。他負責監督本集團的採購與供應、行政、合規及其他部門。有關其履歷詳情，請參閱上文「鄒劍龍先生 – 執行董事」一節。

**曲勃先生**，53歲，於2020年10月獲委任為我們的副總裁兼首席運營官。他負責監督本集團的運營。曲先生於2007年5月加入本集團。

在加入本集團之前，曲先生於1992年12月至1995年6月擔任遼寧法大律師事務所（前稱大連法大律師事務所）的律師，並於1997年6月至2002年1月擔任香港萬友貿易有限公司的中國內地業務經理。

曲先生於1990年7月獲得中國吉林大學法學院的法學學士學位。他於1998年3月進一步獲得美國俄亥俄州立大學的國際商務碩士學位。他於2004年6月獲得加拿大約克大學的工商管理碩士(MBA)學位，並於2006年11月獲得中國教育部留學服務中心認證。

## Profiles of Directors and Management 董事及管理層簡介

**Mr. CHENG Xiaolin (程小林)**, aged 57, was appointed as our vice president and general manager of hospitals and clinics in October 2020. He is responsible for overseeing operations and management of our dental hospitals and clinics. Mr. Cheng joined our Group in December 2015.

Prior to joining our Group, he served as a doctor at Beijing Stomatological Hospital (北京口腔醫院) from July 1987 to August 1994. He served as the dean of the Beijing Southern District Stomatological Hospital (北京南區口腔醫院) from December 2008 to May 2014. Mr. Cheng served as the assistant president and the dean of Taikang Bybo Medical Group Co., Ltd (泰康拜博醫療集團有限公司) from July 2014 to November 2015.

Mr. Cheng has been a committee member of the Chinese Hospital Association Stomatological Hospitals Branch (中國醫院協會口腔醫院分會) and a committee member of the Stomatological Council of Beijing Medical Doctor Association (北京醫師協會口腔專科醫師分會) since December 2020. He received an attending doctor certificate in stomatology in October 1992 from Beijing Technology Officer Bureau (北京科技幹部局). Mr. Cheng received physician's practicing certificate from the Beijing Health Bureau in May 1999.

Mr. Cheng received his bachelor's degree in stomatology from the Peking University Health Science Center (北京大學醫學部) (formerly known as the Beijing Medical University (北京醫科大學)) in China in July 1987. He further received his executive master of business administration (EMBA) degree from the University of International Business and Economics (對外經濟貿易大學) in June 2011. Mr. Cheng attend the Progressive Orthodontic Seminar from May 1994 to Oct 1995.

**Mr. HU Yunfan (胡雲帆)**, aged 44, was appointed as the deputy general manager of hospitals and clinics in October 2020. He is responsible for overseeing the daily operations and management of our dental hospitals and clinics. Mr. Hu joined our Group in April 2009.

Prior to joining our Group, Mr. Hu served as the director in charge of international liaison department of the National Olympic Committee Liaison Office of the Beijing Organizing Committee for the Games of the XXIX Olympic (北京第29屆奧林匹克運動會組織委員會) from June 2006 to April 2009. He was awarded the excellent staff of 2007 and 2008 by the Beijing Organizing Committee for the Games of the XXIX Olympic (北京第29屆奧林匹克運動會組織委員會).

程小林先生，57歲，於2020年10月獲委任為我們的副總裁兼醫院及診所的總經理。他負責監督我們的口腔醫院及診所的運營和管理。程先生於2015年12月加入本集團。

在加入本集團之前，他於1987年7月至1994年8月擔任北京口腔醫院的醫生，並於2008年12月至2014年5月擔任北京南區口腔醫院的院長。程先生於2014年7月至2015年11月擔任泰康拜博醫療集團有限公司的助理總裁兼院長。

程先生自2020年12月起擔任中國醫院協會口腔醫院分會的委員會成員和北京醫師協會口腔專科醫師分會的委員會成員。他於1992年10月獲得北京科技幹部局頒發的口腔科主治醫師證書。程先生於1999年5月獲得北京市衛生局頒發的醫師執業證書。

程先生於1987年7月獲得中國北京大學醫學部(前稱北京醫科大學)的口腔學學士學位。他於2011年6月進一步獲得對外經濟貿易大學的高級管理人員工商管理碩士(EMBA)學位。程先生於1994年5月至1995年10月參加精進口腔醫學教育學院研討會。

胡雲帆先生，44歲，於2020年10月獲委任為醫院及診所的副總經理。他負責監督我們的口腔醫院及診所的日常運營和管理。胡先生於2009年4月加入本集團。

在加入本集團之前，胡先生於2006年6月至2009年4月擔任北京第29屆奧林匹克運動會組織委員會的國家奧林匹克委員會聯絡處國際聯絡部主任。他被北京第29屆奧林匹克運動會組織委員會評為2007年及2008年優秀員工。

## Profiles of Directors and Management 董事及管理層簡介

Mr. Hu received his bachelor's degree in science from the University of Auckland in May 2004.

**Mr. Hu Xing (胡星)**, aged 38, was appointed as the deputy general manager of hospitals and clinics in December 2020. He is responsible for overseeing the operations and management of our dental hospitals and clinics in west China. Mr. Hu served as a deputy general manager at Chongqing Huaxi Dental Clinic Co., Ltd. (重慶市華西口腔門診有限公司, currently known as Chongqing Ruisheng) from April 2009 to December 2014 and Chongqing Jiuyue from December 2014 to January 2016. Upon completion of the acquisition of Chongqing Ruisheng and Chongqing Jiuyue in August 2015, Mr Hu joined our Group.

Prior to joining our Group, he served as an auditor in KPMG, London from 2006 to 2007. Mr. Hu served as an analyst of ECM and merger and acquisition department in ABN AMRO, Hong Kong from June 2007 to March 2009.

Mr. Hu received his bachelor's degree in mathematics and business management from the University of Warwick in July 2005. He further received his master's degree in finance from University of Cambridge in July 2006.

### COMPANY SECRETARY

**Ms. Au Wai Ching (區慧晶)**, was appointed as the company secretary of the Company on April 22, 2022. Ms. Au joined SWCS Corporate Services Group (Hong Kong) Limited, a corporate service provider, in January 2016, and currently serves as a manager in corporate services.

Ms. Au has been an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom since December 2016.

Ms. Au obtained a bachelor's degree in business administration and a master's degree in professional accounting and corporate governance respectively from City University of Hong Kong.

### 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.

胡先生於2004年5月獲得奧克蘭大學的理學學士學位。

胡星先生，38歲，於2020年12月獲委任為醫院及診所的副總經理。他負責監督我們的口腔醫院及診所在西區的運營和管理。胡先生於2009年4月至2014年12月擔任重慶市華西口腔門診有限公司（現稱重慶瑞升）副總經理，並於2014年12月至2016年1月擔任重慶久悅副總經理。於2015年8月完成重慶瑞升和重慶久悅的收購之後，胡先生加入本集團。

在加入本集團之前，他於2006年至2007年擔任倫敦畢馬威會計師事務所的審計師。胡先生於2007年6月至2009年3月擔任荷蘭銀行（ABN AMRO）香港分行資本市場部與併購部分析師。

胡先生於2005年7月獲得華威大學的數學和商務管理學士學位。他於2006年7月進一步獲得劍橋大學的金融碩士學位。

### 公司秘書

區慧晶女士，於2022年4月22日獲委任為本公司公司秘書。區女士於2016年1月加入方圓企業服務集團（香港）有限公司（一家企業服務供應商），現任企業服務經理。

區女士自2016年12月起一直為香港公司治理公會及英國特許公司治理公會的會員。

區女士分別獲得香港城市大學的工商管理學士學位及專業會計與企業管治碩士學位。

### 董事資料變動

除本節所披露者外，董事確認，概無資料須根據上市規則第13.51B(1)條予以披露。

# Directors' Report

## 董事會報告

The Board is pleased to present this Report of the Directors together with the consolidated financial statements of the Group for the year ended March 31, 2022.

### GENERAL INFORMATION

The Company was incorporated in the BVI on May 23, 2001 as a company limited by shares. On November 16, 2020, our Company discontinued as a company incorporated under BVI Business Companies Act 2004 (as amended) and was registered by way of continuation as an exempted company limited by shares under the Cayman Companies Act. The Company's Shares were listed on the Main Board of the Stock Exchange on March 22, 2022.

### DIRECTORS

During the Reporting Period and up to the date of this annual report were as follows:

#### Executive Directors

Mr. ZOU Qifang (鄒其芳)  
Ms. Qin Jessie XIN  
Mr. ZHANG Jincai (章錦才)  
Mr. ZOU Jianlong (鄒劍龍)

#### Independent Non-executive Directors

Ms. LIU Xiaomei Michelle  
Mr. SUN Jian (孫健)  
Mr. ZHANG Bang (張磅)

In accordance with article 109(a) and (b) of the Article of Association, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one-third shall be the number of retiring Directors. Every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. The Directors to retire in each year shall be those who have been in office longest since their last re-election or appointment but, as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

董事會欣然呈報本董事會報告連同本集團截至2022年3月31日止年度的合併財務報表。

### 一般資料

本公司於2001年5月23日在英屬維爾京群島註冊成立為股份有限公司。於2020年11月16日，本公司終止為根據2004年英屬維爾京群島商業公司法（經修訂）註冊成立的公司，並根據開曼群島公司法以存續方式註冊為獲豁免股份有限公司。本公司的股份於2022年3月22日於聯交所主板上市。

### 董事

於報告期間及直至本年報日期，董事如下：

#### 執行董事

鄒其芳先生  
辛勤女士  
章錦才先生  
鄒劍龍先生

#### 獨立非執行董事

劉笑梅女士  
孫健先生  
張磅先生

根據組織章程細則第109(a)及(b)條，在每屆股東週年大會上，當時在任的三分之一董事須輪值告退。然而，倘董事人數並非三的倍數，則退任董事須為最接近但不少於三分之一的人數。每名董事（包括指定任期的董事）應至少每三年輪值告退一次。每年須告退的董事將為自上次獲選連任或委任後任期最長的董事，但若數名董事於同日出任或獲選連任，則以抽籤決定須告退的董事（除非彼等另行協定）。

## Directors' Report 董事會報告

Accordingly, Mr. ZOU Qifang, Ms. Qin Jessie XIN and Mr. ZOU Jianlong will retire by rotation at the AGM pursuant to the Articles of Association and, being eligible, will offer themselves for re-election. Details in relation to the re-election are stated in the circular to be sent to the Shareholders together with this annual report.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the principal activities of our major subsidiaries are set out in Note 18 to the consolidated financial statements on pages 319 to 322 of this annual report.

We are a leading dental services group and have established a nationwide footprint in China, operating both Arrail Dental, a leading premium dental services brand, and Ryttime Dental, a middle-end dental services brand.

Our mission is to give each of our patients a healthy and confident smile. Our vision is to become a world-leading dental group.

We have been providing dental services since we opened our first Arrail Dental clinic in 1999. We offer a diverse range of professional, personalized dental services spanning (i) general dentistry; (ii) orthodontics; and (iii) implantology. Through decades of commitment and endeavors in the dental healthcare industry, we have earned the trust of our patients.

There were no significant changes in the nature of the Company's principal activities during the Reporting Period.

### BUSINESS REVIEW AND RESULTS

A fair review of the business of the Group and an indication of likely future development in the Company's business during the Reporting Period are provided in the section headed "Business Review" under "Management Discussion and Analysis" in this annual report. An analysis of the Group's performance using financial key performance indicators during the Reporting Period is provided in the section headed "Financial Review" under "Management Discussion and Analysis" in this annual report. These sections form an integral part of this Directors' Report.

The results of the Group for the Reporting Period are set out in the Consolidated Financial Statements of this annual report.

因此，鄒其芳先生、辛勤女士及鄒劍龍先生將根據組織章程細則於股東週年大會上輪值告退，並合資格且願意膺選連任。有關獲選連任的詳情載於將與本年報一同寄發予股東的通函。

### 主要活動

本公司的主要活動為投資控股，我們主要子公司的主要活動載於本年報第319至322頁的合併財務報表附註18。

我們是中國領先的口腔醫療服務集團，業務遍及全國，同時運營瑞爾齒科（領先的高端口腔醫療服務品牌）和瑞泰口腔（中端口腔醫療服務品牌）。

我們的使命是給每位患者帶來健康、自信的微笑。我們的願景是成為世界領先的口腔醫療服務集團。

自1999年開設第一家瑞爾齒科診所以來，我們一直提供口腔醫療服務。我們提供各類專業及個性化口腔醫療服務，包括(i)普通牙科；(ii)正畸科；及(iii)種植科。通過數十年來在口腔醫療行業的投入和努力，我們贏得了患者的信任。

本公司主要活動的性質於報告期間並無重大變動。

### 業務回顧及業績

本集團報告期間的業務公允回顧及本公司業務的未來可能發展動向載於本年報「管理層討論與分析」下的「業務回顧」一節。報告期間使用財務關鍵績效指標對本集團表現進行的分析載於本年報「管理層討論與分析」下的「財務回顧」一節。該等章節構成本董事會報告的一部分。

本集團於報告期間的業績載於本年報合併財務報表。

# Directors' Report

## 董事會報告

### PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP

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

- We may not be able to achieve and maintain an optimal balance between our business expansion and profitability by effectively managing the number and mix of our hospitals and clinics in different stages;
- The establishment of dental hospitals and clinics in the PRC require various permits, licenses, certificates and government approvals. There can be no assurance that we can obtain or renew any of them in a timely manner or at all;
- We lease properties in various place as premises for our dental hospitals and clinics and office space. Any non-renewal of leases, substantial increase in rent, or any failure to comply with applicable laws and regulations may affect our business and financial performance;
- We conduct our business in a heavily regulated industry and incur on-going compliance costs as well as face penalties for non-compliance;
- Our professional indemnity insurance coverage and other insurance coverage may not be sufficient to cover the risks related to our business and operations;
- We are dependent on our dentists. Our financial results may be affected if we are not able to retain our existing dentists or attract suitable professionals to join us;
- We may be subject to complaints, investigations or legal proceedings relating to alleged malpractice or misconduct in the services provided by our employees, which could harm our reputation, brand image and results of operations;
- Our expansion strategies across the PRC are subject to uncertainties and risks. We may not be able to implement our business strategies on schedule or within our budget or at all;

### 本集團面臨的主要風險和不確定性

下文載列本集團面臨的若干主要風險及不確定因素（當中若干部分超出其控制範圍）概要：

- 我們可能無法透過有效管理我們不同階段內醫院及診所的數目及組合實現及維持業務擴張與盈利能力之間的最佳平衡；
- 在中國建立口腔醫院及診所需要各種許可證、執照、證書及政府批准。不能保證我們能及時獲得或重續其中的任何一項，或根本無法獲得或重續；
- 我們在不同的地方租賃物業作為我們的口腔醫院及診所以及辦公場所。任何不續租、大幅提高租金或未能遵守適用法律法規都可能影響我們的業務及財務表現；
- 我們在一個受到嚴格監管的行業中開展業務，會持續產生合規成本並面臨不合規處罰；
- 我們的專業賠償保險範圍及其他保險範圍可能不足以涵蓋與我們的業務及經營相關的風險；
- 我們依賴我們的牙醫。倘我們無法挽留現有牙醫或吸引優秀的專業人士加入我們，則我們的財務業績可能會受到影響；
- 我們可能會面臨與我們僱員提供的服務中指控醫療事故或不當行為有關的投訴、調查或法律程序，這可能損害我們的聲譽、品牌形象及經營業績；
- 我們在中國各地的擴張戰略受到不確定性及風險的影響。我們可能無法如期或在預算內或根本無法實施我們的業務戰略；

## Directors' Report 董事會報告

- We may not be able to protect our patient information from leakage or improper use, which could expose our Group and our staff to claims or litigation;
- We maintain limited control over the quality of our dental devices, medical consumables and pharmaceuticals and may be subject to product liability claims. Any failures or defects of the dental equipment in our hospitals and clinics or any failure of our staff to properly operate such equipment could subject us to liability claims;
- We generally enter into short-term agreements with our major suppliers, which may render us vulnerable to price fluctuations, quality issues and supply shortages, and could materially and adversely affect our business; and
- We operate our business under the Contractual Arrangements, and is therefore subject to the related risks which are summarised in the section headed "Directors' Report – Contractual Arrangements – Risks relating to the Contractual Arrangements" in this annual report.
- 我們可能無法保護患者資料以防洩露或不當使用，這可能使本集團及我們的員工面臨申索或訴訟；
- 我們對牙科設備、醫療耗材及藥品的質量控制有限，可能會受到產品責任索賠的影響。我們醫院及診所的牙科設備的任何故障或缺陷，或我們的員工未能正確操作這些設備，都可能使我們遭受責任索賠；
- 我們通常與我們的主要供應商簽訂短期協議，這可能使我們容易受到價格波動、質量問題及供應短缺的影響，並可能對我們的業務產生重大不利影響；及
- 我們經營合同安排項下業務，並因此受本年報「董事會報告 – 合同安排 – 有關合同安排的風險」一節所概述的相關風險所規限。

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，上述風險及不確定因素並非詳盡無遺。在就股份進行任何投資之前，投資者務請自行作出判斷或諮詢彼等各自的投資顧問。

### ENVIRONMENTAL POLICIES AND PERFORMANCE

As one of the leading dental services providers in China, we understand that environmental, social and governance is of great importance for our long-time development and growth. During the year ended March 31, 2022 and up to the date of this annual report, the Group was not subject to any fines or other penalties due to non-compliance with environmental regulations.

### 環境政策及表現

作為中國領先的口腔醫療服務提供商之一，我們深知環境、社會及管治對我們的長期發展及增長具有重要意義。截至2022年3月31日止年度及直至本年報日期期間，本集團並無因未遵守環境法規而須繳納任何罰款或遭受其他處罰。

We are subject to, and we comply with the environmental protection and occupational health and safety laws and regulations in China. The Group is committed to minimising the impact on the environment from its business activities. For details of the Group's environmental protection measures, please refer to the section headed "Environmental, Social and Governance Report – V. Promoting Green Operation" in this annual report.

我們受制於並遵守中國的環境保護及職業健康與安全法律及法規。本集團致力於減低業務活動對環境的影響。有關本集團環境保護措施的詳情，請參閱本年報「環境、社會及管治報告 – 五、推行綠色運營」一節。

# Directors' Report

## 董事會報告

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, the Group complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the Reporting Period. For the year ended March 31, 2022, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

### EMPLOYEE AND REMUNERATION POLICIES

As of March 31, 2022, the Group had 3,336 full-time employees.

We believe that maintaining a stable and motivated employee force is critical to the success of our business. We offer our employees different remuneration packages based on their positions. Generally, the remuneration structure of our employees includes salary, benefits and bonus. Our compensation programs are designed to remunerate our employees based on their performance, measured against specified objective criteria. We maintain standard employee benefit plans required by PRC laws and regulations, including housing fund contribution, pension insurance, medical insurance, workplace injury insurance, unemployment insurance, and maternity insurance.

The Company also has adopted the RSU Scheme to provide incentives for certain employees. Please refer to the section headed "RSU Scheme" in this annual report for further details.

The total remuneration cost incurred by the Group for the year ended March 31, 2022 was RMB915.7 million.

For the year ended March 31, 2022, the Group did not experience any material labor disputes or strikes that may have a material and adverse effect on our business, financial condition or results of operations, or any difficulty in recruiting employees.

### 遵守相關法律及規例

據董事會及管理層所知，本集團於報告期間於所有重大方面遵守對本集團業務及營運有重大影響的相關法律法規。截至2022年3月31日止年度，本集團概無嚴重違反或不遵守適用法律法規的情況。

### 僱員及薪酬政策

截至2022年3月31日，本集團有3,336名全職僱員。

我們認為，維持穩定且具主動性的人力資源對我們的業務成功至關重要。我們根據僱員的職位向他們提供不同的薪酬待遇。總體而言，僱員的薪酬架構包括薪金、福利及獎金。我們的薪酬計劃旨在根據僱員的績效（根據規定客觀標準進行衡量）確定僱員的薪酬。我們維持中國法律法規規定的標準僱員福利計劃，包括住房公積金供款、養老金保險、醫療保險、工傷保險、失業保險及生育保險。

本公司亦已採納受限制股份單位計劃，以為若干僱員提供激勵。有關進一步詳情，請參閱本年報「受限制股份單位計劃」一節。

本集團截至2022年3月31日止年度產生的總薪酬成本為人民幣915.7百萬元。

截至2022年3月31日止年度，本集團未發生任何可能對我們的業務、財務狀況或經營業績造成重大不利影響的重大勞資糾紛或罷工，亦未在招聘員工方面遇到任何困難。



# Directors' Report

## 董事會報告

### MAJOR SUPPLIERS

During the Reporting Period, our major suppliers primarily consisted of dental equipment, consumable and dental supplies, including anesthetics and other medicine, dental prosthesis (such as crowns, bridges and dentures), materials used in dental procedures (such as impression materials, filling materials and cements), dental instruments (such as extraction forceps, injection needles, root canal files and orthodontic brackets and aligners), consumables (such as facial masks, disposable gloves, dental bibs, plastic cups and gauze) and suppliers for human resources service.

For the year ended March 31, 2022, purchases from the Group's five largest suppliers accounted for approximately 32.0% (2021: 33.4%) of the Group's total purchase amount in the same year. Purchases from the Group's largest supplier for the year ended March 31, 2022 accounted for approximately 14.9% (2021: 10.2%) of the Group's total purchase amount for the same year.

Hangzhou Shengchao was our third largest supplier for the year ended March 31, 2022 and accounted for 5.2% of the Group's total purchase amount during the same period. See "Connected Transactions" in this annual report for details. Save for Hangzhou Shengchao, none of the Directors, their respective close associates, or any Shareholders, to the knowledge of the Directors, owns more than 5% of the Company's issued share capital, had any interest in any of the Group's five largest suppliers for the year ended March 31, 2022.

For the year ended March 31, 2022, the Group did not experience any significant disputes with its suppliers.

### MAJOR CUSTOMERS

Our customers mainly consist of individual patients and corporate clients. For the year ended March 31, 2022, the Group's five largest customers accounted for 1.3% (2021: 1.9%) of the Group's total revenue, and the Group's largest customer accounted for 0.4% (2021: 0.7%) of the Group's total revenue.

None of the Directors, their respective close associates, or any Shareholders of the Company who, to the knowledge of the Directors, owns more than 5% of the Company's issued share capital, had any interest in any of the Group's five largest customers for the year ended March 31, 2022.

### 主要供應商

於報告期間，我們的主要供應商主要包括牙科設備、耗材及牙科用品（包括麻醉劑及其他藥品）、義齒（如牙冠、牙橋及托牙）、牙科手術中所用的材料（如印模材料、充填材料及黏合劑）、牙科器械（如拔牙鉗、注射針、根管銼以及正畸托架及牙套）、耗材（如口罩、一次性手套、牙科圍巾、塑料杯及紗布）以及人力資源服務的供應商。

於截至2022年3月31日止年度，本集團五大供應商的採購額佔本集團於同年總採購額的約32.0%（2021年：33.4%）。於截至2022年3月31日止年度，我們最大供應商的採購額佔本集團同年總採購額的約14.9%（2021年：10.2%）。

於截至2022年3月31日止年度，杭州盛朝為我們的第三大供應商，採購額佔本集團於同期總採購額的5.2%。有關詳情，請參閱本年報「關連交易」。除杭州盛朝外，據董事所知，截至2022年3月31日止年度，概無擁有5%以上本公司已發行股本的董事，彼等各自的緊密聯繫人或任何股東於任何本集團的五大供應商中擁有任何權益。

於截至2022年3月31日止年度，本集團並無與供應商發生任何重大糾紛。

### 主要客戶

我們的客戶主要包括個人患者及企業客戶。於截至2022年3月31日止年度，本集團五大客戶的收入佔本集團總收入的1.3%（2021年：1.9%），而本集團的單一最大客戶的收入佔本集團總收入的0.4%（2021年：0.7%）。

於截至2022年3月31日止年度，據董事所知，概無擁有5%以上本公司已發行股本的董事，彼等各自的緊密聯繫人或本公司任何股東於任何本集團的五大客戶中擁有任何權益。

# Directors' Report

## 董事會報告

During the year ended March 31, 2022, the Group did not experience any significant disputes with its customers.

### KEY RELATIONSHIP WITH STAKEHOLDERS

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

#### Relationship with Our Employees

We endeavor to cultivate talented and loyal employees by treating our employees with dignity, respect and fairness. We invest in staff training as we believe the level of technical knowledge and skill of our dentists plays an important role in our continued success. We organize various training programs on a regular basis for our employees to constantly enhance their knowledge and improve their professional skills. We offer our employees different remuneration packages based on their positions. 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, benefits and bonus. We maintain standard employee benefit plans required by PRC laws and regulations, including housing fund contribution, pension insurance, medical insurance, workplace injury insurance, unemployment insurance, and maternity insurance.

#### 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. We also recognize the importance of timely and non-selective disclosure of information, which will enable the Shareholders and investors to make the informed investment decisions. This has been done through general meetings, corporate communications, annual reports and results announcements.

於截至2022年3月31日止年度，本集團並無與其客戶出現任何重大糾紛。

### 與利益相關方之主要關係

本集團深知包括供應商、客戶、僱員、股東及其他業務夥伴在內的各個利益相關方是本集團成功的關鍵。本集團通過參與、合作及與彼等建立牢固的關係，努力實現企業的可持續發展。

#### 與僱員之關係

我們致力培養有才能和忠誠的僱員，以給予尊嚴、尊重和公平的方式對待僱員。由於我們認為牙醫的技術知識及技能水平對我們的持續成功至關重要，故我們投資於員工培訓。我們定期為僱員組織各類培訓課程，以不斷地豐富其專業知識及提高其專業技能。我們根據僱員的職位向他們提供不同的薪酬待遇。我們與僱員簽訂僱傭合同，以涵蓋工資、福利和終止理由等事項。僱員的薪酬待遇通常包括薪金、福利及花紅。我們維持中國法律法規規定的標準僱員福利計劃，包括住房公積金供款、養老金保險、醫療保險、工傷保險、失業保險及生育保險。

#### 與股東之關係

我們深知保護股東權益及與他們進行有效溝通的重要性。我們認為與股東的溝通是一個雙向的過程，並努力確保資料披露的質量及有效性，保持與股東的定期對話及仔細聆聽從股東處得到的意見和回饋。我們亦肯定及時並且不經篩選地披露資料的重要性，其使得股東及投資者能夠做出知情投資決定。這可以透過股東大會、企業通訊、年度報告及業績公告實行。

# Directors' Report

## 董事會報告

### Relationship with Suppliers

The Group selects its suppliers by considering their product quality, industry reputation and compliance with relevant regulations and industry standards. The Group has maintained strict control over the quality of services offered by its suppliers. The Group understands the importance of maintaining a good relationship with its suppliers to meet its immediate and long-term goals. It strives to cultivate a mutually beneficial and trusting relationship with its suppliers so that they are able to deliver services of the highest standard in an efficient manner.

### Relationship with Customers

We have developed a growing and loyal customer base. Our customers are primarily individual patients, and to a lesser extent, corporate clients such as corporations, industry-leading banks and insurance companies who provide dental care benefits to their employees and/or customers. We proactively seek patients' feedback on our services in order to improve. To assess our patient experience, we encourage patients to fill out a brief customer satisfaction survey after each clinic visit. Our patients can also direct their feedback to our dentists and other staff. In addition, a customer service hotline is in place whereby patients can make inquiries and complaints to the customer service team. We conduct internal review on typical patient complaints and the appropriate rectification measures on a weekly basis, aiming to prevent occurrence of complaints of a similar nature.

## FINANCIAL RESULTS

The financial results of the Group for the year ended March 31, 2022 are set out in the consolidated income statement in the consolidated financial statements in this annual report.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands which would oblige the Company to offer new Shares on a pro-rata basis to the existing Shareholders.

## TAX RELIEF AND EXEMPTION

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

### 與供應商之關係

本集團甄選供應商時考慮其產品質量、業內聲譽及對相關法規及行業準則的合規情況。本集團對其供應商提供的服務質量進行嚴格控制。本集團深知與供應商保持良好關係對實現其近期及長期目標的重要性。我們努力培養與供應商的互利信任關係，以便彼等能以高效的方式提供最高標準服務。

### 與客戶之關係

我們積累了一個不斷增長的忠實客戶群。我們的顧客主要是個人患者，其次是為其僱員及／或客戶提供口腔護理福利的企業客戶，例如公司、行業領先的銀行及保險公司。我們主動請求患者對我們的服務作出反饋以改善我們的服務。為評估患者體驗，我們鼓勵患者於每次就診後填寫簡要的顧客滿意度調查表。我們的患者亦可直接向牙醫及其他員工發送其反饋。此外，我們亦有客戶服務熱線供患者向客服團隊作出問詢及投訴。我們每週就典型患者投訴開展內部檢討及採取適宜整改措施，以防止類似性質的投訴出現。

## 財務業績

本集團截至2022年3月31日止年度的財務業績載於本年報中合併財務報表的合併損益表。

## 優先購買權

組織章程細則或開曼群島法律項下並無規定要求本公司必須按比例向現有股東發售新股份的優先購買權。

## 稅務減免及豁免

董事並不知悉股東因持有本公司證券而可獲得任何稅務減免及豁免。

# Directors' Report

## 董事會報告

### SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in Note 18 to the consolidated financial statements.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company and the Group for the year ended March 31, 2022 are set out in Note 14 to the consolidated financial statements.

### SHARE CAPITAL AND SHARES ISSUED

Details of movements in the share capital of the Company for the year ended March 31, 2022 and details of the Shares issued for the year ended March 31, 2022 are set out in Note 25 to the consolidated financial statements.

### DEBENTURE ISSUED

The Group did not issue any debenture for the year ended March 31, 2022.

### EQUITY-LINKED AGREEMENTS

Save for the RSU Scheme as set out in this annual report, no equity-linked agreements were entered into by the Group, or existed for the year ended March 31, 2022, and there was no provision to enter into any agreement which will or may result in the Company issuing Shares.

### CHARITABLE DONATIONS

The Group donated RMB3.9 million to the non-profit organization for charitable and community purposes during the Reporting Period.

### DIVIDENDS

To preserve sufficient funds to meet the financial needs of the Group for its business operations and future business development, having regard to the impact on the Group's business and financial conditions arising from the COVID-19 pandemic, and the prevailing economic environment, the Board did not recommend the distribution of a final dividend for the year ended March 31, 2022.

### 子公司

本公司的子公司詳情載於合併財務報表附註18。

### 物業、廠房及設備

本公司及本集團截至2022年3月31日止年度之物業、廠房及設備變動詳情載於合併財務報表附註14。

### 股本及已發行股份

本公司截至2022年3月31日止年度的股本變動詳情及截至2022年3月31日止年度已發行股份詳情載於合併財務報表附註25。

### 已發行債券

截至2022年3月31日止年度，本集團未發行任何債券。

### 股票掛鈎協議

除本年報所載的受限制股份單位計劃外，本集團於截至2022年3月31日止年度並無訂立或存在任何股票掛鈎協議，亦概無有關訂立任何協議將導致或可能導致本公司發行股份的條文。

### 慈善捐款

本集團於報告期間向非盈利組織捐贈人民幣3.9百萬元用於慈善及社區目的。

### 股息

為預留充足資金以滿足本集團業務營運及未來業務發展的財務需要，並考慮到COVID-19疫情對本集團業務及財務狀況的影響及當前經濟環境，截至2022年3月31日止年度，董事會不建議派發末期股息。

## Directors' Report 董事會報告

We are a holding company incorporated under the laws of the Cayman Islands. As a result, the payment and amount of any future dividend will also depend on the availability of dividends received from our subsidiaries. Distributions from us and our subsidiaries may also become subject to any restrictive covenants in bank credit facilities, convertible bond instruments or other agreements that we or our subsidiaries may enter into in the future.

The amount of dividend actually distributed to our shareholders will depend upon our earnings and financial condition, operating requirements, capital requirements and any other conditions that our Directors may deem relevant and will be subject to approval of our shareholders. Our Board has the absolute discretion to recommend any dividend. We currently intend to retain most, if not all, of our available funds and any future earnings after the Global Offering to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future.

我們是一家根據開曼群島法例註冊成立的控股公司。因此，日後任何股息的派付及金額亦將視乎是否獲我們的子公司派發股息而定。我們及我們子公司的分派亦可能受制於銀行信貸額度、可換股債券工具或我們或我們子公司日後可能訂立的其他協議的任何限制性契約條款。

實際派付予股東的股息金額將視乎我們的盈利及財務狀況、經營需求、資本需求及董事可能認為相關的任何其他狀況而定，且須獲得股東批准。董事會可全權酌情建議宣派任何股息。我們目前擬留存大部分（如非全部）可用資金及全球發售後的任何未來盈利為我們業務的發展及增長提供資金。因此，預期我們不會於可見未來派付任何現金股息。

# Directors' Report

## 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 the 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.

Such permitted indemnity provision has been in force for the year ended March 31, 2022. The Company has taken out and maintained liability insurance to provide appropriate coverage for the Directors.

### DISTRIBUTABLE RESERVES

The Company may pay dividends out of the share premium account, retained earnings and any other reserves provided that immediately following the payment of such dividends, the 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 March 31, 2022, our Company did not retain any profits under IFRS as reserves available for distribution to our equity Shareholders.

Details of movements in the reserves of the Group and the Company during the year ended March 31, 2022 are set out in the consolidated statement of changes in equity/(deficit in equity) and Note 39(a) to the consolidated financial statements in this annual report, respectively.

### BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at March 31, 2022 are set out in Note 27 to the consolidated financial statements in this annual report.

### LOAN AGREEMENT WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDERS

As of the date of this annual report, the Company has not entered into any loan agreement which contains covenants requiring specific performance of the Controlling Shareholders.

### 獲准許彌償

根據組織章程細則及受適用法律及法規的規限，各董事就因履行其任內職責而產生或蒙受或與之有關的所有訴訟、費用、收費、損失、損害及開支，均可獲得本公司以其資產及溢利彌償以及確保不受傷害。

該等獲准許彌償條文已於截至2022年3月31日止年度生效。本公司已投購責任保險，為董事提供適當保障。

### 可供分派儲備

本公司可從股份溢價賬、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。

截至2022年3月31日，本公司並無保留國際財務報告準則項下的任何溢利作為可供分派給權益股東的儲備。

本集團及本公司截至2022年3月31日止年度的儲備變動詳情分別載於本年報合併財務報表中的合併權益／(權益虧絀)變動表及附註39(a)。

### 銀行貸款及其他借款

本集團於2022年3月31日的銀行貸款及其他借款詳情載於本年報合併財務報表附註27。

### 有關控股股東履行特定責任之契諾的貸款協議

截至本年報日期，本公司並無訂立任何載有要求控股股東履行特定責任之契諾的貸款協議。

# Directors' Report

## 董事會報告

### DIRECTORS' SERVICE CONTRACTS

Each of our executive Directors entered into a service contract with our Company on December 1, 2021. The initial term of the service contracts shall commence from the date of his/her appointment as a Director and continue for a period of three years after or until the third annual general meeting of the Company since the Listing Date, whichever is earlier.

Each of our independent non-executive Directors entered into an appointment letter with our Company on November 25, 2021. The initial term for the appointment letters shall commence from the date of his/her appointment as a Director and continue for a period of three years after or until the third annual general meeting of the Company since the Listing Date, whichever is earlier.

The above appointments are always subject to the provisions of retirement and rotation of directors under the Articles of Association.

None of the Directors has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the sections headed "—Connected Transactions" and "—Contractual Arrangements" below, to the best knowledge of the Directors, none of the Directors nor any entity connected with the Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party subsisting during or at the end of the year ended March 31, 2022.

### DIRECTORS AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

To the best knowledge of the Directors, none of the Directors and the Controlling Shareholders was interested in any business which competes with or is likely to compete with the businesses of the Group for the year ending March 31, 2022 and require disclosure under Rule 8.10 of the Listing Rules.

### 董事的服務合同

我們的每名執行董事均已於2021年12月1日與本公司訂立服務合同。服務合同的初始期限應自其獲委任為董事之日開始，為期三年，或直至上市日期起計本公司第三次股東週年大會（以較早者為準）。

我們的每名獨立非執行董事均於2021年11月25日與本公司訂立委任函。委任函的初始期限應自其獲委任為董事之日開始，為期三年，或直至上市日期起計本公司第三次股東週年大會（以較早者為準）。

上述委任須始終受組織章程細則項下董事退任及輪值條文所規限。

董事概無訂立本公司或其任何子公司不得於一年內終止而毋須作出賠償（法定賠償除外）之未屆滿服務合同。

### 董事於重大交易、安排或合同的權益

除下文「—關連交易」及「—合同安排」章節所披露者外，據董事所知，於截至2022年3月31日止年度或年末時，概無存續董事或任何與董事有關連的實體直接或間接於本公司、其控股公司或其任何子公司或同系子公司所訂立的任何重大交易、安排或合同中擁有重大權益。

### 董事及控股股東於競爭業務的權益

據董事所知，截至2022年3月31日的年度，概無董事及控股股東在與本集團的業務競爭或可能競爭的任何業務中擁有須根據上市規則第8.10條作出披露的權益。

# Directors' Report

## 董事會報告

### MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed for the year ended March 31, 2022.

### 管理合同

截至2022年3月31日止年度，本公司並無訂立或存有任何有關管理及監管全部或任何絕大部分業務之合同。

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As of March 31, 2022, the interests and short positions of the Directors or chief executives of our Company and their associates 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), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

### 董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債權證中的權益及淡倉

截至2022年3月31日，本公司董事或最高行政人員及彼等聯繫人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須記錄於本公司根據證券及期貨條例第352條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載列如下：

| Name of Director or Chief Executive | Nature of Interest   | Number of Shares/ Underlying Shares Held<br>所持有的股份／<br>相關股份數目 | Approximate Percentage of Shareholding Interest <sup>(1)</sup><br>持股權益概約<br>百分比 <sup>(1)</sup> |
|-------------------------------------|--|---|--|
| Mr. ZOU Qifang<br>鄒其芳先生             | Beneficial owner<br>實益擁有人  | 4,916,475(L)  | 0.85%  |
|                                     | Beneficial owner <sup>(2)</sup><br>實益擁有人 <sup>(2)</sup>                      | 10,196,300(L)   | 1.75%  |
|                                     | Interest in controlled corporations <sup>(3)</sup><br>於受控法團權益 <sup>(3)</sup> | 58,591,700(L)   | 10.07%   |
|                                     | Interest of a party to an agreement <sup>(4)</sup><br>協議訂約方權益 <sup>(4)</sup> | 119,972,600(L)  | 20.63%   |
| Ms. Qin Jessie XIN<br>辛勤女士          | Beneficial owner <sup>(2)</sup><br>實益擁有人 <sup>(2)</sup>                      | 1,125,000(L)  | 0.19%  |
|                                     | Interest in controlled corporations <sup>(5)</sup><br>於受控法團權益 <sup>(5)</sup> | 1,250,000(L)  | 0.21%  |
| Mr. ZHANG Jincai<br>章錦才先生           | Beneficial owner <sup>(2)</sup><br>實益擁有人 <sup>(2)</sup>                      | 1,500,000(L)  | 0.26%  |
| Mr. ZOU Jianlong<br>鄒劍龍先生           | Beneficial owner <sup>(2)</sup><br>實益擁有人 <sup>(2)</sup>                      | 3,813,650(L)  | 0.66%  |



# Directors' Report

## 董事會報告

### Notes:

1. Calculated based on 581,591,950 total issued Shares of the Company as of March 31, 2022.
2. Referring to the Shares underlying the restricted share units granted to each of the Directors under the RSU Scheme as of March 31, 2022.
3. Each of Rise Day Holdings Limited, Mingda International Limited and Beier Holdings Limited is wholly owned by Mr. ZOU Qifang, among which, Mingda International Limited is in turn wholly owned by Rise Day Holdings Limited. Therefore, Mr. Zou is deemed to be interested in the Shares held by each of them under the SFO.

On June 10, 2021, Mr. Zou transferred 1 share of Rise Day Holdings Limited, being the total share capital of it, to United Culture Assets Limited, which is a BVI company wholly owned by an independent trustee entrusted by Mr. Zou. A family trust was established over United Culture Assets Limited for the benefits of Mr. Zou and his family members accordingly, of which Mr. Zou acts as the protector and settlor.

4. The Board has set up Arrail Sunshine as a platform in the BVI to hold incentive shares in a total amount of 119,972,600 Shares of the Company, for the participants under the RSU Scheme adopted by the Company on August 3, 2021. The voting rights of Arrail Sunshine is held by Mr. ZOU Qifang by way of proxy. Therefore, Mr. ZOU is deemed to be interested in the Shares held by Arrail Sunshine under the SFO.
5. Mismic Limited is a BVI company wholly owned by an independent trustee entrusted by Ms. Xin for a family trust established for the benefits of Ms. Xin and her family members. Therefore, Ms. Xin is deemed to be interested in the Shares held by it under the SFO.
6. The letter "L" denotes the person's long position in the Shares.

Save as disclosed above, as of March 31, 2022, none of the Directors or chief executives of the Company or their associates had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations.

### 附註：

1. 根據截至2022年3月31日本公司已發行股份總數581,591,950股計算。
2. 指截至2022年3月31日根據受限制股份單位計劃授予每位董事的限制性股份單位涉及的股份。
3. Rise Day Holdings Limited、Mingda International Limited及Beier Holdings Limited均由鄒其芳先生全資擁有，其中，Mingda International Limited進而由Rise Day Holdings Limited全資擁有。因此，根據證券及期貨條例，鄒先生被視為於彼等各自持有的股份中擁有權益。

於2021年6月10日，鄒先生向United Culture Assets Limited（一家由鄒先生委託的獨立受託人全資擁有的英屬維爾京群島公司）轉讓Rise Day Holdings Limited的1股股份（即其股本總額）。以鄒先生及其家族成員為受益人的家族信託通過United Culture Assets Limited相應設立，其中鄒先生為保護人及財產授予人。

4. 董事會已於英屬維爾京群島設立Arrail Sunshine作為平台，以根據本公司於2021年8月3日採納的受限制股份單位計劃為參與者持有合共119,972,600股本公司股份的激勵股份。Arrail Sunshine的投票權由鄒其芳先生以代理方式持有。因此，根據證券及期貨條例，鄒先生被視為於Arrail Sunshine持有的股份中擁有權益。
5. Mismic Limited是一家由辛女士為以辛女士及其家族成員為受益人的家族信託而委託的獨立受託人全資擁有的英屬維爾京群島公司。因此，根據證券及期貨條例，辛女士被視為於彼持有的股份中擁有權益。
6. 字母「L」代表該人士於股份的好倉。

除上文所披露者外，截至2022年3月31日，本公司董事或最高行政人員或彼等聯繫人概無或被視為於本公司或其任何相聯法團的股份、相關股份或債權證中擁有任何權益或淡倉。

# Directors' Report

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of March 31, 2022, so far as the Directors are aware, the following persons (other than the Directors or chief executives of the Company or their associates) had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meetings of the Company or any other members of the Group:

### 主要股東於股份及相關股份的權益及淡倉

截至2022年3月31日，就董事所知，以下人士（本公司董事或最高行政人員或彼等聯繫人除外）於本公司股份或相關股份擁有須記錄於本公司根據證券及期貨條例第XV部第2及3分部的條文存置的登記冊的權益或淡倉，或將直接或間接於附帶權利可在所有情況下於本公司或本集團任何其他成員公司股東大會上投票的任何類別股本面值中擁有5%或以上權益：

### LONG POSITIONS IN THE SHARES OF THE COMPANY

### 於本公司股份的好倉

| Name of substantial shareholder<br>主要股東名稱              | Nature of interest<br>權益性質                              | Shares/Underlying Shares Held<br>as of March 31, 2022<br>截至2022年3月31日<br>所持有的股份／相關股份 |  |
|--|---|--|--|
|  |   | Number of<br>Shares<br>股份數目  | Approximate<br>percentage <sup>(1)</sup><br>概約百分比 <sup>(1)</sup> |
| Arrail Sunshine Holdings Limited                       | Beneficial owner <sup>(2)</sup><br>實益擁有人 <sup>(2)</sup> | 119,972,600(L)   | 20.63%   |
| Elbrus Investments Pte. Ltd.                           | Beneficial owner <sup>(3)</sup><br>實益擁有人 <sup>(3)</sup> | 58,237,675(L)  | 10.01%   |
| Total Success Investment Ltd.                          | Beneficial owner <sup>(4)</sup><br>實益擁有人 <sup>(4)</sup> | 55,228,900(L)  | 9.50%  |
| Broad Street Investments Holding (Singapore) Pte. Ltd. | Beneficial owner <sup>(5)</sup><br>實益擁有人 <sup>(5)</sup> | 36,719,500(L)  | 6.31%  |
| Stonebridge 2017 (Singapore) Pte. Ltd.                 | Beneficial owner <sup>(5)</sup><br>實益擁有人 <sup>(5)</sup> | 7,343,900(L)   | 1.26%  |
| KPCB China Fund, L.P.                                  | Beneficial owner <sup>(6)</sup><br>實益擁有人 <sup>(6)</sup> | 31,406,450(L)  | 5.40%  |
| KPCB CHINA FOUNDERS FUND, L.P.                         | Beneficial owner <sup>(6)</sup><br>實益擁有人 <sup>(6)</sup> | 2,075,950(L)   | 0.36%  |
| KPCB China Management Fund, L.P.                       | Beneficial owner <sup>(6)</sup><br>實益擁有人 <sup>(6)</sup> | 519,450(L)   | 0.09%  |
| Qiming Venture Partners II, L.P.                       | Beneficial owner <sup>(7)</sup><br>實益擁有人 <sup>(7)</sup> | 26,902,975(L)  | 4.63%  |
| Qiming Venture Partners II-C, L.P.                     | Beneficial owner <sup>(7)</sup><br>實益擁有人 <sup>(7)</sup> | 2,355,750(L)   | 0.41%  |
| Qiming Managing Directors Fund II, L.P.                | Beneficial owner <sup>(7)</sup><br>實益擁有人 <sup>(7)</sup> | 391,500(L)   | 0.07%  |

## Directors' Report

### 董事會報告

#### Notes:

- (1). Calculated based on 581,591,950 total issued Shares of the Company as of March 31, 2022.
- (2). Arrail Sunshine is a platform in the BVI set up by the Board to hold incentive shares in a total amount of 119,972,600 Shares of the Company, for the participants under the RSU Scheme adopted by the Company on August 3, 2021. The voting rights of Arrail Sunshine is held by Mr. ZOU Qifang by way of proxy.
- (3). Elbrus Investments Pte. Ltd. is a company incorporated in Singapore, which is wholly owned by Temasek Life Sciences Private Limited, which is in turn wholly owned by Fullerton Management Pte Ltd, which is in turn wholly owned by Temasek Holdings (Private) Limited. Under the SFO, each of Temasek Life Sciences Private Limited, Fullerton Management Pte Ltd and Temasek Holdings (Private) Limited is deemed to be interested in the Shares held by Elbrus Investments Pte. Ltd.
- (4). Total Success Investment Ltd. is an investment holding company incorporated in the Cayman Islands and is wholly owned by 19 Growth Capital Fund LP, a limited partnership registered in the State of Delaware. Under the SFO, 19 Growth Capital Fund LP is deemed to be interested in the Shares held by Total Success Investment Ltd.
- (5). Broad Street Investments Holding (Singapore) Pte. Ltd. is a company incorporated under the laws of the Republic of Singapore and is wholly owned by BSPI Holdings, L.L.C.. Stonebridge 2017 (Singapore) Pte. Ltd. is a company incorporated under the laws of the Republic of Singapore. Stonebridge is held by multiple employee funds of The Goldman Sachs Group, Inc., among which, the general partner of the funds is a wholly-owned subsidiary of The Goldman Sachs Group, Inc.. Under the SFO, each of Broad Street Investments Holding (Singapore) Pte. Ltd., BSPI Holdings, L.L.C. (as the sole shareholder of Broad Street Investments Holding (Singapore) Pte. Ltd.), Broad Street Principal Investments, L.L.C. and BSPI Intermediate Holdings, L.L.C. (each as a 50% shareholder of BSPI Holdings, L.L.C.), Broad Street Principal Investments, L.L.C. (as the sole shareholder of BSPI Intermediate Holdings, L.L.C.), Broad Street Principal Investments Superholdco LLC (as the sole shareholder of Broad Street Principal Investments, L.L.C.) and The Goldman Sachs Group, Inc. (as the sole shareholder of Broad Street Principal Investments Superholdco LLC) is deemed to be interested in the Shares held by Broad Street Investments Holding (Singapore) Pte. Ltd..

#### 附註：

- (1). 根據截至2022年3月31日本公司已發行股份總數581,591,950股計算。
- (2). Arrail Sunshine為董事會於英屬維爾京群島設立的平台，以根據本公司於2021年8月3日採納的受限制股份單位計劃為參與者持有合共119,972,600股本公司股份的激勵股份。Arrail Sunshine的投票權由鄒其芳先生以代理方式持有。
- (3). Elbrus Investments Pte. Ltd.為一家於新加坡註冊成立的公司，由Temasek Life Sciences Private Limited全資擁有，而Temasek Life Sciences Private Limited由Fullerton Management Pte Ltd全資擁有，Fullerton Management Pte Ltd由淡馬錫控股（私人）有限公司全資擁有。根據證券及期貨條例，Temasek Life Sciences Private Limited、Fullerton Management Pte Ltd及淡馬錫控股（私人）有限公司均被視為於Elbrus Investments Pte. Ltd.持有的股份中擁有權益。
- (4). Total Success Investment Ltd.為在開曼群島註冊成立的投資控股公司，由在特拉華州註冊的有限合夥企業19 Growth Capital Fund LP全資擁有。根據證券及期貨條例，19 Growth Capital Fund LP被視為於Total Success Investment Ltd.持有的股份中擁有權益。
- (5). Broad Street Investments Holding (Singapore) Pte. Ltd.為一家根據新加坡共和國法例註冊成立的公司，由BSPI Holdings, L.L.C.全資擁有。Stonebridge 2017 (Singapore) Pte. Ltd.為一家根據新加坡共和國法例註冊成立的公司。Stonebridge由高盛集團有限公司的多隻僱員基金持有，其中這些基金的普通合夥人為高盛集團有限公司的全資子公司。根據證券及期貨條例，Broad Street Investments Holding (Singapore) Pte. Ltd.、BSPI Holdings, L.L.C.（作為Broad Street Investments Holding (Singapore) Pte. Ltd.的唯一股東）、Broad Street Principal Investments, L.L.C.及BSPI Intermediate Holdings, L.L.C.（各自作為BSPI Holdings, L.L.C.的50%股東）、Broad Street Principal Investments, L.L.C.（作為BSPI Intermediate Holdings, L.L.C.的唯一股東）、Broad Street Principal Investments Superholdco LLC（作為Broad Street Principal Investments, L.L.C.的唯一股東）及高盛集團有限公司（作為Broad Street Principal Investments Superholdco LLC的唯一股東）均被視為於Broad Street Investments Holding (Singapore) Pte. Ltd.持有的股份中擁有權益。

## Directors' Report

### 董事會報告

(6). KPCB China Fund, L.P. ("KPCB CF") and KPCB China Founders Fund, L.P. ("KPCB CFF") are exempted limited partnerships established under the laws of Cayman Islands and are venture capital funds. The general partner of KPCB CF and KPCB CFF is KPCB China Associates, Ltd., which is a Cayman Islands exempted company. The voting and investment power of shares held by KPCB CF and KPCB CFF is exercised by the board of KPCB China Associates, Ltd. ("KPCB China"), which consists of Tina Lin-chi Ju, Theodore Schlein, Brook Byers, L. John Doerr and Raymond Lane. KPCB China Management Fund, L.P. is an exempted limited partnership established under the laws of Cayman Islands in 2010 whose general partner is KPCB China Holdings, Ltd. Tina Lin-chi Ju is the sole director of KPCB China Holdings, Ltd. Under the SFO, KPCB China Associates, Ltd. is deemed to be interested in the Shares held by KPCB CF.

(7). Each of Qiming Venture Partners II, L.P., Qiming Venture Partners II-C, L.P. and Qiming Managing Directors Fund II, L.P. (collectively the "Qiming Funds") is registered as an exempted limited partnership in the Cayman Islands. Qiming GP II, L.P. is the general partner of both Qiming Venture Partners II, L.P. and Qiming Venture Partners II-C, L.P., whereas Qiming Corporate GP II, Ltd. is the general partner of both Qiming GP II, L.P. and Qiming Managing Directors Fund II, L.P.. The voting and investment power of shares held by the Qiming Funds is exercised by Qiming Corporate GP II, Ltd.. Under the SFO, each of Qiming GP II, L.P., Qiming Corporate GP II, Ltd. and Qiming Managing Directors Fund II, L.P. is deemed to be interested in the Shares held by Qiming Venture Partners II, L.P..

Save as disclosed above, as at March 31, 2022, no person, other than the Directors or chief executives of the Company whose interests are set out in the section headed "Directors' and Chief Executives' Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or Any of its Associated Corporations" above, had any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept under section 336 of the SFO.

(6). KPCB China Fund, L.P. (「KPCB CF」)及 KPCB China Founders Fund, L.P. (「KPCB CFF」) 為根據開曼群島法例成立的獲豁免有限合伙企業，屬於風險投資基金。KPCB CF及 KPCB CFF的普通合夥人為開曼群島獲豁免公司 KPCB China Associates, Ltd.。KPCB CF及 KPCB CFF所持股份的投票及投資權由 KPCB China Associates, Ltd. (「KPCB China」) 的董事會行使，該董事會由 Tina Lin-chi Ju、Theodore Schlein、Brook Byers、L. John Doerr 及 Raymond Lane 組成。KPCB China Management Fund, L.P. 是一家於 2010 年根據開曼群島法例成立的獲豁免有限合伙企業，其普通合夥人為 KPCB China Holdings, Ltd.。Tina Lin-chi Ju 為 KPCB China Holdings, Ltd. 的唯一董事。根據證券及期貨條例，KPCB China Associates, Ltd. 被視為於 KPCB CF 持有的股份中擁有權益。

(7). Qiming Venture Partners II, L.P.、Qiming Venture Partners II-C, L.P. 及 Qiming Managing Directors Fund II, L.P. (統稱「Qiming 基金」) 各自在開曼群島註冊為獲豁免有限合伙企業。Qiming GP II, L.P. 為 Qiming Venture Partners II, L.P. 及 Qiming Venture Partners II-C, L.P. 的普通合夥人，而 Qiming Corporate GP II, Ltd. 則為 Qiming GP II, L.P. 及 Qiming Managing Directors Fund II, L.P. 的普通合夥人。Qiming 基金所持股份的投票及投資權由 Qiming Corporate GP II, Ltd. 行使。根據證券及期貨條例，Qiming GP II, L.P.、Qiming Corporate GP II, Ltd. 及 Qiming Managing Directors Fund II, L.P. 均被視為於 Qiming Venture Partners II, L.P. 持有的股份中擁有權益。

除上文所披露者外，於 2022 年 3 月 31 日，除本公司董事或最高行政人員於上文「董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債權證中的權益及淡倉」一節所載的權益外，概無人士於股份或相關股份中擁有須記錄於根據證券及期貨條例第 336 條存置的登記冊的任何權益或淡倉。

# Directors' Report

## 董事會報告

### RSU SCHEME

The RSU Scheme was approved and adopted by the Board on August 3, 2021. The purpose of the RSU Scheme is to attract, retain and motivate our Directors, employees and such other participants, and to provide a means of compensating them through the grant of awards ("Awards") for their contribution to the growth and profits of the Group, and to allow such Directors, employees and other persons to participate in the growth and profitability of the Group. The terms of the RSU Scheme are not subject to the provisions of Chapter 17 of the Listing Rules.

Pursuant to the RSU Scheme, the overall limit on the number of underlying Shares to be granted under the RSU Scheme is 119,972,600 Shares, which represents approximately 20.63% of the total issued share capital of the Company as of the date of this annual report.

As of March 31, 2022, an aggregate of 616 grantees were granted with RSUs with a total of 91,723,525 underlying Shares under the RSU Scheme. The table below shows the details of RSUs granted to Directors that are outstanding as of March 31, 2022.

### 受限制股份單位計劃

董事會於2021年8月3日批准及採納受限制股份單位計劃。受限制股份單位計劃旨在吸引、挽留及激勵董事、僱員及有關其他參與者，並透過授予獎勵（「獎勵」）的方式酬謝彼等為本集團發展及利潤所作出的貢獻，以及讓該等董事、僱員及其他人士分享本集團發展及盈利。受限制股份單位計劃的條款無須遵守上市規則第十七章的條文規定。

根據受限制股份單位計劃，受限制股份單位計劃項下將予授出的相關股份數目的整體限額為119,972,600股股份，其佔本公司截至本年報日期已發行股本總額的約20.63%。

截至2022年3月31日，根據受限制股份單位計劃，合共616名承授人獲授受限制股份單位，涉及合共91,723,525股相關股份。下表列示截至2022年3月31日已授予董事但尚未行使的受限制股份單位詳情。

| Name               | Position  | Number of Shares underlying the Outstanding RSUs | Approximate Percentage of Equity Interest in the Company underlying the Outstanding RSUs <sup>(Note)</sup> |
|--------------------|---|--|--|
|                    |   |  | 尚未行使受限制股份單位涉及本公司股權的概約百分比 <sup>(附註)</sup>   |
| 姓名                 | 職位  | 尚未行使受限制股份單位涉及的股份數目                               |  |
| Mr. ZOU Qifang     | Executive Director, chairman of the Board, and chief executive officer              | 10,196,300                                       | 1.75%  |
| 鄒其芳先生              | 執行董事、主席兼首席執行官   |  |  |
| Ms. Qin Jessie XIN | Executive Director and chief financial officer                                      | 1,125,000  | 0.19%  |
| 辛勤女士               | 執行董事兼首席財務官  |  |  |
| Mr. ZHANG Jincai   | Executive Director, chief medical officer, general manager of hospitals and clinics | 1,500,000  | 0.26%  |
| 章錦才先生              | 執行董事、首席醫療官、醫院及診所的總經理  |  |  |
| Mr. ZOU Jianlong   | Executive Director and vice president   | 3,813,650  | 0.66%  |
| 鄒劍龍先生              | 執行董事兼副總裁  |  |  |

Note: Calculated based on 581,591,950 total issued Shares of the Company as of March 31, 2022.

附註：根據截至2022年3月31日本公司已發行股份總數581,591,950股計算。

# Directors' Report

## 董事會報告

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time for the year ended March 31, 2022 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the 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 the Company or any other body corporate, or had exercised any such right.

### EMOLUMENT POLICY AND DIRECTORS' REMUNERATION

In compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code, the 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, performance and experience. 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 RSU Scheme.

Details of the remuneration of the Directors, management and the five highest paid individuals are set out in Note 36 and Note 8, respectively to the consolidated financial statements.

None of the Directors waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the Directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

None of the Directors were paid discretionary bonuses for the year ended March 31, 2022.

### 董事購買股份或債權證的權利

除本年報所披露者外，本公司或其任何子公司於截至2022年3月31日止年度任何時間概無訂立任何安排，使董事可藉購入本公司或任何其他法團的股份或債權證而獲益；且概無董事或其配偶或不滿18歲之子女有權認購本公司或任何其他法團之股本或債務證券或已行使任何有關權利。

### 薪酬政策及董事薪酬

本公司已根據上市規則第3.25條及企業管治守則成立本公司薪酬委員會，以制定薪酬政策。薪酬乃基於各董事及高級管理人員的資歷、職位、表現及經驗釐定及建議。獨立非執行董事的薪酬由董事會根據薪酬委員會的建議釐定。董事及高級管理人員均為受限制股份單位計劃的合資格參與者。

董事、高級管理層及五名最高薪酬人士的薪酬詳情分別載於合併財務報表附註36及附註8。

概無董事放棄或同意放棄任何薪酬，且本集團並無向任何董事支付薪酬作為吸引其加入本集團或加入後的獎勵或離職補償。

截至2022年3月31日止年度，概無董事獲授酌情花紅。

# Directors' Report

## 董事會報告

### CONNECTED TRANSACTIONS

Among the related party transactions disclosed in Note 35 to the consolidated financial statements, the following transaction constitutes continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules and is required to be disclosed in this annual report in accordance with Rule 14A.71 of the Listing Rules. The Company confirmed that, save as disclosed below and the Contractual Arrangements as disclosed in the section headed "Contractual Arrangements" below, none of the related party transactions falls under the definition of "connected transaction" or "continuing connected transaction" (as the case may be) in Chapter 14A of the Listing Rules and it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in so far as they are applicable. Please see below the information required to be disclosed in compliance with Chapter 14A of the Listing Rules.

#### Medical Product Procurement Framework Agreement

##### Principal Terms

Our Company entered into a Medical Product Procurement Framework Agreement with Hangzhou Jarvis in December 2021, pursuant to which we agreed to procure medical products such as protective gown and teeth whitening gel from Hangzhou Jarvis Group subject to the following annual caps. The term of the Medical Product Procurement Framework Agreement is three years commencing from the Listing Date. We have the right to terminate the Medical Product Procurement Framework Agreement by serving a thirty (30) Business Days' prior written notice to Hangzhou Jarvis.

| Year<br>年度  | Annual Cap<br>年度上限        |
|---|---------------------------|
| For the year ended March 31, 2022<br>截至2022年3月31日止年度  | RMB22 million<br>人民幣22百萬元 |
| For the year ending March 31, 2023<br>截至2023年3月31日止年度 | RMB33 million<br>人民幣33百萬元 |
| For the year ending March 31, 2024<br>截至2024年3月31日止年度 | RMB39 million<br>人民幣39百萬元 |

For the year ended March 31, 2022, the aggregate transaction amount incurred in accordance with the Medical Product Procurement Framework Agreement was RMB21,465,000.

### 關連交易

於合併財務報表附註35所披露的關聯方交易中，根據上市規則第14A.31條，下列交易構成本公司的持續關連交易，並根據上市規則第14A.71條須於本年報中作出披露。本公司確認，除下文所披露者及下文「合同安排」一節所披露的合同安排外，並無任何關聯方交易符合上市規則第十四A章中「關連交易」或「持續關連交易」(視情況而定)的定義，且本公司已遵守上市規則第十四A章的披露規定(如適用)。請參閱下文根據上市規則第十四A章規定所披露的資料。

#### 醫療產品採購框架協議

##### 主要條款

本公司於2021年12月與杭州佳沃思訂立醫療產品採購框架協議，據此，我們同意向杭州佳沃思集團採購防護服及牙齒美白凝膠等醫療產品，惟受限於以下年度上限。醫療產品採購框架協議的年期為自上市日期起計三年。我們有權通過向杭州佳沃思發出三十(30)個營業日的事先書面通知終止醫療產品採購框架協議。

截至2022年3月31日止年度，根據醫療產品採購框架協議產生的總交易金額為人民幣21,465,000元。

# Directors' Report

## 董事會報告

The above proposed annual caps are set based on the following factors: (i) the historical transaction amount paid by our Group to Hangzhou Jarvis Group during the three financial years ended March 31, 2019, 2020 and 2021 and the six months ended September 30, 2021; (ii) the expected need of our Company for the relevant medical products at approximately 25% yearly increment, which is in line with the estimated growth rate of the business of the Group; and (iii) the expansion plan of our Group in the future.

Hangzhou Jarvis is a connected person to the Company because it is owned as to approximately 65% by Ms. ZOU Jin, the daughter of Mr. ZOU Qifang, our executive Director, chief executive officer and Controlling Shareholder. Therefore, the transactions contemplated under the Medical Product Procurement Framework Agreement constitutes continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

### *Reasons for and Benefits of the Transaction*

Hangzhou Jarvis Group has good reputation in providing various medical products with good quality and logistics capabilities. The founding group of Hangzhou Jarvis Group has extensive experience in supply chain management. The clinics under our Group have been using the medical products provided by Hangzhou Jarvis Group given the convenience resulted from the good working relationship between the parties as well as their logistics capabilities throughout the PRC. The self-developed supply chain system of Hangzhou Jarvis Group, as upgraded from time to time and even customized for the Group, has been performing well and fits the commercial needs of the Group during previous business cooperation. It is crucial to maintain a legal, stable and quality supply of medical products for our Group's existing and future operation. Hangzhou Jarvis Group is a reliable supplier and can efficiently fulfill our Group's requirements with stable and quality supply of medical products.

### *Report by the Auditor of the Company*

The Company's auditor was engaged to report on the 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 (Revised), Auditor's Letter on Continuing Connected Transactions under

上述建議年度上限乃根據下列因素設定：(i)本集團於截至2019年、2020年及2021年3月31日止三個財政年度以及截至2021年9月30日止六個月向杭州佳沃思集團支付的歷史交易金額；(ii)本公司對有關醫療產品的需求預期有約25%的年度增幅，與本集團業務的估計增長率一致；及(iii)本集團未來的擴張計劃。

由於杭州佳沃思由鄒其芳先生（我們的執行董事、首席執行官及控股股東）的女兒鄒瑾女士擁有約65%，故杭州佳沃思為本公司的關連人士。因此，根據上市規則第十四A章，醫療產品採購框架協議項下擬進行的交易構成本公司持續關連交易。

### *進行交易的理由及裨益*

杭州佳沃思集團擁有提供多種優質醫療產品的良好口碑及物流能力。杭州佳沃思集團的創始集團在供應鏈管理方面具有豐富經驗。鑒於訂約各方保持良好工作關係形成的便利以及其在全中國的物流能力，本集團旗下的診所一直使用由杭州佳沃思集團提供的醫療產品。杭州佳沃思集團內部開發的供應鏈系統會不時進行升級甚至針對本集團情況訂製化，其在過往業務合作期間一直運行良好且切合本集團的商業需求。維持合法、穩定的優質醫療產品供應對本集團的現有及未來運營而言至關重要。杭州佳沃思集團為可靠供應商及能夠有效滿足本集團對醫療產品的穩定及優質供應要求。

### *本公司審計師出具的報告*

本公司的審計師已獲聘根據香港會計師公會頒佈的《香港核證工作準則》第3000號（經修訂）對歷史財務資料進行審計或審閱以外的核證工作及參照實務說明第740號（經修訂）關於香港上市規則所述持續關連交易的審計師函件報告本集團的持續關連交易。審計師已根據上市規則第14A.56條就本年報董



## Directors' Report 董事會報告

the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unmodified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group in the sections headed "Connected Transactions" and "Contractual Arrangements" set out in the directors' report of this annual report in accordance with 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

### *Annual Review by the Independent Non-executive Directors*

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that the above continuing connected transactions were entered into (i) in the ordinary and usual course of business of our Group; (ii) on normal commercial terms or better; and (iii) pursuant to the agreements governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

For further details of the Medical Product Procurement Framework Agreement, please refer to the section headed "Connected Transactions" in the Prospectus.

Save for disclosed above and the Contractual Arrangements as disclosed in the section headed "Contractual Arrangements" below, from the Listing Date to March 31, 2022, we have not entered into any connected transaction or continuing connected transaction which should be disclosed pursuant to the Rules 14A.49 and 14A.71 of the Listing Rules.

## CONTRACTUAL ARRANGEMENTS

The Group has entered into the Contractual Arrangements with Beijing Ruier, Shenzhen Ruijian and the Registered Shareholder, to enable us to, among other things, (1) obtain substantially all of the economic benefits from Shenzhen Ruijian in consideration for the management and consultation services provided by Beijing Ruier in this regard; (2) exercise effective control over VIE Entities; and (3) hold an exclusive option to purchase all or any part of equity interests in Shenzhen Ruijian where permitted by PRC laws. Accordingly, through the Contractual Arrangements, the VIE Entities' results of operations, assets and liabilities, and cash flows will be consolidated into the Company's financial statements.

事會報告所載的「關連交易」及「合同安排」章節所披露的本集團的持續關連交易發出無保留意見函件，其中載有其發現及結論。本公司已將審計師函件副本送呈聯交所。

### *獨立非執行董事的年度審閱*

根據上市規則第14A.55條，獨立非執行董事已審閱上述持續關連交易並確認上述持續關連交易：(i)於本集團日常及一般業務中進行；(ii)按一般或更有利的商業條款訂立；及(iii)根據有關交易的協議條款進行，交易條款屬公平合理，並符合本公司及股東的整體利益。

有關醫療產品採購框架協議的進一步詳情，請參閱招股章程「關連交易」一節。

除上文所披露者及下文「合同安排」一節所披露的合同安排外，我們自上市日期起至2022年3月31日並無訂立任何根據上市規則第14A.49條及第14A.71條須予披露之關連交易或持續關連交易。

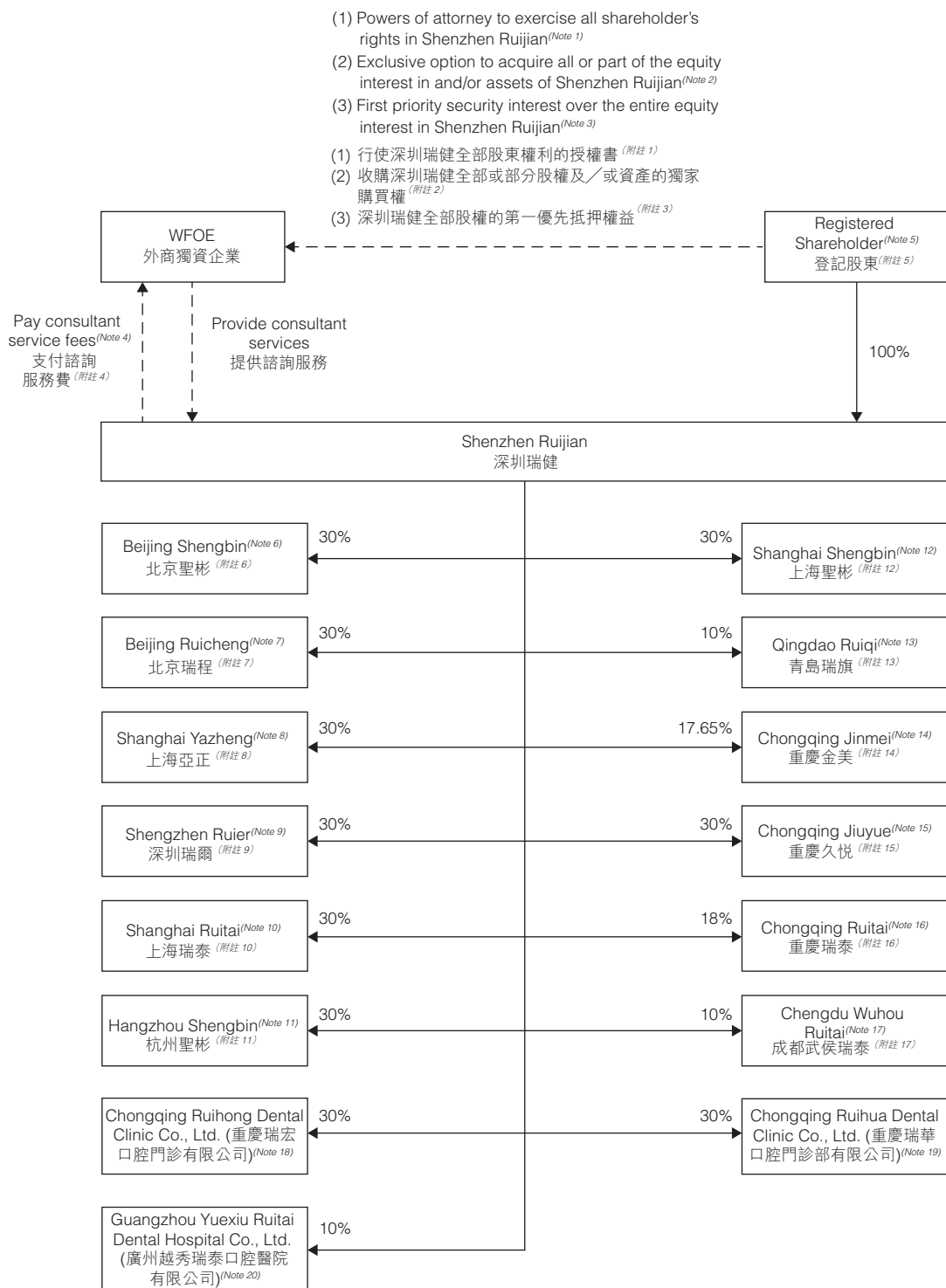
## 合同安排

本集團與北京瑞爾、深圳瑞健和登記股東訂立合同安排，以幫助我們在中國法律允許的情況下(其中包括)(1)獲取深圳瑞健的絕大部分經濟利益，作為北京瑞爾就此所提供管理及諮詢服務的對價；(2)行使對可變利益實體的實際控制權；及(3)持有購買深圳瑞健全部或部分股權的獨家購買權。因此，通過合同安排，可變利益實體的經營業績、資產及負債以及現金流量將合併至本公司的財務報表。

# Directors' Report

## 董事會報告

The following simplified diagram sets forth the structure of the Contractual Arrangements: 以下簡圖載列合同安排的架構：



## Directors' Report 董事會報告

### Notes:

- (1) Please refer to “—Entrustment Agreement and Powers of Attorney” below for details.
- (2) Please refer to “—Exclusive Option Agreement” below for details.
- (3) Please refer to “—Equity Pledge Agreement” below for details.
- (4) Please refer to “—Exclusive Operation Services Agreement” below for details.
- (5) The Registered Shareholder is Ms. ZOU Lifang, who is a PRC citizen and the sister of our founder Mr. ZOU Qifang. Ms. Zou holds 100% interest of Shenzhen Ruijian.
- (6) The remaining 70% interest of Beijing Shengbin was held by Beijing Ruisheng, a wholly-owned subsidiary of the WFOE.
- (7) The remaining 70% interest of Beijing Ruicheng was held by Beijing Ruisheng.
- (8) The remaining 70% interest of Shanghai Yazheng was held by Shanghai Ruicheng, a wholly-owned subsidiary of the WFOE.
- (9) The remaining 70% interest of Shenzhen Ruier was held by the WFOE.
- (10) The remaining 70% interest of Shanghai Ruitai was held by Shanghai Ruicheng.
- (11) The remaining 70% interest of Hangzhou Shengbin was held by Shanghai Ruicheng.
- (12) The remaining 70% interest of Shanghai Shengbin was held by Shanghai Ruicheng.
- (13) The remaining 70% and 20% interest of Qingdao Ruiqi was held by Beijing Ruisheng and Chengdu Rui Bowen Hospital Management Center LLP (成都瑞勃文醫院管理中心(普通合夥)), a limited partnership set up by some of our employees, including Mr. QU Bo and Mr. HU Yunfan, who are senior management of the Company.
- (14) The remaining 70% interest of Chongqing Jinmei was held by the WFOE.

### 附註：

- (1) 有關詳情，請參閱下文「— 委託協議和授權書」。
- (2) 有關詳情，請參閱下文「— 獨家購買權協議」。
- (3) 有關詳情，請參閱下文「— 股權質押協議」。
- (4) 有關詳情，請參閱下文「— 獨家運營服務協議」。
- (5) 登記股東為鄒立芳女士，其為中國公民及我們創始人鄒其芳先生的胞姐。鄒女士持有深圳瑞健100%的權益。
- (6) 北京聖彬其餘70%的權益由外商獨資企業的全資子公司北京瑞盛持有。
- (7) 北京瑞程其餘70%的權益由北京瑞盛持有。
- (8) 上海亞正其餘70%的權益由外商獨資企業的全資子公司上海瑞誠持有。
- (9) 深圳瑞爾其餘70%的權益由外商獨資企業持有。
- (10) 上海瑞泰其餘70%的權益由上海瑞誠持有。
- (11) 杭州聖彬其餘70%的權益由上海瑞誠持有。
- (12) 上海聖彬其餘70%的權益由上海瑞誠持有。
- (13) 青島瑞旗其餘70%及20%的權益由北京瑞盛及成都瑞勃文醫院管理中心(普通合夥)(一家由我們的若干僱員(包括本公司高級管理層曲勃先生及胡雲帆先生)設立的有限合夥企業)持有。
- (14) 重慶金美其餘70%的權益由外商獨資企業持有。

# Directors' Report

## 董事會報告

- |  |   |
|--|---|
| (15) The remaining 70% interest of Chongqing Jiuyue was held by Chongqing Ruijing, a wholly-owned subsidiary of the WFOE.  | (15) 重慶久悅其餘70%的權益由外商獨資企業的全資子公司重慶瑞景持有。   |
| (16) The remaining 70% and 12% interest of Chongqing Ruitai was held by Chongqing Ruijing and Chongqing Ruibang Xingtai Hospital Management Center LLP (重慶瑞邦興泰醫院管理中心(普通合夥)), a limited partnership set up by some of our employees, including Mr. HU Xing, who is our senior management.   | (16) 重慶瑞泰其餘70%及12%的權益由重慶瑞景及重慶瑞邦興泰醫院管理中心(普通合夥)(一家由我們的若干僱員(包括我們的高級管理層胡星先生)設立的有限合夥企業)持有。         |
| (17) The remaining 90% interest of Chengdu Wuhou Ruitai was held by Chongqing Ruijing.   | (17) 成都武侯瑞泰其餘90%的權益由重慶瑞景持有。   |
| (18) The remaining 70% interest of Chongqing Ruihong Dental Clinic Co., Ltd. (重慶瑞宏口腔門診有限公司) was held by Chongqing Ruijing.   | (18) 重慶瑞宏口腔門診有限公司其餘70%的權益由重慶瑞景持有。   |
| (19) The remaining 70% interest of Chongqing Ruihua Dental Clinic Co., Ltd. (重慶瑞華口腔門診部有限公司) was held by Chongqing Ruijing.   | (19) 重慶瑞華口腔門診部有限公司其餘70%的權益由重慶瑞景持有。  |
| (20) The remaining 90% interest of Guangzhou Yuexiu Ruitai Dental Hospital Co., Ltd. (廣州越秀瑞泰口腔醫院有限公司) was held by Zhuhai Hengqin Ruiertai Hospital Investment Co., Ltd. (珠海橫琴瑞爾泰醫院投資有限公司), a wholly-owned subsidiary of the WFOE, and Hainan Yongrui Enterprise Management Center (Limited Partnership) (海南雍瑞企業管理中心(有限合夥)), a third party independent to the Company, as to 70% and 20%, respectively. | (20) 廣州越秀瑞泰口腔醫院有限公司其餘90%的權益由外商獨資企業的全資子公司珠海橫琴瑞爾泰醫院投資有限公司及本公司的獨立第三方海南雍瑞企業管理中心(有限合夥)分別持有70%及20%。 |

### Summary of the Contractual Arrangements

A brief description of each of the specific agreements that comprise the Contractual Arrangements is set out as follows:

- (i) *Exclusive Operation Services Agreement*
- Beijing Ruier, the Registered Shareholder, Shenzhen Ruijian and subsidiaries directly held by Shenzhen Ruijian entered into an exclusive operation services agreement on August 20, 2020 (the "Exclusive Operation Services Agreement"), pursuant to which, *inter alia*, Shenzhen Ruijian agreed to engage Beijing Ruier as the exclusive operation service consultant and service provider in exchange for a service fee.

### 合同安排概要

構成合同安排的特定協議簡述載列如下。

- (i) *獨家運營服務協議*
- 北京瑞爾、登記股東、深圳瑞健及由深圳瑞健直接持有的子公司於2020年8月20日訂立一份獨家運營服務協議(「獨家運營服務協議」), 據此(其中包括)深圳瑞健同意委聘北京瑞爾為獨家運營服務的顧問及服務提供商以換取服務費。

## Directors' Report

### 董事會報告

Under the Exclusive Operation Services Agreements, the services to be provided include but are not limited to (i) formulation and implementation of plans in relation to current and future assets and business operation matters of Shenzhen Ruijian and the VIE Entities; (ii) provision of opinions, advices and management to the human resources and operations of Shenzhen Ruijian and the VIE Entities, including but not limited to improvement measures on employee management and continuing staff training plan; (iii) relevant technical and commercial information collection and market research, providing industry information and management decision; (iv) client referral and providing advice and decision on marketing promotion; (v) appointment of technical staff for Shenzhen Ruijian and the VIE Entities, providing overall technical operation monitoring and market strategies research; (vi) provision of opinions and advices on the corporate structure and management system of Shenzhen Ruijian and the VIE Entities; (vii) providing comprehensive solutions on medical technologies required by Shenzhen Ruijian and the VIE Entities including medical technologies management consultancy services, medical resources sharing, recruitment and training of professional staff; (viii) selection and referral of eligible supplier, quality control of medicine and medical devices; (ix) appointment of technical staff to monitor quality of medical services provided by the VIE Entities; (x) other technical services, operation maintenance, equipment supply and management consultancy services as requested by Shenzhen Ruijian and the VIE Entities from time to time to the extent permissible under the PRC laws. Beijing Ruier has proprietary rights to all the intellectual properties developed or created by itself from the performance of these services. During the term of the Exclusive Operation Service Agreement, Beijing Ruier may use the intellectual property rights owned by Shenzhen Ruijian and the VIE Entities free of charge and without any conditions. Shenzhen Ruijian and the VIE Entities may also use the intellectual property work created by Beijing Ruier in the course of provision of services in accordance with the Exclusive Operation Service Agreement.

根據獨家運營服務協議，將提供的服務包括但不限於(i)制定並落實深圳瑞健及可變利益實體有關現有及未來資產以及業務經營事宜的計劃；(ii)就深圳瑞健及可變利益實體的人力資源及運營(包括但不限於僱員管理的改進措施及持續員工培訓計劃)提供意見、建議及管理；(iii)相關技術及商業信息的搜集及市場調查，提供行業信息及管理決策；(iv)客戶推介及就營銷推廣提供意見及決策；(v)為深圳瑞健及可變利益實體委聘技術人員，提供全面的技術操作監督及市場策略研究；(vi)為深圳瑞健及可變利益實體的企業架構及管理制​​度提供意見及建議；(vii)提供深圳瑞健及可變利益實體需要的醫療技術綜合解決方案，包括醫療技術管理諮詢服務、醫療資源共享、專業人員的招募及培訓；(viii)甄選及轉介合資格供應商、醫藥及醫療器械的質量控制；(ix)委聘技術人員監督可變利益實體提供的醫療服務的品質；(x)中國法律許可範圍內深圳瑞健及可變利益實體不時要求的其他技術服務、運行維護、設備供應及管理諮詢服務。北京瑞爾對其提供這些服務而自主開發或創造的所有知識產權擁有所有權。在獨家運營服務協議的期限內，北京瑞爾可以免費且無任何條件使用深圳瑞健及可變利益實體所擁有的知識產權。深圳瑞健及可變利益實體亦可以使用北京瑞爾在根據獨家運營服務協議提供服務過程中而創造的知識產權。

## Directors' Report

### 董事會報告

Under the Exclusive Operation Services Agreements, the service fee shall be an amount equal to the annual distributable profits of the VIE Entities obtained by Shenzhen Ruijian, after deducting the losses from the previous financial years (if any) and the statutory reserves (if applicable), subject to the applicable PRC laws and regulations. Apart from the service fees, the VIE Entities shall reimburse all reasonable costs, payments and out-of-pocket expenses incurred by Beijing Ruier in connection with the performance of the Exclusive Operation Services Agreement and provision of services thereunder.

In addition, without the prior written consent of Beijing Ruier, during the term of the Exclusive Operation Services Agreement, the Registered Shareholder, Shenzhen Ruijian and the subsidiaries directly held by Shenzhen Ruijian shall not enter into any written or oral agreement with any third party for provision of the same or similar services as those provided thereunder. Beijing Ruier has the right to appoint any third party to provide any or all of the services, or to fulfill any of its obligations under the Exclusive Operation Services Agreement.

The Exclusive Operation Services Agreement shall be effective upon signing, and shall remain valid for three years. Subject to compliance with the Listing Rules, the Exclusive Operation Services Agreement shall be automatically renewed for a term of three years upon its expiration, unless terminated in accordance with the terms therein.

The Exclusive Operation Services Agreement can only be terminated in the following events: (i) if Beijing Ruier and/or its designated person(s) are able to indirectly or directly hold all the equity interests in the VIE Entities as permitted by the PRC laws then in force, and upon duly transfer of all the equity interests or assets of the the VIE Entities directly or indirectly owned by Shenzhen Ruijian have been transferred to Beijing Ruier or its designated person(s) pursuant to applicable PRC laws and regulations, (ii) if Beijing Ruier and/or its designated person(s) are able to directly hold all the equity interests in Shenzhen Ruijian as the PRC laws then in force, and upon duly transfer of all of the equity interests in Shenzhen Ruijian owned by the Registered Shareholder to Beijing Ruier and/or its designated person(s) pursuant to applicable PRC laws and regulations, (iii) Beijing Ruier unilaterally terminates the agreement, or (iv) continuing performance of the agreement will result in violation of or non-compliance with the applicable PRC laws and regulations, the Listing Rules or other requirements of the Stock Exchange.

根據獨家運營服務協議，服務費相當於深圳瑞健獲得的可變利益實體年度可分配利潤金額扣除過往財政年度的虧損（如有）及法定儲備（如適用），並受適用中國法律法規所規限。除服務費外，可變利益實體將補償北京瑞爾因履行獨家運營服務協議和提供該協議項下服務所產生的所有合理成本、款項和自付費用。

此外，於獨家運營服務協議期限內，若無北京瑞爾事先書面同意，登記股東、深圳瑞健及由深圳瑞健直接持有的子公司均不得與提供與該協議項下提供的相同或類似服務的任何第三方訂立任何書面或口頭協議。北京瑞爾有權根據獨家運營服務協議委任任何第三方提供任何或所有服務，或履行其任何責任。

獨家運營服務協議自簽署後即生效，有效期為三年。在遵守上市規則前提下，獨家運營服務協議到期後自動延期三年，除非根據協議條款而終止。

獨家運營服務協議僅可在以下情況下終止：  
(i) 若北京瑞爾及／或其指定人士按當時生效的中國法律許可能夠間接或直接持有可變利益實體的全部股權，且深圳瑞健直接或間接擁有的可變利益實體的全部股權或資產已根據適用的中國法律法規正式轉讓予北京瑞爾或其指定人士、(ii) 若北京瑞爾及／或其指定人士按當時生效的中國法律許可能夠直接持有深圳瑞健的全部股權，且登記股東擁有的深圳瑞健的全部股權根據適用的中國法律法規正式轉讓予北京瑞爾及／或其指定人士、(iii) 北京瑞爾單方面終止協議或(iv) 繼續履行協議將導致違反或不遵守適用的中國法律法規、上市規則或聯交所的其他規定。

## Directors' Report 董事會報告

### (ii) Exclusive Option Agreement

On August 20, 2020, Beijing Ruier, the Registered Shareholder and Shenzhen Ruijian entered into an exclusive option agreement (the "Exclusive Option Agreement").

Pursuant to the Exclusive Option Agreement, Beijing Ruier was granted an irrevocable, unconditional and exclusive right to purchase all or any part of the equity interests in and/or assets of Shenzhen Ruijian held at present or in the future for a consideration equivalent to the lowest price permitted under the PRC laws at the time of purchase. The Registered Shareholder and Shenzhen Ruijian agreed to refund all amount received in the transfer of equity interests or assets, as the case maybe, under the Exclusive Option Agreement to Beijing Ruier or any designee.

The Registered Shareholder, among other things, has covenanted that, without the prior written consent of Beijing Ruier:

- (i) she will not transfer or otherwise dispose or create any encumbrances on any of her equity interest in Shenzhen Ruijian;
- (ii) she will not increase, decrease or change the structure of the registered capital of Shenzhen Ruijian, and shall not approve Shenzhen Ruijian to merge, consolidate with, acquire or invest in any entity;
- (iii) she will not dispose or cause the management of Shenzhen Ruijian to dispose any material assets with a fair value above RMB500,000;
- (iv) she will not terminate or cause the management of Shenzhen Ruijian to terminate any material contracts with a value above RMB500,000, or enter into any agreements that contradicts with the material contracts that currently in force;
- (v) she will not appoint or change any director, supervisor or any other management personnel of Shenzhen Ruijian that should be appointed by the Registered Shareholder;

### (ii) 獨家購買權協議

於2020年8月20日，北京瑞爾、登記股東及深圳瑞健簽訂一份獨家購買權協議（「獨家購買權協議」）。

根據獨家購買權協議，北京瑞爾獲授一項不可撤銷、無條件及獨家的權利，以購買深圳瑞健目前或未來持有的全部或任何部分股權及／或資產，對價等於購買時中國法律允許的最低價格。登記股東及深圳瑞健同意根據獨家購買權協議將轉讓股權或資產（視情況而定）時收到的所有款項退還予北京瑞爾或任何指定人士。

登記股東（其中包括）已承諾，在未取得北京瑞爾事先書面同意的情况下：

- (i) 其將不會轉讓或以其他方式出售深圳瑞健的任何股權或就此增設任何產權負擔；
- (ii) 其將不會增加、減少深圳瑞健的註冊資本或改變其結構，亦不會批准深圳瑞健合併、與之整合、收購或投資於任何實體；
- (iii) 其將不會出售或促使深圳瑞健的管理層出售任何公允價值高於人民幣500,000元的重大資產；
- (iv) 其將不會終止或促使深圳瑞健的管理層終止任何價值高於人民幣500,000元的重大合同，或訂立任何與目前生效的重大合同相悖的協議；
- (v) 其將不會委任或更換應由登記股東委任的深圳瑞健任何董事、監事或任何其他管理人員；

## Directors' Report

### 董事會報告

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| (vi) she will not cause or permit the distribution of any distributable profits and dividends;  | (vi) 其將不會促使或允許分派任何可分配利潤及股息；                        |
| (vii) she will not amend the articles of association of Shenzhen Ruijian;   | (vii) 其將不會修訂深圳瑞健的公司章程；                             |
| (viii) she will not cause or permit Shenzhen Ruijian to provide any loan or guarantee in any kind, or undertake any substantive duties other than in the ordinary course of business; | (viii) 其將不會促使或允許深圳瑞健於日常業務過程之外提供任何貸款或實物擔保或承擔任何重大責任； |
| (ix) she will not cause or permit Shenzhen Ruijian to enter into any transaction or take any action that may affect its assets, rights, duties and operation; and                     | (ix) 其將不會促使或允許深圳瑞健訂立可能影響其資產、權利、職責及業務的任何交易或採取任何行動；及 |
| (x) she will not directly or indirectly engage, possess or acquire any business which competes or is likely to compete with the business of Shenzhen Ruijian.                         | (x) 其將不會直接或間接參與、持有或收購任何與深圳瑞健的業務構成競爭或可能構成競爭的業務。     |

The Registered Shareholder further undertakes that, upon Beijing Ruier issuing the notice to exercise the option in accordance with the Exclusive Option Agreement, the Registered Shareholder will take all necessary actions to procure the transfer and relinquish the pre-emptive right (if any). Each of the parties to the Exclusive Option Agreement confirms and agrees that (i) in the event of a dissolution or liquidation of Shenzhen Ruijian under the PRC laws, all the residual assets attributable to the Registered Shareholder in Shenzhen Ruijian shall be transferred to Beijing Ruier or its designated person(s) at the minimum purchase price permitted under PRC laws, and the Registered Shareholder undertakes that she shall refund all amount received in the transfer to Beijing Ruier or any designee. Each of Beijing Ruier, the Registered Shareholder and Shenzhen Ruijian confirmed and agreed that, in the event of bankruptcy, reorganization, merger or shareholder change of Shenzhen Ruijian which affects the Registered Shareholder's equity interest in Shenzhen Ruijian, the successor of the Registered Shareholder shall be bound by the Exclusive Option Agreement, and any disposal of interests (including but not limited to equity interest, debt and asset) in Shenzhen Ruijian contained in any debt arrangement, reorganization agreement and any other legal documents shall not contradict with the Exclusive Option Agreement unless otherwise with the prior written consent of Beijing Ruier.

登記股東進一步承諾，在北京瑞爾發出根據獨家購買權協議行使購股權的通知後，登記股東將採取一切必要行動促成轉讓並放棄優先購買權（如有）。獨家購買權協議各方確認並同意(i)如果深圳瑞健根據中國法律解散或清盤，登記股東應佔深圳瑞健的所有其餘資產應按中國法律允許的最低購買價轉讓予北京瑞爾或其指定人士，且登記股東承諾，其將轉讓時收到的所有款項退還予北京瑞爾或任何指定人士。北京瑞爾、登記股東及深圳瑞健各自確認並同意，若深圳瑞健發生破產、重組、合併或股東變更而影響到登記股東於深圳瑞健的股權，登記股東的繼承人須受獨家購買權協議約束，且除非有北京瑞爾的事先書面同意，否則任何債務安排、重組協議及任何其他法律文件中對深圳瑞健的權益（包括但不限於股權、債務及資產）的任何出售均不得與獨家購買權協議相衝突。



## Directors' Report 董事會報告

The Exclusive Option Agreement shall be effective upon execution and have an indefinite term unless terminated in the following events: (i) if Beijing Ruier and/or its designated person(s) are able to directly hold all the equity interests in Shenzhen Ruijian as permitted by the PRC laws then in force, and upon duly transfer of all of the equity interests in Shenzhen Ruijian or all of the assets of Shenzhen Ruijian owned by the Registered Shareholder to Beijing Ruier and/or its designated person(s) pursuant to applicable PRC laws and regulations, (ii) Beijing Ruier unilaterally terminates the agreement, or (iii) continuing performance of the obligations of the agreements will result in violation of or non-compliance with the applicable PRC laws and regulations, the Listing Rules or other requirements of the Stock Exchange.

### (iii) *Entrustment Agreement and Powers of Attorney*

On August 20, 2020, Beijing Ruier and the Registered Shareholder entered into a shareholders' rights entrustment agreement (the "Entrustment Agreement") with Shenzhen Ruijian and executed a powers of attorney (the "Powers of Attorney") in favor of Mr. ZOU Qifang (the "Attorney").

Pursuant to the Entrustment Agreement and the Powers of Attorney, (i) the Registered Shareholder irrevocably authorizes Beijing Ruier or its designated person(s) (namely the Directors and liquidator or other successor who acts in the capacity of a Director but excluding any non-independent persons or persons with potential conflicts of interests) and the Attorney to exercise all of her rights and powers as a shareholder of Shenzhen Ruijian on behalf of her, including without limitation:

- to execute shareholder resolutions as her proxy;
- to exercise all shareholder's voting rights in accordance with PRC laws and the constitutional documents of Shenzhen Ruijian, including but not limited to the appointment of legal representative, director and supervisor of Shenzhen Ruijian, amendment of the articles of association of Shenzhen Ruijian, decision on the increase and decrease of registered capital, merger, split and transfer of equity interests in Shenzhen Ruijian as her proxy; and

獨家購買權協議簽署後即生效，無明確期限，除非在以下情況下終止：(i)倘北京瑞爾及／或其指定人士按當時生效的中國法律許可能夠直接持有深圳瑞健的全部股權，且深圳瑞健的全部股權或登記股東擁有的深圳瑞健全部資產已根據適用中國法律法規正式轉讓予北京瑞爾及／或其指定人士、(ii)北京瑞爾單方面終止協議或(iii)繼續履行協議的義務將導致違反或不遵守適用的中國法律法規、上市規則或聯交所的其他規定。

### (iii) *委託協議和授權書*

於2020年8月20日，北京瑞爾及登記股東與深圳瑞健訂立一份股東權利委託協議（「委託協議」），並簽署了以鄒其芳先生（「代理人」）為受益人的授權書（「授權書」）。

根據委託協議和授權書，(i)登記股東不可撤銷地授權北京瑞爾或其指定人士（即董事及清盤人或其他以董事身份行事的繼承人，但不包括任何非獨立人士或有潛在利益衝突的人士）及代理人代登記股東行使其作為深圳瑞健股東的所有權利和權限，包括但不限於：

- 作為其委任代表簽署股東決議案；
- 根據中國法律和深圳瑞健的章程文件行使所有股東投票權，包括但不限於作為其委任代表委任深圳瑞健的法人代表、董事及監事，修訂深圳瑞健的公司章程，決定深圳瑞健註冊資本的增加及減少、合併、拆分及股權轉讓；及

## Directors' Report

### 董事會報告

- to receive any residual assets of Shenzhen Ruijian as her proxy in the event of dissolution or liquidation of Shenzhen Ruijian.

The Registered Shareholder undertakes that, the authorization granted under the Entrustment Agreement will not result in any potential conflicts of interests between her and Beijing Ruier or its designee. If any potential conflicts of interests arises, the Registered Shareholder shall protect and not harm the interests of Beijing Ruier, its subsidiaries or its indirect offshore shareholders. If there is any conflict of interests, the Registered Shareholder shall take action to eliminate such conflict of interests in a timely manner and as approved by Beijing Ruier or its designee. In the event that the Registered Shareholder refuses to take such action, Beijing Ruier is entitled to exercise the option under the Exclusive Option Agreement in accordance with the relevant PRC laws and regulations.

The Entrustment Agreement and Powers of Attorney shall be effective upon signing and have an indefinite term unless terminated in the following events: (i) if Beijing Ruier and/or its designated person(s) are able to directly hold all the equity interests in Shenzhen Ruijian as permitted by the PRC laws then in force, and upon duly transfer of all of the equity interests in Shenzhen Ruijian or all of the assets of Shenzhen Ruijian owned by the Registered Shareholder to Beijing Ruier and/or its designated person(s) pursuant to applicable PRC laws and regulations, (ii) Beijing Ruier unilaterally terminates the agreements, or (iii) continuing performance of the agreement will result in violation of or non-compliance with the applicable PRC laws and regulations, the Listing Rules or other requirements of the Stock Exchange.

#### (iv) Equity Pledge Agreement

On August 20, 2020, Beijing Ruier, Shenzhen Ruijian and the Registered Shareholder entered into an equity pledge agreement (the "Equity Pledge Agreement"), pursuant to which (i) the Registered Shareholder agrees to pledge all of her equity interest in Shenzhen Ruijian to Beijing Ruier as a security interest to guarantee the performance of the contractual obligations and payment of outstanding debts under the Contractual Arrangements.

- 如果深圳瑞健解散或清盤，作為其委任代表接收深圳瑞健的任何其餘資產。

登記股東承諾，委託協議項下的授權不會導致其與北京瑞爾或其指定人士之間出現任何潛在的利益衝突。若出現任何潛在的利益衝突，登記股東應保護並不損害北京瑞爾、其子公司或其間接境外股東的利益。若出現任何利益衝突，登記股東應及時採取行動，並經北京瑞爾或其指定人士批准，消除該利益衝突。若登記股東拒絕採取該行動，北京瑞爾有權根據中國相關法律法規行使獨家購買權協議項下的購股權。

委託協議和授權書簽署後即生效，無明確期限，除非在以下情況下終止：(i)倘北京瑞爾及／或其指定人士按當時生效的中國法律許可能夠直接持有深圳瑞健的全部股權，且深圳瑞健的全部股權或登記股東擁有的深圳瑞健全部資產已根據適用中國法律法規正式轉讓予北京瑞爾及／或其指定人士、(ii)北京瑞爾單方面終止協議或(iii)繼續履行協議將導致違反或不遵守適用的中國法律法規、上市規則或聯交所的其他規定。

#### (iv) 股權質押協議

於2020年8月20日，北京瑞爾、深圳瑞健和登記股東簽訂一份股權質押協議（「股權質押協議」），據此(i)登記股東同意將其於深圳瑞健的全部股權抵押予北京瑞爾作為擔保權益，以保證履行合同安排項下的合同責任和支付未償還債務。

## Directors' Report 董事會報告

If the Registered Shareholder receives any dividend from Shenzhen Ruijian during the term of the Equity Pledge Agreement, the Registered Shareholder agrees to give all the dividends she received to Beijing Ruier as a gift. In the event of any breach of obligations by Shenzhen Ruijian or the Registered Shareholder, Beijing Ruier, upon issuing a written notice to the Registered Shareholder, will be entitled to all remedies available under PRC laws and the Contractual Arrangements, including but not limited to disposing of the equity interests pledged in its favor.

Pursuant to the Equity Pledge Agreement, the Registered Shareholder undertakes to Beijing Ruier, among others, not to transfer the equity interests pledged and not to create or permit the creation of any other pledge or encumbrance without Beijing Ruier's prior written consent. Shenzhen Ruijian further undertakes to Beijing Ruier not to assist or permit any transfer of the equity interests pledged or to assist or permit the creation of any other pledge or encumbrance without Beijing Ruier's prior written consent.

The Equity Pledge Agreement shall remain effective unless terminate in the following events: (i) if Beijing Ruier and/or its designated person(s) are able to directly hold all the equity interests in Shenzhen Ruijian as permitted by the PRC laws then in force, and upon duly transfer of all of the equity interests in Shenzhen Ruijian or all of the assets of Shenzhen Ruijian to Beijing Ruier and/or its designated person(s) pursuant to applicable PRC laws and regulations, (ii) Beijing Ruier unilaterally terminates the agreement, or (iii) continuing performance of the agreement will result in violation of or non-compliance with the applicable PRC laws and regulations, the Listing Rules or other requirements of the Stock Exchange.

倘登記股東於股權質押協議期間自深圳瑞健收取任何股息，則登記股東同意將其收取的全部股息贈予北京瑞爾。如果深圳瑞健或登記股東違反責任，則北京瑞爾向登記股東發出一份書面通知之後，有權根據中國法律和合同安排獲得補救，包括但不限於出售以其作為受益人而質押的股權。

根據股權質押協議，登記股東向北京瑞爾承諾，(其中包括)不會轉讓已質押的股權，且若無北京瑞爾的事先書面同意則不會設立或允許設立任何其他質押或產權負擔。深圳瑞健進一步向北京瑞爾承諾，若無北京瑞爾的事先書面同意，不會協助或允許轉讓已質押的股權或協助或允許設立任何其他質押或產權負擔。

股權質押協議持續有效，除非於以下情況終止：(i)倘北京瑞爾及／或其指定人士按當時生效的中國法律許可能夠直接持有深圳瑞健的全部股權且深圳瑞健的全部股權或深圳瑞健全部資產已根據適用中國法律法規正式轉讓予北京瑞爾及／或其指定人士、(ii)北京瑞爾單方面終止協議或(iii)繼續履行協議將導致違反或不遵守適用的中國法律法規、上市規則或聯交所其他規定。

# Directors' Report

## 董事會報告

### Reasons for adopting the Contractual Arrangements

Our VIE Entities primarily engage in the operation of dental clinics and dental hospitals in China. According to the Negative List, medical institutions fall within the “restricted” investment category, and therefore may not be held 100% by foreign investors, and foreign investments are restricted to the form of sino-foreign joint venture (the “Foreign Ownership Restriction”). In light of the Foreign Ownership Restriction, we determined that it was not viable for our Company to (i) directly or indirectly hold more than 90% equity interest in medical institutions in Sichuan province such as Chengdu Wuhou Ruitai and its subsidiaries; or (ii) directly or indirectly hold more than 70% equity interest in medical institutions of other provinces including Chongqing. As such, upon completion of the reorganization, we through the Contractual Arrangements indirectly hold 90% equity interest in Chengdu Wuhou Ruitai and 70% equity interest in (i) Beijing Shengbin, (ii) Beijing Ruicheng, (iii) Shanghai Yazheng, (iv) Shenzhen Ruier, (v) Shanghai Ruitai, (vi) Hangzhou Shengbin, (vii) Shanghai Shengbin, (viii) Qingdao Ruiqi, (ix) Chongqing Ruisheng (through Chongqing Jinmei), (x) Chongqing Jiuyue, (xi) Chongqing Ruitai, (xii) Chongqing Ruihong Dental Clinic Co., Ltd. (重慶瑞宏口腔門診有限公司), (xiii) Chongqing Ruihua Dental Clinic Co., Ltd. (重慶瑞華口腔門診部有限公司) and (xiv) Guangzhou Yuexiu Ruitai Dental Hospital Co., Ltd. (廣州越秀瑞泰口腔醫院有限公司).

In order to comply with PRC laws and regulations, as well as to maintain maximum equity control over and to obtain all of the economic benefits derived from the operation of VIE Entities, the Company, through its wholly owned subsidiary, Beijing Ruier, entered into a series of the Contractual Arrangements.

For further details of the foreign investment restrictions, please refer to the section headed “Contractual Arrangements – Background of the Contractual Arrangements” of the Prospectus.

### 採納合同安排的理由

我們的可變利益實體主要在中國經營牙科診所及牙科醫院。根據負面清單，醫療機構屬於「受限制」投資類別，因此不可由外國投資者100%擁有，且外商投資限於中外合資企業的形式（「外資所有權限制」）。鑒於外資所有權限制，我們確定本公司採取以下行動屬不可行：(i)直接或間接持有成都武侯瑞泰及其子公司等四川省醫療機構超過90%股權；或(ii)直接或間接持有其他省份（包括重慶）醫療機構超過70%股權。因此，完成重組之後，我們通過合同安排間接持有成都武侯瑞泰90%股權及以下公司70%股權：(i)北京聖彬、(ii)北京瑞程、(iii)上海亞正、(iv)深圳瑞爾、(v)上海瑞泰、(vi)杭州聖彬、(vii)上海聖彬、(viii)青島瑞旗、(ix)重慶瑞升（通過重慶金美）、(x)重慶久悅、(xi)重慶瑞泰、(xii)重慶瑞宏口腔門診有限公司、(xiii)重慶瑞華口腔門診部有限公司及(xiv)廣州越秀瑞泰口腔醫院有限公司。

為了遵守中國法律法規並保持最大權益控制以及從可變利益實體經營中獲得所有經濟利益，本公司通過其全資子公司北京瑞爾訂立了一系列合同安排。

有關外商投資限制的進一步詳情，請參閱招股章程「合同安排 – 合同安排的背景」一節。

# Directors' Report

## 董事會報告

### Risks relating to the Contractual Arrangements

There are certain risks that are associated with the Contractual Arrangements, including:

- (i) if the PRC government finds that the agreements that establish the structure for operating the Company's business in China do not comply with applicable PRC laws and regulations, or if these regulations or their interpretations change in the future, the Group could be subject to severe consequences, including the nullification of the Contractual Arrangements and the relinquishment of the Company's interest in the VIE Entities;
- (ii) the Registered Shareholder of Shenzhen Ruijian may have conflicts of interest with the Company, which may materially and adversely affect our business and financial condition;
- (iii) the Contractual Arrangements may not be as effective in providing control as direct ownership;
- (iv) if the Company exercise the option to acquire equity ownership and assets of Shenzhen Ruijian, the ownership or asset transfer may subject us to certain limitations and substantial costs.

### Actions taken by the Group to mitigate the risks relating to the Contractual Arrangements

Our Group has adopted the following measures to ensure the effective operation with the implementation and compliance of the Contractual Arrangements:

- (1) major issues arising from the implementation and compliance with the Contractual Arrangements or any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;
- (2) the Board will review the overall performance of and compliance with the Contractual Arrangements at least once a year;

### 與合同安排有關的風險

合同安排存在若干相關風險，包括：

- (i) 倘中國政府發現確定本公司於中國經營業務的架構的協議不符合中國適用法律法規，或該等法規或其詮釋日後發生變更，本集團可能面臨嚴重後果，包括導致合同安排失效及終止本公司於可變利益實體的權益；
- (ii) 深圳瑞健的登記股東可能與本公司存在利益衝突，這可能對我們的業務及財務狀況造成重大不利影響；
- (iii) 合同安排在提供控制權方面未必會如直接擁有權一般有效；
- (iv) 倘本公司行使購股權收購深圳瑞健的股本擁有權及資產，擁有權或資產轉讓可能令我們遭受若干限制並產生巨額成本。

### 本集團為減輕與合同安排有關的風險所採取的行動

本集團已採取以下措施以確保在實施和遵守合同安排的情況下有效經營：

- (1) 如有必要，因實施和遵守合同安排而引起的重大問題或政府機關的任何監管查詢將於發生時即提交董事會審閱和討論；
- (2) 董事會將至少每年一次對合同安排的整體履行及遵守情況進行審閱；

## Directors' Report

### 董事會報告

- (3) the Company will disclose the overall performance and compliance with the Contractual Arrangements in our annual reports and interim reports to update our Shareholders and potential investors; and
- (4) the Company will engage external legal advisers or other professional advisers, if necessary, to assist the Board to review the implementation of the Contractual Arrangements and the legal compliance of Beijing Ruier and the VIE Entities to deal with specific issues or matters arising from the Contractual Arrangements.
- (3) 本公司將於年報和中期報告中披露合同安排的整體履行和遵守情況，以便股東和潛在投資者了解最新相關信息；及
- (4) 如有必要，本公司將聘請外部法律顧問或其他專業顧問，以協助董事會檢查合同安排的實施以及北京瑞爾和可變利益實體處理合同安排中產生的具體問題或事宜的法律合規情況。

#### Listing Rules Implications and Waiver from the Stock Exchange

The VIE Entities will be treated as the Company's wholly-owned subsidiaries, and their directors, chief executives or substantial shareholders (as defined in the Listing Rules) and their respective associates will be treated as the Company's connected persons. Shenzhen Ruijian will be treated as a connected person of the Company. Accordingly, the transactions contemplated under the Contractual Arrangements constitute continuing connected transactions of our Group and are subject to reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In relation to the Contractual Arrangements, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with (i) the announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the transactions contemplated under the Contractual Arrangements pursuant to Rule 14A.105 of the Listing Rules, (ii) the requirement of setting an annual cap for the transactions under the Contractual Arrangements under Rule 14A.53 of the Listing Rules, and (iii) the requirement of limiting the term of the Contractual Arrangements to three years or less under Rule 14A.52 of the Listing Rules, for so long as our Shares are listed on the Stock Exchange subject however to the conditions provided under the waiver. For further details, please refer to the section headed "Connected Transactions" of the Prospectus.

#### 上市規則涵義及聯交所豁免

可變利益實體將被視為本公司的全資子公司，且可變利益實體的董事、最高行政人員或主要股東（定義見上市規則）及其各自的聯繫人將被視為本公司的關連人士。深圳瑞健將被視為本公司的關連人士。因此，合同安排項下擬進行的交易構成本集團的持續關連交易，須遵守上市規則第十四A章的申報、公告及獨立股東批准規定。

就合同安排而言，我們已向聯交所申請而聯交所已批准，於股份在聯交所上市期間，豁免(i)根據上市規則第14A.105條就合同安排項下擬進行的交易嚴格遵守上市規則第十四A章的公告、通函及獨立股東批准規定；(ii)根據上市規則第14A.53條就合同安排項下的交易設定年度上限的規定；及(iii)根據上市規則第14A.52條將合同安排的期限限制為三年或以下的規定，惟須符合豁免規定的條件。有關進一步詳情，請參閱招股章程「關連交易」一節。

# Directors' Report

## 董事會報告

### Material Change or Termination of the Contractual Arrangements

During the year ended March 31, 2022, (i) there were no new contractual arrangements entered into, renewed or reproduced between the Group and the VIE Entities, (ii) there were no material changes in the Contractual Arrangements or the circumstances under which they were adopted, and (iii) none of the structured contracts under the Contractual Arrangements mentioned above has been unwound as none of the restrictions that led to the adoption of structured contracts under the Contractual Arrangements have been removed.

### Annual Review

The Directors, including the independent non-executive Directors, have reviewed the Contractual Arrangements and have confirmed that the Contractual Arrangements were entered into (i) in the ordinary and usual course of business of the Group, (ii) on normal commercial terms, and (iii) in accordance with the respective agreements governing them on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The independent non-executive Directors have reviewed the Contractual Arrangements and confirmed that:

- (a) the transactions carried out during the year ended March 31, 2022 have been entered into in accordance with the relevant provisions of the Contractual Arrangements, and that the profit generated by the VIE Entities has been substantially retained by Beijing Ruier;
- (b) no dividends or other distributions have been made by the VIE Entities or any non-wholly owned subsidiary of the Group to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group; and
- (c) other than the Contractual Arrangements, no new contracts have been entered into, renewed and/or reproduced between the Group and the VIE Entities during the year ended March 31, 2022.

### 合同安排的重大變動或終止

截至2022年3月31日止年度，(i)本集團與可變利益實體之間並未訂立、重新或複製新的合同安排，(ii)合同安排或採納合同安排的情況沒有發生重大變動，及(iii)由於導致採納合同安排項下結構性合同的限制概未獲解除，故上述合同安排項下的結構性合同概未獲解除。

### 年度審閱

董事（包括獨立非執行董事）已審閱合同安排，並確認合同安排已(i)於本集團日常及一般業務過程中，(ii)按正常商業條款，及(iii)根據按公平合理且符合本公司及其股東的整體利益的條款規管彼等的有關協議訂立。

獨立非執行董事已審閱合同安排並確認：

- (a) 於截至2022年3月31日止年度進行的交易已按照合同安排的相關規定進行，以及可變利益實體產生的利潤基本由北京瑞爾保留；
- (b) 可變利益實體或本集團的任何非全資子公司並無向其股權持有人分派任何其後未以其他方式轉讓或轉撥予本集團的股息或作出其他分派；及
- (c) 除合同安排外，截至2022年3月31日止年度，本集團與可變利益實體之間並無訂立、重續及／或複製新合同。

# Directors' Report

## 董事會報告

The Company's auditor was engaged to report on the 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 (Revised), Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unmodified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group in the sections headed "Connected Transactions" and "Contractual Arrangements" set out in the directors' report of this annual report in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

### CONTRACT OF SIGNIFICANCE

Save as disclosed in the section headed "Connected Transactions" and "Contractual Arrangements" above, no contract of significance was entered into between the Company, or one of its subsidiary companies, and any of its Controlling Shareholders or subsidiaries for the year ended March 31, 2022.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company during the period from the Listing Date to March 31, 2022.

### PURCHASE OF WEALTH MANAGEMENT PRODUCT

The Group purchased certain wealth management products before the Listing Date:

- (i) on February 10, 2022, the Company entered into the subscription agreement with Growth Vanguard Fund SPC (on behalf of New Economics Fund SP) ("GVF") for the purchase of Growth Vanguard US Dollars Fund – Growth Vanguard Flexible Cash Management Plan (Growth Vanguard美元貨幣基金 – Growth Vanguard靈活現金管理計劃) ("GV Cash Management Product") in the principal amount of US\$0.65 million;
- (ii) on March 14, 2022, the Company entered into the subscription agreement with GVF for the purchase of GV Cash Management Product in the principal amount of US\$0.39 million;

本公司的審計師已獲聘根據香港會計師公會頒佈的《香港核證工作準則》第3000號(經修訂)對歷史財務資料進行審計或審閱以外的核證工作及參照實務說明第740號(經修訂)關於香港上市規則所述持續關連交易的審計師函件報告本集團的持續關連交易。審計師已根據上市規則第14A.56條就本年報董事會報告所載的「關連交易」及「合同安排」章節所披露的本集團的持續關連交易發出無保留意見函件，其中載有其發現及結論。本公司已將審計師函件副本送呈聯交所。

### 重大合同

除上文「關連交易」及「合同安排」各節所披露者外，於截至2022年3月31日止年度，本公司或其其中一家子公司概無與其任何控股股東或子公司訂立任何重大合同。

### 購買、出售或贖回本公司上市證券

於上市日期至2022年3月31日期間，本公司或其任何子公司概無購買、出售或贖回本公司任何上市證券。

### 購買理財產品

本集團於上市日期前曾購買若干理財產品：

- (i) 於2022年2月10日，本公司與Growth Vanguard Fund SPC(代表New Economics Fund SP)(「GVF」)訂立認購協議，以購買本金額為0.65百萬美元的Growth Vanguard美元貨幣基金 – Growth Vanguard靈活現金管理計劃(「GV現金管理產品」)；
- (ii) 於2022年3月14日，本公司與GVF訂立認購協議，以購買本金額為0.39百萬美元的GV現金管理產品；



## Directors' Report 董事會報告

- (iii) on March 15, 2022, the Company entered into the subscription agreement with GVF for the purchase of GV Cash Management Product in the principal amount of US\$6 million; and
- (iv) on March 15, 2022, the Company entered into the subscription agreement with GVF for the purchase of GV Cash Management Product in the principal amount of US\$24 million (collectively, the "Purchase").

The GV Cash Management Product is subject to a lock-up period of one month and can be redeemed by the Company at any time upon expiration of the lock-up period. None of the GV Cash Management Products purchased by the Company has been redeemed as of the date of this annual report. The fixed annualized return rate of GV Cash Management Product is 1.2%.

The source of funding for the Purchase are the Group's internal funds that are not required immediately for operation or capital expenditure purposes rather than the proceeds from the initial public offering. The Purchase is considered to be part of the Group's treasury management to improve the utilization of its idle funds and to bring higher return on capital. In addition, the Company has taken into account the capital needs for daily operations and capital expenditure when purchasing the GV Cash Management Product and determining the respective subscription amount. The Purchase will not affect the daily operations of the Company. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, GVF and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

### MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration for the year ended March 31, 2022. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the year ended March 31, 2022.

### USE OF PROCEEDS FROM GLOBAL OFFERING

The Company's Shares were listed on the Stock Exchange on March 22, 2022. The net proceeds from the Global Offering amounted to approximately HK\$589.9 million.

- (iii) 於2022年3月15日，本公司與GVF訂立認購協議，以購買本金額為6百萬美元的GV現金管理產品；及

- (iv) 於2022年3月15日，本公司與GVF訂立認購協議，以購買本金額為24百萬美元的GV現金管理產品（統稱「該購買」）。

GV現金管理產品的鎖定期為一個月及本公司可於鎖定期屆滿後隨時贖回。截至本年報日期，本公司購買的GV現金管理產品並未被贖回。GV現金管理產品的固定年化回報率為1.2%。

該購買的資金來源為本集團不需要立即用於經營或資本支出目的的內部資金，而非首次公開發售的所得款項。該購買被認為是本集團財務管理的一部分，以提高其閒置資金的利用率並帶來更高的資本回報。此外，本公司於購買GV現金管理產品及釐定有關認購金額時，已考慮日常運營的資金需求及資本支出。該購買不會影響本公司的日常運營。據董事作出一切合理查詢後所知、所悉及所信，GVF及其最終實益擁有人為獨立於本公司及其關連人士的第三方。

### 重大訴訟

截至2022年3月31日止年度，本公司並無涉及任何重大訴訟或仲裁。董事亦不知悉截至2022年3月31日止年度本集團有任何未決或面臨的重大訴訟或申索。

### 全球發售所得款項用途

本公司股份於2022年3月22日在聯交所上市。全球發售所得款項淨額約為589.9百萬港元。

# Directors' Report

## 董事會報告

As of March 31, 2022, none of the net proceeds of the Global Offering had been utilized, please refer to the detailed use of proceeds as follows:

截至2022年3月31日，概無全球發售所得款項淨額獲動用，有關所得款項的具體用途請參閱下文：

|  | Amount of net proceeds for the relevant use | Percentage of total net proceeds  | Utilization during the year ended March 31, 2021 | Unutilized net proceeds as of March 31, 2021  | Expected timeframe for unutilized net proceeds |
|--|---|-----------------------------------|--|---|--|
|  | 用於相關用途的淨所得款項<br>HK\$ million<br>百萬港元        | 佔合計淨所得款項的百分比<br>Percentage<br>百分比 | 截至2021年3月31日止年度動用<br>HK\$ million<br>百萬港元        | 截至2021年3月31日的未動用淨所得款項<br>HK\$ million<br>百萬港元 | 未動用淨所得款項<br>預期時間表                              |
| <b>Business expansion</b>  |   |                                   |  |   |  |
| <b>業務擴張</b>  |   |                                   |  |   |  |
| Increase penetration and grow footprint in existing and emerging Tier-1 cities in China and existing Tier-2 cities in China<br>中國現有及新興一線城市及中國現有二線城市提高滲透率並擴大覆蓋的地域 | 324.4                                       | 55.0%                             | –  | 324.4   | over the next five years<br>未來五年內              |
| Expansion into new key Tier-2 cities in China<br>擴張至中國新的核心二線城市   | 118.0                                       | 20.0%                             | –  | 118.0   | over the next five years<br>未來五年內              |
| <b>Subtotal</b><br>小計  | <b>442.4</b>                                | <b>75.0%</b>                      | <b>–</b>   | <b>442.4</b>                                  |  |
| <b>Build and optimize IT infrastructure</b>  | 88.5  | 15.0%                             | –  | 88.5  | over the next five years<br>未來五年內              |
| 建設及優化信息技術基礎設施  |   |                                   |  |   |  |
| <b>Working capital</b>   | 59.0  | 10.0%                             | –  | 59.0  | over the next five years<br>未來五年內              |
| 營運資金   |   |                                   |  |   |  |
| <b>Total</b><br>總計   | <b>589.9</b>                                | <b>100.0%</b>                     | <b>–</b>   | <b>589.9</b>                                  |  |

# Directors' Report

## 董事會報告

The net proceeds have been and will be utilized in accordance with the purposes set out in the Prospectus. The unutilized net proceeds are expected to be fully utilized by the year ending March 31, 2027. The expected timeline for utilizing the remaining proceeds is based on the best estimation of the future progress of business expansion and market conditions made by the Company. It will be subject to change based on the current and future development of market conditions.

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company has maintained the prescribed percentage of public float under the Listing Rules.

### AUDITOR

PricewaterhouseCoopers has audited the consolidated financial statements for the year ended March 31, 2022. A resolution regarding the re-appointment of PricewaterhouseCoopers as the Group's auditor will be proposed at the AGM. There is no change of auditor since the Listing Date.

### IMPORTANT EVENTS AFTER THE REPORTING PERIOD

On 2 April 2022, a subsidiary of the Company entered into an investment agreement to acquire 14.1% equity interest of Shenzhen Baocheng Dental Hospital for a cash consideration of RMB25 million. As at 31 March 2022, a deposit amounted to RMB5 million was paid to the existing shareholders of Shenzhen Baocheng Dental Hospital for the purpose of first installment for the consideration.

On 19 April 2022, the Company entered into a subscription agreement with AP China Unicorn Fund SPC to purchase wealth management products amounted to US\$3,000,000 at a fixed annualized return rate of 1.2%. The wealth management product is subject to a lock-up period of six months and can be redeemed by the Company at any time upon expiration of the lock-up period.

On July 8, 2022, a subsidiary of the Company entered into an investment agreement to acquire 51% equity interest of Wuxi Tongshan Dental Hospital Co., Ltd (無錫市通善口腔醫院有限公司) (the "Investment"). For further details on the Investment, please refer to the announcement of the Company dated July 8, 2022.

Save as disclosed in this annual report, no important events affecting the Company occurred since the Reporting Period and up to the date of this annual report.

所得款項淨額已經並將根據招股章程所載用途使用。未動用所得款項淨額預期將於截至2027年3月31日止年度悉數動用。剩餘所得款項的預期使用時間線乃基於本公司對未來業務擴張進度和市況作出的最佳估計，惟將因應市況的當前和未來發展而有所變動。

### 公眾持股量

基於本公司公開可得資料及據董事所知，於本年報日期，本公司已維持上市規則規定的公眾持股量百分比。

### 審計師

羅兵咸永道會計師事務所已審核截至2022年3月31日止年度的合併財務報表。本公司於股東週年大會上將提呈一項有關續聘羅兵咸永道會計師事務所為本集團審計師的決議案。自上市日期以來審計師並無變動。

### 報告期後重要事項

於2022年4月2日，本公司一家子公司訂立投資協議，以現金對價人民幣25百萬元收購深圳寶城口腔醫院14.1%股權。於2022年3月31日，已向深圳寶城口腔醫院現有股東支付對價的首期按金人民幣5百萬元。

於2022年4月19日，本公司與AP China Unicorn Fund SPC訂立認購協議，以固定年化回報率1.2%購買3,000,000美元的理財產品。該理財產品的鎖定期為六個月，本公司可於鎖定期屆滿後隨時贖回有關理財產品。

於2022年7月8日，本公司一家子公司訂立投資協議，以收購無錫市通善口腔醫院有限公司51%股權（「投資」）。有關投資的進一步詳情，請參閱本公司日期為2022年7月8日的公告。

除於本年報披露者外，自報告期間以來及截至本年報日期，概無發生影響本公司的重大事項。

# Directors' Report

## 董事會報告

### FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this annual report, we do not have any plan for material investments and capital assets.

### ANNUAL GENERAL MEETING AND CLOSURE OF THE REGISTER OF MEMBERS

For determining the entitlement of the Shareholders to attend the AGM of the Company to be held on September 26, 2022, the register of members of the Company will be closed from Wednesday, September 21, 2022 to Monday, September 26, 2022, both days inclusive. In order to be eligible to attend and vote at the AGM, all transfer accompanied by the relevant share certificates and transfer forms must be lodged with the Company's 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 before 4:30 p.m. on Tuesday, September 20, 2022.

By Order of the Board

**Arrail Group Limited**  
**Mr. ZOU Qifang**  
*Chairman*

Beijing, PRC, June 27, 2022

### 重大投資及資本資產的未來計劃

除於本年報披露者外，我們並無任何重大投資及資本資產計劃。

### 股東週年大會及暫停辦理股份過戶登記

為確定股東出席本公司將於2022年9月26日舉行的股東週年大會的資格，本公司將自2022年9月21日（星期三）至2022年9月26日（星期一）（包括首尾兩日）暫停辦理本公司的股份過戶登記手續。為符合資格出席股東週年大會及於會上投票，所有過戶文件連同相關股票及過戶表格須於2022年9月20日（星期二）下午四時三十分前送交本公司的香港證券登記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室。

承董事會命

**瑞爾集團有限公司**  
*主席*  
**鄒其芳先生**

中國北京，2022年6月27日

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the principles and the code provisions of the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Listing Rules to ensure that the Company’s business activities and decision-making processes are regulated in a proper and prudent manner.

The Company complied with all the applicable principles and code provisions under the CG Code since the Listing Date and up to March 31, 2022 and up to the date of this annual report (the “**Period**”), save and except for deviation from code provision C.2.1 of the CG Code. Details of the deviation are explained in the section “Chairman and chief executive officer” of this corporate governance report.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Guidelines for Securities Transactions by Directors (the “**Written Guidelines**”) on no less exacting terms than the Model Code as its own code of conduct regarding securities transactions by the Directors.

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

### THE BOARD

#### Board Composition

The Board currently comprises of seven members, consisting of four executive Directors and three independent non-executive Directors. The composition of the Board is as follows:

### 企業管治常規

本集團致力維持高水準的企業管治，以保障其股東的權益及提升企業價值及問責性。本公司已採納上市規則附錄十四所載的企業管治守則（「**企業管治守則**」）的原則及守則條文，以確保以適當及審慎的方式規管業務活動及決策程序。

本公司自上市日期起至2022年3月31日止及直至本年報日期（「**該期間**」）一直遵守企業管治守則項下的所有適用原則及守則條文，惟偏離企業管治守則守則條文第C.2.1條除外。偏離詳情於本企業管治報告「主席及首席執行官」一節闡釋。

### 董事進行證券交易的標準守則

本公司已採納其條款不遜於標準守則的董事進行證券交易的指引（「**書面指引**」）作為董事進行證券交易的行為守則。

經向全體董事作出具體查詢後，各位董事均確認彼等於該期間已遵守標準守則及書面指引。本公司並無發現可能掌握本公司內幕消息的僱員存在不遵守書面指引的情況。

### 董事會

#### 董事會組成

董事會目前由七名成員組成，包括四名執行董事及三名獨立非執行董事。董事會構成如下：

# Corporate Governance Report

## 企業管治報告

### *Executive Directors*

Mr. Zou Qifang (*Chairman*)  
Ms. Qin Jessie Xin  
Mr. Zhang Jincai  
Mr. Zou Jianlong

### *Independent non-executive Directors*

Ms. Liu Xiaomei Michelle  
Mr. Sun Jian  
Dr. Zhang Bang

The list of directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

The biographical details of the Directors are set out under “Profiles of Directors and Management” section in this annual report. Save as disclosed above, none of the members of the Board had relationship (including financial, business, family or other material relationships) with each other.

### *Chairman and chief executive officer*

Mr. Zou Qifang is the chairman of the Board and chief executive officer of the Company. Although this deviates from the practice under code provision C.2.1 of the CG Code, where it provides that the two positions should be held by two different individuals. As Mr. Zou is the founder of the Group and has been managing the Group's business and overall strategic planning since its establishment, the Directors consider that vesting the roles of chairman and chief executive officer in Mr. Zou is beneficial to the business prospects and management of the Group by ensuring consistent leadership within the Group. Taking into account all the corporate governance measures that we are going to implement upon Listing, the Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. Accordingly, the Company had not segregated the roles of its chairman and chief executive officer. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company at an appropriate time if necessary, taking into account the circumstances of the Group as a whole.

### *執行董事*

鄒其芳先生 (*主席*)  
辛勤女士  
章錦才先生  
鄒劍龍先生

### *獨立非執行董事*

劉笑梅女士  
孫健先生  
張磅博士

董事名單 (按類別排列) 亦於本公司不時根據上市規則發出的所有公司通訊內披露。根據上市規則，所有企業通訊中均須明確列出獨立非執行董事。

董事的履歷詳情載於本年報「董事及管理層簡介」一節。除上文所披露者外，董事會成員之間概無任何關係 (包括財務、業務、家族或其他重大關係)。

### *主席及首席執行官*

鄒其芳先生為本公司董事會主席兼首席執行官。儘管此情況與企業管治守則守則條文第C.2.1條所規定的該兩項職務不應由同一人士兼任相違背，但是，由於鄒先生為本集團的創始人，且自本集團成立起一直管理本集團的業務及整體戰略規劃，故董事認為，將主席及首席執行官職位授予鄒先生有利於本集團的業務前景及管理，確保本集團的一貫領導。考慮到我們計劃於上市後實施的所有企業管治措施，董事會認為，現時安排的權力及權限均衡將不會受損，且該結構將使本公司能夠迅速有效作出及實施決策。因此，本公司並無區分其主席與首席執行官的角色。董事會將繼續審核，並於計及本集團整體情況後，在必要時適時考慮區分本公司董事會主席與首席執行官的角色。

# Corporate Governance Report

## 企業管治報告

### *Independent non-executive Directors*

During the Period, the Board has at all times met the requirements of Rule 3.10 and Rule 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors, representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The independent non-executive Directors bring a wide range of business and financial expertise, experience and independent judgement to the Board and they are invited to serve on the Board committees of the Company. Through active participation at Board meeting, taking the lead in managing issues involving potential conflict of interests, all independent non-executive Directors have made various contributions to the effective direction of the Company and provided adequate checks and balances to safeguard the interests of both the Group and the Shareholders.

The Company has received written annual confirmation from each independent non-executive Director of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent in light of the independence guidelines set out in Rule 3.13 of the Listing Rules.

### *Appointment and re-election of Directors*

All Directors are appointed for a specific term, subject to renewal upon expiry of the existing term.

Each of the executive Directors has entered into a service contract with the Company on December 1, 2021. The initial term of his service contract shall commence from the date of his/her appointment as a Director and continue for a period of three years after or until the third annual general meeting of the Company since the Listing Date, whichever is earlier, and shall be automatically renewed for successive periods of three years (subject always to re-election as and when required under the Articles of Association) until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than three months' prior notice in writing.

### *獨立非執行董事*

於該期間內，董事會一直符合上市規則第3.10條及第3.10A條有關委任至少三名獨立非執行董事，佔董事會成員人數三分之一，以及其中一名具備適當的專業資格或會計或相關財務管理專業知識。

獨立非執行董事為董事會提供廣泛的業務及財務專業知識、經驗及獨立判斷並獲邀服務本公司董事委員會。透過積極參與董事會會議，在管理涉及潛在利益衝突事務時發揮牽頭引導作用，所有獨立非執行董事已對本公司訂立有效方針作出貢獻，並給予充分的制衡作用，以保障本集團及股東的利益。

本公司已收到各獨立非執行董事根據上市規則第3.13條就其獨立性所發出的年度書面確認，本公司認為，按照上市規則第3.13條所載有關獨立性的指引，全體獨立非執行董事均屬獨立人士。

### *委任及重選董事*

所有董事均有指定任期，於現有任期屆滿時可予續期。

每名執行董事均已於2021年12月1日與本公司訂立服務合同。其服務合同的初始期限自其獲委任為董事之日開始，為期三年，或直至上市日期起計本公司第三次股東週年大會（以較早者為準），且應自動續期三年，（惟須始終按組織章程細則所規定膺選連任）直至根據服務合同的條款及條件或由其中一方向另一方發出不少於三個月事先書面通知予以終止為止。

# Corporate Governance Report

## 企業管治報告

Each of the independent non-executive Directors has entered into an appointment letter with the Company on November 25, 2021. The initial term for their appointment letters shall commence from the date of his/her appointment as a Director and continue for a period of three years after or until the third annual general meeting of the Company since the Listing Date, whichever is earlier, and shall be automatically renewed for successive periods of three years (subject always to re-election as and when required under the Articles of Association), 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.

Save as disclosed above, none of the Directors has entered into a service contract with the Group that is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The procedure and process of appointment, re-election and removal of the Directors are laid down in the Articles of Association. The Nomination Committee is responsible for reviewing Board composition, making recommendations to the Board on the appointment or re-appointment of the Directors and succession planning for the Directors, assessing the independence of independent non-executive Directors.

In accordance with article 109 of the Articles of Association, at each annual general meeting, 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 by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Director who has not been subject to retirement by rotation in the three years preceding the annual general meeting shall retire by rotation at such annual general meeting. The Directors to retire shall be those who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

In accordance with article 113 of the Articles of Association, any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election.

每名獨立非執行董事均已於2021年11月25日與本公司訂立委任函。彼等的委任函的初始期限自其獲委任為董事之日開始，為期三年，或直至上市日期起計本公司第三次股東週年大會（以較早者為準），且應自動續期三年，（惟須始終按組織章程細則所規定膺選連任）直至根據委任函的條款及條件或由其中一方向另一方發出不少於三個月事先書面通知予以終止為止。

除上文披露者外，概無董事與本集團訂立本集團不可於一年內不付賠償（法定賠償除外）而終止的服務合同。

董事的委任、重選連任及罷免程序及過程載於組織章程細則。提名委員會負責檢討董事會的組成，就董事的委任或重新委任以及董事繼任計劃向董事會提出建議，及評估獨立非執行董事的獨立性。

根據組織章程細則第109條，於每屆股東週年大會上，當時在任的三分之一董事（或倘董事人數並非三或三的倍數，則最接近但不少於三分之一的人數）須輪值告退，惟每名董事（包括指定任期的董事）應至少每三年輪值告退一次。退任董事有資格重選連任。在股東週年大會前三年未有輪值退任的董事必須在該股東週年大會上輪值退任。退任董事應為上一次重選或委任董事後在任最長時間者，在該等於同一天成為或被重選為董事的人士之間（除非此等人士相互之間另有協定）須以抽籤形式決定退任者。

根據組織章程細則第113條，任何董事會委任以填補臨時空缺或作為現有董事會新增成員的董事的任期僅直至其獲委任後本公司首屆股東週年大會為止，屆時將合資格應選連任。



# Corporate Governance Report

## 企業管治報告

By virtue of articles 109 of the Articles of Association, Mr. Zou Qifang, Ms. Qin Jessie Xin and Mr. Zou Jianlong will retire by rotation from office and, being eligible, will offer himself/herself for re-election at the AGM.

The Board and the Nomination Committee recommended their re-appointment at the AGM. The Company's circular, sent together with this annual report, contains detailed information of the above recommended persons as required by the Listing Rules.

### *Duties performed by the Board and management*

The Board is responsible for the overall leadership and oversees development of the Group, approving and monitoring the overall development strategy of the Group and its operation and financial performance, ensuring that the Directors perform their proper duties and act in the best interests of the Group and hold discussions on various important and proper businesses of the Company in a timely manner. All Directors are entitled to raise and include any matters that should be submitted to the Board for discussion in the agenda of the board meeting. The management shall provide members of the Board and specialized committees under the Board with appropriate and sufficient information in a timely manner so as to update them with the latest developments of the Group and to better facilitate the discharge of their duties. The management team is accountable to the Board, executing the strategies and plans formulated by the Board, and making decisions in relation to the day-to-day operation of the Group. Directors have resources to seek independent professional advice in performing their duties at the Company's expense and are encouraged to consult with the Company's senior management independently.

Appropriate directors' liability insurance cover has been arranged by the Company to indemnify the Board members for liabilities arising out of corporate activities.

### *Training, Induction and Continuing Development of Directors*

Induction materials and briefings regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of interest in the Group will be provided to newly appointed Directors shortly upon their appointment as Directors. Continuing briefings and professional development to Directors will be arranged whenever necessary. The Company will continue to arrange and fund the training in accordance with code provision C.1.4 of the CG Code.

根據組織章程細則第109條，鄒其芳先生、辛勤女士及鄒劍龍先生將輪席退任，並合資格且願意於股東週年大會上膺選連任。

董事會及提名委員會推薦於股東週年大會上重新委任該等董事。連同本年報寄發的本公司通函載有上市規則規定的上述被推薦人士之詳細資料。

### *由董事會和管理層履行的職責*

董事會負責本集團整體領導及海外發展，批准及監察本集團的整體發展戰略，以及其營運及財務表現，確保董事履行其職責，以符合本集團最佳利益的方式行事，並就本公司的各項重要及適當業務進行適時的討論。所有董事均有權提出任何必須提交董事會商討的事項以列入董事會會議議程。管理層向董事會及其專門委員會成員適時提供恰當及充足資料，讓其知悉本集團的最新發展以更好協助其履行職務。管理層團隊對董事會負責，執行由董事會制定的戰略及計劃，並作出有關本集團日常營運的決策。董事可尋求獨立專業意見以履行彼等的職責，費用由本公司承擔，本公司亦鼓勵董事個別諮詢本公司高級管理層。

本公司已安排適當的董事責任保險，以彌償董事會成員因公司活動所承擔的責任。

### *董事的培訓、就任及持續發展*

新任董事獲委任為董事後，會於短期內獲發內容涵蓋作為董事的職責及責任、適用於董事的相關法例及法規及本集團權益披露責任的就職資料及簡報。如有需要，本公司可為董事安排持續簡報及專業發展。本公司將繼續根據企業管治守則守則條文第C.1.4條安排培訓及為培訓提供資金。

# Corporate Governance Report

## 企業管治報告

According to the records of the Company, during the Period, all Directors have received the following training, the emphasis of which were on the roles, functions and duties of directors of companies listed on the Stock Exchange, in order to comply with the relevant requirements under the CG Code in relation to continuous professional development of directors:

根據本公司紀錄，於該期間，所有董事均已參與以下著重有關聯交所上市公司董事的職務、職能及職責的培訓，以遵守企業管治守則有關董事持續專業發展的相關規定。

|  |           | Reading materials<br>閱讀材料 | Attending seminars/<br>briefings<br>參與培訓會/<br>簡報會 |
|--|-----------|---------------------------|---|
| <b>Executive Directors</b>                 |           |                           |   |
| <b>執行董事</b>                                |           |                           |   |
| Mr. Zou Qifang (Chairman)                  | 鄒其芳先生(主席) | [√]                       | [√]   |
| Ms. Qin Jessie Xin                         | 辛勤女士      | [√]                       | [√]   |
| Mr. Zhang Jincai                           | 章錦才先生     | [√]                       | [√]   |
| Mr. Zou Jianlong                           | 鄒劍龍先生     | [√]                       | [√]   |
| <b>Independent Non-executive Directors</b> |           |                           |   |
| <b>獨立非執行董事</b>                             |           |                           |   |
| Ms. Liu Xiaomei Michelle                   | 劉笑梅女士     | [√]                       | [√]   |
| Mr. Sun Jian                               | 孫健先生      | [√]                       | [√]   |
| Mr. Zhang Bang                             | 張磅先生      | [√]                       | [√]   |

### Directors' Attendance at Meetings

During the Period, 3 Board meetings were held. Details of the attendance records of Directors' attendance at the Board meetings and Board committee meetings are set out below:

### 董事出席會議

於該期間，本公司已舉行三次董事會會議。董事出席董事會會議及董事委員會會議的出席記錄詳情載於如下：

|  |           | Meetings Attended/Meetings Held<br>出席會議／舉行會議 |                          |                               |                                 |
|--|-----------|--|--------------------------|-------------------------------|---------------------------------|
|  |           | Board<br>董事會                                 | Audit Committee<br>審計委員會 | Nomination Committee<br>提名委員會 | Remuneration Committee<br>薪酬委員會 |
| <b>Executive Directors</b>                 |           |  |                          |                               |                                 |
| <b>執行董事</b>                                |           |  |                          |                               |                                 |
| Mr. Zou Qifang (Chairman)                  | 鄒其芳先生(主席) | 3/3  | -                        | -                             | -                               |
| Ms. Qin Jessie Xin                         | 辛勤女士      | 3/3  | -                        | -                             | -                               |
| Mr. Zhang Jincai                           | 章錦才先生     | 3/3  | -                        | -                             | -                               |
| Mr. Zou Jianlong                           | 鄒劍龍先生     | 3/3  | -                        | -                             | -                               |
| <b>Independent Non-executive Directors</b> |           |  |                          |                               |                                 |
| <b>獨立非執行董事</b>                             |           |  |                          |                               |                                 |
| Ms. Liu Xiaomei Michelle                   | 劉笑梅女士     | 3/3  | 1/1                      | 1/1                           | 1/1                             |
| Mr. Sun Jian                               | 孫健先生      | 3/3  | 1/1                      | 1/1                           | 1/1                             |
| Mr. Zhang Bang                             | 張磅先生      | 3/3  | 1/1                      | 1/1                           | 1/1                             |

# Corporate Governance Report

## 企業管治報告

During the Period, save as disclosed in the above table, the chairman has held a meeting with the independent non-executive Directors.

In addition, no general meeting was held during the Period.

### Board Committees

The Company has established three committees under the Board pursuant to the regulations and corporate governance practice requirements under the Listing Rules, including the Audit Committee, Remuneration Committee and Nomination Committee.

#### Nomination Committee

The Company established the Nomination Committee with written terms of reference in compliance with paragraph B.3 of the CG Code as set out in Appendix 14 to the Listing Rules.

The primary duties of the Nomination Committee include, without limitation, (a) to review the structure, size, composition and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (b) to determine the policy for the nomination of directors, identify individuals suitably qualified to become members of the Board and may select individuals nominated for directorship; (c) to assess the independence of the independent non-executive directors; and (d) to make recommendations to the Board on the appointment or reappointment of directors and succession planning for directors, in particular the chairman and the chief executive, taking into the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future.

The Nomination Committee currently consists of three independent non-executive Directors, namely Ms. Liu Xiaomei Michelle, Mr. Sun Jian and Mr. Zhang Bang. Mr. Sun Jian is the chairman of the Nomination Committee.

During the Period, the Nomination Committee held 1 meeting and had reviewed the structure, size and composition of the Board, assessed the independence of the independent non-executive Directors and made recommendation to the Board on the re-election of the Directors at the AGM.

於該期間，除上表所披露者外，主席已與獨立非執行董事舉行了一次會議。

此外，該期間概無舉行任何股東大會。

### 董事委員會

本公司已根據上市規則條例及企業管治常規規定成立三個董事會下轄委員會，包括審計委員會、薪酬委員會及提名委員會。

#### 提名委員會

本公司已成立提名委員會，並具有符合上市規則附錄十四所載企業管治守則第B.3段的書面職權範圍。

提名委員會的主要職責包括(但不限於)(a)至少每年檢討董事會的架構、規模、組成及成員多元化(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期)，並就任何為配合本公司的企業策略擬對董事會的任何變動作出推薦建議；(b)釐定提名董事的政策，物色可擔任董事會成員的合資格人士，挑選被提名人士出任董事；(c)評核獨立非執行董事的獨立性；及(d)因應本公司的企業策略及日後需要的不同技能、知識、經驗及多元化組合，就董事委任或重新委任以及董事(尤其是主席及最高行政人員)繼任計劃向董事會作出推薦建議。

提名委員會現時由三名獨立非執行董事劉笑梅女士、孫健先生及張磅先生組成。孫健先生為提名委員會主席。

於該期間，提名委員會已舉行一次會議並檢討董事會的架構、規模及組成，評估獨立非執行董事的獨立性，以及於股東週年大會上就重選董事向董事會作出推薦建議。

# Corporate Governance Report

## 企業管治報告

### Board Diversity Policy

The Board has adopted a board diversity policy (the “**Board Diversity Policy**”) which sets out the approach to achieve a sustainable and balanced development of the Company and also to enhance the quality of performance of the Company.

The Company recognizes and embraces the benefits of diversity in Board members and see increasing diversity at the Board level as an essential element in maintaining our competitive advantage. A board with diversified members includes and capitalizes of different skills, regional and industry experience, background, race, gender and other qualities of directors. These differences will be taken into account in determining the optimum composition of the Board. As at the date of this report, the Board comprised of seven Directors, including five male Directors and two female Directors with different appropriate skills, knowledge and experience to promote and achieve better performance of the Company. Three of them are independent non-executive Directors, thereby promoting critical review and control of the management process.

### Implementation

The Nomination Committee will review annually the structure, size and composition of the Board and, where appropriate, make recommendations on changes to the Board to complement the Company’s corporate strategy.

In relation to reviewing and assessing the Board composition and the nomination of directors (as applicable), board diversity has to be considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge, industry and regional experience and length of services.

### 董事會多元化政策

董事會已採納一套董事會多元化政策（「**董事會多元化政策**」），其載有達致本公司可持續均衡發展及提高本公司表現質素的方針。

本公司認同並接受董事會成員多元化的裨益，並認為董事會日漸多元化為維持我們競爭優勢的重要因素。一個真正成員多元化的董事會可融入及善用董事的不同技能、區域及行業經驗、背景、種族、性別及其他資歷。此等差異將用作釐定董事會的最佳組合。於本報告日期，董事會成員包括七名董事，其中五名董事為男士及兩名董事為女士，各具備不同的適切技能、知識及經驗，以促進及實現本公司有更好業績。其中三名為獨立非執行董事，負責促進管理程序的嚴格審查及控制。

### 實施情況

提名委員會將每年檢討董事會的架構、規模、組成，並在適當時向董事會作出有關任何變動的推薦建議，以配合本公司的企業策略。

在審閱及評估董事會組成及董事提名時（如適用），須從多方面考慮董事會多元化，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識、行業、地區經驗及服務年期。

# Corporate Governance Report

## 企業管治報告

The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision is based on merit and contribution that the selected candidates will bring to the Board.

We aim to maintain an appropriate balance of diversity perspectives of the Board that are relevant to our business growth. In particular, we recognise that gender diversity at the Board level can be improved given two out of seven of our Directors are female upon the Listing. We will continue to apply the principle of appointments based on merits with reference to the Board Diversity Policy as a whole, and we have also taken, and will continue to take steps to promote gender diversity at all levels of the Company, including but not limited to the Board and the management levels. In particular, taking into account the business needs of the Group and changing circumstances from time to time that may affect the Group's business plans, we will actively identify female individuals suitably qualified to become the Board members and we aim to achieve a target of 40% female representation in the Board, during the period of which we are listed on the Stock Exchange. To further ensure gender diversity of our Board in a long run, the Group will also identify and select several female individuals with a diverse range of skills, experience and knowledge in different fields from time to time, and maintain a list of such female individuals who possess qualities to become the Board members, which will be reviewed by the Nomination Committee quarterly in order to develop a pipeline of potential successors to the Board to promote gender diversity of the Board.

In addition, among the 3,336 employees of the Group as at the date of this annual report, 561 are males (16.8%) and 2,775 are females (83.2%). The Board is satisfied with the gender diversity of the employees.

### Nomination Policy

A nomination policy (the "**Nomination Policy**") for the Directors was formally adopted and this incorporated the nomination criteria and principles for the Directors. The Nomination Policy applies to the Directors and where applicable, senior management prepared for Board positions under the succession planning of the Company.

本公司亦考慮有關其本身業務模式及不時的特殊需求等因素。基於經挑選候選人將帶給董事會的神益及貢獻作出最終決定。

我們旨在維持董事會具有與我們業務增長相關的適當且均衡的多元化視角的措施。具體而言，我們意識到，鑒於上市後，我們的七名董事中兩名為女性，董事會層面的性別多元化可予改善。我們將參考董事會多元化政策，繼續全面應用基於功績的委任原則，且我們亦已並將繼續採取措施，在本公司所有層面（包括但不限於董事會及管理層層面）促進性別多元化。特別是，經計及本集團的業務需求及可能影響本集團業務計劃的不時變動的情況，我們將積極物色具備合適資格成為董事會成員的女性候選人，我們致力於實現我們於聯交所上市期間董事會中女性佔40%的目標。為進一步確保董事會長期性別多元化，本集團亦將不時物色及選擇於不同領域具有廣泛技能、經驗及知識的女性候選人及設定擁有成為董事會成員資格的女性候選人名單（將由提名委員會按季度審閱），以發展董事會潛在繼任者渠道以促進董事會性別多元化。

此外，於本年報日期，在本集團3,336名僱員中，561名為男性（16.8%）及2,775名為女性（83.2%）。董事會對僱員性別多元化感到滿意。

### 提名政策

董事提名政策（「**提名政策**」）已正式採納，並涵蓋董事提名標準及原則。提名政策適用於董事，並在適當情況下適用於根據本公司的繼任計劃準備出任董事會職位的高級管理人員。

# Corporate Governance Report

## 企業管治報告

The Nomination Policy aims to (i) set out the criteria and process in the nomination and appointment of the Directors; (ii) ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company; and (iii) ensure the Board continuity and appropriate leadership at Board level.

In evaluating and selecting any candidate for directorship, the following criteria should be considered:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy;
- Any measurable objectives adopted for achieving diversity on the Board;
- Requirement for the Board to have independent directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- Any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity;
- Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s) of the Company; and
- Such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors and succession planning.

提名政策旨在(i)載列提名及委任董事的準則及程序；(ii)確保董事會成員具備切合本公司業務所需的均衡技能、經驗及多元化觀點；及(iii)確保董事會的持續性及維持其領導角色。

在評估及挑選候選人擔任董事時，應當考慮下列標準：

- 品格與誠信；
- 資格，包括與本公司業務及企業策略相關的專業資格、技能、知識及經驗，以及董事會多元化政策所提述的多元化因素；
- 為達致董事會多元化而採納的任何可計量目標；
- 根據上市規則有關董事會須包括獨立董事的規定，以及參照上市規則所載的獨立指引評估候選人是否被視為獨立；
- 候選人在資歷、技能、經驗、獨立性及性別多元化方面可為董事會帶來的任何潛在貢獻；
- 是否願意及是否能夠投放足夠時間履行其身為本公司董事會成員及／或董事委員會成員的職責；及
- 其他適用於本公司業務及繼任計劃，及（如適用）董事會及／或提名委員會不時就提名董事及繼任計劃採納及／或修訂的其他方面。

# Corporate Governance Report

## 企業管治報告

### Nomination procedure

#### Appointment of new directors

- (i) The Nomination Committee and/or the Board may select candidates for directorship from various channels, including but not limited to internal promotion, re-designation, referral by other member of the management and external recruitment agents.
- (ii) The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.
- (iii) If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).
- (iv) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.
- (v) For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and/or the Board should make recommendation to shareholders in respect of the proposed election of director at the general meeting.

### 提名程序

#### 委任新董事

- (i) 提名委員會及／或董事會可從各種渠道挑選候選人擔任董事，包括但不限於內部提升、調任、其他管理層成員及外部招聘代理推薦。
- (ii) 提名委員會及／或董事會應在收到委任新董事的建議及候選人的履歷資料（或相關詳情）後，依據上述標準評估該候選人，以釐定該候選人是否合資格擔任董事。
- (iii) 如過程涉及一個或多個合意的候選人，提名委員會及／或董事會應根據本公司的需要及每位候選人的證明審查（如適用）排列其優先次序。
- (iv) 提名委員會隨後應就委任合適候選人擔任董事向董事會作出推薦建議（如適用）。
- (v) 就任何經由股東提名於本公司股東大會上選舉為董事的人士，提名委員會及／或董事會應依據上述標準評估該候選人，以釐定該候選人是否合資格擔任董事。

倘適用，提名委員會及／或董事會應就於股東大會上選舉董事的提案向股東作出推薦建議。

# Corporate Governance Report

## 企業管治報告

### Re-election of directors at general meeting

- (i) The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring director and the level of participation and performance on the Board.
- (ii) The Nomination Committee and/or the Board should also review and determine whether the retiring director continues to meet the criteria as set out above.
- (iii) The Nomination Committee and/or the Board should then make recommendation to shareholders in respect of the proposed re-election of director at the general meeting.

Where the Board proposes a resolution to elect or re-elect a candidate as director at the general meeting, the relevant information of the candidate will be disclosed in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

### Audit Committee

The Company established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the CG Code.

The primary duties of the Audit Committee include, without limitation, (a) to be primarily responsible for making recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any issues related to its resignation or dismissal; (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; (c) to monitor integrity of the Company's financial statements and annual report and accounts, half-year report and to review significant financial reporting judgements contained in them; and (d) to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems.

### 於股東大會上重選董事

- (i) 提名委員會及／或董事會應檢討退任董事對本公司的整體貢獻及服務，以及在董事會的參與程度及表現。
- (ii) 提名委員會及／或董事會亦應檢討及確定退任董事是否仍然符合上述準則。
- (iii) 提名委員會及／或董事會應就於股東大會上重選董事的提案向股東提出推薦意見。

若董事會擬於股東大會上提呈決議案選舉或重選某候選人為董事，隨附有關股東大會通告的致股東通函及／或說明函件中，將會按上市規則及／或適用法律及法規披露候選人的有關資料。

### 審計委員會

本公司成立審計委員會，並根據上市規則第3.21條及企業管治守則第D.3段制訂書面職權範圍。

審計委員會的主要職責包括(但不限於)(a)主要負責就委任、重新委任及解聘外聘審計師向董事會作出推薦建議及批准外聘審計師的酬金及委聘條款，以及處理任何有關辭任或解聘的問題；(b)檢討及監察外聘審計師的獨立性及客觀性以及根據適用標準實施的核數程序的有效性；(c)監察本公司財務報表以及年報及賬目、半年度報告的完整性，並審閱其中所載的重大財務報告判斷；及(d)與管理層討論風險管理及內部監控系統，確保管理層已履行職責建立有效的系統。



# Corporate Governance Report

## 企業管治報告

### Corporate Governance Functions

The Audit Committee is also responsible for performing the corporate governance duties set out in code provision A.2.1 of the CG Code, which include:

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

The Audit Committee currently consists of three independent non-executive Directors, namely Ms. Liu Xiaomei Michelle, Mr. Sun Jian and Mr. Zhang Bang. Mr. Zhang Bang who holds the appropriate professional qualifications as required under Rule 3.10 (2) of the Listing Rules is the chairman of the Audit Committee.

During the Period, the Audit Committee held 1 meeting and had reviewed the annual results and annual report of the Group for the year ended March 31, 2022, the effectiveness of the Company's financial controls, internal control and risk management systems. The Audit Committee has reviewed the audited consolidated financial statements and results of the Group for the Reporting Period, and discussed and recommended to the Board on the re-appointment of external auditor.

### Remuneration Committee

The Company established the Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of the CG Code as set out in Appendix 14 to the Listing Rules.

### 企業管治職能

審計委員會亦負責履行企業管治守則守則條文第A.2.1條所載的企業管治職責，包括：

- (a) 制定及檢討本公司的企業管治政策及常規，並向董事會作出推薦建議；
- (b) 檢討及監察本公司董事及高級管理層的培訓及持續專業發展；
- (c) 檢討及監察本公司遵守法律及監管規定的政策及常規；
- (d) 制定、檢討及監察適用於本公司董事及僱員的行為守則及合規手冊（倘有）；及
- (e) 檢討遵守企業管治守則的情況及企業管治報告的披露。

審計委員會現由三名獨立非執行董事劉笑梅女士、孫健先生及張磅先生組成。張磅先生具備上市規則第3.10(2)條要求的適當專業資格，為審計委員會主席。

於該期間，審計委員會已舉行一次會議並已審閱本集團截至2022年3月31日止年度的年度業績及年報、本公司財務控制、內部監控及風險管理系統的成效。審計委員會已審閱本集團報告期間的經審計合併財務報表及業績，討論外聘審計師的續聘並向董事會作出推薦建議。

### 薪酬委員會

本公司成立薪酬委員會，並根據上市規則第3.25條及上市規則附錄十四所載企業管治守則第E.1段制訂書面職權範圍。

# Corporate Governance Report

## 企業管治報告

The primary duties of the Remuneration Committee, under the principle that no Director or any of their associates should be involved in deciding his own remuneration, include, without limitation, (a) to make recommendations to the Board on the Company's policy and structure for the remuneration of all directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy; (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives; and (c) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment.

The Remuneration Committee currently consists of three independent non-executive Directors, namely Ms. Liu Xiaomei Michelle, Mr. Sun Jian and Mr. Zhang Bang. Mr. Sun Jian is the chairman of the Remuneration Committee.

During the Period, the Remuneration Committee held 1 meeting and had reviewed the remuneration policy for all directors and senior management and the remuneration of the newly appointed Directors.

### COMPANY SECRETARY

On April 22, 2022, Mr. Wong Keith Shing Cheung resigned as the company secretary of the Company (the "Company Secretary") and Ms. Au Wai Ching has been appointed as the Company Secretary. Mr. Wong confirmed that he had no disagreement with the Board and there were no other matters in respect of their resignations that need to be brought to the attention of the shareholders of the Company and the Stock Exchange.

Ms. Au is a manager of SWCS Corporate Services Group (Hong Kong) Limited, who fulfils the qualification requirements laid down in the Listing Rules.

For the year ended March 31, 2022, each of Mr. Wong and Ms. Au has taken not less than 15 hours of relevant professional training in compliance with the requirements of Rule 3.29 of the Listing Rules. The main contact person of Mr. Wong and Ms. Au in the Company is Ms. Qin Jessie Xin, an executive Director.

按照董事或彼等的任何聯繫人不應參與釐定本身薪酬的原則，薪酬委員會的主要職責包括（但不限於）(a)就本公司全體董事及高級管理層的薪酬政策及架構及制定薪酬政策建立正式且具透明度的程序向董事會作出推薦建議；(b)參考董事會的企業目標及宗旨，審閱及批准管理層的薪酬建議；及(c)就個別執行董事及高級管理層的薪酬待遇（包括實物利益、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償））向董事會作出推薦建議。

薪酬委員會現由三名獨立非執行董事劉笑梅女士、孫健先生及張磅先生組成。孫健先生為薪酬委員會主席。

於該期間，薪酬委員會已舉行一次會議並已審閱全體董事及高級管理層的薪酬政策以及新委任董事的薪酬。

### 公司秘書

於2022年4月22日，王承鎔先生辭任本公司的公司秘書（「公司秘書」），而區慧晶女士已獲委任為公司秘書。王先生確認彼與董事會並無任何分歧，亦無其他與彼等辭任有關的事宜需提請本公司股東及聯交所垂注。

區女士為方圓企業服務集團（香港）有限公司的經理，其符合上市規則所載的資歷規定。

截至2022年3月31日止年度，王先生及區女士各自已根據上市規則第3.29條的規定接受不少於15小時的相關專業培訓。王先生及區女士在本公司的主要聯絡人為執行董事辛勤女士。

# Corporate Governance Report

## 企業管治報告

### SENIOR MANAGEMENT'S REMUNERATION

### 高級管理人員薪酬

The remuneration of the senior management of the Company by band for the Reporting Period is set out below:

本公司高級管理人員報告期間以不同範圍劃分的薪酬如下：

| Band of remuneration (HKD)<br>薪酬範圍 (港元) |                     | No. of person<br>人數 |
|---|---------------------|---------------------|
| 1,000,000 to 1,500,000                  | 1,000,000至1,500,000 | 1                   |
| 3,000,000 to 3,500,000                  | 3,000,000至3,500,000 | 1                   |
| 5,500,000 to 6,000,000                  | 5,500,000至6,000,000 | 1                   |
| 9,000,000 to 9,500,000                  | 9,000,000至9,500,000 | 1                   |

The band of remuneration of the above senior management does not include the remuneration of Mr. ZOU Qifang, Ms. Qin Jessie XIN, Mr. ZHANG Jincai and Mr. ZOU Jianlong, and the particulars of their remuneration are set out in Note 36 to the consolidated financial statements.

上述高級管理人員的薪酬範圍並不包括鄒其芳先生、辛勤女士、章錦才先生及鄒劍龍先生的薪酬，彼等薪酬詳情載於合併財務報表附註36。

### EXTERNAL AUDITOR AND AUDITOR'S REMUNERATION

### 外聘審計師及審計師酬金

The statement of the external auditor of the Company about their reporting responsibilities for the Company's consolidated financial statements for the year ended March 31, 2022 is set out in the Independent Auditor's Report on pages 198 to 208 of this annual report.

本公司的外聘審計師就彼等對本公司截至2022年3月31日止年度的合併財務報表的呈報責任的聲明載於本年報第198頁至208頁的獨立審計師報告。

The fees paid/payable to PricewaterhouseCoopers, the Company's auditor, in respect of audit services and non-audit services for the year ended March 31, 2022 are analysed below:

截至2022年3月31日止年度，已付／應付本公司審計師羅兵咸永道會計師事務所的審計服務及非審計服務費用分析如下：

| Types of services provided by the external auditor<br>外聘審計師提供的服務種類                        |                               | Fees paid/payable<br>RMB'000<br>已付／應付費用<br>人民幣千元 |
|---|-------------------------------|--|
| Audit service – audit services fee for the year ended March 31, 2022                      | 審計服務 – 截至2022年3月31日止年度的審計服務費用 | 3,500  |
| Non-audit service – Sustainability/environmental, social and governance advisory services | 非審計服務 – 可持續發展／環境、社會及管治顧問服務    | 330  |
| Initial Public Offering   | 首次公開發售                        | 11,210   |

PricewaterhouseCoopers will retire and being eligible, offer themselves for re-appointment at the AGM.

羅兵咸永道會計師事務所將於股東週年大會上退任及符合資格膺選連任。

The re-appointment of PricewaterhouseCoopers has been recommended by the Audit Committee and endorsed by the Board, subject to the approval of the Shareholders at the AGM.

審計委員會已建議續聘羅兵咸永道會計師事務所，有關建議亦已獲董事會通過，惟須待股東在股東週年大會上作出批准後方可作實。

# Corporate Governance Report

## 企業管治報告

### DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors have acknowledged their responsibilities for preparing the consolidated financial statements of the Company for the year ended March 31, 2022, which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows.

The management has provided the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's consolidated financial statements, which are put to the Board for approval. The Company provides all members of the Board with monthly updates on the Company's performance, positions and prospects.

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

The statement by the independent auditor of the Company regarding their reporting responsibilities for the audit of the consolidated financial statements of the Company is set out in the independent auditor's report on pages 198 to 208 in this annual report.

### INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for maintaining sound and effective internal control and risk management systems in order to safeguard the Group's assets and shareholders' interests, and review and monitor the effectiveness of the Group's internal control and risk management systems on a yearly basis so as to ensure that the internal control and risk management systems in place are adequate. The purpose is to provide reasonable, but not absolute, assurance against material misstatements, errors, losses or fraud, and to manage rather than eliminate risks of failure in achieving the Group's business objectives.

### 董事及審計師就有關合併財務報表的財務報告責任

董事確認彼等負責編製本公司截至2022年3月31日止年度的合併財務報表，以真實公平地反映本公司及本集團的事況以及本集團的業績及現金流量。

管理層已向董事會提供必要的闡釋及數據，使董事會能對提呈予董事會批准的本公司合併財務報表進行知情的評估。本公司已向董事會全體成員提供有關本公司表現、狀況及前景的每月更新資料。

董事並不知悉與可能對本集團持續經營構成重大疑問的事件或狀況有關的任何重大不確定因素。

本公司獨立審計師就彼等審計本公司合併財務報表的申報責任作出的聲明載於本年報第198頁至208頁的獨立審計師報告。

### 內部監控及風險管理

董事會負責維持健全有效的內部監控及風險管理系統，以保障本集團資產及股東利益，並每年檢討及規管本集團內部監控及風險管理系統之效率，以確保採用充分的內部監控及風險管理系統。目的乃為對重大錯誤陳述、錯誤、損失或欺詐提供合理而非絕對的保證，並管理而非消除本集團未能達成業務目標的風險。

# Corporate Governance Report

## 企業管治報告

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group'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, implementation and monitoring of the risk management and internal control systems. The Group has set up an internal audit function to carry out independent reviews of the adequacy and effectiveness of its risk management and internal control systems, due to the size of the Group and for cost effectiveness consideration.

### Risk Management

The Company has adopted a consolidated set of risk management policies which set out a risk management framework to identify, assess, evaluate, and monitor key risks associated with its strategic objectives on an ongoing basis. The Board oversees and manages the overall risks associated with our operations. Risks identified by management will be analyzed on the basis of likelihood and impact, and will be properly followed up and mitigated and rectified by the Group and reported to the Directors.

The following key principles outline the Group's approach to risk management the Company plans to implement:

- The senior management oversees and manages the overall risks associated with the Group's business operations, including (i) reviewing and approving the Company's risk management policy to ensure that it is consistent with its corporate objectives; (ii) monitoring the most significant risks associated with the Group's business operations and its management's handling of such risks; and (iii) ensuring the appropriate application of the risk management framework across the Group;
- The chief executive officer of the Company is responsible for (i) formulating and updating the risk management policy; (ii) reviewing and approving major risk management issues of the Group; (iii) promulgating risk management measures; (iv) providing guidance on the Group's risk management approach to the relevant departments in the Group; (v) reviewing the relevant departments' reporting on key risks and providing feedback; (vi) supervising the implementation of the risk management measures by the relevant departments; (vii) ensuring that the appropriate structure, processes and competencies are in place across the Group; and (viii) reporting to the Audit Committee on the Group's material risks;

董事會全面負責評估及釐定本集團達成策略目標時所願意接納的風險性質及程度，並設立及維持合適及有效的風險管理及內部監控系統。審計委員會協助董事會領導管理層及監督風險管理及內部監控系統的設計、實施及監察。由於考慮到本集團的規模及成本效益，本集團已設立內部審核職能，以對其風險管理及內部監控系統之充分性和有效性進行獨立檢討。

### 風險管理

本公司已採納一系列風險管理政策，當中訂明風險管理框架，以持續識別、評估、評價及監察與我們的戰略目標有關的主要風險。董事會監督及管理與我們經營有關的整體風險。管理層識別出的風險將根據可能性及影響進行分析，由本集團妥善跟進、降低及改正，並向董事報告。

以下主要原則概述本公司計劃實行的本集團針對風險管理的方法：

- 高級管理層監察及管理與本集團的業務營運有關的整體風險，包括：(i)審閱及批准本公司的風險管理政策，確保與我們的企業目標一致；(ii)監察與本集團業務營運有關的最大風險以及管理層對相關風險的處理；及(iii)確保於本集團內部恰當應用風險管理框架；
- 本公司的首席執行官負責(i)制訂及更新風險管理政策；(ii)審閱及批准本集團的主要風險管理事項；(iii)頒佈風險管理措施；(iv)向本集團的相關部門提供本集團的風險管理方法指引；(v)審閱相關部門有關主要風險的報告並提供反饋；(vi)監督相關部門實施風險管理措施的情況；(vii)確保本集團內部設置適當的架構、流程及職能；及(viii)向審計委員會呈報本集團的重大風險；

# Corporate Governance Report

## 企業管治報告

- The relevant departments in the Group, including but not limited to the finance department, the legal department, and the human resources department, are responsible for implementing the risk management policy and carrying out day-to-day risk management practice. In order to formalize risk management across the Group and set a common level of transparency and risk management performance, the relevant departments will (i) gather information about the risks relating to their operation or function; (ii) conduct risk assessments, which include the identification, measurement, prioritization and categorization of all key risks that could potentially affect their objectives; (iii) define and implement appropriate risk responses where necessary; (iv) prepare a risk management report annually for the Company's chief executive officer's review; (v) continuously monitor the key risks relating to their operation or function; and (vi) develop and maintain an appropriate mechanism to facilitate the application of the risk management framework.
- 本集團相關部門（包括但不限於財務部、法務部及人力資源部）負責實施風險管理政策及執行日常風險管理常規。為正式確定本集團的風險管理並設定一套通用的透明制度及風險管理績效水平，相關部門將(i)收集涉及彼等營運或職能的風險的信息；(ii)進行風險評估，包括對可能影響彼等目標的所有主要風險進行識別、計量、優先排序及分類；(iii)必要時定義並實施適當的風險應對；(iv)每年編製風險管理報告供本公司的首席執行官審閱；(v)持續監察與彼等營運或職能有關的主要風險；及(vi)制定及維持恰當機制，促進風險管理框架的應用。

### Internal Control

Below is a summary of the internal control policies, measures, and procedures the Group has implemented or plan to implement:

- The Group has adopted various measures and procedures regarding each aspect of its business operation, such as related party transaction, risk management, protection of intellectual property, environmental protection and occupational health and safety.
- The Group provides various training programs to keep the employees updated on relevant laws, regulations, and policies. The Group's new employees are required to attend compliance training programs soon after onboarding, and must pass tests which examine their understanding of the compliance issues addressed by the training programs. The Group's employees are also required to regularly attend on-site and online training sessions to keep them informed of recent updates in the relevant laws and regulations.
- 本集團已就其業務營運的各個方面（如關聯方交易、風險管理、知識產權保護、環境保護及職業健康與安全）採取各種措施和程序。
- 本集團提供各種培訓課程，讓僱員知悉相關法律、法規及政策的最新發展。本集團的新僱員須於入職後短時間內參與合規培訓課程，並須通過考試，查核彼等對培訓課程提出的合規問題的了解。本集團的僱員亦須定期出席實地及線上培訓，以了解相關法律及法規的近期最新發展。

### 內部監控

下文概述本集團已實行或計劃實行的內部監控政策、措施及程序：

## Corporate Governance Report 企業管治報告

- The Directors (who are responsible for monitoring the corporate governance of the Group), with help from the Company's legal advisers, periodically review the Company's compliance status with all relevant laws and regulations.
- The Company has established the Audit Committee which (i) makes recommendations to the Directors on the appointment and removal of external auditors; and (ii) reviews the financial statements and renders advice in respect to financial reporting as well as oversees internal control procedures of the Group.
- The Company has engaged First Shanghai Capital Limited as its compliance adviser to provide advice to the Directors and management team until the end of the first fiscal year after the Listing Date regarding matters relating to the Listing Rules. The compliance adviser is expected to ensure the Company's use of funding complies with the sections entitled "Future Plans and Use of Proceeds" in the Prospectus, as well as to provide support and advice regarding requirements of relevant regulatory authorities in a timely manner.
- The Group maintains strict anti-bribery & anti-corruption policies and believes it will therefore be less affected by the increasingly stringent measures taken by the PRC government to correct corruptive practices in the medical industry.
- (負責監察本集團企業管治的)董事在本公司法律顧問的幫助下會定期審閱本公司對所有相關法律法規的遵守情況。
- 本公司已成立審計委員會以(i)就外部審計師的委任及罷免向董事會提供建議；及(ii)審閱財務報表並就財務報告提供建議以及監督本集團的內部監控程序。
- 本公司已聘請第一上海融資有限公司於上市日期後的首個財政年度結束前擔任其合規顧問，就有關上市規則的事宜向董事及管理層團隊提供意見。預期合規顧問可確保本公司的資金運用符合招股章程「未來計劃及所得款項用途」一節，並及時就相關監管機構的規定提供支持及意見。
- 本集團保持嚴格的反賄賂和反腐敗政策，因此本公司認為，中國政府為糾正醫療行業的腐敗行為而採取的日益嚴厲的措施對其造成的影響將會較小。

The Board, together with the Audit Committee, had reviewed the internal control and risk management systems for the period from the Listing Date to March 31, 2022 and is satisfied that the internal control and risk management systems are effective and adequate.

The Company recognises the importance of protecting the confidentiality of potential inside information. Procedures are in place to control the dissemination of inside information, including the monitoring of potential inside information to ensure that relevant facts and circumstances that may have material effect on the share price of the Company are promptly identified and assessed, and escalating the matter for the attention of the Board, if necessary, to determine whether a disclosure is needed.

董事會連同審計委員會於自上市日期起至2022年3月31日止期間已審閱內部監控及風險管理系統，並認為本集團的內部監控及風險管理系統的有效性及其充足性得以滿足。

本公司重視保護潛在內幕消息。已制定內幕消息傳播控制程序，包括監察潛在內幕消息，確保迅速識別及評估對本公司股價有重大影響的相關事實及情況，以及在必要時提請董事會留意有關事項以便決定是否需要披露。

# Corporate Governance Report

## 企業管治報告

The Audit Committee would continue to assist the Board to oversee the work of such consultancy firm and review the effectiveness of the risk management and internal control systems of the Group.

### SHAREHOLDERS' RIGHTS

#### Procedures for shareholders to convene an extraordinary general meeting

Pursuant to Article 64 of the Articles of Association, the Board may, whenever it thinks fit, convene an extraordinary general meeting. One or more members holding, as at the date of deposit of the requisition, in aggregate not less than one-tenth of the voting rights (on a one vote per share basis) in the share capital of the Company may also make a requisition to convene an extraordinary general meeting and add resolutions to the agenda of a meeting. 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) himself (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 the Company.

#### Procedures for shareholders to put forward proposals at shareholders' meeting

If a Shareholder wishes to put forward proposals at a shareholders' meeting, the shareholder, who has satisfied the shareholding requirements set out in the above paragraph headed "Procedures for shareholders to convene an extraordinary general meeting", may follow the same procedures by sending a written requisition to the Board. The Shareholder should state his/her proposals in the written requisition and submit the written requisition as early as practicable to enable the Company to make necessary arrangement.

審計委員會會持續協助董事會監察相關諮詢公司的工作並檢討本集團風險管理及內部監控系統的有效性。

### 股東權利

#### 股東召開股東特別大會的程序

根據組織章程細則第64條，董事會可於其認為合適時間召開股東特別大會。於遞呈要求日期合共持有不少於本公司繳足股本投票權（按每股一票計算）的十分之一的一位或多位股東亦要求董事會召開股東特別大會，並將決議案加入大會議程。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之任何事務而召開股東特別大會。該大會應於遞呈該要求後兩個月內舉行。倘遞呈後21日內，董事會未有開始召開該大會，則遞呈要求人士可以同樣方式召開大會，而遞呈要求人士因董事會未有召開大會而招致的所有合理開支須由本公司向遞呈要求人士償付。

#### 股東於股東大會上提出議案的程序

倘股東擬於股東大會上提出議案，在滿足上段「股東召開股東特別大會的程序」所載持股條件的情況下，該股東可以依照相同程序向董事會發出書面要求。該股東須在書面要求中列明其議案及盡早呈交該書面要求以便本公司作出所需安排。



# Corporate Governance Report

## 企業管治報告

### Procedures for directing shareholder's enquiries to the Board

Shareholders may send written enquiries to the Company for putting forward any enquiries or proposals to the Board. Contact details are as follows:

Address: 6F, Building 11 No. 18, Ziyue Road  
地址：中國北京市  
Chaolai Science Park, Chaoyang District  
朝陽區朝來高科技產業園  
Beijing, the PRC (For the attention of the Board of Arrail Group Limited)  
紫月路18號院11號樓6層(註明收件人為瑞爾集團有限公司董事會垂注)

Email address: ir@arrailgroup.com  
電郵地址：ir@arrailgroup.com

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto.

### INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Groups' business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

The Company has an ongoing dialogue with shareholders and other investors through various communication channels set out in the shareholders communication policy and takes any areas of concern into consideration when formulating its business strategies. The general meetings of the Company provide a platform for communication between the Board and the shareholders. The Chairman of the Board as well as chairmen of the Nomination Committee, the Remuneration Committee and the Audit Committee or in their absence, other members of the respective committees, and, where applicable, the chairman of the independent board committee are available to answer questions at general meeting. To promote effective communication, the Company maintains a website at [www.arrailgroup.com](http://www.arrailgroup.com) where up-to-date information and updates on the Company's business operations and development, financial information and other information are available to public access.

### 向董事會提交股東查詢的程序

股東可向本公司發送書面請求，以向董事會提出任何查詢或建議。聯絡資料如下：

謹此說明，股東須於上述地址存置及發出正式簽署之書面要求、通知或聲明或查詢(視情況而定)之正本，並提供其全名、聯絡詳情及身份，以便本公司回覆。

### 投資者關係

本公司認為與股東有效的溝通對增進投資者關係，以及投資者對本集團的業務表現及策略的了解至關重要。本公司亦明白保持公司資料透明度及適時披露公司資料的重要性，以讓股東和投資者作出最佳投資決定。

本公司透過股東通訊政策所載的不同溝通渠道持續與股東及其他投資者保持對話，並於制定業務策略時考慮任何受關注事項。本公司的股東大會提供一個讓董事會和股東進行溝通的平台。董事會主席及提名委員會主席、薪酬委員會主席及審計委員會主席(或缺席時則為各委員會的其他成員)以及(如適用)獨立董事會委員會主席會於股東大會上回應問題。為促進有效溝通，本公司設有網站 [www.arrailgroup.com](http://www.arrailgroup.com)，提供本公司的最新資料以及有關本公司業務營運及發展資料的近況、財務資料及其他資料供公眾人士查閱。

# Corporate Governance Report

## 企業管治報告

During the Period, the Board has reviewed the shareholders communication policy and confirmed its effectiveness.

於該期間，董事會已審閱股東通訊政策並確認其有效性。

### CONSTITUTIONAL DOCUMENTS

The Company was listed on the main board of the Stock Exchange on the Listing Date. There was no change in the memorandum and articles of association of the Company during the Period.

### 章程文件

本公司於上市日期於聯交所主板上市。於該期間，本公司的組織章程大綱及細則並無任何變動。

The latest memorandum and articles of association of the Company are available on the websites of the Stock Exchange and the Company.

本公司的最新組織章程大綱及細則可於聯交所網站及本公司網站上查閱。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### I. ABOUT ESG REPORT

Arrail Group Limited (hereinafter “the Company”), its subsidiaries and VIE Entities (hereinafter “the Group” or “we”) published the first Environmental, Social and Governance Report (“ESG Report”) for the year ended March 31, 2022 to objectively and fairly reflect our ESG practices and key achievements. It is advised to read the contents relating to governance together with the Corporate Governance Report in the annual report.

#### Reporting scope

This ESG Report covers the period from 1 April 2021 to 31 March 2022 (“the current year”) and may include matters beyond the period to maintain the continuity of information. This ESG Report summarises the performance of the Group in respect of corporate social responsibility, covering its principal operating activities. During the Current Year, Our clinics and hospitals offer a diverse range of professional and customized dental services, consisting of (i) general dentistry; (ii) orthodontics; and (iii) implantology. Unless otherwise stated, this report covers the Company and its subsidiaries and all amounts of currency involved in this report is denominated in Renminbi (“RMB”).

#### Information description

The information in the report is obtained from the Group’s relevant internal statistical reports, company’s documents and reports, stakeholder surveys and interviews etc. Emission and energy indicators are counted and calculated in accordance with national regulations or international standards.

#### Reporting language

This report is published in both Chinese and English. In case of any inconsistency between the two versions, the Chinese version shall prevail.

### 一、關於ESG報告

瑞爾集團有限公司(簡稱「本公司」)及其附屬公司(簡稱「本集團」或「我們」)首次發布2022財年環境、社會及管治報告(簡稱「ESG報告」),旨在客觀、公允地反映我們在環境、社會及管治方面的具體實踐及主要成效。有關管治部分內容建議與本年報所載的企業管治報告章節一併閱讀。

#### 報告範圍

本報告的報告期間為2021年4月1日至2022年3月31日(簡稱「本年度」),為保持信息的持續性,報告中可能包括超出此時間範圍的事項。ESG報告概述本集團在企業社會責任方面的表現,涵蓋其主要經營活動。於本年度,我們的診所及醫院提供各類專業及訂製化口腔醫療服務,包括(i)普通牙科;(ii)正畸科;及(iii)種植科。除特別說明外,本報告涵蓋本公司及其附屬公司,所涉及金額均以人民幣元作為計量貨幣。

#### 資料說明

報告中資料均來源於本集團內部相關統計報表、公司文檔及報告、利益相關方調查及訪談等資料,排放物和能源使用指標按國家規定或國際標準統計及計算。

#### 報告語言

本報告以中、英兩種版本發布,如有差異,以中文版為準。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Preparation reference

This report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* (the “ESG Reporting Guide”) set out in Appendix 27 to the *Main Board Listing Rules* on the Stock Exchange of Hong Kong Limited, and reports on content and data relating to ESG issues pursuant to the principles of materiality, quantitative, balance and consistency as well as the “comply or explain” provisions in the Guide.

“Materiality”: In preparing this report, the Company has identified key stakeholders and key ESG issues of their concern, and made targeted disclosure according to the materiality of these issues.

“Quantitative”: In this report, KPIs in respect of environment and social are shown in the form of quantitative data, and the measurement standards, methods, hypothesis and/or calculation tools, source of conversion coefficient for the KPIs are explained in their respective places.

“Balance”: The report presents the Group’s ESG performance in an objective and unbiased manner, avoiding selections, omissions, or presentation formats that may inappropriately influence the decisions or judgements by the report reader.

“Consistency”: Unless otherwise stated, the key performance indicators and statistical methods disclosed in this report are consistent from year to year. The relevant data of the ensuing years will be disclosed in the subsequent ESG report, so as for the stakeholders to grasp and compare the ESG performance of the Group.

### 編製參考

本報告依據香港聯合交易所《主板上市規則》附錄二十七所載之《環境、社會及管治報告指引》(簡稱「ESG報告指引」)編製，依照重要性、量化、平衡性及一致性原則，並遵從指引中列載的「不遵守就解釋」條款報告有關ESG議題內容及數據。

「重要性」原則：本報告已在編製過程中識別主要利益相關方及其關注的ESG議題，並根據其關注議題的相對重要程度，在本報告中做有針對性的披露。

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

「平衡」原則：本報告客觀且不偏不倚地呈報本集團的ESG表現，避免可能會不恰當地影響報告讀者決策或判斷的選擇、遺漏或呈報格式。

「一致性」原則：除另有註明外，本報告披露的關鍵績效指標與數據統計方法每年保持一致。隨後年份的相關數據亦將於其後的ESG報告內報告，以便持份者掌握並比較本集團的ESG表現。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### II. ESG GOVERNANCE

#### (I) Statement of the Board of Directors

The Board of Directors of the Group is the top responsible and decision-making body for ESG matters, and it takes overall responsibility for the Group's ESG strategy and reporting. The Board of Directors values the ESG governance and is committed to pursuing the harmonious development of the enterprise with society and nature.

**Oversight of ESG matters:** The Board of Directors incorporates ESG matters in the Group's governance structure and participants in the whole ESG governance and disclosure. The Board of Directors is responsible for setting the ESG management agenda, assessing and determining the Group's ESG risks, formulating annual targets in environmental protection, energy saving and low carbon, as well as reviewing and assessing the Group's ESG performance and the completion of targets.

**ESG management principle and strategy:** The Group incorporates ESG governance requirements in daily management system, continuously evaluates performance through internal review of completion of ESG practice, prioritises and manages ESG-related issues and internal and external risks in conjunction with macro policy analysis and communication with stakeholders, and reports to the Board of Directors to clarify ESG governance priorities and management principle and strategy, continuously improving and promoting the implementation and optimisation of ESG practice.

### 二、ESG治理

#### (一) 董事會聲明

本集團董事會為ESG事務的最高負責及決策機構，對本集團的ESG策略及匯報承擔全部責任。董事會高度重視ESG治理，致力於追求企業與社會、自然的和諧發展。

**ESG事宜的監管：**董事會將ESG事務納入本集團管治架構中，全程參與ESG管治及披露。董事會負責制定ESG管理議程，評估及釐定本集團ESG風險，圍繞環保、節能、低碳等方面制定年度目標，並對本集團ESG表現和目標完成情況展開檢討與評估。

**ESG管理方針與策略：**本集團將ESG管治要求融入日常管理體系之中，通過內部對ESG工作完成情況的審視不斷評估自身表現，結合宏觀政策分析以及與利益相關方溝通，對ESG相關事宜和內外部風險進行優次排序和管理，並向董事會匯報，以明確ESG治理工作重點和管理方針策略，持續改進和推動ESG工作的執行與優化。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

**Review of ESG targets:** The Board of Directors continues to strengthen its supervision and involvement in the Group's ESG governance. For the year ended March 31, 2022, management reported to the Board of Directors on the Group's ESG development direction for the next year and the future, covering environmental protection and energy saving targets, opportunities and challenges arising from climate change and the Group's response measures.

The report was reviewed and approved by the Group's Board of Directors on June 27, 2022.

**ESG目標的檢討：**董事會不斷加強對本集團ESG治理的監督和參與力度，2022財年，管理層就本集團下一年度及未來的ESG發展方向向董事會進行匯報，內容涵蓋環保節能目標、氣候變化所帶來的機遇與挑戰以及本集團的應對措施等。

本集團董事會已於2022年6月27日審閱並批准本報告。

Board of Directors of Arrail Group Limited  
June 27, 2022

瑞爾集團有限公司董事會  
2022年6月27日

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (II) ESG concept and management

#### *ESG management strategy*

As one of China's leading dental service providers, we deeply understand the significance of ESG management to the long-term sustainable development of the Group. The Group is committed to achieving a high level of ESG performance and strives to protect the interests of shareholders and investors while actively fulfilling corporate social responsibility and enhancing corporate sustainability.

We actively identify and strictly comply with relevant national and regional laws and regulations, integrate ESG concept into our business operations and management, to achieve business objectives while reducing negative impact on the environment. We also strengthen our management foundation, enhance technology innovation, adhere to low-carbon operations, protect the rights and interests of our employees, develop high-quality talent team and build reliable partnerships with suppliers. Meanwhile, we are committed to being a responsible corporate citizen, doing business for good through various beneficence initiatives and working with stakeholders to create sustainable value.

#### *ESG management structure*

We have established a multi-level, cross-department, top-down ESG governance framework to help the Group achieve effective ESG management. The Board of Directors is responsible for setting the ESG management agenda, including making relevant decisions and monitoring the Group's ESG performance. We have also built an ESG management team comprising staff from relevant departments to implement the Group's ESG strategies and policies. Meanwhile, we have organised ESG capability trainings for the Board of Directors and relevant staff to enrich their ESG knowledge and support ESG-related practice.

### (二) ESG理念與管理

#### *ESG管理策略*

作為中國領先的口腔醫療服務提供商之一，我們深知環境、社會及管治管理對於本集團長期可持續發展的重要意義。本集團致力於達到高水平的ESG表現，力求保障股東及投資者利益的同時積極履行企業社會責任，努力提升企業可持續發展能力。

我們主動識別並嚴格遵守國家及地區相關法律法規，將ESG理念貫穿於企業經營與管理過程中，在實現經營目標的同時降低對環境的不利影響，夯實管理基礎，強化技術創新，堅持低碳運營，保障員工權益，打造高素質人才隊伍，與供應商達成可信賴的夥伴關係。同時，我們致力於成為負責任的企業公民，通過諸多慈善舉措實現商業向善，與利益相關方攜手創造可持續發展價值。

#### *ESG管理架構*

我們已設立多層級、跨部門、自上而下的ESG治理框架，以幫助本集團實現高效的ESG管理。董事會負責制定ESG管理議程，包括作出相關決策，並監測本集團的ESG表現。我們亦組建了由相關部門員工構成的ESG管理團隊，以實施本集團的ESG戰略及政策。同時，我們為董事會及相關員工組織ESG能力培訓，以豐富其ESG知識儲備，支持ESG相關工作。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (III) Stakeholder communication

We communicate with stakeholders via various channels to understand their demands and take their opinions as important reference to guide the ESG work. Based on our business characteristics and the results of our communication with key stakeholders, we have listed the key ESG issues of concern to the key stakeholders as well as the main communication and feedback channels.

### (三) 利益相關方溝通

我們通過各種渠道與利益相關方展開溝通交流，了解各利益相關方訴求，並將溝通過程中獲得的意見作為指導ESG工作的重要參考。我們根據自身業務特點及與主要利益相關方的溝通結果，列出了主要利益相關方重點關注的ESG議題以及主要的溝通與反饋渠道。

| Key stakeholders<br>主要利益相關方                       | Key ESG issues of concern<br>關注ESG議題   | Main communication and feedback channels<br>主要溝通與反饋渠道   |
|---|--|---|
| Governments and regulatory authorities<br>政府及監管機構 | Medical and service quality<br>Staff health and safety<br>Privacy and information security<br>Brand and intellectual property<br>Supply chain management<br>醫療與服務質量<br>員工健康與安全<br>隱私與信息安全<br>品牌與知識產權<br>供應鏈管理          | Information disclosure<br>Official correspondence<br>Onsite inspection<br>Regulatory meeting<br>Questionnaire<br>信息披露<br>公文往來<br>實地視察<br>監管會議<br>問卷調查   |
| Shareholders and investors<br>股東及投資者              | Medical and service quality<br>Employment<br>Staff health and safety<br>Labour standards<br>Environment and natural resources<br>Climate change<br>醫療與服務質量<br>員工僱傭<br>員工健康與安全<br>勞工準則<br>環境及天然資源<br>氣候變化               | Shareholders' meeting<br>Information disclosure (annual reports and interim reports, performance announcements, corporate stock exchange announcements, investor relations pages, etc.)<br>Questionnaire<br>股東大會<br>信息披露(年報與中期報告、業績公布、企業聯交所公告、投資者關係專頁等)<br>問卷調查 |
| Employee<br>僱員                                    | Emissions<br>Medical and service quality<br>Privacy and information security<br>Staff development and training<br>Staff health and safety<br>Climate change<br>排放物<br>醫療與服務質量<br>隱私與信息安全<br>員工發展及培訓<br>員工健康與安全<br>氣候變化 | Staff opinion survey<br>Staff internal communication meeting<br>Corporate internal announcements<br>Questionnaire<br>員工意見調查<br>員工內部溝通會議<br>企業內部公告<br>問卷調查   |



# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Key stakeholders<br>主要利益相關方                   | Key ESG issues of concern<br>關注ESG議題  | Main communication and feedback channels<br>主要溝通與反饋渠道  |
|---|---|--|
| Patients and consumers<br>患者及消費者              | Privacy and information security<br>Technology innovation<br>Medical and service quality<br>Emissions                 | Patient satisfaction survey and follow-up visit<br>Daily operation/communication<br>Complaint and feedback channels<br>Questionnaire |
| Suppliers and business partners<br>供應商及業務合作夥伴 | Anti-corruption<br>Employment<br>Staff health and safety<br>Staff development and training<br>Supply chain management | Supplier management system<br>Industry exchange<br>Questionnaire   |
| Public and communities<br>公眾及社區               | Medical and service quality<br>Emissions<br>Environment and natural resources<br>Community investment                 | Community activities<br>Public welfare activities<br>Daily operation<br>Questionnaire  |
|   | 反貪污<br>員工僱傭<br>員工健康與安全<br>員工發展及培訓<br>供應鏈管理  | 供應商管理制度<br>行業交流<br>問卷調查  |
|   | 醫療與服務質量<br>排放物<br>環境及天然資源<br>社區投資   | 社區活動<br>公益活動<br>日常運營<br>問卷調查   |

# Environmental, Social and Governance Report

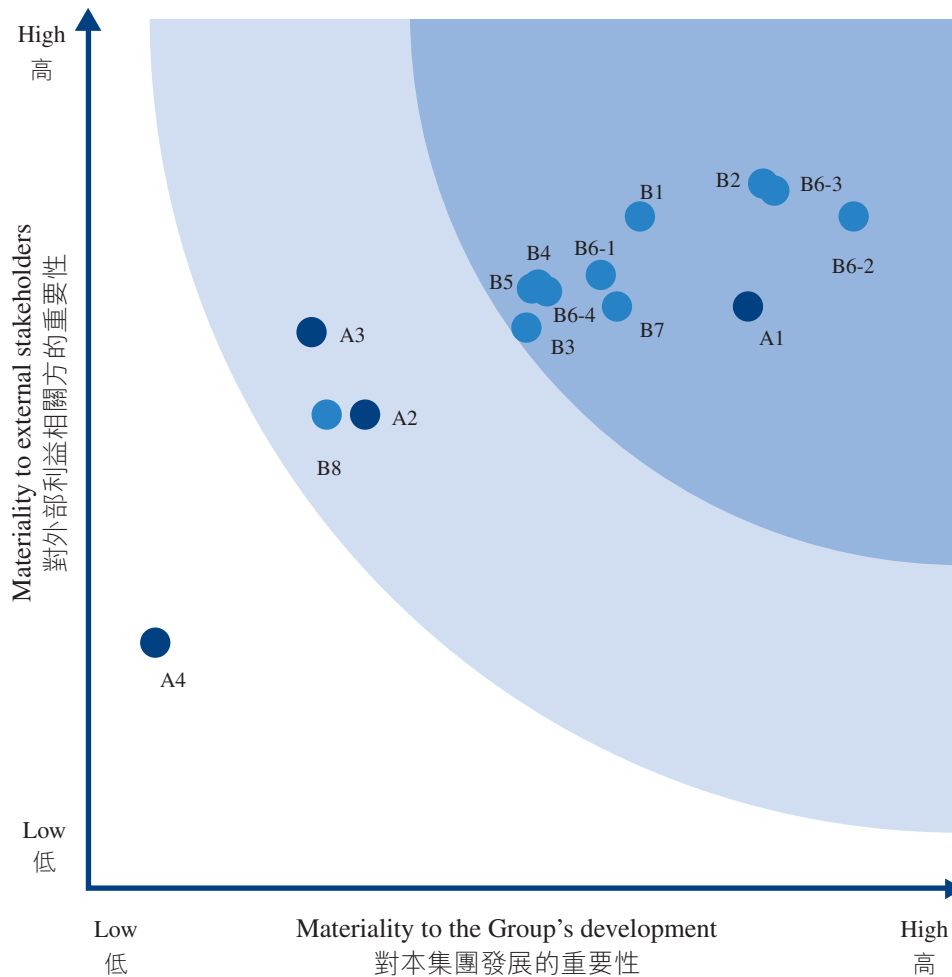
## 環境、社會及管治報告

### (IV) Issue materiality analysis

To identify key areas of ESG practices and meet the needs of stakeholders, we obtain stakeholders' opinions and expectations on ESG issues from questionnaires, meetings, and in-depth interviews. Based on the feedback, we have established an analysis matrix of ESG material issues for the year ended March 31, 2022 for a total of 15 issues in environment, society and governance.

### (四) 重要性議題分析

為識別企業環境、社會及管治實踐的重點領域，滿足各利益相關方需求，我們通過問卷調查、會議交流、深度訪談等多種途徑，獲知各利益相關方對本集團應對環境、社會及管治議題的意見及期望。根據反饋結果，我們針對環境、社會及管治三個方面共15項議題，建立了2022財年ESG實質性議題分析矩陣圖。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

The Group has identified issues with high materiality, that are “B6-2 Product responsibility – Medical and service quality”, “B6-3 Product responsibility – Privacy and information security”, “B2 Health and safety”, “B1 Employment”, “A1 Emissions”, “B6-1 Product responsibility – Brand and intellectual property”, “B7 Anti-corruption”, “B6-4 Product responsibility – Technology innovation”, “B4 Labour standards”, “B5 Supply chain management” and “B3 Development and Training”; issues with medium materiality, including “A2 Use of resources”, “A3 The environment and natural resources” and “B8 Community investment”; and relevant issues, including “A4 Climate change”. We will address each of these issues in sections of this report.

本集團識別出了高度重要性議題，即「B6-2產品責任－醫療與服務質量」「B6-3產品責任－隱私與信息安全」「B2健康與安全」「B1僱傭」「A1排放物」「B6-1產品責任－品牌與知識產權」「B7反貪污」「B6-4產品責任－技術創新」「B4勞工準則」「B5供應鏈管理」及「B3發展與培訓」；中等重要性議題包括「A2資源使用」「A3環境及天然資源」及「B8社區投資」；相關議題包括「A4氣候變化」。我們將在本報告各章節中對上述議題進行分別闡述。

### III. DEEPENING RESPONSIBLE OPERATION

Bearing in mind our mission of “to give each of our patients a healthy and confident smile”, the Group is committed to providing high-quality medical services and pleasant patient experience. We adhere to operating in compliance with laws and regulations to improve the medical and service quality; actively solve problems and issues for patients and protect rights and interests of customers; strengthen independent innovation and lead the industry improvements; consolidate the management foundation and improve management efficiency via digital means; and strive to achieve our vision of “to become a world-leading dental group”.

### 三、 深化責任運營

本集團牢記「給每位患者帶來健康、自信的微笑」的企業使命，致力於提供高質量醫療服務和良好的就診體驗。我們堅持合法合規運營，提升醫療與服務質量；積極為患者解決困難和問題，保障客戶權益；加強自主創新，引領行業進步；夯實管理根基，利用數字化手段提升管理效率；致力實現我們「成為世界領先的口腔醫療服務集團」的企業願景。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (I) Compliance operation

In strict compliance with the *Administrative Measures on Medical Institutions*, the *Administrative Measures for the Examination of Medical Institutions*, the *Law on the Promotion of Basic Medical Care, Hygiene and Health* and other laws and regulations relating to the operation of medical institutions, the Group formulates internal systems such as the *Medical Point Inspection Manual of the Compliance Department* and the *Guidelines for Self-Inspection of Medical Institutions* to improve the construction of the compliance operation system. We establish thorough internal control system, which is approved and reviewed by the Board of Directors, and assign specialised staff to monitor compliance with laws and regulations and the implementation of compliance measures.

The Group adopts multi-compliance assurance mechanisms to fully avoid compliance risks through a triple approach of “business compliance self-control+ internal audit mechanism + special spot checks by the compliance department”. Our sub-medical institutions are required to comply with the Group’s systems related to medical and infection control compliance as a red line of daily management, and implement inspection and monitoring measures, including monthly self-inspection and reporting by institutions, review by regional infection control responsible person, simultaneous mutual inspection among institutions, and unannounced inspections by the compliance department from time to time, as well as occasional inspections by various government authorities. Our red line of daily management that covers healthcare, environmental protection and occupational health and safety of staff, fully restrains and regulates the Group’s business operation following the corporate values of “integrity, professionalism and being a good person”.

### (一) 合規運營

本集團嚴格遵守《醫療機構管理條例》《醫療機構校驗管理辦法》《基本醫療衛生與健康促進法》等醫療機構業務運營相關的法律法規，制定《合規部醫療點位檢查手冊》《醫療機構自查指引》等內部制度，完善合規運營制度體系建設。我們設立完善的內部控制系統，董事會負責批准並檢討其有效性，並由專門人員負責監督法律法規的遵循情況以及合規措施的落實情況。

本集團採取多重合規保障機制，通過「業務自身合規把控+內部審核機制+合規部門專項抽查」三重手段充分規避合規風險。我們要求各下屬醫療機構遵照集團發布的醫療與感控合規相關制度作為日常管理紅線，並實施一系列檢查與監督措施，包括機構月度自查上報，地區感控負責人審查，地區各機構間同步互查等，並由合規部門不定期進行飛行檢查，同時接受各政府主管單位的不定期檢查。我們的日常管理紅線涉及醫療、環保、員工職業健康安全等方面，通過全面約束並規範本集團業務運營，貫徹我們「誠信、專業、做好人」的企業價值觀。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

At the same time, we provide regular training and update to the directors, senior management and relevant employees on laws and regulations relating to compliance operation, to actively identify concerns and issues relating to potential non-compliance and to continuously improve the internal control and compliance management on the basis of the consolidation of the corporate compliance operation.

### (II) Improving the product and service quality

The Group always aims to cultivate a client-centric and service-oriented culture and incorporate our values of “integrity, professionalism and being a good person” into our day-to-day operation. Providing quality dental healthcare services and building long-lasting relationships with our patients are two of our management priorities, and service quality control is a key factor that contributes to achieving those ends. We have comprehensive medical and service quality control measures in place throughout the process, from appointment booking, patient registration, consultation and dental care, to collecting post-consultation patient feedback, to ensure high standards of medical and service quality and to build and strengthen long-term, trusting relationships with our patients.

同時，我們定期向董事、高級管理層和相關僱員提供合規運營相關法律法規的培訓及更新資料，以主動識別與任何潛在不合規有關的關注點及事宜，在鞏固企業合規運營的基礎上，不斷提升內部控制與合規管理水平。

### (二) 提升產品與服務質量

本集團始終培養以客戶為中心、以服務為本的企業文化，將「誠信、專業、做好人」的價值觀融入企業日常運營過程中。提供高端的口腔醫療服務、與患者建立長期關係是我們的兩大管理重點，而服務質量控制則是推動達成該管理目標的重要因素。我們落實全面的醫療與服務質量控制措施，貫穿患者從預約、登記、診療及口腔護理到收集診療後反饋的全流程各個環節，全方位保障醫療與服務質量的高標準，與患者建立並鞏固長期、互信的良好關係。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### *Improving medical quality standards*

In strict compliance with the *Administrative Measures for the Clinical Application of Medical Technologies*, the *Provisions on the Administration of Radiological Diagnosis and Treatment*, the *Measures for the Supervision and Administration of Pharmaceuticals in Medical Institutions (for Trial Implementation)*, the *Law on Medical Practitioners of the PRC* and other laws and regulations, the Group formulates internal regulations such as the *Code of Practice for Dental Clinical Technologies*, the *Online Expert Consultation System of Arrail Group*, the *Expert Committee Duties of Arrail Group* and the *Regulations on Medical Quality Management*. The Group also establishes clear compliance guidelines and standard operating procedures for medical quality control, and implements a series of medical quality control measures such as medical red line management, consultation, and multidisciplinary speciality cooperation for complex cases, speciality case grading and doctor grading, and proactive reporting system for adverse events, to ensure medical quality and provide professional medical services to patients.

### *提高醫療質量標準*

本集團嚴格遵循《醫療技術臨床應用管理辦法》《放射診療管理規定》《醫療機構藥品監督管理辦法（試行）》《中華人民共和國執業醫師法》等法律法規，制定《口腔臨床技術操作規範》《瑞爾集團線上專家會診制度》《瑞爾集團專家委員會職責》《醫療質量管理條例》等內部規定，建立明確的醫療質量控制合規指南和標準運營程序，並貫徹落實醫療紅線管理、複雜病例會診和多學科專科合作、專科病例分級和醫生分級、不良事件主動報告制度等一系列醫療質量管控措施，充分保障醫療質量，為患者提供專業醫療服務。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Medical red line management system 醫療紅線管理制度

The Group develops and adopts the medical red line management system with built-in guidelines and requirements on clinical practices for the treatment procedure to ensure that the dental care we provide conform to industry technical standards and to ensure patient safety and medical quality. The specific content of the red line system is set by the Group and its implementation is monitored through a three-tier inspection system (clinic self-inspection, regional review and summary and random inspection by the Group). The system includes medical records writing procedure, treatment item information collection procedure and infection control procedure, etc. To ensure completeness of the patients' profile, the system notifies the doctors of the required annexation to the medical records, such as X-ray and CT requirements, informed consent requirements and oral photography requirements. In the event of mistakes and omissions in the medical records, the medical and compliance departments will promptly inform the dentists and the mandatory "pre-operation verification" will again ask the dentist to confirm the nature and method of the treatment before commencing the operation, thus ensuring the safety and compliance of treatment, as well as providing a basis for subsequent diagnosis and achieving medical quality monitoring and medical error prevention.

本集團制定醫療紅線管理制度，並應用內置了治療程序臨床實踐指引及規定的紅線管理系統，確保我們的口腔護理符合行業技術標準，保障患者安全及醫療質量。紅線具體內容由集團制定，並通過三級檢查制度（診所自檢、地區覆核匯總、集團抽查）實現制度落實情況的監督。本集團的醫療紅線管理系統包括病歷書寫程序、治療項目資料收集程序和感染控制程序等。為確保患者資料的完整性，該系統會依據病歷的必要附件向醫生做出提示，如X射線和CT規定、知情同意規定以及口腔攝影規定等。如病歷檔案出現錯漏，醫務及合規部門將及時通知牙醫，並在開始操作前再次向牙醫發出強制的「操作前驗證」，確認治療的性質及方法，以此確保診療安全合規，同時也為後續診斷提供依據，實現醫療質量的監控和醫療失誤的預防。

### Consultation system for complex cases and multidisciplinary speciality cooperation system 複雜病例會診制度及多學科專科合作制度

Dental clinics are generally small with limited number of doctors and inadequate experts in various disciplines. To address this issue, the Group innovatively adopts a consultation system for complex cases, requiring all sub-medical institutions to hold consultations for all complex cases and conduct weekly multidisciplinary discussions and consultations on complex cases on a regional basis, to discuss complex cases in each clinic and formulate treatment plans, ensuring medical quality. Meanwhile, the Group specifies the frequency of consultation for complex cases, the hierarchy of consultation experts, the consultation process, the filing of consultation results and the random inspections of consultations, etc., and is committed to continuously improving the medical quality of dental institutions to ensure high quality dental healthcare services for every client.

口腔診所一般規模較小，醫生數量少，各學科專家難以齊全。為解決這一問題，本集團創新採用複雜病例會診制度，要求下屬所有醫療機構對複雜病例達到100%會診，以區域為單位，每週進行複雜病例的多學科討論、會診，對各診所的複雜病例進行共同討論，制定治療方案，確保醫療質量。同時，本集團詳細規定了複雜病例會診的頻率、會診專家層級、會診流程、會診結果備案和會診抽查等多項內容，致力不斷提高口腔醫療機構的醫療質量，確保為每一個客戶提供優質的口腔醫療服務。

### Speciality case grading system and doctor grading system 專科病例分級制度和醫生分級制度

The Group classifies speciality cases according to their complexity and doctors are graded according to their seniority, speciality competence and level, so that doctors at a certain level can only handle cases at the corresponding level. If the complexity of the case is beyond the doctor's level, a consultation with senior doctors is required to ensure medical quality and medical safety.

本集團對各專科病例按複雜程度進行分級，對醫生按年資、專科能力和水平進行分級，某一級別的醫生只能處理相應級別的案件，如果病例的複雜程度超出了醫生的級別一定要請上級醫生會診，以此保障醫療質量及醫療安全。

### Proactive reporting system for adverse events 不良事件主動報告制度

The Group establishes a sound proactive reporting mechanism for adverse events, implements non-punitive system and adheres to the principle of confidentiality. Mandatory reporting is required for severe Class I and Class II events and the clinic, the Regional Medical Director, the Regional Quality Control Director and the Medical Committee of the Group are required to be informed within 24 hours; less serious Class III and Class IV events should also be reported to the clinic director in a timely manner, who will report to the Regional Medical Director and Regional Quality Control Director on a monthly basis, and then the regional summary and analysis will be reported to the Medical Committee of the Group. The Group conducts quarterly training for all doctors on adverse events, shares prevention measures and continuously follows up on the problem resolution to achieve closed-loop management, ensure medical safety and promote continuous improvement in medical quality.

本集團建立健全不良事件主動報告機制，實行非懲罰制度，堅持保密性原則，對於較為嚴重I級和II級事件要求強制報告，24小時內告知診所、地區醫務總監、地區質控總監以及集團醫務委員會；程度較輕的III、IV級事件也應及時向診所主任匯報，由主任每月上報地區醫務總監及地區質控總監，區域匯總分折後向集團醫務委員會匯報。本集團每季度會面向全體醫生針對不良事件開展培訓，分享防範措施，並持續跟進問題解決進度，做到閉環管理，確保醫療安全，推動醫療質量持續改進。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ***[Case: Standardised treatment quality control system to provide consistent medical service]***

Thanks to the medical quality management system developed by the Group, our dentists are able to meet the high operating standards we set through the guidelines, requirements and reminders on clinical practices for treatment procedures. This is complemented by our customised dental clinics management software with an electronic medical records (EMR) system that allows the dentists to access patients' records and information to ensure quality control and accumulate treatment data. In addition, the software also enables us to arrange our specialist appointments and capture the needs from our existing target patient base efficiently, helping us to provide high-quality and consistent service and improving overall operational efficiency.

### ***[Case: Complex cases seminar to enhance local treatment capacity in complex cases]***

To implement the consultation system for complex cases and multidisciplinary specialist cooperation system, to gather the strength of all experts in the Group, to help solve various problems encountered by individual regions, clinics and doctors in handling complex cases due to their shortcomings, and to enhance the capacity to deal with multidisciplinary cases and complex cases within disciplines, everywhere, the Group's Medical Department organises online complex case seminars twice a week to discuss complex multidisciplinary cases summarised regionally. At the same time, the Group's specialist committees in various disciplines organise thematic speciality case discussions and invite experts to share excellent complex cases and cutting-edge knowledge. For the year ended March 31, 2022, the Group held 63 complex case seminars, discussing, consulting, and sharing a total of 166 difficult and complex cases, with 4,678 participants. The nationwide exchanges enable the sharing of expert experience across the country, greatly enhancing local capacity in the treatment of complex cases.

### ***[案例：標準化醫療質量控制，提供品質一致的醫療服務]***

本集團開發的醫療質量管理系統可以通過其治療程序的臨床實踐設定指引、要求及提示，幫助牙醫達到本集團的高操作標準要求。該系統配套有訂制口腔診所管理軟件，其中的電子病歷(EMR)系統可以幫助牙醫訪問患者記錄和信息，以確保質量控制，並積累治療數據。除此之外，訂制口腔診所管理軟件還具備專家預約功能，有效把握現有目標患者群的需求，幫助我們為患者提供優質且品質一致的服務，提升整體運營效率。

### ***[案例：複雜病歷討論會，提升地方複雜病例診療能力]***

為貫徹落實複雜病例會診制度及多學科專科合作制度，集合全集團專家的力量，幫助解決單個地區、診所、醫生因能力短板，在處理複雜病例中遇到的各種問題，提升各地處理多學科病例、學科內複雜病例的能力，本集團在每周由醫務部組織兩次線上集團複雜病例討論會，對地區匯總的多學科複雜病例進行探討，同時由集團各學科專委會組織主題性專科病例討論，邀請專家進行優秀複雜病例分享和前沿知識分享。2022財年，本集團舉辦了63場集團複雜病例討論會，共討論、會診、分享了166個疑難複雜病例，4,678人次參與討論學習。全國範圍內的交流得以將專家經驗分享至全國各地，大力提升了地方複雜病例的診療能力。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

Quality of care is also crucial to ensuring patient experience, and medical safety. In strict compliance with the *Regulations on Nurses, the Administrative Measures for the Registration of Practising Nurses* and other laws and regulations, the Group constantly optimises and improves the quality of care and requires its sub-medical institutions to check the nurses' personal grooming and state of mind in the daily morning meetings, regularly rate quality nursing services and select outstanding role model of nursing services. We conduct quarterly trainings for new nurses, involving teaching of various specialised services, to help them become capable assistants of doctors and play a positive role in advancement of nursing and fulfilment of patients' needs.

***[Case: The pioneer in adopting “Four-handed dentistry,” nurse-doctor cooperation to provide high-quality treatment services]***

The Group is a pioneer in China in adopting “Four-handed dentistry” and American Dental Association (ADA) standards for sterilisation and disinfection of dental instruments. Our designated nurses work closely with one dentist to provide professional medical support more attentively and respond to patient requests more quickly as they undertake important responsibilities such as saliva suction and emotional reassurance for patients, allowing our dentists to focus on the core dental treatment. “Four-handed dentistry” system effectively enhances smooth cooperation between our dentists and their designated nurses. Timely evacuation of infectious agents, such as saliva or blood of patients contained in the water mist produced by ultrasonic dental machinery during dental procedures, significantly lowers the possibility of contamination in the surgery. As a result, our practice of “Four-handed dentistry” enhances quality of care and medical quality, further allows us to ensure patient safety and deliver quality treatment for our patients, and improves patient experience.

護理質量對於保障患者體驗與醫療安全而言也至關重要。本集團嚴格遵循《護士條例》《護士執業註冊管理辦法》等法律法規，不斷優化改進護理服務質量，要求各下屬醫療機構在每日晨會檢查護理的儀容儀表、工作精神狀態，定期進行優質護理服務評級，評選護理服務優秀標兵。我們每季度開展新護士培訓課程，涉及多項專項服務教學，幫助護理人員成為醫生的左膀右臂，為護理工作良性推進、滿足患者服務需求起到了積極作用。

***[案例：「四手牙醫」先行者，醫護配合提供優質治療服務]***

本集團是中國採用「四手牙醫」和美國牙醫協會(ADA)標準對牙科器械進行滅菌和消毒的先行者。我們為每名牙醫指定專門護士，承擔為患者吸取唾液、安撫患者情緒等重要職責，使牙醫能夠專注於核心的牙科治療，為患者提供更周到的專業醫療支持，以便更快速地回應患者訴求。「四手牙醫」制度有效促進牙醫與指定護士之間的順暢合作，及時排出牙科手術過程中超聲波牙科設備產生的水霧中包含的感染源，顯著降低了手術中污染的可能性。這一舉措加強了護理服務質量和醫療質量，進一步確保患者安全，為患者提供優質治療服務，提升患者就醫體驗。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### *Promoting service quality improvement*

Our brand was originally founded to provide premium dental services to patients across the country, while service quality control and medical quality control complement each other. We strictly stick to the *Civil Code of the People's Republic of China*, the *Regulations on Handling Medical Malpractice* and other laws and regulations, and we are committed to constantly following the standardised procedures and actively implementing our 5S initiatives ("Sort, Straighten, Sweep, Standardise, and Sustain"), to deliver one-stop dental healthcare services that cover the full lifecycle of our patients from babies to the elderly. We establish a customer service centre with a dedicated quality control team and have formulated system documents such as the *Customer Service Centre Quality Control Standards* and the *Arrail Call-Centre-Consultation* and the *Appointment Process*. We promptly respond to customer's enquiries and feedback, improve and monitor customer service quality management to improve the patient experience from all aspects. Furthermore, we adopt customer relationship management (CRM) system and develop a comprehensive membership program to offer a variety of benefits and exclusive member events to our patient, enhancing the overall patient experience.

### *促進服務質量提升*

本集團品牌創立的初衷是向全國患者提供高端口腔醫療服務，而服務質量控制與醫療質量控制相輔相成。我們嚴格遵守《中華人民共和國民法典》《醫療事故處理條例》等法律法規，始終遵循標準化程序，積極實施5S規範舉措（整理、整頓、清潔、標準化及保持），致力為患者提供口腔護理服務的一站式服務，覆蓋患者從嬰兒到老年人的全生命週期。我們建立客戶服務中心與專門的質控團隊，制定了《客戶服務中心質控標準》《瑞爾Call Center—諮詢、預約流程》等制度文件，快速響應客戶的諮詢與反饋，完善並監督客戶服務質量管理，從各個方面提升患者就醫體驗。同時，我們應用客戶關係管理(CRM)系統，制定全面的會員計劃，為患者提供各類福利和專屬會員活動，全面提升患者整體體驗。

## Environmental, Social and Governance Report 環境、社會及管治報告

The Group has developed a comprehensive patient relationship management system and deploy software solutions to handle patient appointment and registration. New patients can fill out a comprehensive medical history questionnaire through the software. The questionnaire is uploaded to our cloud-based system that automatically synchronise the examination result with other relevant information such as the treatment plan, auxiliary examination and consent confirmation, enabling our dentists to undertake appropriate treatment planning. Powered by our digitalisation capabilities, we can analyse patient consumption history and use tools to maintain the patient visit stream and send appointment reminders to patients for regular treatments (such as dental cleanings) and electronic notifications on relevant service offerings, which allow us to further enhance patient experience.

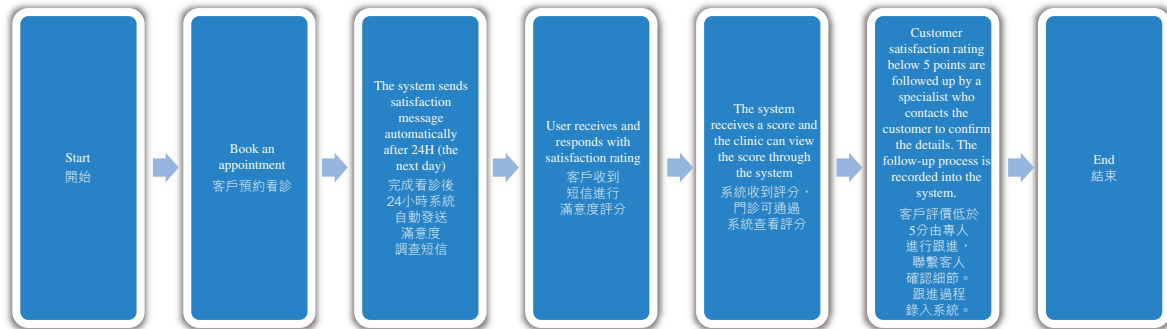
We proactively seek patients' feedback on our services. To assess our patient experience, we encourage patients to fill out a brief customer satisfaction survey after each clinic visit. Patients are requested to give their rating on a scale of level 1 (being the lowest) to level 5 (being the highest). If the patient experience rating is below level 5, the system will automatically escalate the low-scoring patient situation to the clinic level for processing, and the clinic will contact them immediately to understand more details and identify improvement space.

本集團建立了一套綜合患者關係管理系統，並採用軟件解決方案處理患者的預約及登記。新患者可以通過軟件填寫全面的病史問卷，問卷上傳至雲端系統後，將與檢查結果、治療方案、輔助檢查及同意確認書等其他相關資料自動同步，幫助牙醫確定合適的治療方案。在數字化能力的支持下，我們可以分析患者的消費歷史，並使用工具維護接診人次數據流，向患者發出定期護理（如洗牙）的預約提醒和有關服務產品的電子通知，幫助我們進一步提升患者體驗。

在患者就醫後，我們主動請求患者對服務作出反饋。為評估患者體驗，我們鼓勵患者於每次就診後填寫簡要的顧客滿意度調查表，在一（最低）至五（最高）分內給出其評價。如患者體驗評價低於五分，系統會自動將低分患者情況升級到門診層面處理，門診將立即與其聯繫，以了解更多細節，明確改進空間。

# Environmental, Social and Governance Report

## 環境、社會及管治報告



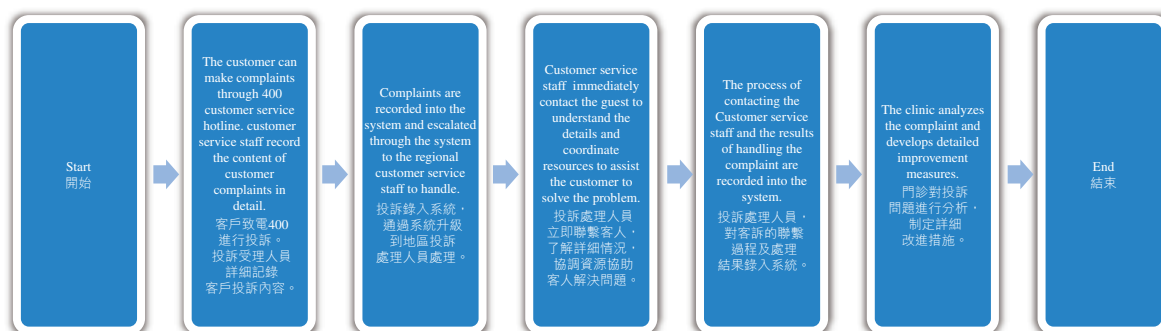
User satisfaction survey process  
用戶滿意度調查流程

The Group receives customer enquiries and complaints through 400 customer service hotline, third-party online platforms and front desk visits. In response to possible patient complaints and medical disputes, the Group has established internal systems such as the *China Customer Service Centre Complaint Handling Process and Rules* to promptly respond to and resolve customer issues. Customer complaints are categorised by customer service staff and sent to the clinics and relevant departments, then handled by the corresponding responsible person. Complex cases will be discussed and analysed at the senior level and all complaints and processes will be recorded in the Customer Compliant Summary Form. We analyse customer complaints in our weekly morning meetings, aiming to optimise the process, formulate improvements measures, share excellent services cases and experiences, and learn from advanced experiences so that to be truly customer-centric, continuously improve service quality and enhance customer satisfaction.

本集團通過400客戶服務熱線、第三方網絡平台以及前台接訪等方式接受客戶諮詢與投訴。針對可能發生的患者投訴與醫療糾紛，本集團制定了《中國區客服中心投訴處理流程和細則》等內部制度，以便第一時間反應並解決客戶問題。客戶的投訴將由客服人員分類下發到診所和相關部門，由相應責任人處理解決，針對複雜情況經由上級討論分析後予以處理，所有的投訴與處理過程都將記錄在客戶投訴問題匯總表中。我們在每周晨會中對客戶不滿意案例進行分析，尋找問題優化流程，制定改進措施，並分享優秀服務案例及經驗，學習先進經驗，從而真正做到以客戶為中心，不斷改進服務質量，提升客戶滿意程度。

# Environmental, Social and Governance Report

## 環境、社會及管治報告



Customer service centre compliant handling process  
客服中心投訴處理流程

For the year ended March 31, 2022, the Group received 207 customer complaints, accounting for 0.013% of the total customer for the year, of which approximately 70% were service-related and 30% were related to medical effectiveness, with an overall complaint resolution rate of 100%.

### *Product quality management and monitoring*

The Group's denture manufacturing plant supplies dental products, including a broad spectrum of dentures, artificial teeth, and orthodontic appliances, to a wide range of dental institutions including many public hospitals.

In terms of product quality management, the denture processing plant strictly follows the relevant laws and regulations and industry codes, and have established control procedures for production process, quality control, product monitoring and testing, substandard products, product release, as well as product incoming, and inspection procedure. Self-inspection and mutual inspection are taken by every position within the production unit. The finished product inspector conducts a full inspection on finished products according to customer requirements, colour swatch and inspection standards, and marks and evaluates any substandard products. The inspector should give advice to the production department, and

2022財年，本集團共收到207起客戶投訴，佔全財年客戶量的0.013%，其中約70%與服務相關，30%與醫療效果相關，整體投訴解決率達到100%。

### *產品質量管理監督*

本集團的義齒製作廠房向公立醫院在內的眾多牙科機構供應其牙科產品，包括各種義齒、人工牙齒及正畸器具。

在產品質量管理方面，義齒加工廠嚴格遵循相應的法律法規、行業規範，制定了生產過程控制程序、質量控制程序、產品監視和測量控制程序、不合格品控制程序、產品放行控制程序、產品進貨和檢驗程序。生產內部各崗位實行自檢、互檢，成品檢驗員依據顧客要求、色板及檢驗標準對成品進行全檢，並對成品中檢查出的不合格品進行標識、評價，並向生產部給出處理意見，不符合要求的產

# Environmental, Social and Governance Report

## 環境、社會及管治報告

forbid the release of the substandard products. When abnormal product quality is found during self-inspection, mutual inspection or special inspection by relevant personnel, the *Substandard Product Process Sheet* should be issued immediately. The Quality Management Department should analyse the reason of the abnormality and timely take corrective prevention and improvement measures to ensure the smooth production. Substandard products during the production will be *handled in accordance with the Substandard Product Quality Control Procedure*. Rigorous quality management and monitoring procedures effectively ensure the quality of our denture products and enhance our product supply level.

Regarding the handling of complaints and comments, the manufacturing plant, upon receipt of the customer complaints, records the complaints immediately and the Production Department and the Quality Management Department take up the complaints. Customer complaints about abnormal quality shall be responded to immediately or within 24 hours and measures such as exchange, replenishment and return shall be taken. For cases where the reasons for abnormal quality cannot be clarified in time, the senior responsible person shall conduct analyses and review to respond within 48 hours. After the customer complaints are handled, the Marketing Department should carry out follow-up visit to the customer in a timely manner to follow up and confirm the effectiveness of the implementation of corrective measures and records the handling results.

For the year ended March 31, 2022, there were no recalls in manufacturing plant due to product safety and health concerns.

品不放行。當相關人員自檢、互檢或專檢時發現產品質量異常，應立即開出《不合格品處理單》，質管部組織對異常進行原因分析，及時採取糾正預防及改進措施，以保證生產的順利進行，生產過程中的不合格品，依照《不合格品控制程序》處理。嚴密的質量管理與監督程序有效地保障了我們的義齒產品質量，提升我們的產品供應水平。

在投訴與意見處理方面，加工廠在接收到顧客投訴後，及時記錄投訴事項並由生產部和質管部對顧客投訴進行受理。對於質量異常的顧客投訴，須立即或在24小時內予以答覆，並採取換貨、補貨、退貨等措施，對於無法及時明確質量異常原因的情況，應由上級負責人進行分析評審，並在48小時內給出答覆。顧客投訴處理完成後，營銷部及時回訪客戶，對糾正措施實施結果的有效性進行跟蹤確認，同時將處理結果如實記錄。

2022財年，加工廠沒有出現因產品安全與健康問題而須回收的情況。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (III) Digital management and independent innovation

The Group is one of the few platform-based dental services providers with meaningful scale in China. We have standardised operating procedures and systems, and robust digital infrastructure, ensuring consistent service quality, patient experience, and operational efficiency. At the same time, we continue to accumulate and analyse digital information from our day-by-day business activities, explore upgrades to our digital infrastructure, constantly seek ways to embrace digitalisation into our dental network, to further improve our operational knowledge and efficiency, and reduce operational risks.

The Group has developed our operations SaaS platform, which can support business operations across different brands, regions, organisational structures, and service offerings, and ensure compatibility for data interchange with other medical IT systems. The System has made it much easier and faster for our dentists and staff to attend to daily operational and administrative matters such as scheduling client appointments, purchasing materials and supplies, monitoring inventory level, organising medical records, and maintaining client relationship. Meanwhile, we can also quickly manage the new established and acquired clinics together under a unified standard to strengthen the Group's operational efficiency and modernise the enterprise operation.

### (三) 數字化管理與自主創新

本集團是中國為數不多的基於平台的、具有一定規模的口腔醫療服務提供商之一。我們具備標準化的運營程序系統以及強大的數字基礎設施，從而確保了一貫的服務質量、患者體驗以及運營效率。同時，我們也不斷積累和分析來自日常業務活動的數字化信息，探索數字基礎設施升級，持續將數字化引入本集團口腔醫療網絡，進一步提高自身的運營知識儲備和運營效率，降低運營風險。

本集團開發了運營SaaS平台，能夠支持不同品牌、地區、組織結構和服務產品的業務運營，同時確保與其他醫療IT系統進行數據交換的兼容性。這一系統可以幫助牙醫及員工更輕鬆、快捷地處理日常運營及行政事務，例如安排客戶預約、採購物資、監控庫存水平、整理病歷及維護客戶關係等。同時，我們還可以快速將新設診所與收購診所以統一的標準進行集中管理，強化集團經營效率，實現企業現代化運營。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

In addition to strengthening digital management, we are committed to working with our suppliers and other partners to enhance our independent innovation capabilities and respond to the “painless, minimally invasive and precise” trend of dental clinical technologies. The Group adopts a wide range of digital technologies and microtechnique in various dental clinical areas, including intraoral laser scanning and digital orthodontics, digital guide plate and navigation technology for oral implantology, chairside computer-aided design and manufacturing (CAD/CAM) digital restoration technology, root canal microtechnique and tooth preparation microtechnique. The Group also actively participates in industry exchanges and seminars and is committed to promoting the Group’s digital technologies across the industry, leading the development of the industry and demonstrating corporate responsibility.

#### ***[Case: Digital implant industry exchange to lead the innovation and development of the industry]***

In November 2021, we held the Arrail Group Digital Implant Summit Forum and the East China Symposium of Digital Dental Industry Branch, inviting more than 10 renowned experts in digital dental industry from Peking University, Shanghai Jiaotong University, Nanjing Medical University and within the Group to conduct comprehensive discussions on topics such as digital dental implant ecosystem, implant rehabilitation of edentulism and difficulties in oral implantology. Our experts shared and reported on various topics such as “How to build a digital implant ecosystem” and “Key factors of digital full-mouth edentulism reestablishment”. Nearly 200 doctors of dental implant rehabilitation and digital rehabilitation participated in the forum. The forum effectively showed our independent innovation ability and the comprehensive level of our implant team, and promoted the use of the Group’s digital innovation in implantology.

在強化數字化管理之餘，我們堅持與供應商等合作夥伴一道提升自主創新能力，響應口腔臨床技術「無痛、微創、精準」的發展趨勢。本集團在口腔臨床的多個領域廣泛採用數字化技術和顯微技術，包括口內激光掃描和數字化正畸技術、口腔種植數字化導板和導航技術、椅旁計算機輔助設計與製造 (CAD/CAM) 數字化修復技術、根管顯微技術、牙體預備顯微技術等，並積極參與行業交流與研討，致力於將本集團的數字化技術在全行業內推廣運用，引領行業發展，展現企業擔當。

#### ***[案例：數字化種植行業交流，引領行業創新發展]***

2021年11月，我們舉辦了瑞爾集團數字化種植高峰論壇暨數字化口腔產業分會華東學術研討會，邀請到北京大學、上海交通大學、南京醫科大學和本集團內部10多位數字化口腔產業領域知名專家，圍繞數字化口腔種植生態系統、無牙頷種植修復、口腔種植疑難問題等議題展開全方位的探討與交流。本集團專家就「如何打造數字化種植生態系統」「無牙頷全口重建病例的數字化關鍵因素考量」等多個主題展開了分享匯報，近200名口腔種植修復及數字化修復醫生參與此次論壇。論壇的召開有效展現了我們的自主創新能力及種植團隊綜合水平，推動了本集團數字化創新技術在種植領域的運用。



# Environmental, Social and Governance Report

## 環境、社會及管治報告



Arrail Group Digital Implant Summit Forum  
瑞爾集團數字化種植高峰論壇

#### (IV) Advertising and intellectual property management

In terms of advertising and publicity management, the Group strictly complies with the *Advertisement Law of the People's Republic of China*, the *Measures for the Administration of Medical Advertisements*, and the *Interim Measures for the Administration of Internet Advertisements*, and has developed the *Practice Guide for Advertising Activities in the New Environment*, the *Guidelines for the Specifications and Regulations on the Use of Advertisements/Materials/VI of Arrail Group*, the *Administrative Measures for the Review of External Publicity Materials of Arrail Group* and other internal systems, so as to effectively safeguard its own rights and interests and ensure the authenticity and legitimacy of publicity materials. Meanwhile, we pay real-time attention to the updates of national laws and regulations, require relevant staff to learn the latest laws and regulations in a timely manner, and promptly conduct internal spot checks and publicity and implementation.

#### (四) 廣告與知識產權管理

在廣告與宣傳管理方面，本集團嚴格遵守《中華人民共和國廣告法》《醫療廣告管理辦法》《互聯網廣告管理暫行辦法》，並制定了《新環境下廣告活動實踐指南》《瑞爾集團廣告／素材／VI使用規範及法規指南》《瑞爾集團對外宣傳資料審核管理辦法》等內部制度，切實維護自身權益，保障宣傳內容的真實性、合法性。同時，我們實時關注國家的法律法規更新，要求相關工作人員及時學習最新法律法規，及時進行內部抽查與宣貫。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

For the year ended March 31, 2022, we carried out special compliance governance on advertising, and conducted more than 100 online inspections and more than 1,000 offline inspections to ensure the compliance and legality of advertising. At the same time, we continued to optimise the advertising release management process, established closed-loop mechanisms such as “red line training for new employees” and “internal review process for advertising release”, and strictly implemented the special compliance management of advertising to eliminate potential risks.

In terms of intellectual property management, the Group strictly abides by the *Patent Law of the People's Republic of China*, the *Technology Contract Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, the *Regulations on the Protection of Computer Software* and other laws and regulations related to intellectual property. By applying for software copyright certificates, signing R&D non-disclosure agreements and using other means, the Group effectively protects its own intellectual property rights, ensuring that it does not infringe the intellectual property rights of others.

In terms of trademark management, we strictly implement the regulations on trademark management and use in accordance with the *Trademark Law of the People's Republic of China*, and require relevant staff to learn the latest laws and regulations in time to ensure the timeliness and compliance of the trademarks used.

For the year ended March 31, 2022, the Group did not experience any material violation of laws and regulations related to advertising publicity, trademarks, and intellectual property rights.

2022財年，我們開展廣告專項合規治理，針對集團線上開展了百餘項檢查，線下開展了千餘項檢查，以確保廣告宣傳的合規合法。同時，我們持續優化廣告發布管理流程，建立了「員工入崗紅線培訓」「廣告發布內部審核流程」等閉環機制，嚴格落實廣告專項合規管控，杜絕風險隱患。

在知識產權管理方面，本集團嚴格遵守《中華人民共和國專利法》《中華人民共和國技術合同法》《中華人民共和國著作權法》《計算機軟件保護條例》等知識產權相關法律法規，通過申請軟件著作權證書、簽署研發保密協議等方式，在切實維護自身知識產權的同時，確保不侵犯他人知識產權。

在商標管理方面，我們根據《中華人民共和國商標法》，嚴格落實商標管理和使用的諸項規定，要求相關工作人員及時學習最新法律法規，確保所用商標的時效性及合規性。

2022財年，本集團未發生廣告宣傳、商標與知識產權相關重大違法違規情況。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (V) Privacy protection and information security

The confidentiality of personal information and medical records of patients is a key concern of the Group. We strictly stick to the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Electronic Signature* and other laws and regulations, and formulate data and patient information protection policies such as the *IT Code of Conduct for Employees of Arrail Group*. We collect patient information only after obtaining authorisation from patients, and only use their personal information and medical data for the purpose of providing medical services or other purposes that the patients agree to. At the same time, the access to sensitive information and medical records is restricted to specific authorised personnel, which fundamentally reduces privacy and information security risks.

Meanwhile, in strict compliance with the *Methods for Identifying the Illegal Collection and Use of Personal Information by Apps*, the *Information Security Technology: Personal Information Security Specification (GB/T 35273-2020)* and other relevant rules and regulations, we have developed the "5i5ya" client applet, in which various privacy policies and information security management measures are strictly implemented. While strengthening the digitisation of patient diagnosis and treatment and the Group's operations, we always adhere to customer privacy protection and eliminate information security risks.

In terms of information security management, we take the initiative to adopt a variety of stringent data security measures and technologies to prevent potential data security risks.

### (五) 隱私保護與信息安全

患者個人資料及病歷的保密是本集團的關注重點。我們嚴格遵守《中華人民共和國網絡安全法》《中華人民共和國數據安全法》《中華人民共和國個人信息保護法》《中華人民共和國電子簽名法》等法律法規，制定《瑞爾集團員工IT行為規範》等數據和患者資料保護政策，僅在獲得患者授權後對患者信息進行收集，並且僅將患者個人資料及醫療數據用於提供醫療服務或患者同意的其他用途，同時將敏感信息及病歷訪問權限限制在特定授權人員，從根本上降低隱私與信息安全風險。

同時，我們嚴格遵照《App違法違規收集使用個人信息行為認定方法》《信息安全技術個人信息安全規範 GB/T 35273-2020》等相關規定與規範開發「吾愛吾牙」客戶小程序，在其中嚴格落實各項隱私政策以及信息安全措施，在患者診療與集團運營數字化程度不斷加強的同時，始終堅守客戶隱私保障，消除信息安全風險。

在信息安全管控方面，我們主動採用多種嚴格的數據安全措施及技術，預防潛在數據安全風險。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Data encryption 數據加密

With the Secure Sockets Layer technology, encrypt and desensitise data to protect data generated from business operations being intercepted and/or tampered with.

通過安全套接層協議技術對數據進行加密及脫敏，以保護業務運營中生成的數據不被攔截及／或篡改。

### Data system upgrade 數據系統升級

Update operational systems timely and regularly to guard against cyber-attacks, hackers and other security attacks.

及時並定期更新運營系統，以防範網絡攻擊、黑客及其他安全攻擊。

### Restricted data access 限制數據訪問

Based on the overall IT infrastructure and the restriction on access to data, employees can only access data to the extent necessary with proper authorisation using IP address listed on the white-list.

基於整體信息技術基礎設施及對數據訪問的限制，公司僱員僅可在獲得適當授權的情況下使用白名單中的IP地址，並在必要的範圍內訪問數據。

### Data back-up 數據備份

To safeguard the security of patient information and data integrity of our system, medical records of our patients are protected by regular back-ups.

為保障患者信息的安全性及公司系統的數據完整性，我們對患者病歷進行定期備份保護。

### Additional preventive measures 額外的預防措施

For example, formulate plans to engage third-party institutions specialising in data security to provide trainings for the IT Department.

如制定聘請第三方數據安全專業機構對信息技術部門進行培訓的計劃等。

At the same time, the Group regularly evaluates its data protection and security measures in accordance with internationally recognised standards. For the year ended March 31, 2022, we jointly conducted two trainings on the construction of standardisation system with multiple departments, and simultaneously carried out routine inspection, backup drill as well as authentication and implementation, which facilitated optimised text of privacy policy and stricter password security policy. The Group has obtained certifications of ISO27001 Information Security Management System, ISO27701 Privacy Information Management System and ISO22301 Business Continuity Management System for its operation management SaaS system, and has passed the Graded Information Security Protection Level III certification, which enables the Group to break through the limits of purely technical field in security and privacy issues at the organisational level and gradually have a high vision for the construction of corporate structure.

同時，本集團定期根據國際公認標準對自身的數據保護及安全措施進行評估。2022財年，我們聯合多部門進行了兩次標準化體系建設培訓，並同步開展例行巡檢、備份演練以及認證實施工作，推動了隱私政策文本的優化以及更嚴格密碼安全策略的實施。本集團的運營管理SaaS系統已獲得ISO27001信息安全管理体系、ISO27701隱私信息管理體系、ISO22301業務連續性管理體系認證，並通過了信息系統安全等級保護三級認證，使得安全、隱私問題在組織層面突破了純技術領域的局限，逐步具備企業架構建設的視野高度。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (VI) Supplier management

In strict compliance with the *Regulations on the Supervision and Administration of Medical Devices* and the *Quality Management Standards for Medical Device Operation*, the Group undertakes the procurement, acceptance, storage, sales, transportation, and after-sales of medical devices, formulates the supplier quality management standards, defines the graded supplier management system, and puts forward corresponding requirements for the contracting, performance supervision, continuous improvement, risk assessment and exit mechanism of suppliers.

Our suppliers mainly include suppliers of human resources services, dental equipment, consumables, and dental supplies (including medicines, dentures, surgical materials, dental instruments, and consumables). To ensure the stability of supply chain and strengthen supply chain management, we have fully simplified procurement procedures through centralised procurement and a platform-based and digital management system.

The Group has formulated a strict access mechanism for new suppliers, clarified the criteria for supplier selection, access, and evaluation. We developed a supplier selection matrix, and comprehensively evaluated suppliers from the four dimensions of cost, technical level, delivery cycle and after-sales services, making sure to choose the most appropriate suppliers. At the same time, in the process of supplier access and evaluation, we fully consider their environmental and social risks, require suppliers with polluting processes to provide process alternatives, and strictly investigate the employment of child labour, safety management of production sites, and control over production emissions and important processes. Suppliers that do not meet the requirements will be rejected.

### (六) 供應商管理

本集團嚴格遵守《醫療器械監督管理條例》《醫療器械經營質量管理規範》的要求，開展醫療器械採購、驗收、貯存、銷售、運輸和售後工作，並制定供應商質量管理規範，明確供應商分級管理制度，針對供應商新增、業績監督、持續改進、風險評估以及退出機制均提出了相應的要求。

我們的供應商主要包括人力資源服務、牙科設備、耗材及牙科用品（包括藥品、義齒、手術材料、牙科器械以及耗材）類供應商。為保障供應鏈穩定，強化供應鏈管理，我們通過集中採購方式和平台化、數字化的管理系統，充分簡化採購程序。

本集團制定嚴格的新供應商準入機制，明確供應商篩選、準入、評估標準，制定供應商選擇矩陣，從成本、技術水平、交貨周期以及售後服務4個維度對供應商進行綜合評估，確保選擇最合適的供應商。同時，我們在供應商準入與評估過程中充分考慮供應商的環境和社會風險，針對存在污染工藝的供應商要求其提供工藝替代方案，嚴查供應商僱傭童工、生產現場安全管理、生產排放及重要工藝管控情況，對於不符合要求的供應商一律拒絕導入。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

For suppliers in the pool, we implement a classified management system and focus on Class A suppliers, including centralised purchase suppliers and top 20 suppliers in terms of purchase amounts. We regularly assess their performance, and force timely improvement requirements for deficiencies in their performance, compliance, environmental protection, safety, etc. We will remove the suppliers that still fail to meet the standards after six consecutive months of improvement from the list of suppliers. At the same time, we conduct an annual risk assessment for existing suppliers, and consider taking measures such as observation, reduction of orders and replacement for suppliers who have product recalls, environmental accidents, safety accidents and impairment of employees' rights and interests. In addition, we encourage and urge suppliers to supply the Group with environment-friendly products (such as BPA-free braces, etc.), put forth effort to reduce environmental and social risks in the supply chain, and strive to achieve mutual benefit and win-win with partners to realise green and sustainable development.

### KPI: Suppliers<sup>1</sup>

#### By geographical region

按地區劃分

| By geographical region |    | Number of suppliers |
|------------------------|----|---------------------|
| 按地區劃分                  |    | 供應商數量               |
| <b>China</b>           | 中國 | <b>14</b>           |
| <b>Overseas</b>        | 海外 | <b>20</b>           |
| Europe                 | 歐洲 | 8                   |
| United States          | 美國 | 8                   |
| South Korea            | 韓國 | 3                   |
| Japan                  | 日本 | 1                   |

對於庫內供應商，我們實行分類管理制度，將集採供應商以及採購金額排名前20的供應商作為A類供應商重點管理，定期評估表現，對於其業績、合規、環保、安全等方面的不足及時提出改進要求。對於連續6個月改進後仍不達標的供應商，我們將從供應商名單中移除。同時，我們針對現有供應商會進行年度風險評估，針對發生產品召回、環保事故、安全事故以及員工權益喪失事件的供應商，會考慮對其採取留觀、減少訂單以及替換等措施。此外，我們鼓勵並督促供應商為本集團供應環保產品（如不含雙酚A的牙套等），着力降低供應鏈環境與社會風險，致力與合作夥伴互利共贏，實現綠色可持續發展。

### 關鍵績效指標：供應商<sup>1</sup>

<sup>1</sup> Considering that most suppliers of consumables are highly fluid, the statistics of the Company's suppliers only cover Class A suppliers.

<sup>1</sup> 考慮多數耗材類供應商流動性強，因此公司供應商數量統計僅涵蓋A類供應商。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (VII) Practice of integrity

The Group adheres to the code of ethics and industry standards, and strictly complies with the *Civil Code of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Interim Provisions on Banning Commercial Bribery* and other relevant laws and regulations. The Group has formulated the *Employee Manual of Arrail Group*, the *Arrail Integrity Convention* and other management systems to regulate improper practices such as abusing power for personal gains, and established a monitoring system with anti-bribery and anti-corruption measures, striving to create a clean and upright working environment.

We continuously strengthen the education of integrity, and raise the awareness of our employees on integrity and professional development. For the year ended March 31, 2022, we organised employees to study the *Employee Manual of Arrail Group* and the *Arrail Integrity Convention*, which involved various training modules such as "General Principles of Integrity", "Definition and Treatment of Non-compliance and Violations", "Conflicts of Interests" and "Guidelines for Business Contacts", reaching more than 3,000 participants, effectively improving employees' understanding of laws, regulations and internal systems and enhancing their awareness of integrity.

We carry out offline integrity training for senior executives and directors every year. In November 2021, more than 50 senior executives participated in the integrity training, and all of them (including all four executive directors) signed the "Compliance Certificate of Arrail's Anti-corruption Policy".

There were no concluded lawsuits regarding corrupt practices related to the Group or its employees for the year ended March 31, 2022.

### (七) 廉潔從業

本集團恪守道德規範與行業準則，嚴格遵循《中華人民共和國民法典》《中華人民共和國反不正當競爭法》《中華人民共和國反洗錢法》《關於禁止商業賄賂行為的暫行規定》等相關法律法規，制定了《瑞爾集團員工手冊》《瑞爾廉潔公約》等管理制度，規制以權謀私等不正當行為，並建立監控系統，採取反賄賂和反腐敗措施，致力營造集團風清氣正的工作環境。

我們不斷加強廉潔從業教育，提升員工廉潔展業意識。2022財年，我們組織員工學習《瑞爾集團員工手冊》及《瑞爾廉潔公約》，涉及「廉潔總原則」「違規違紀定義與處理」「利益關聯衝突」「商務交往指引」等多個培訓模塊，覆蓋員工3,000余人次，有效提升了員工對法律法規與內部制度的了解，增強了員工廉潔意識。

我們每年開展面向高管及董事的線下廉潔培訓，2021年11月的廉潔培訓共有50余名高管參加，並全部簽署了「瑞爾反腐敗政策合規證明」，包含全部4位執行董事。

2022財年沒有出現有關本集團或本集團員工涉及貪污行為的已審結訴訟案件。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### IV. PRACTICING PEOPLE-ORIENTED APPROACH

The Group always regards talents as the main driving force for its healthy development, attaches great importance to talent introduction, provides competitive salaries and benefits, respects and protects the legitimate rights and interests of each employee, pays attention to the occupational health and safety of employees, and is committed to creating a platform for employees to improve their proficiency and seek long-term development, so as to promote the common development of the enterprise and employees.

#### (I) Emphasis on talent introduction

The Group continues to build a high-quality workforce. Through various recruitment channels such as campus recruitment and website recruitment, the Group actively introduces dental medical and management talents in the industry, and reserves and fosters new forces. In the process of talent introduction, the Group strictly abides by the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Rules for the Implementation of the Labour Contract Law of the People's Republic of China* and other laws and regulations and has defined the employee recruitment management system in the *Employee Manual of Arrail Group*.

For the year ended March 31, 2022, in view of the difficulties in finding jobs for fresh graduates and the main trend of online job hunting under the normalised pandemic prevention and control, we actively carried out online publicity and released recruitment information, and conducted strict screening of candidates to ensure the introduction of high-quality talents.

### 四、踐行以人為本

本集團始終將人才視為自身健康發展的主要動力，重視人才引進，提供具有競爭力的薪酬及福利，尊重並保障每位員工的合法權益，關注員工的職業健康與安全，致力於為員工打造提升專業能力和尋求長遠發展的平台，促進企業與員工的共同發展。

#### (一) 重視人才引進

本集團持續建設高質量的人才隊伍，通過校園招聘、網站招聘等多種招聘渠道，積極引進行業內口腔醫療和管理人才，儲備和培養新生力量。在人才引進過程中，本集團嚴格遵守《中華人民共和國勞動法》《中華人民共和國勞動合同法》《中華人民共和國勞動合同法實施條例》等相關法律法規，並在《瑞爾集團員工手冊》中規範了員工招聘管理制度。

2022財年，針對疫情常態化下應屆畢業生求職難就業難和網絡求職成為主流趨勢的情況，我們積極進行線上宣傳併發布招聘信息，並對應聘人員進行嚴格篩查，保證高質量的人才引進。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ***[Case: Live broadcast of Arrail Group's campus recruitment – medical session]***

In the early stage of live broadcast, the Group conducted recruitment publicity by making videos of internal doctors hired through previous campus recruitments, getting a total of 32,000 views, 680 shares and 566 likes. In the live broadcast starting at 19:00 on 19 November 2021, we invited the President, Vice President, Medical CEO and two senior doctors hired through previous campus recruitments of the Group to interact with students in the live broadcast room and answer their questions about job hunting. Through the live broadcast of campus recruitment, we collected more than 100 resumes from students, providing support for the Group to attract more professional talents.

As of 31 March 2022, the Group had a total of 3,631 employees, and the annual employee turnover rate was 24.88%.

### ***[案例：瑞爾集團校招直播 – 醫療專場]***

本集團在直播前期通過製作歷年校招醫生視頻的方式進行招聘宣傳，共獲得3.2萬播放量、680次轉發量和566次點贊量。在2021年11月19日晚19時開始的直播現場中，我們邀請了集團總裁、副總裁、醫療執行總裁以及兩位校招醫生前輩，與直播間的小夥伴進行互動並解答其求職疑惑。通過本次校招直播，我們共收集到百余份學生簡歷，為集團吸收更多專業人才提供了支持。

截至2022年3月31日，本集團共有3,631名僱員，年度員工流失率為24.88%。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### KPI: Employment and turnover rate

關鍵績效指標：員工僱傭及流失率

| Indicator   |  | The year ended<br>March 31, 2022 |
|---|--|----------------------------------|
| 指標  |  | 2022財年                           |
| Number of employees by gender<br>按性別劃分的員工人數(人)                          | Male<br>男性   | 652                              |
|   | Female<br>女性   | 2,979                            |
| Number of employees by age<br>按年齡劃分的員工人數(人)                             | Aged 30 and below<br>年齡30歲及以下                            | 1,788                            |
|   | Aged 31 to 50<br>年齡31歲至50歲                               | 1,597                            |
|   | Aged 51 and above<br>年齡51歲及以上                            | 246                              |
| Total headcount by employment type<br>按僱傭類型劃分的員工總數(人)                   | Full-time (including re-employed<br>retirees)<br>全職(含返聘) | 3,336                            |
|   | Part-time and internship<br>兼職和實習                        | 295                              |
| Total headcount by geographical region<br>按地區劃分的員工總數(人)                 | Beijing area<br>北京地區                                     | 1,249                            |
|   | Non-Beijing area<br>非北京地區                                | 2,382                            |
| Employee turnover rate by gender (%)<br>按性別劃分員工流失比率(%)                  | Male staff<br>男性員工                                       | 21.54%                           |
|   | Female staff<br>女性員工                                     | 25.52%                           |
| Employee turnover rate by age (%)<br>按年齡組別劃分的員工流失比率(%)                  | Aged 30 and below<br>年齡30歲及以下                            | 30.13%                           |
|   | Aged 31 to 50<br>年齡31歲至50歲                               | 19.07%                           |
|   | Aged 51 and above<br>年齡51歲及以上                            | 10.71%                           |
| Employee turnover rate by<br>geographical region (%)<br>按地區劃分的員工流失比率(%) | Beijing area<br>北京地區                                     | 23.52%                           |
|   | Non-Beijing area<br>非北京地區                                | 25.68%                           |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (II) Protecting employees' rights and interests

The Group strictly complies with relevant laws and regulations such as the *Labour Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, the *Rules on the Labour Protection of Female Employees*, and the *Implementation Measures for Paid Annual Leave for Employees of Enterprises*, and continues to identify and track the latest developments. On this basis, we have developed relevant rules and regulations such as the Employee Manual of Arrail Group, which covers employee remuneration and benefits, promotion and development, working hours, leave management, anti-discrimination and other aspects, striving to provide employees with a fair, impartial, diversified and equal working environment.

The Group enters into formal labour contracts with the recruits in accordance with the law, and provides them with basic guarantees such as social insurance and housing fund, as well as competitive remuneration. In the *Employee Manual*, we explicitly encourage internal multiculturalism, respect religious beliefs, resolutely eliminate discrimination in terms of race, gender, place of origin, age, physical health, etc., and make regulations on resignation and dismissal, so as to effectively protect the legitimate rights and interests of employees. At the same time, we value the opinions of our employees and have established a smooth and efficient communication channel for employees. Employees can give feedbacks to the Group's management via suggestion box, e-mail, and other online and offline channels.

### (二) 保障員工權益

本集團嚴格遵守《中華人民共和國勞動法》《中華人民共和國社會保險法》《女職工勞動保護規定》《企業職工帶薪年休假實施辦法》等相關法律法規，並持續識別追蹤其最新變化。在此基礎上，我們已制定了《瑞爾集團員工手冊》等相關規章制度，涵蓋員工薪酬福利、晉升發展、工作時長、假期管理、反歧視等多個方面，努力為員工提供公平公正、多元平等的工作環境。

本集團依法與錄用人員簽訂正式勞動合同，為其提供社會保險、住房公積金等基本保障，以及具有競爭力的薪酬。我們在《員工手冊》中明確鼓勵內部多元文化、尊重宗教信仰，堅決杜絕種族、性別、籍貫、年齡、身體健康狀況等方面的歧視現象，並對離職、解聘等方面進行了規定，切實保護員工的合法權益。同時，我們重視員工意見，搭建了通暢高效的員工溝通渠道。員工可以通過意見投遞郵箱、電子郵箱等線上、線下渠道向集團管理層反饋意見。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

The Group strictly prohibits the employment of child labour and forced labour. The Human Resources Department checks the identity documents of the candidates one by one to ensure that the recruits have reached the legal working age and voluntarily participated in labour. In case of any child labour or forced labour, we will actively take remedial measures, communicate with the labours concerned and their legal guardians, and make proper arrangements for them according to the law.

For the year ended March 31, 2022, the Group did not have any violations of labour-related laws and regulations and infringement of employees' rights and interests that had a significant impact on the Group, nor was it subject to any penalties regarding the protection of employees' rights and interests.

### (III) Facilitating coordinated development

The Group values the cultivation of talents and regards the development of employees as an important driving force for corporate development and an important aspect of corporate social responsibility. At the same time, the growth and development of employees can also effectively stimulate their creativity and spirit of dedication, which continuously promotes the competitiveness of the enterprise. The Group has customised career plans for different roles and positions to enhance development, and helps employees in various positions to improve their career development paths and growth systems, so as to achieve a win-win situation for the coordinated development of the enterprise and employees.

本集團嚴禁僱傭童工以及強迫勞動，人力資源部門會逐一核對檢查應聘人員的身份證明文件，確保被招聘人員已達到法定工作年齡並且自願參與勞動。當發生聘用童工或強迫勞動的違規事件時，我們將積極採取補救措施，與本人及法定監護人進行溝通，依法妥當安置童工及被強迫勞動者。

2022財年，本集團未發生違反勞工相關法律法規、侵犯員工權益並對集團產生重大影響的相關事項，亦未受到有關員工權益保障方面的處罰。

### (三) 助力協同發展

本集團重視人才的培養，將員工發展視為企業發展的重要動力和企業社會責任的重要方面。同時，員工成長與發展也能夠有效激發其創造力和奉獻精神，不斷推進企業競爭力的提升。本集團為不同角色崗位定制可提升發展的職業生涯規劃，幫助各個崗位員工完善職業發展路徑與成長體系，努力實現企業與員工協同發展的共贏局面。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### *Talent development*

The Group provides employees with dual channels of professional development and management development, and establishes a clear career development path for employees according to their personal choices. In order to standardise talent management, the Group adopts a department-specific unified performance management system for doctors, nurses and other staff, and carries out mentorship-based talent cultivation, performance assessment and position promotion management in a fair, impartial and open manner. At the same time, the Group has also set up the “Arrail’s partnership system”, which aims to attract and promote talented professionals who agree with Arrail’s values and keep in line with the Group’s interests. Currently, 17 dentists have become partner dentists.

In addition, the Group has established an equity incentive mechanism to grant equity to the Company’s senior managers and key personnel in key positions. This mechanism effectively encourages employees to make progress and grow together with the Group. As of October 2021, a total of 616 employees had been approved by the Board of Directors as grantees of the programme.

### *Professional training*

All new employees will participate in the “orientation training” developed by the Group, including the study of the *General Knowledge for Employees* and orientation training for different positions (doctors, nursing, customer service, basic operation, etc.). Arrail Academy and the Group’s dental clinics jointly offer special promotion training programmes in different forms and at different levels to employees who have been employed for one year. To further assist employees in improving their proficiency, the Group has established a scientific and systematic

### *人才發展*

本集團為員工提供專業發展與管理發展雙通道，根據員工個人意願，為其建立清晰的職業發展路徑。為規範人才管理，本集團的醫生、護士及其他工作人員均採用各自部門統一的績效管理系統，公平、公正、公開地開展帶教培養、績效考核及崗位晉升管理。同時本集團還設置了「瑞爾合夥人制度」，旨在吸引和提拔認同瑞爾價值觀並與集團利益保持一致的有才華的專業人士，目前已有17名牙醫成為合夥人牙醫。

此外，本集團建立了股權激勵機制，向公司高級管理者及關鍵崗位核心骨幹人員授予股權，該機制有效地激勵了員工與集團共同進步成長。截至2021年10月，共有616名員工經董事會批准成為該計劃的承授人。

### *專業培訓*

所有新入職員工都將參與本集團制訂的「新員工入職培訓」，包含《員工通識篇》的學習及不同崗位（醫生、護理、客服、基礎運營崗等）的入職培訓；當員工入職一年後，瑞爾學堂與集團的口腔門診聯合提供不同形式和程度的專項提升培訓計劃。為進一步幫助員工提升專業能力，本集團建立了科學化、系統化的線上與線下相結合培訓機制，隨行業和市場的變化安排培訓內容，並持續更新和完善。我

# Environmental, Social and Governance Report

## 環境、社會及管治報告

online and offline training mechanism, designed training contents according to developments in the industry and market with continuous renewal and improvement. We regularly organise offline special trainings and “mentorship” trainings for physicians. At the same time, we have developed a powerful online training platform that provides about 300 online courses and 200 case studies on various topics, including standard operating procedures, new skills, management competence and other courses as well as special vocational training camps. This platform enables our employees to effectively use their spare time for self-learning and further improve their professional skills. In addition, the Group takes full advantage of its strengths and conducts a variety of cooperative trainings through extensive industry exchanges and cooperation with external institutions.

The major training programmes of the Group currently include:

### Orientation training

The Group adopts the training mechanism of “online self-learning + offline mentorship-learning” for new employees and provides them with orientation training programmes. The orientation training covers the Group’s development overview, business introduction, corporate culture promotion, remuneration and benefits, rules and regulations, vocational mentality, etc., aiming to help new employees understand Arrail’s culture and working environment.

們在線下定期組織開展專題培訓以及「老帶新」式醫師梯隊培訓等；同時，我們開發了強大的在線培訓平台，提供約300門在線課程和200項病例研究，涉及各類主題，包括標準運營程序、新技能、管理能力等課程和職業專題培訓營等，該平台使我們的員工能夠有效地利用其業餘時間進行自我學習，並進一步提高專業技能。此外，本集團充分利用自身優勢，通過廣泛的行業交流和外部機構合作，也開展了多種形式的合作培訓。

本集團目前的主要培訓項目包括：

### 新員工培訓

本集團採用「線上自學+線下帶教」相結合的新員工培訓機制，並為其提供入職培訓項目。入職培訓內容涉及集團發展概況、業務介紹、企業文化宣導、薪酬福利、規章制度、職業化心態等內容，旨在幫助新員工了解瑞爾文化及工作環境。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Meanwhile, we arrange customised orientation trainings targeting doctors, nursing, customer service, basic operation and other different positions, with the aim to help new employees become familiar with the workflow as soon as possible. For example, the orientation training for new doctors includes pre-job training and assessment of performance on the basic norms of each specialty, customer management, doctor-patient communication, comprehensive management of complex cases, etc. After the orientation training, new general practitioners will be coached by senior doctors for 12 months to practice clinical skills regarding endodontics, periodontology, surgery, restoration, pediatrics, etc. and develop customer management capabilities. Specialist doctors will receive 24-month mentorship training (12-month general training and 12-month speciality training), and need to pass a comprehensive assessment of speciality clinical skills, customer communication capability, design of general practice treatment solution, and reception capability for patients' initial visits. The orientation training for new nurses requires them to complete the professional knowledge learning via the online Arrail Academy platform and pass the exam within two weeks of their employment, and receive offline coaching and guidance according to their major.

### **[Case: 2022 orientation training for new doctors]**

From 14 to 16 September 2021, the Group conducted a comprehensive and systematic orientation training for new doctors, with training courses covering Arrail's corporate culture, medical management quality control requirements, medical record writing training, new doctor growth sharing and effective customer communication, aiming to spread Arrail's culture to new doctors, standardise their medical operations and management, and facilitate new doctors' career development.

同時，針對醫生、護理、客服、基礎運營等不同工作崗位，我們為其安排定制化入職培訓，旨在幫助新員工盡快熟悉工作流程。例如，新醫生入職培訓包括崗前各專科基礎規範、客戶管理、醫患溝通、複雜病例綜合管理等培訓及考核，全科醫生經過醫生入職培訓後，由資深醫生進行全科帶教12個月，內容包括牙體牙髓、牙周、外科、修復、兒科等臨床技能與客戶管理能力；專科醫生則接受帶教培訓24個月（12個月全科培訓帶教+12個月專科培訓帶教），內容包括專科臨床技能、客戶溝通能力、全科思維治療方案的設計、初診接待能力等全面考核。新護士入職培訓則要求新護士在入職兩周內完成線上瑞爾學堂平台的專業知識學習並通過考試，線下按照專業類別接受帶教和指導。

### **[案例：2022年新醫生入職培訓]**

2021年9月14日至16日，本集團針對2022年新醫生進行了全面系統的入職培訓，課程內容包括瑞爾企業文化、醫療管理質控規範要求、病歷書寫規範培訓、新醫生成長分享、有效的客戶溝通等，旨在向新入職醫生傳播瑞爾文化，規範其醫務操作與管理，助力新醫生的職業發展。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Professional skill training

The Group provides customised and personalised professional skill trainings for employees in different positions, with the aim to comprehensively improve their professional qualities and technical skills.

### 專業技能培訓

本集團為不同崗位的員工提供定制化、個性化的專業技能培訓，旨在全面提升各崗位人員的職業素養和技術技能。

#### For dentists 牙醫崗位

We regularly carry out a variety of professional skill training activities and academic exchange seminars for doctors, including medical morning meetings (management of first-visit customers), weekly meetings (management of complex cases), monthly meetings (summary report of complex cases by stage), quarterly meetings (summary report of complex specialty cases), intending to enable doctors to fully familiarise themselves with the Group's medical management norms and processes, so as to continuously improve their professional level.

我們為醫生定期舉辦多種多樣的專業技能培訓活動及學術交流研討會，其中包括：醫務晨會（初診客戶管理）、周會（複雜病例管理）、月會（複雜病例階段總結報告）、季度會（專科複雜病例總結報告），旨在讓醫生充分熟悉本集團的醫療管理規範和流程，不斷提高專業水平。

#### For nursing staff 護理崗位

The professional skill training for nursing positions consists of nurse skill training and nursing management training. Among them, the nurse skill training includes the theoretical knowledge and supporting practice in general practice and specialties like implantology and orthodontics, as well as first-aid operation. The Nursing Department requires all clinics to integrate skill training into daily work, conduct 4 nursing skill trainings each month, and submit the ledger to the Nursing Department on the 25th day of each month. At the same time, the nursing management training is organised at the Group level. Also at the group level, trainings are organised for national head nurses and directors of the Nursing Departments, including trainings for improving team mentorship and management capabilities. After the training, the trainees are expected to return to their respective regions and provide region trainings.

護理崗位的專業技能培訓分為護士技能培訓和護理管理培訓。其中，護士技能培訓包含全科及種植、正畸等專科方向的理論知識和配合實踐，以及急救操作等。護理部要求各診所層面培訓將技能培訓貫穿在日常工作中，每月進行護理技能培訓4次，每月月底25日將台賬上交至護理部；同時，護理管理培訓由集團統一組織，集團層面還會組織全國護士長、護理部主任進行培訓，包含團隊帶教與管理能力的提升培訓等，培訓後再回地區做轉訓。

#### For customer service and consultation staff 客服及諮詢崗位

The Group's Customer Service Department and Arrail Academy jointly organised and launched the training activity of "customer service role cognition & skill improvement training camp". Taking into account the actual work of clinic customer service, this series of courses can be refined into a reproducible standardised process which is accurate to each service link, striving to act as an introduction for the dental service system. During the 4-week learning cycle, the cumulative number of online learners was 7,120, with a total of 327 learners. The backstage received more than 100 assignments submitted by learners, with a completion rate of 86.7%.

集團客服部聯合瑞爾學堂組織開展了「客服角色認知&技能提升訓練營」培訓活動。本系列課程結合診所客服實際工作內容，提煉為可複製的標準化流程，精確到各個服務環節，力爭將其打造為口腔服務體系的說明書。在為期4周的學習周期中，線上累計學習7,120人次，總學習人數327人，後台收到學員提交的作業上百餘份，完課率86.7%。

#### Clinic operational staff 門診運營崗位

The "clinic manager training camp" created by Arrail Academy delivers professional theory and practical knowledge from seven directions including team atmosphere, appointment management, standard process, consultation and negotiation, customer relationship, complaints and opinions, and market activities, which scientifically and effectively improves the management skills of relevant personnel for dental clinic operation. The courses are arranged in the form of online learning groups, with dedicated persons assigned to lead the learners to study the courses. During the 5-week learning cycle, the cumulative number of online learners was 1,747, with a total of 213 learners, and the cumulative average learning time was 73 minutes, with a completion rate of 70.1%.

瑞爾學堂打造的「門診經理訓練營」從團隊氛圍、預約管理、標準流程、諮詢洽談、客戶關係、投訴意見、市場活動七大方向輸出專業理論與實踐知識，科學有效地提升了相關人員的口腔門診運營管理技能。課程採用線上學習群組的方式，由專人帶領學員學習。在為期5周的學習周期中，線上累計學習1,747人次，總學習人數213人，累計平均學習時長73分鐘，完課率70.1%。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### **[Case: Rytime Dental's national nursing competition]**

Rytime Dental organises a national nursing competition every year, with the aim to test the results of professional skill training, further standardise the operation process of nurses at all levels in dental specialties, and encourage nurses to keep forging ahead and continue to learn and improve their professional skills. The competition consists of two parts: the preliminary contest and the final contest. The preliminary contest is carried out in various cities, and outstanding players are selected to participate in the national final contest. The final contest comprises written examination, practical operation and speech contest, in which the national first, second and third winners will be selected and awarded. The Group hopes to create a dense atmosphere of learning and technology improvement in this way, and to identify and cultivate talents via the competition.

#### Specialized enhancement training

The Group has carried out a series of specialized training courses and academic exchange sessions to empower doctors to improve their skills for different treatment projects in dental institutions, aiming to provide doctors in the Group with cutting-edge information and high-quality experience in the industry in a timely manner, and continue to assist them in enhancing their specialised skills.

### **[案例：瑞泰口腔全國護理大賽]**

瑞泰口腔每年會組織一次全國護理大賽，目的是檢驗專業技能培訓成果，進一步規範各級護士在口腔各專科方向的配合操作流程，鼓勵護士積極進取，不斷學習和提高專業技能。比賽分為初賽和決賽兩部分，初賽由各城市組織，選拔出優秀選手參加全國決賽。決賽分為筆試、實操、演講比賽三個環節，評選出全國一、二、三等獎並進行表彰。集團希望通過這種形式營造濃厚的學習和技術提升氛圍，通過大賽發現人才、培養人才。

#### 專項提升培訓

本集團針對口腔機構不同治療項目，開展了一系列賦能醫生技能提升的專項培訓課程及學術交流會，旨在及時為集團內醫生提供行業的前沿信息和高質量經驗，持續助力醫生專項技能的提升。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### **[Case: Oral implant masters' courses]**

The first oral implant master class jointly organised by the Group and the famous implant college in the industry started on 15 May 2020 and ended on 2 November 2021. It conducted a total of 5 offline courses, and 14 tutors (including seven well-known experts of Arrail Group and seven outstanding external experts in the field of domestic implantology) gave face-to-face instruction to the students. The courses include edentulous surgery, edentulous restoration, immediate implant surgery, immediate implant restoration, maxillary sinus lift and bone augmentation, aesthetic restoration, digital implant, and case sharing of outstanding learners. The Group's 22 key implant doctors from 11 cities across the country completed the study of courses and case practice and graduated successfully. The graduate learners have successfully mastered complex high-level implant technologies such as edentulous All-on technology and digital implant and restoration technology, and become the Group's high-level implant doctors, expanding the local implant business.

### **[案例：口腔種植大師課程]**

由本集團與業內知名種植學院聯合舉辦的第一期口腔種植大師班從2020年5月15日開始，至2021年11月2日結束，共進行了5次線下課程，14位導師對學員進行了面授，其中包括七位瑞爾集團知名專家和七位國內種植領域的優秀外聘專家。其課程內容包括：無牙頰外科、無牙頰修復、即刻種植外科、即刻種植修復、上頰竇提升和骨增量、美學修復、數字化種植以及優秀學員病例分享。集團內來自全國11個城市的22位骨幹種植醫生完成了課程學習和病例實操，順利畢業。畢業學員成功掌握了無牙頰All-on技術、數字化種植修復技術等複雜的高階種植技術，成為本集團高階種植醫生，並為當地的種植業務拓展了邊界。

# Environmental, Social and Governance Report

## 環境、社會及管治報告



Oral implant masters' courses  
口腔種植大師課程

### **[Case: Swiss scaling GBT training]**

As the traditional tooth cleaning method is prone to cause pain and other discomfort, which often leads to patients' fear, the Group decides to introduce GBT tooth cleaning method. Swiss scaling GBT is a painless and comfortable tooth cleaning method oriented to biofilm management, and a high-end tooth cleaning method different from the traditional one, which greatly improves customers' comfort and satisfaction, and conforms to the high-end positioning of the Arrail brand. On 1 April 2021, the Group launched online centralised training. From April to December, 32 offline practical operation trainings were carried out at clinics in various regions, with a total of 672 participants.

### **[案例：瑞式潔治GBT術式培訓]**

因傳統潔牙方式容易產生疼痛等不適體驗，經常引發患者恐懼心理，本集團決定引進瑞式潔牙GBT術式。瑞式潔治GBT是以菌斑控制為導向的無痛舒適潔牙術式，是區別於傳統潔牙方式的高端術式，極大地提升客戶舒適度和滿意度，符合瑞爾品牌的高端定位。2021年4月1日全集團啟動線上集中培訓，4月至12月在各地診所組織線下实操培訓，共計32場，共672人參與培訓。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

**[Case: Arrail's first training camp for early childhood orthodontics lecturers]**

The lecturer team of Arrail's first offline training camp for early childhood orthodontics consists of five lecturers certified by Arrail Academy and the medical team of well-known brands in the early childhood orthodontics industry. The participants were selected and recommended by Arrail Academy and the medical team, representing 26 outstanding orthodontists and pediatric dentists of the Group from all over the country. In the two-day training camp on 21 and 22 February 2022, under the theme of "management of children's full-cycle facial development", the lecturers and participants focused on four major modules including basic theoretical knowledge system, actual case discussion, application tool analysis and patient communication management to carry out in-depth exchange and discussion, providing participants with a more complete solution mindset and direction in terms of the practical treatment of early childhood orthodontics in the future.

**[案例：瑞爾首期兒牙早矯講師訓練營]**

瑞爾首期兒牙早矯線下訓練營講師團隊由瑞爾學堂金牌認證的五位講師及兒牙早矯行業內知名品牌醫療團隊共同組成。參與學員由瑞爾學堂與該醫療團隊共同選拔推薦，集結了集團內部來自全國各地共26位優秀的正畸專科、兒童牙科醫生。在2022年2月21日、22日為期兩天的訓練營中，講師與學員圍繞「兒童全周期顏面發育管理」的主題，着重從基礎理論知識體系、實際病例討論、應用工具分析、患者溝通管理這四大板塊進行深入交流探討，為學員在今後的兒牙早矯實際接診工作提供了更完善的解決思路和方向。



Arrail Pediatric Dental Case Competition  
瑞爾集團兒童牙病及顏面管理病例大賽

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### On-the-job training in colleges and universities

To continuously enhance the vocational skills and professional qualities of employees, the Group actively cooperates with domestic and foreign colleges and universities to conduct training and learning, regularly organises visit and study of elite doctors to the School of Dental Medicine of the University of Pennsylvania, and strengthens the talent strategic cooperation with Peking University School of Stomatology, West China School of Stomatology, Shanghai Second Medical University, the Fourth Military Medical University, Wuhan University and other colleges and universities. The Group also sets up Arrail excellent service scholarship in Peking University School of Stomatology to cultivate and accept high-quality dental professionals.

As of 31 March 2022, a total of 3,631 employees of the Group participated in the training, accounting for 100% of the whole workforce, with the average training time per employee of 8 hours.

### KPI: Employee training

#### Indicator

#### 指標

Proportion of trainees by gender (%)  
按性別劃分的受訓員工百分比(%)

Male staff  
男性員工

100%

Female staff  
女性員工

100%

Proportion of trainees by employee category (%)  
按僱傭類別劃分的受訓員工百分比(%)

Dentists  
牙醫

100%

Nursing staff  
護理人員

100%

Customer service staff  
客服人員

100%

General administrative staff  
一般行政人員

100%

Marketing staff  
營銷人員

100%

### 高校進修培訓

為不斷提升員工的職業技能和專業素養，本集團積極與國內外高等院校合作開展培訓學習，定期派遣精英醫生前往賓夕法尼亞大學口腔醫學院訪問學習，同時加強與北京大學口腔醫學院、華西口腔醫學院、上海第二醫科大學、第四軍醫大學以及武漢大學等高校的人才戰略合作，並在北京大學口腔醫學院設立瑞爾優秀服務獎學金，培養和接納高素質的口腔醫學專業人才。

截至2022年3月31日，本集團共有3,631名員工參與培訓，受訓員工佔比達100%，員工人均參與培訓時長為8小時。

### 關鍵績效指標：員工培訓

#### The year ended

#### March 31, 2022

#### 2022財年

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Indicator   |  | The year ended<br>March 31, 2022<br>2022財年 |
|---|--|--|
| 指標  |  |  |
| Average training hours per employee by gender (hour)            | Male staff<br>男性員工                     | 8.02                                       |
| 按性別劃分的每名員工受訓平均時數(小時)  | Female staff<br>女性員工                   | 7.99                                       |
| Average training hours per employee by employee category (hour) | Dentists<br>牙醫                         | 8.01                                       |
| 按僱傭類別劃分的每名員工受訓平均時數(小時)  | Nursing staff<br>護理人員                  | 8.01                                       |
|   | Customer service staff<br>客服人員         | 8.02                                       |
|   | General administrative staff<br>一般行政人員 | 7.99                                       |
|   | Marketing staff<br>營銷人員                | 8.48                                       |

### Industry empowerment

The Group has made its technical knowledge and skills training resources available to dentists across the country by continuing to build online knowledge sharing and teaching platforms and organising academic exchange forums for the whole industry and society. The Group is committed to empowering more dentists in China and constantly improving people's oral health, actively fulfilling its corporate social responsibility and contributing to the sustainable development of the industry.

### **[Case: Full-cycle facial development management and training camp for children]**

The series of online courses are co-created by Arrail Academy and renowned paediatric dentistry experts, inviting internal and external paediatric dentists to participate in, with the aim of calling the industry's attention to the topic of early orthodontic treatment for children and providing learning support and guidance to doctors who are interested in early orthodontic treatment for children or just involved in the field. During the 5-week learning cycle, a total of 3,540 people joined the online courses, with a cumulative average learning time of 90 minutes and a completion rate of 85%.

### 行業賦能

本集團通過持續建立在線知識共享及教學平台，以及組織開展面向全行業、全社會的學術交流論壇，令全國各地的牙醫均可獲得我們的技術知識及技能培訓資源。本集團致力於為中國更多牙醫賦能並持續改善人們的口腔健康，積極履行企業社會責任，為行業的可持續發展做出貢獻。

### **[案例：兒童全周期顏面發育管理訓練營]**

兒童全周期顏面發育管理訓練營系列線上課程由瑞爾學堂和著名兒童牙科專家共建內容，邀請集團內部和外部兒牙領域醫生參與，旨在呼籲行業關注兒童口腔早期矯正治療這一話題，希望為有意向開展兒牙早矯或剛剛涉及兒牙早矯初級領域的醫生們提供學習支持與指導。在為期5周的學習周期中，線上累計學習人次3,540人，累計平均學習時長90分鐘，完課率達85%。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### **[Case: Arrail Group's First Summit Forum on Children's Dental Diseases and Early Orthodontics]**

"Arrail Group's First Summit Forum on Children's Dental Diseases and Early Orthodontics" was held in Shanghai from 26 to 28 October 2021. Six well-known top-class industry experts and professors were invited to share their views on the hot topics and common clinical problems in "children's dental diseases" and "early orthodontics", including pre-crown restorations, the use of paediatric anaesthetics, serial extractions, maintenance for the gap arising from children's loss of baby teeth, management of children's care-seeking for dental problems, and professional growth and development of paediatric dentists, which brought a feast of academic and clinical techniques to the participants.

### **[案例：瑞爾集團首屆兒童牙病及早期矯正高峰論壇]**

「瑞爾集團首屆兒童牙病及早期矯正高峰論壇」於2021年10月26日至28日在上海舉辦。論壇特別邀請到六位行業知名專家教授，聚焦「兒童牙病」和「早期矯正」兩大方向的熱點及臨床常見問題進行了主題分享，其中包括預成冠修復、兒科麻藥使用問題、序列拔牙問題、兒童乳牙缺失的間隙保持、兒童口腔就診行為管理問題、兒童口腔醫生職業成長與發展等問題都得到了在座專家的一一解答與指導，為與會同仁帶來了一場學術和臨床技術上的饕餮盛宴。



Arrail Group's Summit Forum on Children's Dental Diseases and Early Orthodontics  
瑞爾集團兒童牙病及早期矯正高峰論壇

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (IV) Care for physical and mental health

The Group provides a safe and comfortable workplace for all employees, and promotes a healthy and balanced working style, so as to safeguard the occupational health and safety of the employees. We strictly abide by the *Labour Law of the People's Republic of China*, the *Fire Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*, the *Regulation on Work-Related Injury Insurance* and other occupational health and safety related laws and regulations. Besides, we have established a health and safety management system for employees.

#### *Occupational health*

To safeguard the health of our employees, we organise annual physical examinations for all employees, so that they can detect, focus on and manage their own health problems in a timely manner. And at the same time, the Group also values the potential impact of radiological medical equipment on the health of employees. Strictly complying with the requirements of radiation-related regulations, such as the *Provisions on the Administration of Radiological Diagnosis and Treatment*, the *Regulations on the Safety and Protection of Radioisotopes and Radiation Devices*, and the *Measures for the Administration of Safety Licensing for Radioisotopes and Radiation Devices*, we are inspected by the environmental protection administrative department and other relevant departments as stipulated in related regulations, and we carry out environmental protection-related procedures such as environmental impact approval, acceptance and radiation safety licensing in accordance with the law. As a diagnosis and treatment institution, we have obtained the licenses of diagnosis and treatment technology and medical radiation institution in accordance with the law to ensure that radiation levels of radiation treatment equipment and radiation workplaces meet relevant national standards.

### (四) 關注身心健康

本集團為全體員工提供安全舒適的辦公環境，倡導健康平衡的工作方式，努力保障員工的職業健康與安全。我們嚴格遵守。我們嚴格遵守《中華人民共和國勞動法》《中華人民共和國消防法》《中華人民共和國職業病防治法》《工傷保險條例》等職業健康安全相關法律法規，並建立了員工健康與安全管理制度。

#### *職業健康*

為了保障員工身體健康，我們每年為全體員工組織體檢，使員工能夠及時發現、關注並管理自身健康問題。同時，本集團高度重視放射性醫療設備對員工健康的潛在影響。我們嚴格遵守《放射診療管理規定》《放射性同位素與射線裝置安全和防護條例》《放射性同位素與射線裝置安全許可管理辦法》等輻射相關法規的要求，接受環境保護行政主管部門及法規規定的其他相關部門的監管，依法辦理環境影響審批、驗收、輻射安全許可證等環境保護相關手續。作為診療機構，我們依法取得診療技術和醫用輻射機構許可，保證放射診療設備和放射工作場所輻射水平符合國家有關標準。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### *Safety protection*

To better protect occupational safety, the Group has established a comprehensive work injury protection system based on the requirements of relevant laws and regulations, and purchased medical insurance and work injury insurance for all employees. In case of any work injury, we can ensure that the injured are treated promptly by adopting a rapid and effective response mechanism. The Group's number and rate of work-related fatalities occurred during the three years ended March 31, 2020, 2021 and 2022 were both zero; and the lost days due to work injury during the year ended March 31, 2022 was 77.

To improve employees' awareness of safety protection and ability to deal with emergencies, we organise employee safety knowledge and skill trainings and fire simulation drills from time to time to further enhance their fire safety awareness, self-rescue, and emergency handling ability.

Meanwhile, the Group puts the health and safety of employees as a priority in the context of ongoing epidemic prevention and control. For the year ended March 31, 2022, responding positively to the national call, the Group effectively helped clinics complete the online compliance inspection on hospital infection and pandemic prevention and control on time, thus further facilitating regular pandemic response. In our daily operation and management, we provided employees with pandemic prevention and control materials such as masks, hand sanitizers, and chlorine-containing disinfectants. We strengthened the control over offices, and conducted daily pandemic prevention work such as QR Code scanning, registration and temperature check of visitors at entrances and exits. In addition, we put more efforts in promoting knowledge of pandemic prevention and control among our employees, keeping them up-to-date with government policies and notices on pandemic prevention, and enhancing their awareness of pandemic prevention and protection.

### *安全防護*

為了更好地保障職業安全，本集團根據相關法律法規要求，建立了完善的工傷保障制度，並為全體員工購買了醫療保險、工傷意外險。當發生工傷時，我們通過採取快速有效的反應機制，確保傷員得到及時救治。2020-2022財年間，本集團因工亡故的員工人數及比率均為零；本財年因工傷損失工作日數為77天。

為提高員工的安全防護意識與應對緊急突發安全問題的處理能力，我們不定期組織開展員工安全知識技能培訓與消防模擬演練，進一步提高了員工的防火意識、自救能力以及應急處理能力。

同時，在疫情防控常態化的當下，本集團高度重視員工的健康與安全。2022財年，本集團積極響應國家號召，有效幫助各門診按時完成線上院感及疫情防控合規檢查，進一步做好常態化疫情防控工作。日常運營管理中，我們為員工提供口罩、免洗手消毒液、含氯消毒劑等疫情防控物資，並加強辦公區域管控，在出入口做好來訪人員掃碼、登記、測溫等日常防疫工作。此外，我們不斷加大對員工的疫情防控知識宣傳力度，及時更新政府防疫政策與通知，提升員工的疫情防範意識和防護能力。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### *Employee care*

The Group makes great efforts to create a positive, harmonious and pleasant corporate culture centred on employees' actual needs, so as to enhance their sense of integration and identity with the corporate culture. During the pandemic, we granted consolation subsidies to employees living in the dormitory, as well as purchasing disinfectant, masks and other pandemic prevention materials to ensure their daily disinfection and normal life. During the holidays, we visited various clinics and employee dormitories to bring satisfactory gifts and greetings to all employees, and we also organised warm and joyful festive celebrations. Employees have enjoyed the fruits of corporate development owing to their efforts through these humanistic cares which convey the Group's care for them with practices.

### **[Case: International Nurses' Day Celebration]**

On the occasion of International Nurses' Day dated 12 May, the Group organises a celebration for the nursing team, expressing sincere solicitude to nurses in each clinic with exquisite gifts to appreciate their dedication and contribution in clinical work.

### *員工關懷*

本集團以員工實際需求為出發點，努力營造積極向上、和諧愉悅的企業文化氛圍，增強員工對公司文化的融入感和認同感。疫情期間，我們為宿舍的員工每人發放慰問金，以及為宿舍購買消毒液、口罩等防疫物資，保障員工在宿舍的日常消毒和正常生活。在節假期間，我們走訪各個診所和員工宿舍，為全體員工帶去稱心的禮物和用心的問候，並組織開展溫馨歡樂的節日慶祝活動。各項人文關懷讓員工在辛勤工作的同時享受到公司發展的成果，以實際行動傳遞集團對員工的關愛。

### **[案例：國際護士節歡慶活動]**

每逢5.12國際護士節之時，集團會組織開展護理團隊慶祝活動，慰問每家診所的護士併發放精美禮品，感謝護理工作者在臨床工作中的付出與貢獻。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

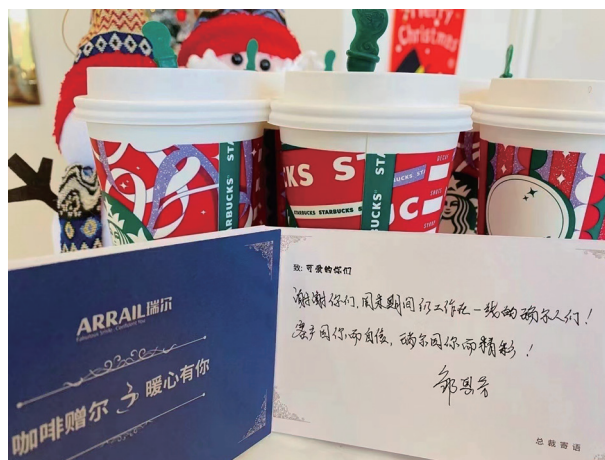
### [Case: Arrail's Christmas Heart-warming Delivery]

The Group took the opportunity of the Christmas in December, the busiest month in 2021, to send warm drinks to employees working on the front lines on 25 and 26 December, delivering them a strong sense of festival occasion.



### [案例：瑞爾聖誕節送溫暖活動]

本集團在2021年最忙碌的12月，借聖誕節之機，於25日和26日為奮戰在一線的員工們送上溫暖的飲品，也為員工們增加了節日的儀式感。



Arrail's Christmas Heart-warming Delivery  
瑞爾聖誕節送溫暖活動

## V. PROMOTING GREEN OPERATION

The Group actively responds to national and industry guidelines on environmental protection through implementing the concept of environmental protection, energy conservation and emission reduction in the healthcare services and corporate operations. Besides, the Group also identifies and responds to possible climate change risks to help achieve the national strategy of "carbon peaking by 2030, carbon neutrality by 2060" through reducing pollutant emissions and optimising resource utilisation. Meanwhile, we proactively promote and advocate the green and low-carbon lifestyle by encouraging our employees, suppliers, and other stakeholders to reduce carbon emissions in their daily operations, thereby raising public awareness of environmental protection and low-carbon to safeguard our green home.

## 五、推行綠色運營

本集團積極響應國家與行業的環保政策指引，將保護環境與節能減排的理念貫徹到醫療服務與企業運營中，並對可能產生的氣候變化風險進行識別與應對，通過減少污染物排放與優化資源利用的方式，助力國家「2030碳達峰，2060碳中和」戰略的實現。同時，我們積極宣傳和倡導綠色低碳生活方式，鼓勵員工、供應商及其他利益相關方在日常業務中減少碳排放，助力提升公眾環保低碳意識，守護綠色家園。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (I) Response to climate change

Climate change is altering the global ecosystem and natural environment, while having a profound impact on socio-economic and business development. The Group actively follows the trend of global climate change and incorporates climate change mitigation and adaptation into its ESG management. For the year ended March 31, 2022, the Group actively identified and assessed the possible impact of physical risks and transformation risks on its business development with reference to the classification of Task Force for Climate-related Financial Disclosure (TCFD), and took proactive measures to avoid the impact of climate change on its business operations and explore new business opportunities.

To proactively address the impact of climate change, the Group has identified climate change risks and countermeasures in the context of its actual operations:

#### Transition risks:

| Source<br>影響來源    | Description<br>影響描述  | Our responses<br>應對措施   |
|-------------------|--|---|
| Policies and laws | <ul style="list-style-type: none"> <li>The government and regulatory authorities may implement more stringent environmental protection-related laws, regulations and policies in the future, which may increase the Group's environmental compliance costs.</li> </ul> | <ul style="list-style-type: none"> <li>Conduct environmental and climate due diligence during operations to ensure compliance of operational processes;</li> <li>Actively communicate with shareholders with climate change as an important topic, and carry out relevant trainings on all employees via Arrail Academy.</li> </ul> |
| 政策和法律             | <ul style="list-style-type: none"> <li>政府及監管部門未來可能將實施更為嚴格的環保相關法律法規及政策，可能會增加集團的環境合規成本。</li> </ul>   | <ul style="list-style-type: none"> <li>在運營過程中進行環境和氣候盡職調查，以確保運營過程符合要求；</li> <li>將氣候變化作為重要議題，積極與股東溝通，並通過瑞爾學堂向全體員工陸續開展相關培訓內容。</li> </ul>   |

### (一) 應對氣候變化

氣候變化在改變全球生態系統與自然環境的同時，對社會經濟與企業發展也產生了深遠影響。本集團積極關注全球氣候變化的態勢，將氣候變化減緩與適應納入企業的ESG管理中。2022財年，本集團參考氣候相關財務信息披露工作組(Task Force for Climate-related Financial Disclosure, TCFD)的分類，主動識別、評估實體風險和轉型風險可能對自身業務發展帶來的影響，並積極採取應對措施，努力規避氣候變化對業務運營造成的衝擊，探索新的業務機遇。

為積極應對氣候變化帶來的影響，本集團結合實際運營情況，識別了氣候變化風險及應對措施：

#### 轉型風險：

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Source<br>影響來源 | Description<br>影響描述   | Our responses<br>應對措施   |
|----------------|---|---|
| Technologies   | <ul style="list-style-type: none"> <li>The task of low-carbon transformation in terms of energy saving and consumption reduction is arduous, and the overall energy efficiency level needs to be improved, which will increase the Group's transformation costs.</li> </ul>               | <ul style="list-style-type: none"> <li>Accelerate the procurement of environmental equipment and assets.</li> </ul>   |
| 技術             | <ul style="list-style-type: none"> <li>低碳轉型節能降耗任務艱巨，總體能效水平需要提升，增加集團轉型成本。</li> </ul>   | <ul style="list-style-type: none"> <li>加快採購環保設備和資產。</li> </ul>  |
| Market         | <ul style="list-style-type: none"> <li>The level of energy consumption of products will attract more attentions in the market, which will lead to decreased demand for products with high carbon emission intensity.</li> </ul>   | <ul style="list-style-type: none"> <li>Actively reduce the traditional porcelain casting process, and develop digital processes such as cutting and printing instead.</li> </ul>  |
| 市場             | <ul style="list-style-type: none"> <li>市場將更關注產品耗能水平，從而導致對碳排放強度高的產品需求降低。</li> </ul>  | <ul style="list-style-type: none"> <li>積極減少傳統鑄瓷鑄造工藝，轉而開發切削、打印等數字化工藝。</li> </ul>   |
| Reputation     | <ul style="list-style-type: none"> <li>Stakeholders are increasingly concerned about the Group's performance in relation to green and low-carbon development and climate change addressing, and any deviation from expectations may affect the Company's reputation and image.</li> </ul> | <ul style="list-style-type: none"> <li>Speed up the Group's low-carbon transformation;</li> <li>Establish a green and low-carbon corporate image, such as advocating employees to travel in a green way by public transport instead of private vehicles.</li> </ul> |
| 聲譽             | <ul style="list-style-type: none"> <li>利益相關方越來越關注集團在綠色低碳發展和應對氣候變化的相關表現，如果發生與預期不符情況，可能會影響公司的聲譽及形象。</li> </ul>  | <ul style="list-style-type: none"> <li>加快集團低碳轉型；</li> <li>樹立綠色低碳的企業形象，如倡導員工乘坐公共交通綠色出行、降低車輛使用率等。</li> </ul>  |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Physical risks:

### 實體風險：

| Source<br>影響來源 | Description<br>影響描述  | Our responses<br>應對措施  |
|----------------|--|--|
| Acute risks    | The increased frequency of natural disasters such as floods, heavy rains and snowstorms and typhoons may cause adverse situations such as disruption of the supply chain of medicines and medical equipment, inaccessibility of patients to hospitals, and losses of goods and properties, thus threatening the Group's ordinary course of business. | <ul style="list-style-type: none"> <li>Pay close attention to forecasts of extreme weather events provided by the climate authorities;</li> <li>Set up emergency plans, including contingency plans for major catastrophic weather, and those for shortage of medical supplies;</li> <li>Develop alternative policies for customer diagnosis and treatment.</li> </ul> |
| 急性             | 洪澇、暴雨雪、颱風等自然災害事件發生頻率增加，可能造成藥品及醫療設備供應鏈中斷、患者無法到院就診、物品財產損失等不利情況，從而威脅到集團的正常運營。   | <ul style="list-style-type: none"> <li>密切關注氣候部門提供的極端天氣事件預報；</li> <li>建立應急預案，包括重大災難天氣應急預案、醫療物資短缺應急預案等；</li> <li>制定客戶診療候補政策。</li> </ul>  |
| Chronic risks  | The Group's operating costs will rise, such as increase in power consumption for store operations and logistics and transportation costs.  |  |
| 慢性             | 集團運營成本提高，如店面運營電力消耗加大、物流運輸成本增加等。  |  |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Opportunities:

### 機遇：

| Source<br>影響來源        | Description<br>影響描述   | Our responses<br>應對措施   |
|-----------------------|---|---|
| Resource efficiency   | Decrease in the use of energy and water resources will enable the Group's businesses to operate at a lower cost and enhance the Group's reputation.   | <ul style="list-style-type: none"> <li>Formulate energy-saving and water-saving management measures and achieve the target of energy conservation and emission reduction year by year;</li> <li>Select products and suppliers that are more energy efficient and environmentally friendly.</li> </ul> |
| 資源效率                  | 減少能源、水資源的使用，可以使本集團企業運營成本降低，提升聲譽。  | <ul style="list-style-type: none"> <li>制定節能、節水管理辦法，逐年落實節能減排目標；</li> <li>選擇更加節能環保的產品及供應商。</li> </ul>   |
| Products and services | As global climate change intensifies, customers are increasingly inclined to use environmentally friendly products or services. The Group's initiatives in low carbon emissions can therefore bring us a competitive advantage. | <ul style="list-style-type: none"> <li>Develop environmental management strategies based on customer strategies and needs to reinforce competitive advantages.</li> </ul>   |
| 產品和服務                 | 隨着全球氣候變化的加劇，客戶越來越傾向於使用環境友好的產品或服務。因此本集團在低碳排放方面的舉措可以為我們帶來競爭優勢。  | <ul style="list-style-type: none"> <li>根據客戶戰略與需求制定環境管理策略，提升競爭優勢。</li> </ul>   |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (II) Enhancement on emissions management

The Group strictly complies with the *Environmental Protection Law of the People's Republic of China*, the *Air Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Soil Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste* and other relevant laws and regulations. In addition, the Group has formulated system documents such as the *Hazardous Waste Management System*, the *Emergency Response Plan for Environmental Emergencies* and the *System of Environmental Risk Prevention and Control and Emergency Response Measures*. The Group strengthens management on pollutants and hazardous waste emissions, thus reducing the negative impact of the Company's operations on the ecological environment. For the year ended March 31, 2022, the Group was not subject to any administrative penalties or related litigation because of environmental pollution.

#### *Wastewater management*

The wastewater generated by the Group is mainly from medical sewage and production wastewater. Among them, the discharge of medical sewage is strictly in accordance with the sewage discharge requirements set by the Group. Each hospital or clinic is equipped with sewage purification equipment, by which medical sewage must be pre-treated to ensure that it meets national discharge standards before being discharged into municipal pipelines. The sewage treatment equipment is managed by the Group's designated staff. The staff should be familiar with its performance, master maintenance and repair techniques, and regularly inspect the operation of the equipment, so as to find and remove faults in a timely manner and make detailed records. Furthermore, the Group invites qualified manufacturers or third parties on a regular basis to empty and disinfect sludge in the sewage treatment equipment, tests microbiological indicators and

### (二) 加強排放管理

本集團嚴格遵守《中華人民共和國環境保護法》《中華人民共和國大氣污染防治法》《中華人民共和國水污染防治法》《中華人民共和國土壤污染防治法》《中華人民共和國固體廢物污染環境防治法》等相關法律法規，並制定《危險廢物管理制度》《突發環境事件應急預案》《環境風險防控和應急措施制度》等制度文件，加強污染物與危險廢棄物排放管理，努力降低公司運營過程對生態環境的負面影響。2022財年，本集團未發生由於環境污染導致的行政處罰或相關訴訟。

#### *廢水管理*

本集團產生的廢水主要來源於醫療污水和生產廢水。其中，醫療污水的排放嚴格按照集團制定的污水排放要求，每家醫院或診所均設有污水淨化設備，醫療污水必須經過污水處理設備預處理，確保達到國家排放標準後方可排入市政管道。本集團安排專人管理污水處理裝置，管理人員應熟悉設備性能，掌握保養和維修技術，並定時巡視設備運轉情況，發現故障及時排除並作詳細記錄。本集團還會定期請有資質的廠家或者第三方完成污水處理設備中污泥的清掏和消毒工作，污泥排放前均需檢測微生物指標和糞大腸菌值，並做好定期消毒情況及污泥檢測結果等方面的記錄，保證醫療廢水在整個處理過程中對環境不產生任何危害。生產廢水主要源自本



# Environmental, Social and Governance Report

## 環境、社會及管治報告

faecal coliform values before sludge is discharged, and records the conditions of regular disinfection and sludge testing results, so as to ensure that no harm is caused to the environment during the entire treatment process of medical sewage. The production wastewater, which mainly originates from the production process of the Group's denture processing plant with an extremely small output, is filtered in four stages by the processing plant using sedimentation tanks to meet national harmless standards before being discharged.

The Group has applied for discharge permits in accordance with national laws and regulations, and the wastewater treatment and control standards are strictly consistent with the wastewater discharge standards set by the State, such as the *Standard for Discharge of Water Pollutants from Medical Institutions* (GB18466-2005), the *Technical Specifications for Hospital Water Treatment Works* (HJ2029-2013) and the *Technical Guideline for Hospital Wastewater Treatment* (Huan Fa [2003] No. 197).

### *Exhaust gas management*

The Group's gaseous emissions, which are mainly from production waste gas from the denture processing plant and dust generated during store construction, which have a limited impact on the environment. The small amount of production waste gas generated by the denture processing plant should be filtered using professional filtration equipment according to internal regulations to ensure that the discharge meets national emission standards. The specific management measures for dust generated during the construction process are clearly stipulated in the *Environmental Management Measures for Arrail Group's Engineering Projects* formulated by the Group, including: the designated staff are responsible for spraying water to reduce dust at the construction site; the construction waste sorting devices shall be enclosed and transported out to designated locations, so that no dust, spillage or on-site burning occurs; the dust removal equipment shall be installed at the construction site where necessary to avoid direct discharge into the atmosphere, etc.

集團義齒加工廠的生產過程，產量極小，由加工廠使用沉澱箱對其進行四級過濾，達到國家無害化標準後方可排放。

本集團已經按照國家法律法規辦理排污許可證，污水處理控制標準嚴格遵守《醫療機構水污染物排放標準》(GB18466-2005)、《醫院水處理工程技術規範》(HJ2029-2013)、《醫院污水處理技術指南》(環發[2003]197號)等國家制定的污水排放標準。

### *廢氣管理*

本集團的氣體排放物對環境造成的影響有限，主要來自於義齒加工廠的生產廢氣和門店施工過程中產生的粉塵。對於義齒加工廠產生的少量生產廢氣，內部規定需使用專業濾煙設備進行過濾，確保達到國家排放標準後方可排放。對於施工過程，本集團制定的《瑞爾集團工程項目環保管理措施》中明確規定粉塵的具體管理措施，包括：施工現場專人灑水降塵；施工垃圾分類裝置封閉外運至指定地點，不發生揚塵、遺撒及現場焚燒的情況；施工現場如必要區域安裝除塵設備，不得直接排入大氣等。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Waste management

The non-hazardous solid wastes generated by the Group are mainly domestic wastes; the hazardous wastes are mainly medical wastes, whose disposal process strictly complies with the *Hazardous Waste Management System* formulated by the Group.

The Group has established a strict management system to sort domestic wastes generated in its daily operations, including: promoting knowledge of domestic waste sorting within the scope of responsibility and designating employees to guide units and individuals in waste sorting; clarifying the discharge time and location of different types of domestic wastes, so as to collect and store them by categories; Domestic waste is collected and transported by qualified third-party companies through the building or shopping mall where the operating institution is located.

The Group classifies medical wastes generated from daily operations at source in accordance with the *Classified Catalogue of Medical Wastes* and the packaging of medical wastes is in line with the requirements of the *Standard of Packaging Bags, Containers and Warning Symbols Specific to Medical Wastes* (HJ421-2008). Each medical clinic and hospital has a specialized storage room for medical waste, in which medical waste storage boxes issued by the cooperative qualified transfer company are placed, and the staff seals medical waste in the storage boxes on time every day. The Group signs a transfer agreement with a qualified logistics companies to ensure that medical wastes are transferred within 48 hours. And at the same time, the responsible staff will register in detail the kilograms of wastes transferred, the types of medical wastes, the transferor, the receiver, the license plate number of transfer vehicles, the transfer location and other relevant information for traceability.

### 廢棄物管理

本集團產生的無害固體廢棄物主要為生活垃圾；有害廢棄物主要為醫療垃圾，其處理過程嚴格遵守集團制定的《危險廢物管理制度》。

針對日常運營中產生的生活垃圾，本集團建立了嚴格的生活垃圾分類管理制度，包括在責任範圍內開展生活垃圾分類知識宣傳，指定專人負責指導單位和個人進行生活垃圾分類；明確不同種類生活垃圾的投放時間和地點，做到分類收集、貯存生活垃圾；生活垃圾通過運營機構所在大廈或商場物業交由有資質的第三方公司收集運輸。

針對日常運營中產生的醫療廢棄物，本集團按照《醫療廢物分類目錄》規定，做好醫療廢物源頭分類，醫療廢物的包裝均符合《醫療廢物專用包裝袋、容器和警示標誌標準》(HJ421-2008)的要求。各醫療門診和醫院都有專門存放醫療廢物的暫存間，其中放置着由合作的有資質轉運公司發放的醫療廢物儲存箱，工作人員每日按時將醫療廢棄物封存在儲存箱內。本集團與合資格的物流公司簽署轉運協議，保證醫療廢棄物於48小時內完成轉運；同時，負責人員會詳細登記轉運公斤數、醫療廢物種類、轉運人、承接人、轉運車牌號、轉運地點等相關信息，便於追溯。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

In terms of waste reduction, the Group strictly controls the output rate of wastes from each clinic. In accordance with the *Notice on Promoting the Management on Domestic Wastes Sorting in Medical and Health Institutions* (Guo Wei Ban Yi Fa [2017] No. 30), infusion bottles (bags) with the infusion tubes removed that have not been contaminated by patients' blood, body fluids and excreta, and those with a small amount of remaining diluted common medicinal solution shall be collected and stored separately and centrally as uncontaminated infusion bottles (bags), and shall not be treated according to the standards for medical wastes, so that the Group can continuously improve the management on medical waste reduction. Meanwhile, we encourage hospital suppliers and manufacturers to design and manufacture product packaging in accordance with national regulations on clean production, produce packaging that is easy to recycle, dispose or degradable in the environment, restrict over-packaging, and reasonably build a product packaging recycling system to reduce environmental pollution from medical and domestic wastes generated by disposable consumption; we also encourage our employees to use reusable shopping bags or containers and join the "Clean your plate" campaign at meal times, so as to effectively push forward waste reduction at source.

### *Noise management*

The Group has also formulated a sound management mechanism for noise pollution that may generate during the production and construction process to avoid and reduce the adverse impact of noise on the environment as much as possible.

在廢棄物減量化方面，本集團嚴格控制各門診廢棄物的產出率。按照《關於在醫療衛生機構推進生活垃圾分類管理的通知》(國衛辦醫發[2017]30號)相關規定，對去除輸液管的未被患者血液、體液和排洩物等污染的輸液瓶(袋)和殘留少量經稀釋的普通藥液的輸液瓶(袋)，按未被污染的輸液瓶(袋)單獨集中回收、存放，不按醫療廢棄物的標準處理，持續做好醫療廢棄物減量管理。同時，我們鼓勵醫院的供應商及生產廠家按國家有關清潔生產的規定設計、製造產品包裝物，生產易回收利用、易處置或者在環境中可降解的包裝物，限制過度包裝，合理構建產品包裝物回收體系，減少一次性消費所產生的醫療及生活垃圾對環境的污染；鼓勵員工使用可反覆利用的購物袋或容器，用餐時實現光盤行動目標，有效推進廢棄物的源頭減量。

### *噪聲管理*

本集團亦對生產過程和施工過程中可能產生的噪聲污染制定了完善的管理機制，盡量規避和減少噪聲對環境產生的不利影響。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

During the production process, the Group's processing plants comply with Class 1 Standard in Table 1 of the *Emission Standard for Industrial Enterprises Noise at Boundary* (GB12348-2008); and in order to maximise its compliance, the Group has put into effect a series of noise control measures, including: installing a building sound-proof device on indoor equipment to reduce noise levels; installing shock-absorbing pads on mechanical equipment to reduce noise levels through physical shock absorption; and placing noise-generating equipment away from factory boundaries to reduce noise levels through distance attenuation.

During the construction process, the specific management measures for noise are clearly stipulated in the *Environmental Management Measures for Arrail Group's Engineering Projects* formulated by the Group, including: 1) reasonably arrange construction operation hours, strictly distinguish daytime and nighttime operations, and reduce noise from noise-generating equipment as much as possible; 2) vehicles transporting materials into the construction site shall not whistle; 3) loading and unloading materials shall be handled with care, especially during nighttime construction operations, and loud noise should be avoided; 4) strengthen the management on construction personnel, and they are strictly forbidden to enter other areas in spare time and make loud noises, etc.

在生產過程中，本集團的加工廠符合《工業企業廠界環境噪聲排放標準》(GB12348-2008)表1中的1類標準；同時，為最大限度地滿足合規要求，本集團已實施一系列噪音控制措施，其中包括：在室內設備上安裝建築隔音裝置，以降低噪音值；在機械設備上加裝減震墊，通過物理減震來降低噪音值；將產生噪音的設備放置在遠離工廠邊界的地方，通過距離衰減降低噪音值。

在施工過程中，本集團制定的《瑞爾集團工程項目環保管理措施》中明確規定噪聲的具體管理措施，包括：合理安排施工作業時段，白天與夜間作業嚴格區分，對產生噪音設備盡可能進行降噪處理；車輛運送物資進入施工現場不得鳴笛；裝卸物資、材料時輕拿輕放，尤其夜間施工作業，盡量避免產生大的噪音；加強對施工人員管理，嚴禁工余時間進入其他區域，嚴禁大聲喧嘩等。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### KPI: Emissions

關鍵績效指標：排放物

| Indicator  |   | The year ended<br>March 31, 2022 |
|--|---|----------------------------------|
| 指標   |   | 2022財年                           |
| Total GHG emissions (Scope 1 and Scope 2)<br>(tonnes carbon dioxide equivalent)      | 溫室氣體排放量(範圍1和範圍2)<br>(噸二氧化碳當量)             | 752.60                           |
| Total GHG emissions per unit area (tonnes<br>carbon dioxide equivalent/square metre) | 單位面積溫室氣體排放量<br>(範圍1和範圍2)(噸二氧化碳<br>當量/平方米) | 0.04                             |
| Direct GHG emissions (Scope 1)<br>(tonnes carbon dioxide equivalent)                 | 直接溫室氣體排放量(範圍1)<br>(噸二氧化碳當量)               | 63.38                            |
| Petrol   | 汽油  | 35.28                            |
| Diesel   | 柴油  | 28.10                            |
| Indirect GHG emissions (Scope 2)<br>(tonnes carbon dioxide equivalent)               | 間接溫室氣體排放量(範圍2)<br>(噸二氧化碳當量)               | 689.22                           |
| Purchased electricity  | 外購電力                                      | 689.22                           |
| Exhaust gas emission (cubic metre)   | 廢氣排放量(立方米)                                | 34.00                            |
| Atmospheric pollutant emissions (kilogram)   | 大氣污染物排放量(千克)                              |                                  |
| NO <sub>x</sub>  | 氮氧化物                                      | 75.31                            |
| SO <sub>2</sub>  | 二氧化硫                                      | 0.37                             |
| Wastewater emission (tonnes)   | 污水排放量(噸)                                  | 9,175.00                         |
| Total hazardous waste (tonnes)   | 有害廢棄物總量(噸)                                | 4.53                             |
| Total hazardous waste per unit area<br>(kilogram/square metre)                       | 每單位面積有害廢棄物總量<br>(千克/平方米)                  | 0.23                             |
| Total non-hazardous waste (tonnes)   | 無害廢棄物總量(噸)                                | 22.80                            |
| Total non-hazardous waste per unit area<br>(kilogram/square metre)                   | 每單位面積無害廢棄物總量<br>(千克/平方米)                  | 1.15                             |

Notes:

註：

- The key performance indicators of emissions cover the administrative office area of the Group, hospitals and clinics of Rytime Dental in Beijing, as well as our denture manufacturing plant. The remaining hospitals and clinics have not been included, and will be included in the statistics in due course according to the actual situation in the future.

- 排放物關鍵績效指標涵蓋本集團行政辦公區域、瑞泰口腔北京地區醫院和診所，以及義齒製作廠房，其餘醫院和診所暫未統計在內，未來將根據實際情況適時納入統計。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

2. The GHG inventory includes carbon dioxide, methane, and nitrous oxide, which are mainly derived from purchased electricity, gasoline, and diesel use. Greenhouse gas emissions are calculated according to the "China Regional Grid Average CO<sub>2</sub> Emission Factors for 2011 and 2012" published by the National Centre for Climate Change Strategy and International Cooperation and the "2006 IPCC Guidelines for National Greenhouse Gas Inventories" published by the Intergovernmental Panel on Climate Change (IPCC), and are presented in terms of CO<sub>2</sub>-equivalent presentation.
  3. Hazardous wastes are handed over to waste disposal units, mainly discarded paper, discarded office stationery and domestic waste generated in the office area.
  4. Hazardous wastes are handed over to qualified third-party recyclers for disposal, mainly including waste toner cartridges, waste ink cartridges, waste batteries, sewage treatment sludge from manufacturing plant, and medical wastes.
2. 溫室氣體清單包括二氧化碳、甲烷和氧化亞氮，主要源自外購電力、汽油及柴油使用。溫室氣體排放根據國家發展和改革委員會應對氣候變化司組織國家應對氣候變化戰略研究和國際合作中心刊發的《2011年和2012年中國區域電網平均二氧化碳排放因子》及政府間氣候變化專門委員會(IPCC)刊發的《2006年IPCC國家溫室氣體清單指南》進行核算，並按二氧化碳當量呈列。
  3. 無害廢棄物均交由垃圾清運單位進行處理，主要為辦公區產生的廢棄紙張、廢棄辦公文具及生活垃圾。
  4. 有害廢棄物均交由有資質的第三方回收商進行處理，主要包括廢硒鼓、廢墨盒、廢電池、加工廠污水處理污泥，及醫療垃圾。

### (III) Optimisation of resource utilisation

Strictly adhering to the requirements of laws and regulations such as *Energy Conservation Law of the People's Republic of China* and the *Water Law of the People's Republic of China*, and formulating the *Water and Electricity Saving System of Rytime Dental* and other documents, the Group actively advocates green office, implements a number of energy conservation and consumption reduction measures, constantly optimises the use of resources, and enhances the efficiency of resource utilisation, so as to achieve energy conservation and carbon reduction as well as continuous improvement of the ecological environment.

### (三) 優化資源利用

本集團嚴格遵守《中華人民共和國節約能源法》《中華人民共和國水法》等法律法規要求，並制定瑞泰口腔和瑞爾齒科節水節電制度等文件，積極倡導綠色辦公，推行多項節能降耗措施，不斷優化資源使用方式，提升資源利用效率，助力實現節能降碳及生態環境的持續改善。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### *Reinforcing energy saving and consumption reduction*

To save electricity and improve the efficiency of electricity consumption in hospitals, clinics, and offices, the Group has formulated relevant management practices to give priority to the use of energy-saving equipment. For example, lighting fixtures of hospitals and clinics are equipped with the one-touch start/stop function to prevent employees from forgetting to turn off the lights after work; BMS intelligent control system will be considered for the lighting system in new clinics so that the lighting fixtures can adjust the indoor lighting intensity according to the outdoor brightness to greatly reduce energy consumption; independent time-controlled switches are installed for the distribution boxes of clinics' outdoor light box advertisements to turn on and off at regular intervals; the procurement of low-energy-consuming products such as inverter air conditioners is increased while old equipment with high energy consumption is gradually phased out.

Meanwhile, to raise employees' awareness of energy saving, we have posted energy saving and emission reduction slogans in all major office areas and on large electrical equipment. Furthermore, we have strengthened the supervision on employees' electricity consumption in their daily work, requiring them to actively respond to and follow various energy saving measures developed by the Company. For example, employees should make full use of natural light during office hours and reduce the use of lighting equipment; when leaving the office, employees should turn off the lights, cut off the power supply of office equipment, thus firmly eliminating the phenomenon of "long-live light"; employees should reduce the energy consumption of standby electronic equipment, set their computers to hibernate if they are out of use over half an hour, switch off office equipment that is out of use for more than one hour, and power off water fountains after work and when they are not in use; employees should take full advantage of natural ventilation in summer, close doors and windows if air conditioners are used, and set the indoor air conditioning temperature to a more energy-efficient 26°C and above; cleaners should make full use of natural light and only turn on the lights of the floor they clean when doing cleaning, and turning on the lights of the whole building at the same time is forbidden. Meanwhile, traditional light sources with low luminous efficiency (e.g., T8 fluorescent lamps, incandescent lamps, quartz lamps, etc.) in hospitals and clinics have been replaced by more energy-efficient light sources.

### *加強節能減耗*

為節約電能，提高醫院、診所及辦公室的用電效率，本集團制定相關管理辦法，優先使用節能設備。例如，醫院和診所照明燈具均採用一鍵啟停功能，避免員工下班後忘記關燈；新診所照明系統將考慮安裝BMS智能控制系統，燈具照明根據室外亮度調節室內照明強度，更大程度地減少能源消耗；為診所戶外燈箱廣告的配電箱安裝獨立時控開關，定時開啟與關閉；加大變頻空調等低耗能產品的採購力度，陸續淘汰高耗能舊設備。

同時，為提高員工節能意識，我們在各主要辦公區域及大型用電設備處均張貼節能減排標識，並在日常工作中加強對員工用電的監督，要求員工積極響應並配合公司制定的多項節能措施。例如，員工在辦公時間要充分利用自然光照，減少照明設備的使用；離開辦公室時，要隨手關燈，切斷辦公室設備電源，堅決杜絕「長明燈」現象；減少電子設備待機能耗，停用半小時的電腦要設定休眠，停用一小時以上的辦公設備必須關閉電源，下班後和無人使用時要及時關閉飲水機的電源等；夏季充分利用自然通風，如必須使用空調時需關嚴門窗，並將室內空調溫度調至較為節能的26°C及以上；衛生清掃要充分利用自然光，如必須開燈照明清掃衛生時應分層開燈清掃，禁止同時打開整棟樓的燈光等。同時，醫院及診所內發光效率較低的傳統光源（如T8熒光燈、白熾燈、石英燈等）均被更換為發光效率更高的節能光源。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

In addition to pursuing the concept of energy conservation, the Group also works to appeal for its employees' decrease in resource consumption. In terms of reducing paper usage, the Group actively promotes the concept of a paperless office to minimise the amount of paper used and improve the electronic administrative capabilities of its employees; in the event that paper must be used, internal circulation documents, other than official documents, are printed two-sided or by using second-hand paper from the waste paper recycling bins as far as possible. In terms of reducing commercial vehicle usage, the Group strictly enforces the management system for the use of commercial vehicles by strengthening rational and scientific vehicle deployment, regularly counting the mileage and fuel consumption to control the fuel consumption per vehicle, while encouraging travel with a green footprint such as public transport or walking. The above specific measures have effectively tightened up the Group's efforts in energy conservation and consumption reduction, fully reflecting our strong determination to save electricity and reduce energy consumption.

除推行節約能源理念外，本集團還致力於呼籲員工減少資源消耗。在減少用紙方面，本集團積極推行無紙化辦公理念，最大限度減少用紙量，提高員工電子化行政能力；若遇必須使用紙張的情況，除正式公文外，內部流通文件盡量使用雙面打印或利用廢紙回收箱中的二手紙打印。在減少公車方面，本集團嚴格執行公務車使用管理制度，加強車輛調派的合理性和科學性，定期統計行駛里程和耗油量狀況以控制單車油耗，並提倡公共交通或步行等綠色出行方式。此外，以上各項具體舉措切實加強了本集團在節能與減耗方面的工作力度，充分體現出本集團在節約用電、減少能源消耗方面的堅定決心。



Posting energy saving slogans and advocating switching off lights timely  
張貼節能標識，倡導隨手關燈



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### *Saving water resources*

To avoid wasting water resources, the Group intensifies the daily maintenance and management of water-using equipment and regularly have taps examined and repaired, etc. to eliminate the phenomenon of “running water without turning off taps”. Furthermore, the Group’s internal rules and regulations also specify specific initiatives to save water resources, including: the auto-sensing taps are used in hospitals and clinics to avoid water dripping from incompletely turned-off ordinary hand-operated taps that is not found in time due to mistaken touch; the drainage pipes are all made of UPVC pipe fittings to increase their useful lives and prevent leak accidents caused by old pipes; the leak detectors are added at the end of drainage pipes to enable timely leak detection and maintenance; during cleaning, using water to wash indoor and outdoor floors should be minimised, buckets should be used to clean mops, and the use of sinks without taps closed for washing objects is strictly prohibited, etc. Meanwhile, we exert ourselves in raising employees’ awareness of water conservation by posting water-saving slogans on water-using equipment and advocating employees to practice the green concept of water conservation together.

### *Regulating green construction*

The Group adopts enclosed management during store construction. In addition to dust and noise reduction, a series of environmental protection material management initiatives are also stipulated in the *Environmental Management Measures for Arrail Group’s Engineering Projects*, including: 1) the Engineering Department should strictly review and supervise the standards and sources of engineering materials, which are required to be consistent with the tender documents; 2) ceramic tiles, paints, panels and flooring materials should be in accordance with the environmental protection standards that meet the E0 level; 3) the Group should actively organise trainings on construction material management, especially conducting corresponding research and evaluation on the new material application and technological innovation in the field of environmental protection, etc. The Group not only strictly complies with construction-related laws, regulations and standards, but also actively adopts advanced green materials and processes to minimise possible environmental damages, fully demonstrating its firm resolve to actively explore a green and low-carbon construction and development path.

### *節約水資源*

為避免水資源浪費，本集團加強用水設備的日常維護管理，定期對水龍頭等進行檢修，杜絕「長流水」現象。此外，集團制定的內部規章制度也明確了節約水資源方面的具體舉措，其中包括：醫院和診所內均採用自動感應式水龍頭，避免普通手執式水龍頭在使用中有誤觸後沒及時發現關閉滴水問題；排水管道均採用UPVC管材管件，增加其使用年限，避免管材老舊發生漏水事故；排水管道末端增加漏水探測儀，可以及時發現漏水故障並及時維修處理；衛生清掃盡可能減少用水沖洗室內外地面，清洗拖布時應使用水桶，嚴禁利用水池放長流水清洗物品等。同時，我們努力提高員工的節水意識，在用水設備處張貼節水標語，倡導員工共同實踐節約水資源的綠色理念。

### *規範綠色建設*

本集團在門店施工過程中均採取封閉式管理，除減少粉塵及噪音外，《瑞爾集團工程項目環保管理措施》中還規定了一系列環保材料管理舉措，其中包括：工程部應嚴格審核並監督工程材料的各項標準及來源，需與招標文件相符；瓷磚、塗料、板材、地板類物料物資應採用符合E0級別的環保標準；積極組織開展施工材料管理培訓，尤其要對環保領域的新材料應用和技術革新做相應調研及評估等。本集團不僅嚴格遵守施工建設相關的法律法規和規範標準，而且積極採用先進的綠色環保材料和工藝，最大限度減少可能對環境造成的危害，充分體現本集團積極探索綠色低碳建設與發展路徑的堅定決心。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### **[Case: Green construction initiative of Arrail Group]**

In response to the “14th Five-Year Plan” on Energy Conservation and Emission Reduction released by the State Council, and in line with China’s efforts to establish a green, low-carbon and circular economic system, the Group has proposed the “Green Construction Process” initiative to maximise resource conservation and reduce construction activities that may have a negative impact on the environment. In terms of water conservation, we supervise the installation of electronic valves in drainage systems in eligible clinics, as well as sub-control valves at the end of water pipes, and add leak detectors at the end of drainage pipes to minimise “water flowing, emitting and leaking”; in terms of energy conservation, we install fresh air systems in new projects and adopt a full heat exchange mode to assist the air-conditioning system to keep the temperature constant and reduce electricity consumption; in terms of material conservation, we strengthen the weighing and quantity budgeting of construction materials and procurement management, carry out construction waste sorting, repair old ones and recycle useful ones for reuse; and in terms of environmental protection, construction materials used such as ceramic tiles, paints, panels are in accordance with the environmental protection standards that meet the E0 level. Since the launch of the “Green Construction Process”, annual water and electricity savings of the clinics with electronic valves and fresh air systems installed have reached 1.5% and 2% respectively, and material loss of the Engineering Department has decreased by 1.5% by the end of the Reporting Period.

### **[案例：瑞爾集團綠色施工倡議]**

為響應國務院《「十四五」節能減排綜合工作方案》，配合國家建立綠色低碳循環的發展經濟體系，本集團提出「綠色施工流程」倡議，最大限度節約資源，減少可能對環境造成負面影響的施工活動。在節水方面，我們監督有條件的診所為排水管道系統安裝電子閥門，為水管末端安裝分控閥門，為排水管道末端增加漏水探測儀，最大限度降低「跑、冒、漏」的情況；在節能方面，新項目施工均安裝新風系統，採用全熱交換模式，協助空調系統保持溫度，降低耗電量；在節材方面，我們對施工材料加強稱重和數量預算以及採購管理，對施工垃圾進行分檢，修舊利廢，回收有用垃圾進行再利用；在環保方面，施工建材如瓷磚、塗料、板材等物料物資均採用符合E0級別的材料。開展「綠色施工流程」以來，截至2022財年底，安裝電子閥門的診所年度節水量達1.5%，安裝新風系統的診所年度節電量達2%，工程部材料損耗減少1.5%。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### KPI: Use of energy and resource

### 關鍵績效指標：能源及資源使用

| Indicator  |                          | The year ended<br>March 31, 2022 |
|--|--------------------------|----------------------------------|
| 指標   |                          | 2022財年                           |
| Total energy consumption(MWh)                                  | 能源消耗總量(兆瓦時)              | 1,021.69                         |
| Total energy consumption per unit area<br>(MWh/square metre)   | 每單位面積能源消耗總量(兆瓦時/<br>平方米) | 0.05                             |
| Direct energy consumption(MWh)                                 | 直接能源消耗(兆瓦時)              | 242.29                           |
| Petrol   | 汽油                       | 158.80                           |
| Diesel   | 柴油                       | 83.49                            |
| Indirect energy consumption(MWh)                               | 間接能源消耗(兆瓦時)              | 779.40                           |
| Purchased electricity  | 外購電力                     | 779.40                           |
| Total water consumption (tonnes)                               | 總耗水量(噸)                  | 32,696.8                         |
| Total water consumption per unit area<br>(tonnes/square metre) | 每單位面積耗水量(噸/平方米)          | 1.7                              |
| Fresh water  | 新鮮水                      | 19,409.8                         |
| reclaimed water  | 中水                       | 13,287.0                         |
| Packaging (tonnes)   | 包裝材料(噸)                  | 1.05                             |

#### Note:

1. The key performance indicators of energy and resource cover the administrative office area of the Group, hospitals and clinics of Rytme Dental in Beijing, as well as our denture manufacturing plant. The remaining hospitals and clinics have not been included, and will be included in the statistics in due course according to the actual situation in the future.

#### 註：

1. 能源及資源使用關鍵績效指標涵蓋本集團行政辦公區域、瑞泰口腔北京地區醫院和診所，以及義齒製作廠房，其餘醫院和診所暫未統計在內，未來將根據實際情況適時納入統計。

### KPI: setting of environmental targets

### 關鍵績效指標：環境目標設定

| Type of targets     | Setting of targets   |
|---------------------|--|
| 目標類型                | 目標設定   |
| Target of emissions | <ul style="list-style-type: none"> <li>By the end of the year ending March 31, 2024, the Group will reduce per capita emissions of greenhouse gas generated by purchased electricity by 3% compared to the year ended March 31, 2022 by replacing LED lights, implementation of the <i>Energy Conservation and Resource Management System</i>, increasing renewable resources such as solar energy, promoting computer power-saving modes, and adjusting the temperature of air conditioners in winter and summer</li> </ul> |
| 排放量目標               | <ul style="list-style-type: none"> <li>以2022財年為基準，至2024財年底，本集團通過更換LED節能燈源、加大落實《節約能源及資源管理制度》、有條件增加太陽能等可再生資源、提倡電腦省電模式、調節冬夏空調溫度等方法，將因外購電力而產生的人均溫室氣體排放減少3%</li> <li>By the year ending March 31, 2026, the Group will increase the proportion of business travel by high-speed railways to 50% through methods such as the financial reimbursement policies, regulations governing staff business travel, etc.</li> <li>到2026財年，本集團通過財務報銷制度、員工出差管理規定等方面，將員工差旅乘坐高鐵出行的人數比例提高至50%</li> </ul>  |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Type of targets           | Setting of targets   |
|---------------------------|--|
| 目標類型                      | 目標設定   |
| Target of waste reduction | <ul style="list-style-type: none"> <li>• By the end of the year ending March 31, 2026, the Group will reduce domestic/global business trips by 30% compared to the year ended March 31, 2022 by enhancing online meetings and communication based on relevant regulations governing staff business travel</li> <li>• 以2022財年為基準，至2026財年底，本集團通過員工出差管理規定加大線上會議溝通等途徑，將減少國內／全球地區的商務出行次數30%</li> <li>• From the year ending March 31, 2023, the Group will fully promote garbage sorting and recycling</li> <li>• 自2023財年起，本集團將全面實施垃圾分類回收</li> <li>• The Group entrusts qualified third-party institutes to dispose 100% of hazardous wastes generated from operations in compliance with regulations</li> <li>• 本集團100%委託有資質第三方單位合規處置運營產生的有害廢棄物</li> <li>• From the year ending March 31, 2024, the Group will promote direct-drinking water in office buildings in all operating sites, and purchase less bottled water/barrelled water, in order to reduce the generation of plastic wastes</li> <li>• 自2024財年起，本集團在所有運營場所辦公樓推廣直飲水，減少對瓶裝水／桶裝水的採購，以減少塑料廢棄物的產生</li> <li>• By the end of the year ending March 31, 2024, the Group will replace 100% of plastic garbage bags with biodegradable ones</li> <li>• 到2024財年底，本集團將全面實現100%用可生物降解的垃圾袋取代塑料垃圾袋</li> </ul> |
| 減廢目標                      |  |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Type of targets<br>目標類型                 | Setting of targets<br>目標設定   |
|---|--|
| Target of energy efficiency<br>能源使用效益目標 | <ul style="list-style-type: none"> <li>By the end of the year ending March 31, 2024, the Group will reduce per capita electricity consumption by 3% compared to the year ended March 31, 2022 by replacing LED lights, implementation of the <i>Energy Conservation and Resource Management System</i>, increasing renewable resources such as solar energy, promoting computer power-saving modes, and adjusting the temperature of air conditioners in winter and summer</li> <li>以2022財年為基準，到2024財年底，本集團通過更換LED節能燈源、加大落實《節約能源及資源管理制度》、有條件增加太陽能等可再生資源、提倡電腦省電模式、調節冬夏空調溫度等措施，將人均用電量減少3%</li> <li>From the year ending March 31, 2024, the Group plans to continue the purchase of renewable energy certificates to offset the electricity consumed in its operations</li> <li>自2024財年起，本集團計劃持續購買可再生能源證書用以抵償我們在運營當中所消耗的電力</li> <li>By the year ending March 31, 2024, the Group will achieve a 100% installation rate of inverter air conditioners and energy-saving lamps</li> <li>到2024財年，本集團變頻空調和節能燈採用率達到100%</li> </ul> |
| Target of water efficiency<br>用水效益目標    | <ul style="list-style-type: none"> <li>By the end of the year ending March 31, 2024, the Group will reduce per capita water consumption by 3% compared to the year ended March 31, 2022 by adopting water-saving faucets and sanitary ware, increasing reclaimed water circulation systems and enhancing the implementation of the <i>Energy Conservation and Resource Management System</i></li> <li>以2022財年為基準，到2024財年底，本集團通過更換節水型水龍頭和衛生潔具、增加中水循環系統、加大落實《節約能源及資源管理制度》等途徑，將人均自來水用量減少3%</li> <li>By the year ending March 31, 2025, the Group will achieve a 90% replacement rate for old wastewater treatment facilities</li> <li>到2025財年，本集團老舊廢水設施換新率達到90%</li> <li>By the year ending March 31, 2024, the Group will achieve an 80% retrofitting rate of electronic valves in drainage piping systems</li> <li>到2024財年，本集團排水管道系統電子閥門加裝率達到80%</li> <li>By the year ending March 31, 2024, the Group's automatic sensor water tap installation rate will reach 100%.</li> <li>到2024財年，本集團自動感應水龍頭安裝率達到100%</li> </ul>      |
| Others<br>其他環境目標                        | <ul style="list-style-type: none"> <li>From the year ending March 31, 2024, the Group will prioritise the LEED-certified buildings when renting/purchasing new workplaces</li> <li>自2024財年起，本集團在租用／購買新辦公場所時優先考慮獲得LEED認證的建築</li> </ul>  |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### VI. BUILDING A BEAUTIFUL HOMELAND

Adhering to its core philosophy of “integrity, professionalism and being a good person”, the Group actively fulfils its social responsibilities as a corporate citizen, develops hand in hand with communities and the public, and promotes the sustainable development of the social healthcare industry with its reliable professionalism and humanistic care. For the year ended March 31, 2022, we carried out a variety of public welfare programmes and community activities, and actively carried out charitable donations. In July 2021, we donated RMB 1 million to support the rainstorm and flood disaster relief work in Henan, reflecting our vision and determination of building a beautiful home together.

#### (I) Benefiting the public with healthcare

The Group is convinced that oral health plays an important role in public health. Against the backdrop that the oral disease incidence of the children in mountainous areas is significantly higher than those in urban areas, we acted actively to provide free clinical services for children in mountainous areas, and publicise the knowledge of oral health to help them develop correct awareness of oral health. In 2011, the Group and China Oral Health Foundation jointly launched the “Programme of Oral Disease Prevention and Treatment for Orphans and Disabled Children”. In addition, it holds charity golf tournaments on an annual basis to raise funds. As of March 31, 2022, the programme had covered 40,448 people in 52 cities of 23 provinces. From 1 April 2021 to 31 March 2022, despite the impact of the pandemic, the Group still cooperated with China Oral Health Foundation and local public hospitals to provide free clinical services for 200 orphans and children with disabilities from the Children’s Home of Guiyang and the School for the Blind and Deaf in Qianxinan Prefecture of Guizhou Province.

### 六、 共建美好家園

在「誠信、專業、做好人」的核心理念指導下，本集團積極履行企業公民的社會責任，與社區、群眾共贏共生，以堅定的專業精神和人文關懷，促進社會醫療衛生行業的可持續發展。2022財年，我們開展多元化的公益項目與社區活動，積極開展慈善捐贈，於2021年7月捐款100萬元人民幣，定向用於支持河南暴雨洪災救援工作，體現了我們共建美好家園的願景與決心。

#### (一) 醫療普惠

本集團堅信口腔健康是公共衛生的重要組成部分，面對山區兒童口腔問題明顯高於城區的情況，我們積極採取行動，走進山區免費為兒童義診，普及口腔知識，讓每一位孩子樹立正確口腔健康觀念。2011年，本集團與中國牙病防治基金會共同發起「孤殘兒童口腔疾病防治綜合項目」，並每年舉辦慈善高爾夫球賽進行募捐。截至2022財年，項目走過23省市52個城市，公益覆蓋人數40,448人。2021年4月1日至2022年3月31日期間，雖受疫情影響，本集團依舊聯合中國牙病防治基金會及當地公立醫院，前往貴陽福利院及黔西南州盲聾啞學校進行義診，為200名孤殘兒童提供了公益口腔服務。

# Environmental, Social and Governance Report

## 環境、社會及管治報告



Scene of the “Programme of Oral Disease Prevention and Treatment for Orphans and Children with Disabilities”  
孤殘兒童口腔疾病防治項目活動現場

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (II) Charitable clinical services

To improve the oral health of the public, all branches of the Group's Rytime Dental located across the country will send a large number of dentists to communities, enterprises, and schools on every 20 September, the Day of Dental Care, to publicise the knowledge of oral health and provide dental check for the public. Among them, branches in Chongqing, the city with the largest number of hospitals and clinics of Rytime Dental, have carried out noticeable free clinical services. In September 2021, Rytime Dental held the dental educational exhibitions during the "Month of Dental Care" simultaneously at Guanyinqiao, Jiangbei District and Aegean Place (a shopping mall) in Yubei District. Meanwhile, Rytime Dental held a range of special dental care lectures in kindergartens and communities and provided free dental clinical services and dental health publicity for the public of Chongqing, improving their awareness of oral health and cultivating a social atmosphere of caring oral health. The local TV station of Chongqing reported this event, which received broad-based attention and praise from the public.

### (二) 公益義診

為提升群眾口腔健康素養水平，本集團瑞泰口腔全國各地區分支在每年「920全國愛牙日」期間，均會派出大量口腔醫務人員深入社區、企業、學校等，為市民科普口腔健康教育、檢查口腔健康。其中，重慶地區作為瑞泰旗下擁有醫院及門診數量最多的城市，在舉辦義診公益活動方面具有一定的代表性。2021年9月，瑞泰口腔分別在江北觀音橋、渝北愛琴海購物公園同步開展了愛牙月科普展覽。與此同時，瑞泰口腔走進幼兒園、社區，開展了一系列愛牙專題沙龍，為重慶市民進行口腔義診及科普宣傳，提升了群眾的口腔健康素養，創建了有利於口腔健康的社會氛圍。重慶地區電視台就本次活動給予相關報道，引發社會廣泛關注與好評。



## Environmental, Social and Governance Report 環境、社會及管治報告

By the end of December 2021, Rytime Dental had collaborated with more than 60 hospitals and clinics in the top ten cities of the country (namely Beijing, Chongqing, Chengdu, Shanghai, Xi'an, Changsha, Qingdao, Jiangyin, Jingjiang and Dalian) to organise thousands of doctors and experts to carry out more than 400 large-scale online and offline free clinical activities, benefiting more than one million families.

To further enhance the public's awareness of oral health, help people develop sound oral health habits, and encourage students to grasp the dental knowledge and care for their health, the Group actively and continuously provides free dental clinical services in communities and schools. We regularly provide systematic oral healthcare for students and the public through our free clinical services, such as fluoride treatment in communities and schools, and free periodontal and dental implant surgeries in schools. From 1 April 2021 to 31 March 2022, the Group carried out a total of 626 community activities including free clinical services, benefiting 30,662 participants.

截至2021年12月，瑞泰口腔在全國十大城市，即北京、重慶、成都、上海、西安、長沙、青島、江陰、靖江、大連，聯合60余家醫院及門診，集結千余名醫生專家共同發力，線上線下共開展了400余場大型義診公益活動，超過百萬組家庭受益。

為了進一步提高市民的口腔衛生保健意識，幫助大家養成良好的口腔健康習慣，讓更多的學生懂得愛護牙齒、關注健康，本集團積極持續地為社區、學校提供口腔義診。我們定期為社區、學校實施義診塗氟、為學校免費開展牙周及種植手術治療等，幫助學生以及廣大市民接受系統性的口腔保健。2021年4月1日至2022年3月31日期間，本集團開展了包含義診在內的社區活動共計626場，惠及30,662人次。

# Environmental, Social and Governance Report

## 環境、社會及管治報告



Free clinical services in communities and schools  
社區、學校口腔義診

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (III) Fighting against the pandemic

Since February 2021, facing the severe and complicated situation of the COVID-19 pandemic prevention and control, to thoroughly block the transmission of the COVID-19 pandemic, the Group has mobilised medical staff from 51 clinics in North China, South China and East China in response to the call of the governmental authorities in local cities, and supported the government's anti-pandemic campaign by organising human and material resources to establish a support team for nucleic acid testing and vaccination work in a timely manner. By the end of March 2022, the Group has dispatched a total of 127 medical workers across the country for nucleic acid testing and COVID-19 vaccination in an orderly manner, serving tens of thousands of citizens. During this period, in spite of the scorching hot in summer and the freezing cold in winter, our medical staff strictly complied with the requirements of their superiors, completed various support work excellently and contributed to the battle against the pandemic.

### (三) 防疫支援

自2021年2月起至今，由於疫情防控形勢嚴峻複雜，為堅決阻斷新冠肺炎疫情傳播途徑，本集團動員華北、華南、華東三大區域51家診所醫護人員積極響應城市上級政府部門的號召，迅速組建支援團隊參與核酸檢測與疫苗接種工作，積極投入人力物力支持政府抗疫工作。截至2022年3月底，本集團全國地區累計派出127名醫護人員，有序開展核酸檢測和新冠疫苗接種工作，累計服務數十萬餘名市民。在此期間，無論是酷暑時節還是寒冬臘月，我們的醫護人員均嚴格遵守上級要求，出色完成各項支援工作，為阻斷疫情進一步擴散蔓延貢獻力量。



Support for nucleic acid testing and vaccination  
支援核酸檢測與疫苗接種

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### (IV) Charitable donation

To help the healthy growth of more youth in remote areas, the Group's Rytime Dental participated in "Project Hope" of the China Youth Development Foundation, donating a Hope Primary School in August 2021, which was named as "Rytime Hope Primary School". As of December 2021, Rytime Dental has donated RMB0.5 million for Project Hope. On the New Year's Day in 2022, it gave away more than 100 thermal cups to all students of the school.

Rytime Dental is not only committed to improving the environment for the learning and living of the school's teachers and students, but also fully utilising its medical expertise to provide dental services (such as oral checks, preventive health care, knowledge publicity, etc.) for teachers, students and people in nearby areas and conduct long-term survey and return visits to improve the oral health of local people.

### (四) 愛心捐助

為了幫助更多偏遠地區的青少年健康成長，本集團瑞泰口腔通過參與中國青少年發展基金會的「希望工程」項目，於2021年8月捐助建設了一所希望小學，並命名為「瑞泰希望小學」。截至2021年12月，瑞泰口腔已經完成50萬希望工程款項捐贈，並在2022年元旦期間，為該校全體學生贈送了百余件保溫杯。

瑞泰口腔不僅致力於幫助改善該校師生的學習和生活環境，而且還將竭盡所能充分發揮醫療專長，通過口腔檢查、預防保健、口腔科普等方式，為廣大師生及周邊民眾提供口腔保健和口腔醫療援助，並進行長期調研回訪，以此提升當地的口腔健康水平。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### APPENDIX

### 附錄

#### HKEX ESG Reporting Index

#### 聯交所ESG索引

| Area<br>範疇                   | Topic<br>議題 | Disclosure requirements<br>披露要求   | Section<br>對應章節                                   |
|------------------------------|-------------|---|---|
| Governance Structure<br>管治架構 | -           | <p>The statement of the Board of Directors shall contain the following content:</p> <p>由董事會發出的聲明，當中載有下列內容：</p> <p>(1) the disclosure of the Board of Directors' oversight of environmental, social and governance matters;</p> <p>(1) 披露董事會對環境、社會及管治事宜的監管；</p> <p>(2) the ESG management approach and strategy adopted by the Board of Directors, including the process for assessing, prioritising and managing significant ESG-related matters (including the risks related to the issuer's business); and</p> <p>(2) 董事會的環境、社會及管治管理方針及策略，包括評估、優次排列及管理重要的環境、社會及管治相關事宜（包括對發行人業務的風險）的過程；及</p> <p>(3) how the Board of Directors reviews the progress against ESG-related targets and explains how they relate to the issuer's business.</p> <p>(3) 董事會如何按環境、社會及管治相關目標檢討進度，並解釋它們如何與發行人業務有關連。</p> | <p>ESG concept and management</p> <p>ESG理念與管理</p> |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Area<br>範疇                   | Topic<br>議題 | Disclosure requirements<br>披露要求   | Section<br>對應章節                        |
|------------------------------|-------------|---|--|
| Reporting Principles<br>匯報原則 | -           | <p>The reporting principles underpin the preparation of an ESG report, informing the content of the report and how information is presented: The issuer shall comply with the following reporting principles when preparing the ESG report:</p> <p>匯報原則是編製環境、社會及管治報告的基礎，界定報告的內容及信息的呈列方式。發行人編備環境、社會及管治報告時應遵守這些匯報原則：</p> <ol style="list-style-type: none"> <li>(1) <b>Materiality</b> is the threshold at which the Board of Directors believes ESG issues become sufficiently important to investors and other stakeholders that they should be reported.</li> <li>(1) 重要性：當董事會釐定有關環境、社會及管治事宜會對投資者及其他持份者產生重要影響時，發行人就應作出匯報。</li> <li>(2) <b>Quantification</b>: the KPIs based on historical data must be measurable. The issuers shall set targets for mitigating individual impacts (in a form of statements that are actual data-based, directional guidance or forward-looking). In this way the effectiveness of ESG policies and management systems can be evaluated and validated. Quantitative information should be accompanied by a narrative, explaining its purpose, impacts, and giving comparative data where appropriate.</li> <li>(2) 量化：有關歷史數據的關鍵績效指針須可予計量。發行人應訂下減少個別影響的目標（可以是實際數字或方向性、前瞻性的聲明）。這樣，環境、社會及管治政策及管理系統的效益可被評估及驗證。量化數據應附帶說明，闡述其目的及影響，並在適當的情況下提供比較數據。</li> <li>(3) <b>Balance</b>: The ESG report should provide an unbiased picture of the issuer's performance. The report should avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgement by the report reader.</li> <li>(3) 平衡：環境、社會及管治報告應當不偏不倚地呈報發行人的表現，避免可能會不恰當地影響報告讀者決策或判斷的選擇、遺漏或呈報格式。</li> <li>(4) <b>Consistency</b>: The issuer should use consistent methodologies to allow for meaningful comparisons of ESG data over time.</li> <li>(4) 一致性：發行人應使用一致的披露統計方法，令環境、社會及管治數據日後可作有意義的比較。</li> </ol> | <p>About ESG Report</p> <p>關於ESG報告</p> |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Area<br>範疇         | Topic<br>議題            | Disclosure requirements<br>披露要求   | Section<br>對應章節   |
|--------------------|------------------------|---|---|
| Reporting Boundary | -                      | A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.   | About ESG Report  |
| 匯報範圍               |                        | 解釋ESG報告的匯報範圍，及描述挑選哪些實體或業務納入ESG報告的過程。若匯報範圍有所改變，發行人應解釋不同之處及變動原因。  | 關於ESG報告   |
| Environment<br>環境  | A1 Emissions<br>A1 排放物 | <p>General Disclosure:<br/>一般披露：</p> <p>Information on:<br/>有關廢氣及溫室氣體排放、對水及土壤的排污、有害及無害廢棄物的產生等的：</p> <p>(1) the policies; and<br/>(1) 政策；及</p> <p>(2) compliance with relevant laws and regulations that have a significant impact on the issuer<br/>(2) 遵守對發行人有重大影響的相關法律及規例的資料。</p> <p>relating to air and greenhouse gas emissions, discharges into water and soil, and generation of hazardous and non-hazardous waste<br/>A1.1 The types of emissions and respective emissions data<br/>A1.1 排放物種類及相關排放數據。</p> <p>A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).<br/>A1.2 直接（範圍1）及能源間接（範圍2）溫室氣體排放量及（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。</p> <p>A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility)<br/>A1.3 所產生有害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。</p> <p>A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).<br/>A1.4 所產生無害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。</p> | <p>Enhancement<br/>on emissions<br/>management<br/>加強排放管理</p> <p>Enhancement<br/>on emissions<br/>management<br/>加強排放管理</p> <p>Enhancement<br/>on emissions<br/>management<br/>加強排放管理</p> <p>Enhancement<br/>on emissions<br/>management<br/>加強排放管理</p> |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Area<br>範疇 | Topic<br>議題          | Disclosure requirements<br>披露要求   | Section<br>對應章節                      |
|------------|----------------------|---|--------------------------------------|
|            |                      | A1.5 Description of emissions target(s) set and steps taken to achieve them.  | Enhancement on emissions management  |
|            |                      | A1.5描述所訂立的排放量目標及為達到這些目標所採取的步驟。  | 加強排放管理                               |
|            |                      | A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.                             | Enhancement on emissions management  |
|            |                      | A1.6描述處理有害及無害廢棄物的方法及描述所訂立的減廢目標及為達到這些目標所採取的步驟。   | 加強排放管理                               |
|            | A2: Use of Resources | General Disclosure:<br>Policies on the efficient use of resources, including energy, water and other raw materials.   | Optimisation of resource utilisation |
|            | A2資源使用               | 一般披露：有效使用資源（包括能源、水及其他原材料）的政策。   | 優化資源利用                               |
|            |                      | A2.1 Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (KWh in '000s) and intensity (e.g., per unit of production volume, per facility). | Optimisation of resource utilisation |
|            |                      | A2.1按類型劃分的直接及／或間接能源（如電、氣或油）總耗量（以千個千瓦時計算）及密度（如以每產量單位、每項設施計算）。  | 優化資源利用                               |
|            |                      | A2.2 Total water consumption and intensity (e.g., per unit of production volume, per facility).   | Optimisation of resource utilisation |
|            |                      | A2.2總耗水量及密度（如以每產量單位、每項設施計算）。  | 優化資源利用                               |



# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Area<br>範疇 | Topic<br>議題  | Disclosure requirements<br>披露要求  | Section<br>對應章節  |
|------------|--|--|--|
|            |  | A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.<br>A2.3描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。  | Optimisation of resource utilisation,<br>Response to climate change<br>優化資源利用、應對氣候變化 |
|            |  | A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them<br>A2.4描述取用適用水源上可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟。  | Optimisation of resource utilisation,<br>Response to climate change<br>優化資源利用、應對氣候變化 |
|            |  | A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.<br>A2.5製成品所用包裝材料的總量（以噸計算）及（如適用）每生產單位估量。  | Optimisation of resource utilisation<br>優化資源利用                                       |
| A3         | The Environment and Natural Resources<br>A3環境及天然資源 | General Disclosure:<br>Policies on minimising the issuer's significant impacts on the environment and natural resources.<br>一般披露：減低發行人對環境及天然資源造成重大影響的政策。   | Enhancement on emissions management<br>加強排放管理  |
|            |  | A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.<br>A3.1描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。                            | Enhancement on emissions management<br>加強排放管理  |
| A4         | Climate Change<br>A4氣候變化                           | General Disclosure:<br>Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.<br>一般披露：識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。 | Response to climate change<br>應對氣候變化   |
|            |  | A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.<br>A4.1描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。        | Response to climate change<br>應對氣候變化   |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Area<br>範疇    | Topic<br>議題                     | Disclosure requirements<br>披露要求  | Section<br>對應章節  |
|---------------|---------------------------------|--|--|
| Society<br>社會 | B1 Employment<br>B1僱傭           | <p>General Disclosure:<br/>一般披露：</p> <p>Information on:<br/>有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：</p> <p>(1) the policies; and<br/>(1) 政策；及</p> <p>(2) compliance with relevant laws and regulations that have a significant impact on the issuer<br/>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.<br/>(2) 遵守對發行人有重大影響的相關法律及規例的資料。</p> <p>B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.<br/>B1.1按性別、僱傭類型（如全職或兼職）、年齡組別及地區劃分的僱員總數。</p> <p>B1.2 Employee turnover rate by gender, age group and geographical region<br/>B1.2按性別、年齡組別及地區劃分的僱員流失比率。</p> | <p>Attaching great importance to talent introduction, Protecting employees' rights and interests<br/>重視人才引進、保障員工權益</p> <p>Attaching great importance to talent introduction<br/>重視人才引進</p> <p>Attaching great importance to talent introduction<br/>重視人才引進</p> |
|               | B2 Health and Safety<br>B2健康與安全 | <p>General Disclosure:<br/>Information on:<br/>一般披露：有關提供安全工作環境及保障員工避免職業性危害的：</p> <p>(1) the policies; and<br/>(2) compliance with relevant laws and regulations that have a significant impact on the issuer<br/>relating to providing a safe working environment and protecting employees from occupational hazards.<br/>(1) 政策；及<br/>(2) 遵守對發行人有重大影響的相關法律及規例的資料。</p>   | <p>Care for physical and mental health<br/>關注身心健康</p>  |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Area<br>範疇 | Topic<br>議題                 | Disclosure requirements<br>披露要求  | Section<br>對應章節                                |
|------------|-----------------------------|--|--|
|            |                             | B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.<br>B2.1 過去三年(包括匯報年度)每年因工亡故的人數及比率。         | Care for physical and mental health<br>關注身心健康  |
|            |                             | B2.2 Lost days due to work injury<br>B2.2 因工傷損失工作日數。   | Care for physical and mental health<br>關注身心健康  |
|            |                             | B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.<br>B2.3 描述所採納的職業健康與安全措施，以及相關執行及監察方法。            | Care for physical and mental health<br>關注身心健康  |
|            | B3 Development and Training | General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work Description of training activities.                     | Facilitating coordinated development<br>助力協同發展 |
|            | B3 發展與培訓                    | 一般披露：有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。   | 助力協同發展   |
|            |                             | B3.1 The percentage of employees trained by gender and employee category (e.g., senior management, middle management).<br>B3.1 按性別及僱員類別(如高級管理層、中級管理層)劃分的受訓僱員百分比。 | Facilitating coordinated development<br>助力協同發展 |
|            |                             | B3.2 The average training hours completed per employee by gender and employee category<br>B3.2 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。   | Facilitating coordinated development<br>助力協同發展 |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Area<br>範疇 | Topic<br>議題                            | Disclosure requirements<br>披露要求   | Section<br>對應章節  |
|------------|--|---|--|
|            | B4 Labour Standards<br>B4 勞工準則         | <p>General Disclosure:<br/>Information on:<br/>一般披露：<br/>有關防止童工或強制勞工的：</p> <p>(1) the policies; and<br/>(1) 政策；及</p> <p>(2) compliance with relevant laws and regulations that have a significant impact on the issuer<br/>relating to preventing child and forced labour.<br/>(2) 遵守對發行人有重大影響的相關法律及規例的資料。</p> <p>B4.1 Description of measures to review employment practices to avoid child and forced labour.<br/>B4.1 描述檢討招聘慣例的措施以避免童工及強制勞工。</p> <p>B4.2 Description of steps taken to eliminate such practices when discovered.<br/>B4.2 描述在發現違規情況時消除有關情況所採取的步驟。</p>  | <p>Protecting employees' rights and interests<br/>保障員工權益</p> <p>Protecting employees' rights and interests<br/>保障員工權益</p> <p>Protecting employees' rights and interests<br/>保障員工權益</p> |
|            | B5 Supply Chain Management<br>B5 供應鏈管理 | <p>General Disclosure:<br/>Policies on managing environmental and social risks of the supply chain.<br/>一般披露：管理供應鏈的環境與社會風險政策。</p> <p>B5.1 Number of suppliers by geographical region.<br/>B5.1 按地區劃分的供應商數目。</p> <p>B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored<br/>B5.2 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及相關執行及監察方法。</p> <p>B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.<br/>B5.3 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。</p> <p>B5.4 Description of practices used to promote environmental preferable products and services when selecting suppliers, and how they are implemented and monitored<br/>B5.4 描述在選擇供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。</p> | <p>Supplier management<br/>供應商管理</p> <p>Supplier management<br/>供應商管理</p> <p>Supplier management<br/>供應商管理</p> <p>Supplier management<br/>供應商管理</p>                                    |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Area<br>範疇 | Topic<br>議題                          | Disclosure requirements<br>披露要求   | Section<br>對應章節   |
|------------|--------------------------------------|---|---|
|            | B6 Product Responsibility<br>B6 產品責任 | <p>General Disclosure:<br/>Information on:<br/>一般披露：<br/>有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：</p> <p>(1) the policies; and<br/>(1) 政策；及</p> <p>(2) compliance with relevant laws and regulations that have a significant impact on the issuer<br/>(2) 遵守對發行人有重大影響的相關法律及規例的資料。</p> <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p> <p>B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons<br/>B6.1 已售或已運送產品總數中因安全與健康理由而須回收的百分比。</p> <p>B6.2 Number of products and service related complaints received and how they are dealt with.<br/>B6.2 接獲關於產品及服務的投訴數目以及應對方法。</p> <p>B6.3 Description of practices relating to observing and protecting intellectual property rights.<br/>B6.3 描述與維護及保障知識產權有關的慣例。</p> | <p>Improving the product and service quality,<br/>Advertising and intellectual property management ,<br/>Privacy protection and information security</p> <p>提升產品與服務質量、廣告與知識產權管理、隱私保護與信息安全</p> <p>Improving the product and service quality<br/>提升產品與服務質量</p> <p>Improving the product and service quality<br/>提升產品與服務質量</p> <p>Advertising and intellectual property management<br/>廣告與知識產權管理</p> |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Area<br>範疇 | Topic<br>議題                 | Disclosure requirements<br>披露要求  | Section<br>對應章節  |
|------------|-----------------------------|--|--|
|            |                             | B6.4 Description of quality assurance process and recall procedures.<br>B6.4描述質量檢定過程及產品回收程序。   | Improving the product and service quality<br>提升產品與服務質量   |
|            |                             | B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.<br>B6.5描述消費者資料保障及私隱政策，以及相關執行及監察方法。  | Privacy protection and information security<br>隱私保護與信息安全 |
|            | B7 Anti-corruption<br>B7反貪污 | General Disclosure:<br>Information on:<br>一般披露：<br>有關防止賄賂、勒索、欺詐及洗黑錢的：<br>(1) the policies; and<br>(1) 政策；及<br>(2) compliance with relevant laws and regulations that have a significant impact on the issuer<br>relating to bribery, extortion, fraud and money laundering.<br>(2) 遵守對發行人有重大影響的相關法律及規例的資料。 | Practice of integrity<br>廉潔從業                            |
|            |                             | B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.<br>B7.1於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案的數目及訴訟結果。  | Practice of integrity<br>廉潔從業                            |
|            |                             | B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.<br>B7.2描述防範措施及舉報程序，以及相關執行及監察方法。  | Practice of integrity<br>廉潔從業                            |
|            |                             | B7.3 Description of anti-corruption training provided to directors and staff.<br>B7.3描述向董事及員工提供的反貪污培訓。   | Practice of integrity<br>廉潔從業                            |

# Environmental, Social and Governance Report

## 環境、社會及管治報告

| Area<br>範疇 | Topic<br>議題             | Disclosure requirements<br>披露要求   | Section<br>對應章節                  |
|------------|-------------------------|---|----------------------------------|
|            | B8 Community Investment | General Disclosure:<br>Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. | Building a beautiful<br>hometown |
|            | B8 社區投資                 | 一般披露：有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。  | 共建美好家園                           |
|            |                         | B8.1 Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport).   | Building a beautiful<br>hometown |
|            |                         | B8.1 專注貢獻範圍(如教育、環境事宜、勞工需求、健康、文化、體育)。  | 共建美好家園                           |
|            |                         | B8.2 Resources contributed (e.g., money or time) to the focus areas.  | Building a beautiful<br>hometown |
|            |                         | B8.2 在專注範圍所動用資源(如金錢或時間)。  | 共建美好家園                           |

# Independent Auditor's Report

## 獨立審計師報告

### To the Shareholders of Arrail Group Limited

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

### Opinion

#### What we have audited

The consolidated financial statements of Arrail Group Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 209 to 375, comprise:

- the consolidated balance sheet as at 31 March 2022;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive loss for the year then ended;
- the consolidated statement of changes in equity/(deficit in equity) for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

#### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") 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 International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 致瑞爾集團有限公司股東

(於英屬維爾京群島註冊成立並於開曼群島存續的有限公司)

### 意見

#### 我們已審計的內容

瑞爾集團有限公司(以下簡稱「貴公司」)及其子公司(以下統稱「貴集團」)列載於第209至375頁的合併財務報表，包括：

- 於2022年3月31日的合併資產負債表；
- 截至該日止年度的合併損益表；
- 截至該日止年度的合併全面虧損表；
- 截至該日止年度的合併權益／(權益虧絀)變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括主要會計政策及其他解釋信息。

#### 我們的意見

我們認為，該等合併財務報表已根據《國際財務報告準則》真實而中肯地反映了貴集團於2022年3月31日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，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《國際審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「審計師就審計合併財務報表承擔的責任」部份中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。



# Independent Auditor's Report

## 獨立審計師報告

### Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Estimation of revenue from orthodontics and implantology services
- Impairment assessment of goodwill
- Fair value determination of restrictive share unit awards (the "RSUs")

#### Key Audit Matter

##### 關鍵審計事項

#### Estimation of revenue from orthodontics and implantology services

Refer to notes 2.23, 4(b) and 6 to the consolidated financial statements.

請參閱合併財務報表附註2.23、附註4(b)及附註6。

### 獨立性

根據國際會計師職業道德準則理事會頒佈的《國際會計師職業道德守則(包含國際獨立性標準)》(以下簡稱「道德守則」)，我們獨立於貴集團，並已履行道德守則中的其他專業道德責任。

### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併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合併財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 來自正畸及植牙服務收入的估計
- 商譽減值評估
- 受限制股份單位獎勵(「受限制股份單位」)的公允價值釐定

#### How our audit addressed the Key Audit Matter

##### 我們的審計如何處理關鍵審計事項

#### 來自正畸及植牙服務收入的估計

Our procedures in relation to estimation of revenue from orthodontics and implantology services were mainly as follows:

我們有關來自正畸及植牙服務收入的估計程序主要如下：

- Understood and evaluated the Group's key internal controls in relation to the estimation of the total expected costs necessary to complete the orthodontics and implantology services;
- 了解並評估貴集團有關估計完成正畸及植牙服務必要的總預期成本的關鍵內部控制；

# Independent Auditor's Report

## 獨立審計師報告

### Key Audit Matter

#### 關鍵審計事項

Revenue from orthodontics and implantology services for the year ended 31 March 2022 amounted to approximately RMB366 million and RMB353 million respectively, which represented approximately 23% and 22% of the total revenue of the Group respectively.

截至2022年3月31日止年度，來自正畸及植牙服務的收入分別約為人民幣366百萬元及人民幣353百萬元，分別佔貴集團總收入的約23%及22%。

Revenue from orthodontics and implantology services is recognised over time, using an input method to measure progress towards complete satisfaction of the services. The progress is measured based on the Group's efforts or inputs to the satisfaction of the services, by reference to the staff costs and/or costs of inventories, consumables and customised products incurred, when appropriate, expended up to the end of the year as a percentage of the total expected costs to complete the respective services.

來自正畸及植牙服務的收入於一段時間內確認，使用投入法計量完全履行服務的進度。該進度基於貴集團為履行服務而作出的努力或投入計量，並經參考截至該年度末所產生及所花費的員工成本及／或存貨、耗材及訂製產品成本（如適用）佔完成相關服務的總預期成本的比例。

We focused on this area as the determination of the amount of revenue recognised from orthodontics and implantology services is based on management's estimation of the total expected costs to complete the services, which is subject to a high degree of estimation uncertainty. The inherent risk in relation to the estimation of revenue from orthodontics and implantology services is considered relatively high due to the subjectivity of significant assumptions used to estimate total expected costs.

我們關注該審計範圍的原因是，釐定來自正畸及植牙服務的已確認收入金額乃基於管理層對完成服務的總預期成本的估計，這涉及高度估計不確定性。由於用於釐定總預期成本的重大假設的主觀性，有關估計來自正畸及植牙服務的收入固有風險被認為相對較高。

### How our audit addressed the Key Audit Matter

#### 我們的審計如何處理關鍵審計事項

- Assessed the appropriateness of the methodology used by management to estimate the total expected costs necessary to complete the orthodontics and implantology services;
- 評估管理層用以估計完成正畸及植牙服務必要的總預期成本的方法的適當性；
- Assessed the reasonableness of the assumptions used by management when estimating the total expected costs to complete the orthodontics and implantology services by comparing estimated future costs with the Group's historical internal data, including the staff costs and/or costs of inventories, consumables and customised products, in which the historical internal data are tested to the supporting documents on a sample basis;
- 通過對比估計未來成本與貴集團的歷史內部數據（包括員工成本及／或存貨、耗材及訂製產品成本），及對歷史內部數據進行抽樣測試至證明文件，評估管理層在估計完成正畸及植牙服務必要的總預期成本時所使用假設的合理性；
- Compared, on a sample basis, the outcome of prior year estimations of the total expected costs to complete the orthodontics and implantology services made by management to the actual cost incurred to complete the services, in order to assess the historical effectiveness of management's estimation process; and
- 抽樣對比管理層在上一年度對完成正畸及植牙服務的總預期成本所作的估計與完成服務產生的實際成本，以評估管理層估計程序的歷史成效；及
- Considered whether the judgments made in selecting significant assumptions would give rise to indicators of possible management bias.
- 考慮選擇重大假設時所作的判斷會否引致管理層可能存有偏見的跡象。

# Independent Auditor's Report

## 獨立審計師報告

### Key Audit Matter

#### 關鍵審計事項

#### Impairment assessment of goodwill

Refer to Notes 2.8.1, 2.9, 4(f) and 17 to the consolidated financial statements.

請參閱合併財務報表附註2.8.1、附註2.9、附註4(f)及附註17。

As at 31 March 2022, the Group's carrying amount of goodwill amounted to RMB98 million.

於2022年3月31日，貴集團商譽的賬面值為人民幣98百萬元。

The Group is required to perform an impairment assessment of goodwill on an annual basis, or whenever events or changes in circumstances indicate that the goodwill might be impaired.

貴集團須每年（或當有事件出現或情況變化顯示商譽可能出現減值時）進行商譽減值評估。

### How our audit addressed the Key Audit Matter

#### 我們的審計如何處理關鍵審計事項

Based on the procedures performed, we considered the significant assumptions used in the estimation of revenue from orthodontics and implantology services are supported by available evidence.

基於已執行的程序，我們認為估計來自正畸及植牙服務的收入所使用的重大假設得到了現有證據的支持。

#### 商譽減值評估

Our procedures in relation to the impairment assessment of goodwill were mainly as follows:

我們有關商譽減值評估的程序主要如下：

- Understood and evaluated the Group's key internal controls in relation to the impairment assessment of goodwill;
- 了解並評估貴集團有關商譽減值評估的關鍵內部控制；
- Assessed the appropriateness of the methodology used by management to perform its impairment assessment of goodwill;
- 評估管理層進行商譽減值評估所使用方法的適當性；
- Evaluated the reasonableness of the financial budgets prepared by management to be included in the impairment assessment of goodwill, and compared the outcome of prior period financial budgets to actual results in order to assess the historical effectiveness of management's budgeting process;
- 評估管理層所編製的將納入商譽減值評估的財政預算的合理性，並對比前一期間財政預算與實際業績，以評估管理層預算程序的歷史成效；

# Independent Auditor's Report

## 獨立審計師報告

### Key Audit Matter

#### 關鍵審計事項

For the purpose of the impairment assessment of goodwill, the Group's goodwill was allocated to two groups of cash generating units ("CGU Group"). The Group estimated the recoverable amounts of respective CGU Group, which were determined based on the fair value less cost of disposal using cash flow projections based on financial budgets prepared by management. Based on the impairment assessment, management concluded that there was no impairment on goodwill as at 31 March 2022.

為進行商譽減值評估，貴集團的商譽乃分配至兩個現金產生單位組別（「現金產生單位組別」）。貴集團估計各現金產生單位組別的可收回金額（按公允價值減出售成本，基於管理層編製的財政預算使用現金流量預測釐定）。根據減值評估，管理層斷定於2022年3月31日並無出現商譽減值。

We focused on this area as the impairment assessment of goodwill is subject to a high degree of estimation uncertainty. The inherent risk in relation to the impairment assessment of goodwill is considered significant due to the subjectivity of significant assumptions used (including compound annual growth rates of revenue, terminal growth rates and discount rates).

我們關注該審計範圍的原因是，商譽減值評估涉及高度估計不確定性。由於所使用重大假設（包括收入的年複合增長率、最終增長率及折現率）的主觀性，有關商譽減值評估的固有風險被認為屬重大。

### How our audit addressed the Key Audit Matter

#### 我們的審計如何處理關鍵審計事項

- Involved our internal valuation expert in assessing and challenging the reasonableness of the significant assumptions used by management, including compound annual growth rates of revenue, terminal growth rates and discount rates, by comparing with those adopted by comparable companies in the industry and other external market data;
- 引入我們的內部估值專家，通過對比業內可比較公司所採用及其他外部市場數據，評估及質疑管理層所用重大假設（包括收入的年複合增長率、最終增長率及折現率）的合理性；
- Assessed whether management's sensitivity analysis based on the reasonably possible changes in key assumptions, both individually or in aggregate, might impact on the outcome of the impairment assessment of goodwill;
- 評估管理層基於主要假設可能合理發生的變動（個別或共同）作出的敏感性分析是否會影響商譽減值評估的結果；
- Tested the accuracy of the calculations included in the impairment assessment models;
- 測試納入減值評估模型的計算方法的準確性；
- Considered whether the judgements made in selecting the significant assumptions used would give rise to indicators of possible management bias; and
- 考慮選擇所使用重大假設時所作的判斷會否引致管理層可能存有偏見的跡象；及

# Independent Auditor's Report

## 獨立審計師報告

### Key Audit Matter

#### 關鍵審計事項

### How our audit addressed the Key Audit Matter

#### 我們的審計如何處理關鍵審計事項

– Assessed the adequacy of the disclosures related to the impairment assessment of goodwill in the context of the applicable financial reporting framework.

– 評估在適用財務報告框架的情況下，有關商譽減值評估的披露充足與否。

Based on the procedures performed, we considered that the significant assumptions used in the impairment assessment of goodwill are supported by available evidence.

基於已執行的程序，我們認為商譽減值評估所使用的重大假設得到了現有證據的支持。

### Fair value determination of Restrictive Share Units (“RSUs”) at the grant date

Refer to notes 2.22, 4(j) and 8(b) to the consolidated financial statements.

請參閱合併財務報表附註2.22、附註4(j)及附註8(b)。

The Company set up a pre-IPO restrictive share unit scheme (the “RSU Plan”) and granted RSUs under the RSU Plan on 1 October 2021 before the initial public offering of the Company. The RSUs granted were equity-settled awards and were measured at fair value at the grant date.

貴公司設立首次公開發售前受限制股份單位計劃（「受限制股份單位計劃」），並於貴公司首次公開發售前在2021年10月1日根據受限制股份單位計劃授出受限制股份單位。獲授的受限制股份單位為權益結算獎勵，並於授出日期按公允價值計量。

### 釐定受限制股份單位（「受限制股份單位」）於授出日期的公允價值

Our procedures in relation to the fair value determination of RSUs include:

我們有關釐定受限制股份單位的公允價值的程序包括：

– Understood and evaluated the Group's key internal controls in relation to the fair value determination of RSUs at the grant date;

– 了解並評估貴集團有關釐定受限制股份單位於授出日期的公允價值的關鍵內部控制；

– Examined the key terms and conditions of RSUs agreements and board meeting minutes relevant to the grant of the RSUs under the RSU Plan;

– 審查受限制股份單位協議的主要條款及條件以及有關根據受限制股份單位計劃授出受限制股份單位的董事會會議記錄；

# Independent Auditor's Report

## 獨立審計師報告

### Key Audit Matter

#### 關鍵審計事項

The fair value of the RSUs at the grant date was determined with reference to the equity value of the Group on that date. Considering the shares of the Company were not yet traded in an active market at the grant date, management determined the equity value of the Group and the fair value of the RSUs at the grant date using discounted cash flow method and binomial option pricing model with the assistance from an independent external valuer. The fair value determination of RSUs required significant management judgments and estimates, and the use of unobservable inputs.

受限制股份單位於授出日期的公允價值乃參考貴集團於該日的權益價值釐定。鑒於貴公司股份於授出日期尚未在活躍市場買賣，管理層在獨立外部估值師的協助下使用貼現現金流量法及二項式期權定價模式釐定貴集團的權益價值及受限制股份單位於授出日期的公允價值。釐定受限制股份單位的公允價值須要管理層作出重大判斷及估計，並使用不可觀察輸入數據。

We focused on this area as the fair value determination of the RSUs at the grant date, based on the equity value of the Group, is subject to a high degree of estimation uncertainty. The inherent risk in relation to the fair value determination of the RSUs at the grant date is considered significant due to the complexity of valuation technique and subjectivity of significant assumptions used (including discount rate, risk-free interest rate and expected price volatility).

我們關注該審計範圍的原因是，根據貴集團的權益價值釐定受限制股份單位於授出日期的公允價值涉及高度估計不確定性。由於估值技術的複雜性及所使用重大假設（包括折現率、無風險利率及預期價格波幅）的主觀性，有關釐定受限制股份單位於授出日期的公允價值的固有風險被認為屬重大。

### How our audit addressed the Key Audit Matter

#### 我們的審計如何處理關鍵審計事項

- Assessed the competence, capabilities and objectivity of the independent external valuer engaged by the Group;
- 評估貴集團所聘請獨立外部估值師的專業性、勝任能力及客觀性；
- Involved our internal valuation expert in assessing and challenging the appropriateness of the valuation technique used and the reasonableness of the significant assumptions used in the fair value determination of RSUs, including the discount rate, risk-free interest rate and expected price volatility, by comparing with those adopted by comparable companies in the industry and other external market data;
- 引入我們的內部估值專家，通過對比業內可比較公司所採用及其他外部市場數據，評估及質疑所使用估值技術的適當性及釐定受限制股份單位的公允價值所使用重大假設（包括折現率、無風險利率及預期價格波幅）的合理性；
- Tested the accuracy of the calculations of the valuation of RSUs;
- 測試受限制股份單位進行估值的計算方法的準確性；
- Considered whether the judgements made in selecting the valuation technique and significant assumptions would give rise to indicators of possible management bias; and
- 考慮選擇估值技術及用重大假設時所作的判斷會否引致管理層可能存有偏見的跡象；及
- Assessed the adequacy of the disclosures related to RSUs in the context of the applicable financial reporting framework.
- 評估在適用財務報告框架的情況下，有關受限制股份單位的披露充足與否。

# Independent Auditor's Report

## 獨立審計師報告

### Key Audit Matter

#### 關鍵審計事項

### How our audit addressed the Key Audit Matter

#### 我們的審計如何處理關鍵審計事項

Based on the procedures performed, we considered that the valuation technique and significant assumptions used by management in the fair value determination of RSUs were supported by the available evidence.

基於已執行的程序，我們認為管理層於釐定受限制股份單位的公允價值時所使用的估值技術及重大假設得到了現有證據的支持。

### Other Information

The directors of the Company are responsible for the other information. The other information comprises all of 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.

### 其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括合併財務報表及我們的審計師報告。

我們對合併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。

結合我們對合併財務報表的審計，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合併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。

# Independent Auditor's Report

## 獨立審計師報告

### Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

### 董事及審計委員會就合併財務報表須承擔的責任

貴公司董事須負責根據《國際財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的合併財務報表，並對其認為為使合併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。

在擬備合併財務報表時，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。

審計委員會須負責監督貴集團的財務報告過程。

### 審計師就審計合併財務報表承擔的責任

我們的目標，是對合併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審計師報告。我們僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《國際審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。



# Independent Auditor's Report

## 獨立審計師報告

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
  - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 在根據《國際審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：
- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
  - 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
  - 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
  - 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在審計師報告中提請使用者注意合併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。我們的結論是基於審計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。
  - 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映有關交易和事項。

# Independent Auditor's Report

## 獨立審計師報告

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ng Ping Fai.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 27 June 2022

- 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，以便對合併財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

從與審計委員會溝通的事項中，我們確定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們在審計師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立審計師報告的審計項目合夥人是吳炳輝。

**羅兵咸永道會計師事務所**  
執業會計師

香港，2022年6月27日

# Consolidated Income Statement

## 合併損益表

For the year ended 31 March 2022  
截至2022年3月31日止年度

|  |                                     | Year ended 31 March |                  |             |
|--|-------------------------------------|---------------------|------------------|-------------|
|  |                                     | 截至3月31日止年度          |                  |             |
|  |                                     | 2022                | 2021             |             |
|  |                                     | 2022年               | 2021年            |             |
|  |                                     | RMB'000             | RMB'000          |             |
|  |                                     | 人民幣千元               | 人民幣千元            |             |
|  | Note                                |                     |                  |             |
|  | 附註                                  |                     |                  |             |
| Revenue  | 收入                                  | 6                   | 1,623,553        | 1,515,127   |
| Cost of sales  | 銷售成本                                | 7                   | (1,286,996)      | (1,150,707) |
| <b>Gross profit</b>  | <b>毛利</b>                           |                     | <b>336,557</b>   | 364,420     |
| Selling and distribution expenses  | 銷售及經銷開支                             | 7                   | (79,625)         | (79,122)    |
| Administrative expenses  | 行政開支                                | 7                   | (276,093)        | (130,330)   |
| Research and development expenses  | 研發開支                                | 7                   | (32,918)         | (27,311)    |
| Net reversal of impairment loss/<br>(impairment loss) on financial assets  | 金融資產淨減值虧損撥回/<br>(減值虧損)              | 3.1.2               | 4,585            | (5,476)     |
| Other gains – net  | 其他淨收益                               | 9                   | 18,922           | 2,286       |
| <b>Operating (loss)/profit</b>   | <b>經營(虧損)/利潤</b>                    |                     | <b>(28,572)</b>  | 124,467     |
| Finance income   | 財務收入                                | 10                  | 8,276            | 7,581       |
| Finance costs  | 財務成本                                | 10                  | (55,641)         | (51,914)    |
| Finance costs – net  | 淨財務成本                               |                     | (47,365)         | (44,333)    |
| Share of net (loss)/profit of associates and<br>joint ventures accounted for using the<br>equity method            | 使用權益法入賬的分佔聯營<br>公司及合營公司淨<br>(虧損)/利潤 |                     | (411)            | 2,602       |
| Re-designation to Series E convertible<br>redeemable preferred shares from issued<br>ordinary and preferred shares | 自己發行普通股及優先股<br>重新指定為E輪可轉換<br>可贖回優先股 | 25(a)               | –                | (196,712)   |
| Fair value change of convertible redeemable<br>preferred shares  | 可轉換可贖回優先股的<br>公允價值變動                | 29                  | (541,089)        | (424,289)   |
| Fair value change of bond  | 債券的公允價值變動                           | 29.1                | (61,647)         | (16,677)    |
| Fair value change of warrants  | 權證的公允價值變動                           | 29.2                | (13,686)         | (26,802)    |
| Fair value change of derivative liabilities  | 衍生負債的公允價值變動                         | 29.3                | (6,005)          | –           |
| Fair value difference between termination<br>of the warrants and recognition of<br>derivative liabilities          | 終止權證與確認衍生負債之間<br>的公允價值差額            | 29.3                | (11,136)         | –           |
| <b>Loss before income tax</b>  | <b>除所得稅前虧損</b>                      |                     | <b>(709,911)</b> | (581,744)   |
| Income tax credit/(expenses)   | 所得稅抵免/(開支)                          | 12                  | 13,511           | (16,018)    |
| <b>Loss for the year</b>   | <b>年內虧損</b>                         |                     | <b>(696,400)</b> | (597,762)   |

# Consolidated Income Statement

## 合併損益表

For the year ended 31 March 2022  
截至2022年3月31日止年度

|   |                            | Year ended 31 March<br>截至3月31日止年度 |                                   |
|---|----------------------------|-----------------------------------|-----------------------------------|
|   |                            | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
|   |                            | <i>Note</i><br>附註                 |                                   |
| <b>Loss attributable to:</b>  | 以下各項應佔虧損：                  |                                   |                                   |
| Owners of the Company   | 本公司擁有人                     | <b>(701,032)</b>                  | (599,420)                         |
| Non-controlling interests   | 非控股權益                      | <b>4,632</b>                      | 1,658                             |
|   |                            | <b>(696,400)</b>                  | (597,762)                         |
| <b>Loss per share for loss attributable to owners of the Company (expressed in RMB per share)</b> | 本公司擁有人應佔虧損的每股虧損(以每股人民幣元列示) |                                   |                                   |
| Basic and diluted loss per share (adjusted for share subdivision)                                 | 每股基本及攤薄虧損(經股份拆細調整)         | 13                                | (8.21)                            |
|   |                            | <b>(8.70)</b>                     |                                   |

The above consolidated income statement should be read in conjunction with the accompanying notes. 上述合併損益表應與隨附附註一併閱讀。

# Consolidated Statement of Comprehensive Loss

## 合併全面虧損表

For the year ended 31 March 2022  
截至2022年3月31日止年度

|   |                          | Year ended 31 March<br>截至3月31日止年度 |                                   |
|---|--------------------------|-----------------------------------|-----------------------------------|
|   |                          | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
|   | Note<br>附註               |                                   |                                   |
| <b>Loss for the year</b>  | 年內虧損                     | <b>(696,400)</b>                  | (597,762)                         |
| <b>Other comprehensive (loss)/income</b>  | 其他全面(虧損)/收益              |                                   |                                   |
| Items that will not be reclassified to profit or loss                               | 不會重新分類至損益的項目             |                                   |                                   |
| Fair value change of convertible redeemable preferred shares due to own credit risk | 自有信貸風險導致的可轉換可贖回優先股公允價值變動 | 29<br><b>(18,439)</b>             | 4,457                             |
| Fair value change of bond due to own credit risk                                    | 自有信貸風險導致的債券公允價值變動        | 29.1<br><b>1,083</b>              | (4,711)                           |
| Currency translation differences  | 匯兌差額                     | <b>84,672</b>                     | 179,729                           |
| <b>Other comprehensive income for the year, net of tax</b>                          | 年內其他全面收益(扣除稅項)           | <b>67,316</b>                     | 179,475                           |
| <b>Total comprehensive loss for the year</b>  | 年內總全面虧損                  | <b>(629,084)</b>                  | (418,287)                         |
| <b>Total comprehensive loss attributable to:</b>                                    | 以下各項應佔總全面虧損：             |                                   |                                   |
| Owners of the Company   | 本公司擁有人                   | <b>(633,716)</b>                  | (419,945)                         |
| Non-controlling interests   | 非控股權益                    | <b>4,632</b>                      | 1,658                             |
|   |                          | <b>(629,084)</b>                  | (418,287)                         |

The above consolidated statement of comprehensive loss should be read in conjunction with the accompanying notes. 上述合併全面虧損表應與隨附附註一併閱讀。

# Consolidated Balance Sheet

## 合併資產負債表

As at 31 March 2022  
於2022年3月31日

As at 31 March  
於3月31日

|   |                          | Note  | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
|---|--------------------------|-------|------------------------------------|------------------------------------|
|   |                          | 附註    |                                    |                                    |
| <b>ASSETS</b>   | <b>資產</b>                |       |                                    |                                    |
| <b>Non-current assets</b>   | <b>非流動資產</b>             |       |                                    |                                    |
| Property, plant and equipment   | 物業、廠房及設備                 | 14    | 297,798                            | 260,842                            |
| Right-of-use assets   | 使用權資產                    | 15(a) | 703,466                            | 595,114                            |
| Intangible assets   | 無形資產                     | 16    | 24,612                             | 26,607                             |
| Goodwill  | 商譽                       | 17    | 98,467                             | 98,467                             |
| Deferred tax assets   | 遞延稅項資產                   | 28    | 56,677                             | 28,630                             |
| Prepayments   | 預付款項                     | 19    | 21,722                             | 19,002                             |
| Investments accounted for using the equity method                       | 使用權益法入賬的投資               | 11    | 14,155                             | 14,116                             |
| Financial assets at fair value through profit or loss                   | 按公允價值計入損益的金融資產           | 23    | 34,675                             | 30,000                             |
| Other receivables   | 其他應收款項                   | 22    | 109,476                            | 185,015                            |
| <b>Total non-current assets</b>   | <b>總非流動資產</b>            |       | <b>1,361,048</b>                   | 1,257,793                          |
| <b>Current assets</b>   | <b>流動資產</b>              |       |                                    |                                    |
| Inventories   | 存貨                       | 20    | 47,080                             | 39,036                             |
| Prepayments   | 預付款項                     | 19    | 126,704                            | 104,976                            |
| Trade and other receivables   | 貿易及其他應收款項                | 22    | 96,885                             | 155,935                            |
| Financial assets at fair value through profit or loss                   | 按公允價值計入損益的金融資產           | 23    | 197,055                            | 51,004                             |
| Restricted cash   | 受限制現金                    | 24(b) | 95,290                             | 65,706                             |
| Time deposits with original maturity over three months                  | 原到期日超過三個月的定期存款           | 24(c) | 14,000                             | –                                  |
| Cash and cash equivalents   | 現金及現金等價物                 | 24(a) | 1,052,285                          | 676,304                            |
| <b>Total current assets</b>   | <b>總流動資產</b>             |       | <b>1,629,299</b>                   | 1,092,961                          |
| <b>Total assets</b>   | <b>總資產</b>               |       | <b>2,990,347</b>                   | 2,350,754                          |
| <b>EQUITY/(DEFICIT IN EQUITY)</b>                                       | <b>權益/(權益虧絀)</b>         |       |                                    |                                    |
| Share capital   | 股本                       | 25    | 74,769                             | 9,447                              |
| Reserves  | 儲備                       | 26    | 4,841,683                          | 239,184                            |
| Accumulated losses  | 累計虧損                     |       | (3,351,740)                        | (2,748,503)                        |
| <b>Equity/(deficit in equity) attributable to owners of the Company</b> | <b>本公司擁有人應佔權益/(權益虧絀)</b> |       | <b>1,564,712</b>                   | (2,499,872)                        |
| <b>Non-controlling interests</b>  | <b>非控股權益</b>             |       | <b>45,785</b>                      | 43,295                             |
| <b>Total equity/(deficit in equity)</b>                                 | <b>總權益/(權益虧絀)</b>        |       | <b>1,610,497</b>                   | (2,456,577)                        |

# Consolidated Balance Sheet

## 合併資產負債表

As at 31 March 2022  
於2022年3月31日

|   |                      | As at 31 March<br>於3月31日           |                                   |
|---|----------------------|------------------------------------|-----------------------------------|
|   |                      | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
|   | Note<br>附註           |                                    |                                   |
| <b>LIABILITIES</b>                                      | <b>負債</b>            |                                    |                                   |
| <b>Non-current liabilities</b>                          | <b>非流動負債</b>         |                                    |                                   |
| Borrowings  | 借款 27                | –                                  | 23,868                            |
| Lease liabilities                                       | 租賃負債 15(a)           | 611,187                            | 511,007                           |
| Contract liabilities                                    | 合同負債 6(b)            | 21,597                             | 11,878                            |
| Deferred tax liabilities                                | 遞延稅項負債 28            | 2,125                              | 3,125                             |
| <b>Total non-current liabilities</b>                    | <b>總非流動負債</b>        | <b>634,909</b>                     | 549,878                           |
| <b>Current liabilities</b>                              | <b>流動負債</b>          |                                    |                                   |
| Trade and other payables                                | 貿易及其他應付款項 30         | 273,105                            | 294,668                           |
| Contract liabilities                                    | 合同負債 6(b)            | 184,287                            | 209,521                           |
| Current tax liabilities                                 | 即期稅項負債               | 8,065                              | 9,565                             |
| Borrowings  | 借款 27                | 137,363                            | 194,623                           |
| Lease liabilities                                       | 租賃負債 15(a)           | 142,121                            | 132,140                           |
| Convertible redeemable preferred shares                 | 可轉換可贖回優先股 29         | –                                  | 3,178,465                         |
| Bond  | 債券 29.1              | –                                  | 167,345                           |
| Warrants  | 權證 29.2              | –                                  | 71,126                            |
| <b>Total current liabilities</b>                        | <b>總流動負債</b>         | <b>744,941</b>                     | 4,257,453                         |
| <b>Total liabilities</b>                                | <b>總負債</b>           | <b>1,379,850</b>                   | 4,807,331                         |
| <b>Total equity/(deficit in equity) and liabilities</b> | <b>總權益／(權益虧絀)及負債</b> | <b>2,990,347</b>                   | 2,350,754                         |

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

上述合併資產負債表應與隨附附註一併閱讀。

The consolidated financial statements on pages 209 to 375 were approved and authorised for issue by the Board of Directors of the Company on 27 June 2022 and were signed on its behalf by:

第209至375頁的合併財務報表已於2022年6月27日經本公司董事會批准及授權刊發並由以下董事代表簽署：

Executive Director: Zou Qifang  
執行董事：鄒其芳

Executive Director: Qin Jessie Xin  
執行董事：辛勤

# Consolidated Statement of Changes in Equity/(Deficit in Equity)

## 合併權益／(權益虧絀)變動表

For the year ended 31 March 2022  
截至2022年3月31日止年度

|   |                          | Attributable to owners of the Company<br>本公司擁有人應佔                                 |   |   |                                   | Total<br>(deficit in<br>equity)/<br>equity<br>總(權益<br>虧絀)/權益 |   |           |
|---|--------------------------|---|---|---|-----------------------------------|--|---|-----------|
|   |                          | Share<br>capital<br>股本<br>RMB'' 000<br>人民幣千元<br><i>(Note 25)</i><br><i>(附註25)</i> | Reserves<br>儲備<br>RMB'' 000<br>人民幣千元<br><i>(Note 26)</i><br><i>(附註26)</i> | Accumulated<br>losses<br>累計虧損<br>RMB'' 000<br>人民幣千元 | Total<br>總計<br>RMB'' 000<br>人民幣千元 |  | Non-<br>controlling<br>interests<br>非控股權益<br>RMB'' 000<br>人民幣千元 |           |
| <b>Balance at 1 April 2021</b>  | 於2021年4月1日的結餘            | 9,447   | 239,184   | (2,748,503)   | (2,499,872)                       | 43,295   | (2,456,577)   |           |
| <b>Comprehensive (loss)/income</b>  | 全面(虧損)/收益                |   |   |   |                                   |  |   |           |
| Loss for the year   | 年內虧損                     | -   | -   | (701,032)   | (701,032)                         | 4,632  | (696,400)   |           |
| <b>Other comprehensive (loss)/income</b>  | 其他全面(虧損)/收益              |   |   |   |                                   |  |   |           |
| Fair value change on convertible redeemable preferred shares due to own credit risk | 自有信貸風險導致的可轉換可贖回優先股公允價值變動 | 29  | (18,439)  | -   | (18,439)                          | -  | (18,439)  |           |
| Fair value change on bond due to own credit risk                                    | 自有信貸風險導致的債券公允價值變動        | 29.1  | 1,083   | -   | 1,083                             | -  | 1,083   |           |
| Currency translation differences  | 匯兌差額                     | -   | 84,672  | -   | 84,672                            | -  | 84,672  |           |
| <b>Total comprehensive income/(loss) for the year</b>                               | 年內總全面收益/(虧損)             | -   | 67,316  | (701,032)   | (633,716)                         | 4,632  | (629,084)   |           |
| <b>Transactions with equity holders</b>   | 與權益持有人的交易                |   |   |   |                                   |  |   |           |
| Issuance of ordinary shares in relation to initial public offering                  | 發行首次公開發售普通股              | 25(e)   | 5,924   | 521,359   | -                                 | 527,283  | -   | 527,283   |
| Issuance of shares for restrictive share unit scheme                                | 發行受限制股份單位計劃股份            | 25(b)   | 15,435  | (15,435)  | -                                 | -  | -   | -         |
| Share-based compensation  | 股份酬金                     | 8(b)  | -   | 95,021  | -                                 | 95,021   | -   | 95,021    |
| Conversion of convertible redeemable preferred shares to ordinary shares            | 可轉換可贖回優先股轉換為普通股          | 25(d)   | 43,963  | 3,960,591   | 101,423                           | 4,105,977  | -   | 4,105,977 |
| Repayment of bond   | 償還債券                     | 29.1  | -   | 3,628   | (3,628)                           | -  | -   | -         |
| Non-controlling interests acquired  | 已收購非控股權益                 | 37(a)   | -   | (30,030)  | -                                 | (30,030)   | (6,470)   | (36,500)  |
| Non-controlling interests disposed  | 已出售非控股權益                 | 37(b)   | -   | 49  | -                                 | 49   | 4,501   | 4,550     |
| Dividends to non-controlling shareholders   | 向非控股股東派息                 |   | -   | -   | -                                 | -  | (173)   | (173)     |
| <b>Balance at 31 March 2022</b>   | 於2022年3月31日的結餘           | 74,769  | 4,841,683   | (3,351,740)   | 1,564,712                         | 45,785   | 1,610,497   |           |



# Consolidated Statement of Changes in Equity/(Deficit in Equity)

## 合併權益／(權益虧絀)變動表

For the year ended 31 March 2022  
截至2022年3月31日止年度

|  |                          | Attributable to owners of the Company<br>本公司擁有人應佔 |                     |                            |                  | Total<br>(deficit in equity)/<br>總(權益虧絀)/權益 |                  |             |
|--|--------------------------|---|---------------------|----------------------------|------------------|---|------------------|-------------|
|  |                          | Share capital<br>股本                               | Reserves<br>儲備      | Accumulated losses<br>累計虧損 | Total<br>總計      | Non-controlling interests<br>非控股權益          | equity<br>權益     |             |
|  |                          | RMB'000<br>人民幣千元                                  | RMB'000<br>人民幣千元    | RMB'000<br>人民幣千元           | RMB'000<br>人民幣千元 | RMB'000<br>人民幣千元                            | RMB'000<br>人民幣千元 |             |
|  |                          | Note<br>附註  | (Note 25)<br>(附註25) | (Note 26)<br>(附註26)        |                  |   |                  |             |
| <b>Balance at 1 April 2020</b>   | 於2020年4月1日的結餘            |   | 9,938               | 71,380                     | (2,146,085)      | (2,064,767)                                 | 36,664           | (2,028,103) |
| <b>Comprehensive (loss)/income</b>   | 全面(虧損)/收益                |   |                     |                            |                  |   |                  |             |
| Loss for the year  | 年內虧損                     |   | -                   | -                          | (599,420)        | (599,420)                                   | 1,658            | (597,762)   |
| <b>Other comprehensive income/(loss)</b>   | 其他全面收益/(虧損)              |   |                     |                            |                  |   |                  |             |
| Fair value change on convertible redeemable preferred shares due to own credit risk            | 自有信貸風險導致的可轉換可贖回優先股公允價值變動 | 29  | -                   | 4,457                      | -                | 4,457                                       | -                | 4,457       |
| Fair value change on bond due to own credit risk   | 自有信貸風險導致的債券公允價值變動        | 29.1  | -                   | (4,711)                    | -                | (4,711)                                     | -                | (4,711)     |
| Currency translation differences   | 匯兌差額                     |   | -                   | 179,729                    | -                | 179,729                                     | -                | 179,729     |
| <b>Total comprehensive income/(loss) for the year</b>  | 年內總全面收益/(虧損)             |   | -                   | 179,475                    | (599,420)        | (419,945)                                   | 1,658            | (418,287)   |
| <b>Transactions with equity holders</b>  | 與權益持有人的交易                |   |                     |                            |                  |   |                  |             |
| Issuance of shares upon fulfilment of vesting conditions of share-based compensation           | 在滿足股份酬金的歸屬條件後發行股份        |   | 327                 | (327)                      | -                | -   | -                | -           |
| Re-designation to Series E convertible redeemable preferred shares from issued ordinary shares | 自己發行普通股重新指定為E輪可轉換可贖回優先股  | 25(a)   | (818)               | (9,729)                    | -                | (10,547)                                    | -                | (10,547)    |
| Purchase of additional interests   | 購買額外權益                   |   | -                   | -                          | (2,998)          | (2,998)                                     | -                | (2,998)     |
| Acquisition of a subsidiary  | 收購子公司                    | 31(a)   | -                   | -                          | -                | -   | 997              | 997         |
| Non-controlling interests acquired   | 已收購非控股權益                 | 37(a)   | -                   | (3,131)                    | -                | (3,131)                                     | (474)            | (3,605)     |
| Non-controlling interests disposed   | 已出售非控股權益                 | 37(b)   | -                   | 2,402                      | -                | 2,402                                       | 968              | 3,370       |
| Contribution from non-controlling shareholders   | 非控股股東出資                  |   | -                   | -                          | -                | -   | 3,586            | 3,586       |
| Dividends to non-controlling shareholders  | 向非控股股東派息                 |   | -                   | -                          | -                | -   | (104)            | (104)       |
| Others   | 其他                       |   | -                   | (886)                      | -                | (886)                                       | -                | (886)       |
| <b>Balance at 31 March 2021</b>  | 於2021年3月31日的結餘           |   | 9,447               | 239,184                    | (2,748,503)      | (2,499,872)                                 | 43,295           | (2,456,577) |

The above consolidated statement of changes in equity/(deficit in equity) should be read in conjunction with the accompanying notes.

上述合併權益／(權益虧絀)變動表應與隨附附註一併閱讀。

# Consolidated Statement of Cash Flows

## 合併現金流量表

For the year ended 31 March 2022  
截至2022年3月31日止年度

|  |                      | Year ended 31 March<br>截至3月31日止年度  |                                    |
|--|----------------------|------------------------------------|------------------------------------|
|  |                      | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
|  |                      | Note<br>附註                         |                                    |
| <b>Cash flows from operating activities</b>                                  |                      | <b>經營活動所得現金流量</b>                  |                                    |
| Cash generated from operations   | 經營所得現金               | 32(a)                              | 241,313                            |
| Income tax paid  | 已付所得稅                |                                    | (17,035)                           |
| <b>Net cash generated from operating activities</b>                          |                      | <b>經營活動所得淨現金</b>                   |                                    |
|  |                      |                                    | <b>224,278</b>                     |
| <b>Cash flows from investing activities</b>                                  |                      | <b>投資活動所得現金流量</b>                  |                                    |
| Payment for acquisition of a business, net of cash acquired                  | 收購業務的付款<br>(扣除所得現金)  | 31(a)                              | -                                  |
| Payments for investments in associates and joint ventures                    | 於聯營公司及合營公司的投資付款      |                                    | (900)                              |
| Payments for property, plant and equipment                                   | 物業、廠房及設備付款           |                                    | (115,648)                          |
| Payments for financial assets at fair value through profit or loss           | 按公允價值計入損益的金融資產付款     |                                    | (297,198)                          |
| Payments for intangible assets   | 無形資產付款               |                                    | (5,027)                            |
| Repayment of loans to employees  | 僱員償還貸款               |                                    | 2,500                              |
| Repayment of loans to a shareholder  | 股東償還貸款               |                                    | 86,025                             |
| Placement of pledged deposits  | 存放已質押存款              |                                    | (29,650)                           |
| Redemption of pledged deposits from bank                                     | 自銀行贖回已質押存款           |                                    | -                                  |
| Proceeds from sale of financial assets at fair value through profit and loss | 出售按公允價值計入損益的金融資產所得款項 |                                    | 151,516                            |
| Proceeds from sale of property, plant and equipment                          | 出售物業、廠房及設備所得款項       |                                    | 3,052                              |
| Payment of time deposits with original maturity over three months            | 原到期日超過三個月的定期存款付款     |                                    | (14,000)                           |
| Interest received  | 已收利息                 |                                    | 15,395                             |
| <b>Net cash (used in)/generated from investing activities</b>                |                      | <b>投資活動(所用)/所得淨現金</b>              |                                    |
|  |                      |                                    | <b>(203,935)</b>                   |

# Consolidated Statement of Cash Flows

## 合併現金流量表

For the year ended 31 March 2022  
截至2022年3月31日止年度

|  |                     | Year ended 31 March<br>截至3月31日止年度 |                                   |
|--|---------------------|-----------------------------------|-----------------------------------|
|  |                     | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
|  |                     | Note<br>附註                        |                                   |
| <b>Cash flows from financing activities</b>  | <b>融資活動所得現金流量</b>   |                                   |                                   |
| Proceeds from borrowings   | 借款所得款項              |                                   | 297,858                           |
| Repayment of borrowings  | 償還借款                |                                   | (367,367)                         |
| Repayment of bond  | 償還債券                |                                   | –                                 |
| Termination of derivative liabilities  | 終止衍生負債              |                                   | –                                 |
| Net proceeds from issuance of ordinary shares in relation to initial public offering | 發行首次公開發售普通股淨所得款項    |                                   | –                                 |
| Proceeds from issuance of convertible redeemable preferred shares                    | 發行可轉換可贖回優先股所得款項     |                                   | 296,867                           |
| Proceeds from issuance of bond and warrants  | 發行債券及權證所得款項         |                                   | 200,000                           |
| Principal elements of lease payments   | 租賃付款的本金部分           |                                   | (156,576)                         |
| Dividends paid to non-controlling shareholders                                       | 向非控股股東支付股息          |                                   | (104)                             |
| Capital contributions from non-controlling shareholders                              | 非控股股東出資             |                                   | 3,586                             |
| Proceeds from disposal of interest in subsidiary without change of control           | 出售子公司權益(無控制權變動)所得款項 | 37(b)                             | –                                 |
| Transaction costs on issuance of Series E convertible redeemable preferred shares    | 發行E輪可轉換可贖回優先股的交易成本  |                                   | –                                 |
| Interest paid  | 已付利息                |                                   | (56,751)                          |
| <b>Net cash generated from financing activities</b>                                  | <b>融資活動所得淨現金</b>    |                                   | <b>380,859</b>                    |
| <b>Net increase in cash and cash equivalents</b>                                     | <b>現金及現金等價物淨增加</b>  |                                   | <b>401,202</b>                    |
| Cash and cash equivalents at the beginning of the year                               | 年初的現金及現金等價物         |                                   | 172,618                           |
| Effects of exchange rate changes on cash and cash equivalents                        | 匯率變動對現金及現金等價物的影響    |                                   | (18,450)                          |
| <b>Cash and cash equivalents at the end of the year</b>                              | <b>年末的現金及現金等價物</b>  | 24(a)                             | <b>1,052,285</b>                  |

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. 上述合併現金流量表應與隨附附註一併閱讀。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 1 GENERAL INFORMATION

#### 1.1 General information

Arrail Group Limited (the “Company”) was incorporated in the British Virgin Islands (the “BVI”) on 23 May 2001 as a company limited by shares. On 16 November 2020, the Company discontinued as a company incorporated under the BVI Business Companies Act 2004 (as amended) and was registered by way of continuation as an exempted company limited by shares under the Companies Act (Cap.22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. Accordingly, the registered office of the Company was changed from P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, BVI, to 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, the Cayman Islands.

The Company is an investment holding company and together with its subsidiaries (the “Group”), is principally engaged in the provision of dental services (including general dentistry, orthodontics and implantology) through operations of dental clinics and hospitals in the People’s Republic of China (the “PRC”).

The Company completed its IPO and listed its shares on the Main Board of the Stock Exchange of Hong Kong Limited (“HKSE”) on 22 March 2022 (the “Listing”).

### 1 一般資料

#### 1.1 一般資料

瑞爾集團有限公司(「本公司」)於2001年5月23日於英屬維爾京群島(「英屬維爾京群島」)註冊成立為股份有限公司。於2020年11月16日，本公司終止為根據2004年英屬維爾京群島商業公司法(經修訂)註冊成立的公司，並根據開曼群島法例第22章公司法(1961年第3號法例，經合併及修訂)以存續方式註冊為獲豁免股份有限公司。相應地，本公司的註冊辦事處由P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, BVI變更為4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, the Cayman Islands。

本公司是一家投資控股公司，連同其子公司(統稱「本集團」)主要於中華人民共和國(「中國」)透過經營口腔診所及醫院提供口腔醫療服務(包括普通牙科、正畸科及種植科)。

本公司於2022年3月22日完成首次公開發售並將其股份於香港聯合交易所有限公司(「香港聯交所」)主板上市(「上市」)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies applied in the preparation of the consolidated financial statements. These policies have been consistently applied throughout all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRSs”), interpretations issued by International Accounting Standards Board (“IASB”) applicable to companies reporting under IFRSs.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value.

The preparation of the consolidated financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

##### 2.1.1 Change in accounting policy and disclosures

All effective standards, amendments to standards and interpretations, which are mandatorily effective for the annual reporting period beginning on 1 April 2021, are consistently applied to the Group throughout the year ended 31 March 2022.

### 2 主要會計政策概要

本附註載有編製合併財務報表所採用的主要會計政策。除另有指明外，該等政策已於整個所有呈列年度貫徹應用。

#### 2.1 編製基準

本集團合併財務報表根據國際會計準則理事會（「國際會計準則理事會」）所頒佈適用於按國際財務報告準則申報的公司的國際財務報告準則（「國際財務報告準則」）及詮釋而編製。

除若干按公允價值計量的金融資產及負債外，合併財務報表根據歷史成本編製。

編製符合國際財務報告準則的合併財務報表須作出若干關鍵會計估計。管理層亦須在採用本集團會計政策的過程中作出判斷。涉及高度判斷或較為複雜的範疇，或涉及對合併財務報表屬重大的假設及估計的範疇披露於附註4。

##### 2.1.1 會計政策及披露變動

於2021年4月1日開始的年度報告期間強制生效的所有有效準則、準則修訂和詮釋，均於截至2022年3月31日止整個年度貫徹應用於本集團。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 2 主要會計政策概要(續)

#### 2.1 Basis of preparation (continued)

##### 2.1.2 *New and amended standards and interpretation not yet adopted by the Group*

Certain new accounting standards, amendments and interpretations have been issued but are not yet effective for the annual reporting period beginning on 1 April 2021 and have not been early adopted by the Group during the year ended 31 March 2022. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

#### 2.1 編製基準(續)

##### 2.1.2 本集團尚未採用的新訂及經修訂準則及詮釋

截至2022年3月31日止年度，若干新會計準則、修訂及詮釋於2021年4月1日開始的年度報告期間已頒佈但尚未生效，且本集團並未提早採用。預計這些準則於當前或未來報告期內不會對本集團以及不會對可見未來的交易產生重大影響。

**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

|  |  |                |
|--|--|----------------|
| IFRS 1, IFRS 9, IFRS 16 and IAS 41 (Amendments)      | Annual Improvements to IFRSs 2018 – 2020 cycle                                   | 1 January 2022 |
| 國際財務報告準則第1號、國際財務報告準則第9號、國際財務報告準則第16號及國際會計準則第41號(修訂本) | 對國際財務報告準則2018年—2020年週期的年度改進  | 2022年1月1日      |
| IAS 1 (Amendments)                                   | Classification of Liabilities as Current or Non-current                          | 1 January 2023 |
| 國際會計準則第1號(修訂本)                                       | 負債分類為流動或非流動  | 2023年1月1日      |
| IAS 1 and IFRS Practice Statement 2 (Amendments)     | Disclosure of Accounting Policies  | 1 January 2023 |
| 國際會計準則第1號及國際財務報告準則實踐指南第2號(修訂本)                       | 會計政策的披露  | 2023年1月1日      |
| IAS 12 (Amendments)                                  | Deferred tax related to assets and liabilities arising from a single transaction | 1 January 2023 |
| 國際會計準則第12號(修訂本)                                      | 與單一交易產生的資產及負債相關的遞延稅項   | 2023年1月1日      |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 2 主要會計政策概要(續)

#### 2.1 Basis of preparation (continued)

2.1.2 *New and amended standards and interpretation not yet adopted by the Group (continued)*

#### 2.1 編製基準(續)

2.1.2 本集團尚未採用的新訂及經修訂準則及詮釋(續)

|                                    |  | <b>Effective for<br/>accounting<br/>periods<br/>beginning on<br/>or after<br/>於以下日期或<br/>之後開始的<br/>會計期間生效</b> |
|------------------------------------|--|---|
| IAS 16 (Amendments)                | Property, Plant and Equipment – Proceeds before Intended Use                           | 1 January 2022  |
| 國際會計準則第16號(修訂本)                    | 物業、廠房及設備 – 作擬定用途前的所得款項   | 2022年1月1日   |
| IAS 37 (Amendments)                | Onerous Contracts – Cost of Fulfilling a Contract                                      | 1 January 2022  |
| 國際會計準則第37號(修訂本)                    | 虧損性合同 – 履行合同的成本  | 2022年1月1日   |
| IFRS 3 (Amendments)                | References to the Conceptual Framework   | 1 January 2022  |
| 國際財務報告準則第3號<br>(修訂本)               | 概念框架的引用  | 2022年1月1日   |
| IFRS 17                            | Insurance Contracts  | 1 January 2023  |
| 國際財務報告準則第17號                       | 保險合同   | 2023年1月1日   |
| IAS 8 (Amendments)                 | Definition of Accounting Estimates   | 1 January 2023  |
| 國際會計準則第8號(修訂本)                     | 會計估計的定義  | 2023年1月1日   |
| IFRS 10 and IAS 28<br>(Amendments) | Sale or Contribution of Assets between an Investor and its Associate and Joint Venture | To be determined  |
| 國際財務報告準則第10號及國<br>際會計準則第28號(修訂本)   | 投資者與其聯營公司和合營公司之間的<br>資產出售或出資   | 待確定   |

The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

國際會計準則第12號(修訂本)所得稅要求公司對於初始確認時產生等值的應課稅及可扣減的暫時性差額的交易確認遞延稅項。其通常適用於承租人的租賃及停用責任等交易，並將要求確認額外延遲稅項資產及負債。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### 2.1.2 *New and amended standards and interpretation not yet adopted by the Group (continued)*

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

The Group expects that the impact to the consolidated balance sheet will not be material and deferred tax assets and deferred tax liabilities without taking into consideration the offsetting of balances within the tax jurisdiction will increase by approximately RMB81,904,000 and RMB85,237,000 respectively as at 31 March 2022 as a result of adopting the amendments. The amendment is mandatory for financial years commencing on or after 1 January 2023. At this stage, the Group does not intend to adopt the amendment before its effective date.

### 2 主要會計政策概要(續)

#### 2.1 編製基準(續)

##### 2.1.2 本集團尚未採用的新訂及經修訂準則及詮釋(續)

此修訂本適用於所呈列最早可比較期間開始時或之後已發生的交易。此外，實體須在最早可比較期間開始時對所有與以下交易相關的可扣減及應課稅暫時性差額認遞延稅項資產(在可能可使用的範圍內)及遞延稅項負債：

- 使用權資產及租賃負債，及
- 停用、恢復及相似負債以及確認為相關資產的成本一部分的相應金額。

確認該等調整的累計影響於保留盈利或權益的其他部分(如適用)中確認。

本集團預期，由於採納該等修訂，對合併資產負債表的影響並不重大及於2022年3月31日的遞延稅項資產及遞延稅項負債(不計及同一稅務司法管轄區內的結餘抵銷)將分別增加約人民幣81,904,000元及人民幣85,237,000元。該修訂於2023年1月1日或之後開始的財政年度強制生效。於現階段，本集團不擬於該修訂生效日期前採納該修訂。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Principles of consolidation and equity accounting

#### 2.2.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (see Note 2.3 below).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, consolidated statement of comprehensive loss, consolidated statement of changes in deficit in equity and consolidated balance sheet respectively.

## 2 主要會計政策概要(續)

### 2.2 合併及權益會計法原則

#### 2.2.1 子公司

子公司指本集團擁有控制權的所有實體(包括結構性實體)。當本集團因參與該實體業務而承擔可變回報的風險或享有可變回報的權利,以及有能力通過其引導該實體活動的權力影響該等回報時,本集團即控制該實體。子公司在控制權轉至本集團之日起全面併表入賬,在控制權終止之日起終止併表入賬。

本集團採用收購會計法將業務合併入賬(見下文附註2.3)。

集團公司間的公司間交易、結餘及未變現收益予以對銷。未變現虧損亦予以對銷,但該交易有證據顯示所轉讓資產出現減值則作別論。子公司的會計政策已按需要變更,以確保與本集團所採用的政策一致。

子公司的經營業績及權益中的非控股權益分別於合併損益表、合併全面虧損表、合併權益虧絀變動表及合併資產負債表中單獨呈列。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Principles of consolidation and equity accounting (continued)

##### 2.2.2 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see Note 2.2.4 below), after initially being recognised at cost.

##### 2.2.3 Joint ventures

Joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Investments in joint ventures are accounted for using the equity method of accounting (see Note 2.2.4 below), after initially being recognised at cost.

##### 2.2.4 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

### 2 主要會計政策概要(續)

#### 2.2 合併及權益會計法原則(續)

##### 2.2.2 聯營公司

聯營公司指本集團對其有重大影響力但無控制權或共同控制權的所有實體。一般情況下，本集團持有20%至50%的表決權。於聯營公司的投資在初步按成本確認後採用權益會計法(見下文附註2.2.4)入賬。

##### 2.2.3 合營公司

合營安排乃視乎各投資者的合同權利及義務而分類為合營業務或合營公司。本集團已評估其合營安排的性質，並將之釐定為合營公司。於合營公司的投資在初步按成本確認後採用權益會計法(見下文附註2.2.4)入賬。

##### 2.2.4 權益法

根據權益會計法，投資初步以成本確認，其後經調整以於損益中確認本集團應佔的收購後被投資公司的利潤或虧損，並於其他全面收益中確認本集團應佔被投資公司的其他全面收益變動的份額。已收或應收聯營公司及合營公司的股息確認為投資賬面值的扣減。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Principles of consolidation and equity accounting (continued)

#### 2.2.4 Equity method (continued)

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity – accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.9.

#### 2.2.5 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity holders of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within deficit in equity attributable to owners of the Company.

## 2 主要會計政策概要(續)

### 2.2 合併及權益會計法原則(續)

#### 2.2.4 權益法(續)

當本集團應佔以權益法入賬的投資虧損等於或超過其應佔實體的權益(包括任何其他無抵押長期應收款項)時,除非本集團代表其他實體產生負債或支付款項,否則本集團不會進一步確認虧損。

本集團以及其聯營公司及合營公司之間交易的未變現收益予以對銷,惟以集團於該等實體的權益為限。未變現虧損亦予以對銷,但該交易有證據顯示所轉讓資產出現減值則作別論。以權益法入賬的被投資公司的會計政策已按需要變更,以確保與本集團所採用的政策一致。

以權益法入賬的投資的賬面值根據附註2.9所述的政策進行減值測試。

#### 2.2.5 擁有權權益變動

本集團將不會導致喪失控制權的非控股權益交易視為與本集團權益持有人的交易。擁有權益變動導致控股權益與非控股權益賬面值之間的調整,以反映彼等於子公司的相關權益。非控股權益調整金額與任何已付或已收對價之間的任何差額於本公司擁有人應佔權益虧絀中的獨立儲備內確認。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Principles of consolidation and equity accounting (continued)

##### 2.2.5 Changes in ownership interests (continued)

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as permitted by applicable IFRSs.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

### 2 主要會計政策概要(續)

#### 2.2 合併及權益會計法原則(續)

##### 2.2.5 擁有權權益變動(續)

當本集團因喪失控制權、共同控制權或重大影響力而停止綜合入賬或按權益入賬一項投資時，於實體的任何保留權益重新按公允價值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營公司或金融資產的保留權益而言，該公允價值為初步賬面值。此外，先前於其他全面收益確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這可能意味著先前在其他全面收益確認的金額重新分類至損益或轉撥至適用國際財務報告準則所允許的另一權益類別。

倘於合營公司或聯營公司的擁有權權益減少但仍保留共同控制權或重大影響力，則先前於其他全面收益確認的金額僅有一定比例份額重新分類至損益(如適用)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Principles of consolidation and equity accounting (continued)

##### 2.2.6 Subsidiaries controlled through contractual arrangements

In preparation for the listing of the Company's shares on the Main Board of the Stock Exchange of Hong Kong Limited (the "Listing") and to streamline the corporate structure, the Group underwent a reorganisation (the "Reorganisation") within the Group. Prior to the completion of the Reorganisation, in order to comply with the PRC laws and regulations which prohibit or restrict foreign control of medical institutions, the Group operates its medical institutions through five operating companies, whose equity interests are held by their respective nominal shareholders. The Group signed a series of contractual arrangements (the "Previous Contractual Arrangements") with the five operating entities. The Previous Contractual Arrangements include exclusive operational service agreements, exclusive option agreements, equity pledge agreement and entrustment agreement and powers of attorney, which enable the Group to:

- govern the financial and operating policies of the PRC operating entities
- exercise equity holder voting rights of the PRC operating entities
- receive substantially all of the economic interest returns generated by the PRC operating entities in consideration for the technical support, consulting and other services provided exclusively by the WFOE, at the WFOE's discretion

### 2 主要會計政策概要(續)

#### 2.2 合併及權益會計法原則(續)

##### 2.2.6 通過合同安排控制的子公司

為籌備股份於香港聯合交易所有限公司主板上市(「上市」)及精簡企業結構,本集團於集團內進行重組(「重組」)。於重組完成前,為遵守中國禁止或限制外商控制醫療機構的法律法規,本集團通過五家經營公司運營其醫療機構,該等經營實體的股權由其各自名義股東持有。本集團與五家經營實體簽訂一系列合同安排(「先前合同安排」)。先前合同安排包括獨家運營服務協議、獨家購買權協議、股權質押協議、委託協議和授權書,使得本集團能夠:

- 管理中國經營實體的財務及營運政策
- 行使權益持有人對中國經營實體的投票權
- 收取中國經營實體產生的絕大部分經濟利益回報以換取外商獨資企業酌情決定獨家提供的技術支持、諮詢及其他服務

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Principles of consolidation and equity accounting (continued)

##### 2.2.6 Subsidiaries controlled through contractual arrangements (continued)

- obtain an irrevocable and exclusive right to purchase part or all of the equity interests in the PRC operating entities at any time and from time to time, at the minimum consideration permitted by the relevant law in China at the time of transfer, and
- obtain a pledge over all of its equity interests from its respective nominee shareholders as collateral for all of the PRC entities' payments due to the Group to secure performance of entities' obligation under the Previous Contractual Arrangements.

Accordingly, the Group has rights to control these entities. As a result, they are presented as entities controlled by the Group.

### 2 主要會計政策概要(續)

#### 2.2 合併及權益會計法原則(續)

##### 2.2.6 通過合同安排控制的子公司(續)

- 取得不可撤銷的獨家權利以隨時及不時購買中國經營實體的部分或全部股權，對價等於轉讓時中國相關法律允許的最低價格，及
- 自其各自名義股東取得全部股權質押作為所有中國實體為擔保該等實體履行先前合同安排責任應付本集團款項的抵押品。

因此，本集團有權控制該等實體。故此，彼等呈列為由本集團控制的實體。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Principles of consolidation and equity accounting (continued)

##### 2.2.6 Subsidiaries controlled through contractual arrangements (continued)

On 20 August 2020, Beijing Ruier Shengbin Medical Technology Co., Ltd. (“Beijing Ruier”), Shenzhen Ruijian Consulting Management Co., Ltd. (“Shenzhen Ruijian”), Ms Zou Lifang, each of the 12 operating entities (the “VIE Entities”) entered into a series of contractual arrangements (the “New Contractual Arrangements”) pursuant to which the Group is able to:

- receive substantially all of the economic interest returns generated by Shenzhen Ruijian in consideration for the business support and consultancy services provided by Beijing Ruier;
- obtain an irrevocable, unconditional and exclusive right to purchase all or any part of the equity interests in and/or assets of Shenzhen Ruijian held at present or in the future for a consideration equivalent to the lowest price permitted under the PRC laws at the time of purchase. The nominee shareholder and Shenzhen Ruijian agreed to refund all amount received in the transfer of equity interests or assets, as the case maybe, to Beijing Ruier;
- exercise the equity holders’ voting rights of Shenzhen Ruijian; and,
- obtain a pledge over all of nominee shareholder’s equity interest in Shenzhen Ruijian to Beijing Ruier as a security to guarantee the performance of the contractual obligations and payment of outstanding debts under the New Contractual Arrangements.

### 2 主要會計政策概要(續)

#### 2.2 合併及權益會計法原則(續)

##### 2.2.6 通過合同安排控制的子公司(續)

於2020年8月20日，北京瑞爾聖彬醫療科技有限公司(「北京瑞爾」、深圳市瑞健諮詢管理有限公司(「深圳瑞健」、鄒立芳女士、12家經營實體(「可變利益實體」)各自訂立一系列合同安排(「新合同安排」)，據此，本集團能夠：

- 獲得深圳瑞健產生的絕大部分經濟利益回報，作為北京瑞爾提供的業務支持及諮詢服務的對價；
- 獲得不可撤銷的、無條件的獨家權利，以購買深圳瑞健目前或未來持有的全部或任何部分股權及／或資產，對價等於購買時中國法律允許的最低價格。名義股東及深圳瑞健同意將轉讓股權或資產(視情況而定)時收到的所有款項退還予北京瑞爾；
- 行使股權持有人對深圳瑞健的投票權；及
- 獲得名義股東於深圳瑞健的全部股權質押予北京瑞爾作為擔保，以保證履行新合同安排下的合同義務及支付未償債務。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Principles of consolidation and equity accounting (continued)

##### 2.2.6 Subsidiaries controlled through contractual arrangements (continued)

As a result of the New Contractual Arrangements, the Group is considered to control Shenzhen Ruijian as it has rights to exercise power over Shenzhen Ruijian, receive variable returns from its involvement with Shenzhen Ruijian, and have the ability to affect those returns through its power over Shenzhen Ruijian.

Consequently, the Company regarded Shenzhen Ruijian as controlled entity and consolidated the financial position and results of operations of Shenzhen Ruijian in the consolidated financial statements of the Group. In June 2021, given the New Contractual Arrangements have been taken effect, the relevant parties over the Previous Contractual Arrangements entered into a termination agreement and dismantled the Previous Contractual Arrangements.

### 2 主要會計政策概要(續)

#### 2.2 合併及權益會計法原則(續)

##### 2.2.6 通過合同安排控制的子公司(續)

由於新合同安排，本集團被視為控制深圳瑞健，因為其有權對深圳瑞健行使權力、從參與深圳瑞健業務中獲得可變回報，以及有能力通過其對深圳瑞健的權力影響該等回報。

因此，本公司將深圳瑞健視為受控實體，並將深圳瑞健的財務狀況及經營業績併入本集團的合併財務報表。於2021年6月，鑒於新合同安排已生效，先前合同安排的相關方訂立終止協議，並解除了先前合同安排。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

### 2 主要會計政策概要(續)

#### 2.3 業務合併

本集團採用收購會計法將所有業務合併入賬，不論是否已收購權益工具或其他資產。收購子公司所轉讓的對價包括：

- 所轉讓資產的公允價值
- 被收購業務前擁有人所產生負債
- 本集團發行的股權
- 或然對價安排產生的任何資產或負債的公允價值，及
- 子公司任何先前存在股權的公允價值。

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債，初步以彼等於收購日期的公允價值計量（少數例外情況除外）。本集團以逐項收購基準按公允價值或非控股權益應佔被收購實體可識別淨資產的比例確認於被收購實體的任何非控股權益。

收購相關成本於產生時支銷。

以下三者：

- 已轉讓對價
- 被收購實體的任何非控股權益金額，及
- 任何先前於被收購實體的股本權益於收購日期的公允價值

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.3 Business combinations (continued)

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

#### 2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

### 2 主要會計政策概要(續)

#### 2.3 業務合併(續)

超過所收購可識別淨資產的公允價值的數額入賬為商譽。倘該等金額低於所收購業務可識別淨資產的公允價值，則差額直接於損益確認為議價購買。

倘現金對價的任何部分遞延結算，則未來應付金額將折現至交換日期的現值。所用折現率為實體的增量借款利率，即根據可資比較條款及條件可從獨立融資人取得類似借款的利率。或然對價分類為權益或金融負債。分類為金融負債的金額其後重新計量至公允價值，而公允價值變動於損益確認。

#### 2.4 獨立財務報表

於子公司的投資按成本扣除減值入賬。成本包括投資的直接歸屬成本。子公司業績由本公司按已收及應收股息基準入賬。

當收到來自於子公司的投資的股息時，倘若股息超過該子公司在宣派股息期間的總全面收益，或倘若在獨立財務報表中的投資賬面值超過被投資公司淨資產(包括商譽)在合併財務報表中的賬面值時，須對有關投資進行減值測試。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segment and making strategic decisions. The chief operating decision-maker has been identified as the board of directors.

### 2.6 Foreign currency translation

#### 2.6.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company is USD as USD is the primary denominated currency of the Company's financing. The Company's primary subsidiaries were incorporated in mainland China and these subsidiaries considered RMB as their functional currency. As the major operations of the Group are within mainland China, the Group determined to present its consolidated financial statements in RMB (unless otherwise stated).

#### 2.6.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses are presented in the consolidated income statement within "other (losses)/gains – net".

## 2 主要會計政策概要(續)

### 2.5 分部報告

經營分部與呈報給主要經營決策者的內部報告方式一致。主要經營決策者負責分配資源及評估經營分部的表現，以及作出戰略決定。主要經營決策者已確定為董事會。

### 2.6 外幣換算

#### 2.6.1 功能及呈報貨幣

本集團各實體的財務報表所載項目均按各實體經營所在主要經濟環境的貨幣(「功能貨幣」)計量。本公司的功能貨幣為美元，因為美元是本公司融資的主要計價貨幣。本公司的主要子公司於中國內地註冊成立，該等子公司視人民幣為其功能貨幣。由於本集團的主要業務位於中國內地，本集團決定以人民幣(另有註明者除外)呈報其合併財務報表。

#### 2.6.2 交易及結餘

外幣交易採用於交易日期的匯率換算為功能貨幣。結算此等交易以及按年末匯率換算以外幣計價的貨幣資產及負債產生的匯兌收益及虧損，一般在損益內確認。如果此等匯兌收益及虧損與合格現金流對沖及合格淨投資對沖相關，或歸屬於海外業務淨投資的一部分，則在權益中遞延。

匯兌收益及虧損在合併損益表的「其他淨(虧損)/收益」中列報。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.6 Foreign currency translation (continued)

##### 2.6.3 Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each income statement and statement of comprehensive loss are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income/(loss).

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income/(loss).

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### 2 主要會計政策概要(續)

#### 2.6 外幣換算(續)

##### 2.6.3 集團公司

功能貨幣與呈報貨幣不同的(當中並無惡性通貨膨脹經濟體的貨幣)海外業務的業績及財務狀況按以下方法換算為呈報貨幣：

- 每份呈報的資產負債表內的資產及負債按該資產負債表日期的收市匯率換算
- 每份損益表及全面虧損表內的收入及開支按平均匯率換算(除非該匯率並非交易日期匯率的累計影響的合理約數，則在此情況下，收入及開支按交易日期的匯率換算)，及
- 所有由此產生的匯兌差額在其他全面收益／(虧損)內確認。

併表入賬時，換算任何於外國實體的淨投資，以及換算借款及其他指定為此等投資對沖的金融工具產生的匯兌差額，均在其他全面收益／(虧損)內確認。

收購海外業務產生的商譽及公允價值調整，視為該外國業務的資產及負債處理，並按收市匯率換算。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the year ended 31 March 2022 in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

|   |                                |  |
|---|--------------------------------|--|
| - | Medical equipment              | 3-10 years                                       |
| - | Office equipment and furniture | 5 years  |
| - | Motor vehicles                 | 5 years  |
| - | Leasehold improvements         | the shorter of the useful life or the lease term |

Property, plant and equipment arising from a business acquisitions is depreciated over the remaining useful life.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other gains – net" in the consolidated income statement.

### 2 主要會計政策概要(續)

#### 2.7 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊列賬。歷史成本包括收購項目直接應佔開支。

其後成本僅於與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，方計入資產的賬面值或確認為獨立資產（如適用）。重置部分賬面值終止確認。所有其他維修及保養費用於產生的截至2022年3月31日止年度在損益中扣除。

物業、廠房及設備的折舊按於以下估計可使用年期內以直線法分攤其成本（扣除其剩餘價值）計算：

|   |         |                  |
|---|---------|------------------|
| - | 醫療設備    | 3至10年            |
| - | 辦公設備及傢具 | 5年               |
| - | 汽車      | 5年               |
| - | 租賃物業裝修  | 可使用年期或租期（以較短者為準） |

因業務收購產生的物業、廠房及設備於剩餘可使用年期內折舊。

資產的剩餘價值及可使用年期於各報告期末進行檢討及調整（倘適用）。

倘資產的賬面值超過其估計可收回金額，則資產的賬面值即時撇減至其可收回金額。

出售的收益及虧損乃透過比較所得款項及賬面值釐定，並於合併損益表「其他淨收益」內確認。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.8 Intangible assets

#### 2.8.1 Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate purchase consideration transferred, the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses (if any). Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

#### 2.8.2 Other intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring the specific software into usage. Costs associated with maintaining computer software programs are recognised as expense as incurred.

Separately acquired service contracts are measured on initial recognition at cost. Service contracts are subsequently carried at cost less accumulated amortisation and impairment losses (if any).

## 2 主要會計政策概要(續)

### 2.8 無形資產

#### 2.8.1 商譽

商譽產生自收購子公司，並相當於所轉讓購買對價總額、被收購方先前的任何股本權益在收購日期的公允價值超出所收購可識別淨資產的公允價值的數額。商譽不予攤銷，但會每年進行減值測試，或當有事件出現或情況變化顯示可能出現減值時進行更頻密的減值測試，並按成本減累計減值虧損（如有）列賬。出售實體產生的收益及虧損包括與所出售實體有關的商譽賬面值。

商譽分配至現金產生單位（「現金產生單位」）以進行減值測試。商譽會分配到預計會從產生商譽的業務合併中受益的現金產生單位或現金產生單位組別。這些單位或單位組別是在為內部管理目的而監控商譽的最低級別確定，即經營分部。

#### 2.8.2 其他無形資產

所收購的計算機軟件是根據收購特定軟件並投入使用所產生的成本進行資本化。與維護計算機軟件程序相關的成本於產生時確認為開支。

單獨取得的服務合同於初始確認時按成本計量。服務合同其後按成本減累計攤銷及減值虧損（如有）列賬。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.8 Intangible assets (continued)

##### 2.8.2 Other intangible assets (continued)

Brands and licenses, non-competitive agreements and customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are carried at cost less accumulated amortisation and impairment losses (if any).

Estimated useful life is determined to be the shorter of the period of contractual rights or the estimated period during which such intangible assets can bring economic benefits to the Group.

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

|   |            |
|---|------------|
| Software  | 5 years    |
| Service contracts                                     | 2-4 years  |
| Brands and licenses                                   | 5-10 years |
| Non-competitive agreements and customer relationships | 1-4 years  |

The Group estimates the useful life of the brand and license to be between 5 and 10 years based on the contract term of the brand and the expected useful life of the license.

### 2 主要會計政策概要(續)

#### 2.8 無形資產(續)

##### 2.8.2 其他無形資產(續)

在業務合併中所收購的品牌及許可證、非競爭性協議及客戶關係，按收購日期的公允價值確認。其可使用年期有限定，並按成本減累計攤銷及減值虧損(如有)列賬。

估計可使用年期確定為合同權利期間或有關無形資產可為本集團帶來經濟利益的估計期間(以較短者為準)。

本集團於以下期間採用直線法攤銷有限定可使用年期的無形資產：

|             |       |
|-------------|-------|
| 軟件          | 5年    |
| 服務合同        | 2至4年  |
| 品牌及許可證      | 5至10年 |
| 非競爭性協議及客戶關係 | 1至4年  |

本集團基於品牌的合同期限和許可證的預期可使用年期估計品牌及許可證的可使用年期介乎5至10年。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.8 Intangible assets (continued)

##### 2.8.3 Research and development

Research expenditures are recognised as an expense as incurred. Costs incurred on the development phase of an internal project are capitalized as intangible assets when all of the recognition criteria are met, including (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale; (b) management intends to complete the intangible asset and use or sell it; (c) there is an ability to use or sell the intangible asset; (d) it can be demonstrated how the intangible asset will generate probable future economic benefits; (e) adequate technical, finance and other resources to complete the development and to use or sell the intangible asset are available; and (f) the expenditure attributable to the intangible asset during its development can be reliably measured. Other development costs that do not meet those criteria are expensed as incurred. There were no development costs meeting those criteria and capitalised as intangible assets as at 31 March 2022 and 2021.

### 2 主要會計政策概要(續)

#### 2.8 無形資產(續)

##### 2.8.3 研發

研究支出於產生時確認為開支。內部項目開發階段產生的成本於滿足所有確認標準時資本化為無形資產，該等標準包括(a)完成該無形資產以供使用或出售具技術可行性；(b)管理層有意完成該無形資產並使用或出售；(c)有能力使用或出售該無形資產；(d)能夠證明該無形資產將如何產生可能的未來經濟利益；(e)有足夠技術性、財務及其他資源完成開發並使用或出售該無形資產；及(f)該無形資產於開發期內應佔的支出能夠可靠計量。不滿足該等標準的其他開發成本於產生時支銷。於2022年及2021年3月31日，概無開發成本滿足該等標準及資本化為無形資產。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.9 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets, including property, plant and equipment, right-of-use assets, and intangible assets (including brand and licenses), are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2 主要會計政策概要(續)

### 2.9 非金融資產減值

倘商譽及無形資產的可使用年期為無限定，則無須攤銷，但會每年進行減值測試，或當有事件出現或情況變化顯示可能出現減值時進行更頻密的減值測試。其他非金融資產(包括物業、廠房及設備、使用權資產及無形資產(包括品牌及許可證))於有事件出現或情況變化顯示賬面值可能無法收回時進行減值測試。減值虧損按資產賬面值超出其可收回金額的差額確認。可收回金額以資產的公允價值減出售成本或使用價值兩者之間較高者為準。於評估減值時，資產按可單獨識別現金流入的最低級別分組，該等現金流入在很大程度上獨立於其他資產或資產組別(現金產生單位)的現金流入。除商譽外，已減值的非金融資產在各報告期末檢討減值能否轉回。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.10 Investments and other financial assets

##### 2.10.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss (“FVPL”), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

##### 2.10.2 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in consolidated income statement.

### 2 主要會計政策概要(續)

#### 2.10 投資及其他金融資產

##### 2.10.1 分類

本集團將其金融資產分為以下計量類別：

- 其後將按公允價值計入損益(「按公允價值計入損益」)計量的金融資產，及
- 將按攤銷成本計量的金融資產。

分類視乎實體管理金融資產的業務模式及現金流量的合同條款而定。

金融資產的常規買賣於交易日期(本集團承諾買賣該資產的日期)予以確認。當收取金融資產現金流量的權利已屆滿或已轉移，且本集團已轉移所有權的幾乎所有風險和報酬時，終止確認金融資產。

##### 2.10.2 計量

初始確認時，本集團按金融資產的公允價值加(倘若並非按公允價值計入損益的金融資產)收購該金融資產直接應佔的交易成本計量該金融資產。按公允價值計入損益列賬的金融資產的交易成本在合併損益表內支銷。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.10 Investments and other financial assets (continued)

##### 2.10.2 Measurement (continued)

###### Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in consolidated income statement and presented net within other (losses)/gains – net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement.
- FVPL: Assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in consolidated income statement and presented net within other (losses)/gains – net in the period in which it arises.

### 2 主要會計政策概要 (續)

#### 2.10 投資及其他金融資產 (續)

##### 2.10.2 計量 (續)

###### 債務工具

債務工具的後續計量視乎本集團管理資產的業務模式及該資產的現金流量特徵而定。本集團將其債務工具分為兩個計量類別：

- 攤銷成本：對於為收回合同現金流量而持有的資產，倘若該等現金流量僅為支付本金及利息，則該等資產按攤銷成本計量。該等金融資產的利息收入按實際利率法計入財務收入內。終止確認產生的任何收益或虧損直接於合併損益表內確認，並連同匯兌收益及虧損於其他淨（虧損）／收益以淨額呈列。減值虧損於合併損益表內以單獨項目呈列。
- 按公允價值計入損益：不符合攤銷成本標準的資產按公允價值計入損益計量。後續按公允價值計入損益計量的債務投資的收益或虧損於合併損益表內確認，並於產生期間於其他淨（虧損）／收益以淨額呈列。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.10 Investments and other financial assets (continued)

#### 2.10.3 Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Impairment of other receivables are measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

While cash and cash equivalents, time deposits with original maturities over three months and restricted cash are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

### 2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

## 2 主要會計政策概要(續)

### 2.10 投資及其他金融資產(續)

#### 2.10.3 減值

本集團按預期基準評估按攤銷成本列賬的債務工具的相關預期信貸虧損。所用減值方法視乎信貸風險有否顯著增加而定。

本集團運用國際財務報告準則第9號允許的簡易方法處理貿易應收款項，該準則規定於初始確認應收款項時確認存續期預期信貸虧損。

其他應收款項減值按12個月預期信貸虧損或存續期預期信貸虧損計量，視乎自初始確認後信貸風險有否顯著增加而定。倘若自初始確認後應收款項信貸風險顯著增加，則減值按存續期預期信貸虧損計量。

雖然現金及現金等價物、原到期日超過三個月的定期存款及受限制現金亦須遵守國際財務報告準則第9號的減值規定，但是可識別的減值虧損並不重大。

### 2.11 抵銷金融工具

倘若有可依法執行權利將已確認金額抵銷，且有意以淨額結算或同時變現資產和清償負債時，金融資產及負債會互相抵銷，並於資產負債表內呈報淨額。可依法執行權利不得取決於未來事件，並且必須在正常業務過程中以及在公司或交易對手違約、資不抵債或破產的情況下可強制執行。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

#### 2.13 Trade receivables

Trade receivables are amounts due from customers for goods sold and service performed in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 3.1.2 for the description of the Group's impairment policies.

#### 2.14 Cash and cash equivalents and restricted cash

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks and time deposits with original maturities within three months.

Time deposits with original maturities over three months and cash that is restricted from withdrawal, from use or from being pledged as security is reported separately on the face of the consolidated balance sheet, and is not included in the total cash and cash equivalents in the consolidated statement of cash flows.

### 2 主要會計政策概要(續)

#### 2.12 存貨

存貨按成本與可變現淨值兩者中的較低者列賬。成本採用先進先出法確定。可變現淨值是在日常業務過程中的估計售價減去進行銷售所需的估計成本。

#### 2.13 貿易應收款項

貿易應收款項為於日常業務過程中銷售貨品及提供服務而應收客戶的款項。倘若預期貿易應收款項可於一年或以內(或如為較長時間,則在一般業務營運週期內)收回,則分類為流動資產,否則將其呈列為非流動資產。

貿易應收款項初始按可無條件獲得的對價金額進行確認,但當其包含重大融資成分時,則按公允價值確認。本集團持有貿易應收款項的目的是收取合同現金流量,因此採用實際利率法按攤銷成本進行後續計量。有關本集團減值政策的說明,請參閱附註3.1.2。

#### 2.14 現金及現金等價物以及受限制現金

就呈列合併現金流量表而言,現金及現金等價物包括手頭現金、銀行活期存款及原到期日為三個月內的定期存款。

原到期日超過三個月的定期存款及提取、使用或作為擔保抵押受限制的現金,於合併資產負債表單獨報告,且不會計入合併現金流量表內的總現金及現金等價物。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

Shares held by the Company's restrictive share unit scheme (the "RSU Plan") are disclosed as treasury shares and deducted from contributed equity.

The re-designation of ordinary shares held by certain management and shareholders to Series E convertible redeemable preferred shares ("Series E Preferred Shares") was accounted for as deemed repurchase of ordinary shares and deemed issuance of Series E Preferred Shares. The deemed repurchase of ordinary shares is measured at fair value of ordinary shares and debited to share capital and reserves accordingly, and the deemed issuance of Series E Preferred Shares is measured at fair value of the preferred shares issued. The difference between fair value of ordinary shares and preferred shares is recognised as share-based compensation expenses according to IFRS 2 since the holders of ordinary shares deemed to be repurchased are management or existing shareholders of the Group.

Preferred shares are classified as financial liabilities, see Note 2.17 and Note 3.3.

### 2 主要會計政策概要(續)

#### 2.15 股本

普通股歸類為權益。直接歸屬於發行新股份或期權的增量成本在權益中列示為所得款項的扣減(扣除稅項)。

倘任何集團公司購買本公司的權益工具(例如因股份購回或股份付款計劃),所支付的對價(包括任何直接應佔增量成本(扣除所得稅))作為庫存股份自本公司擁有人應佔權益扣減直至股份被註銷或重新發行。倘該等普通股其後重新發行,所收取的任何對價(扣除任何直接應佔增量交易成本及相關所得稅影響)均計入本公司擁有人應佔權益。

本公司受限制股份單位計劃(「受限制股份單位計劃」)所持的股份披露為庫存股份,並自實繳權益中扣除。

將若干管理層及股東持有的普通股重新指定為E輪可轉換可贖回優先股(「E輪優先股」)入賬列為視作購回普通股及視作發行E輪優先股。視作購回普通股按普通股的公允價值計量,因此自股本及儲備扣除。視作發行E輪優先股按已發行優先股的公允價值計量。由於視作購回的普通股的持有人為本集團管理層或現有股東,故普通股與優先股的公允價值差額根據國際財務報告準則第2號確認為股份酬金開支。

優先股歸類為金融負債,請參閱附註2.17及附註3.3。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.16 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### 2.17 Convertible redeemable preferred shares (“Preferred Shares”)

Preferred Shares issued by the Company are redeemable at the option of the holder upon occurrence of certain events. These instruments can also be converted into ordinary shares of the Company at any time at the option of the holders, or automatically upon occurrence of an Qualified Initial Public Offering (the “QIPO”) of the Company. For details, refer to Note 29.

The Group designated the Preferred Shares as financial liabilities at fair value through profit or loss. They are initially recognised at fair value. Any directly attributable transaction costs are recognised in profit or loss. Fair value changes relating to market risk are recognised in profit or loss, the component of fair value changes relating to the Company’s own credit risk is recognised in other comprehensive income/(loss). Amounts recorded in other comprehensive income/(loss) related to own credit risk are not subject to recycling in profit or loss, but are transferred to accumulated losses when realised.

The Preferred Shares are classified as non-current liabilities unless the Preferred Shares’ holders can demand the Company to redeem the Preferred Shares within 12 months after the end of the each reporting period.

### 2 主要會計政策概要(續)

#### 2.16 貿易及其他應付款項

這些款項指財政期間末前向本集團提供貨品及服務而未獲支付的負債。貿易及其他應付款項呈列為流動負債，除非在報告期後12個月內未到期。貿易及其他應付款項初步按公允價值確認，其後採用實際利率法按攤銷成本計量。

#### 2.17 可轉換可贖回優先股(「優先股」)

本公司發行的優先股可於若干事件發生時由持有人選擇贖回。持有人亦可選擇隨時將該等工具轉換為本公司的普通股，或於本公司合資格首次公開發售(「合資格首次公開發售」)後自動轉換為普通股。詳情請參閱附註29。

本集團將優先股指定為按公允價值計入損益的金融負債，初始按公允價值確認。任何直接應佔交易成本於損益中確認。與市場風險有關的公允價值變動於損益中確認，與本公司自有信貸風險有關的公允價值變動部分於其他全面收益／(虧損)中確認。與自有信貸風險有關並計入其他全面收益／(虧損)的金額無須轉回至損益，但在變現時轉撥至累計虧損。

優先股歸類為非流動負債，除非優先股持有人於各報告期末後12個月內要求本公司贖回優先股。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.18 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated income statement as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### 2 主要會計政策概要(續)

#### 2.18 借款

借款初始按公允價值(扣除已產生交易成本)確認,其後按攤銷成本列賬。所得款項(扣除交易成本)與贖回金額之間的任何差額,採用實際利率法於借款期間在損益內確認。

建立貸款融資時支付的費用在很可能會部分或全部提取融資的情況下確認為貸款的交易成本。在此情況下,該費用乃遞延直至發生提取。如果沒有證據證明很可能會部分或全部提取融資,該費用將資本化為流動性服務的預付款項,並在融資相關期間攤銷。

當合同規定的義務解除、取消或到期時,借款從合併資產負債表中移除。已消除或已轉移給另一方的金融負債的賬面值與已付對價(包括所轉移的任何非現金資產或所承擔負債)之間的差額,於合併損益表確認為財務成本。

借款歸類為流動負債,除非本集團有權無條件將負債的清償推遲至報告期末後至少12個月。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.18 Borrowings (continued)

##### 2.18.1 Bond

The Company issued a bond to a bond holder (the “Holder”) which is accounted for at fair value through profit or loss, with fair value changes recognised in profit or loss, except for the portion attributable to own credit risk change that should be charged to other comprehensive income/(loss). Amounts recorded in other comprehensive income/(loss) related to own credit risk are not subject to recycling in profit or loss, but are transferred to accumulated losses when realised.

The bond is classified as a non-current liability unless the Company has an obligation to settle the liability within 12 months after the end of the reporting period.

##### 2.18.2 Warrants

The Group issued warrants as an upfront payment for issuing a bond (Note 2.18.1). The warrants can be exercised and settled with (1) class 1 ordinary shares of the Company, (2) cash determined by the underlying equity value of the Company, at the option of the holder. The warrants are initially and subsequently measured at fair value. Any changes in fair value of warrants are recognised in profit or loss.

##### 2.18.3 Derivative liabilities

The Group recognised derivative liabilities as the result of the termination of warrants. The derivative liabilities can be settled either through (1) a predetermined amount of cash, or (2) re-entering into the warrants (Note 2.18.2), depending if the QIPO or trade sales occurs before 31 December 2022. The derivative liabilities are initially and subsequently measured at fair value. Any changes in fair value of derivative liabilities are recognised in profit or loss.

### 2 主要會計政策概要(續)

#### 2.18 借款(續)

##### 2.18.1 債券

本公司向債券持有人(「持有人」)發行按公允價值計入損益的債券，而其公允價值變動則於損益確認，但自有信貸風險變化應佔部分應計入其他全面收益／(虧損)除外。與自有信貸風險有關並計入其他全面收益／(虧損)的金額無須轉回至損益，但在變現時轉撥至累計虧損。

除非本公司有責任在報告期末後12個月內清償該負債，否則該債券被歸類為非流動負債。

##### 2.18.2 權證

本集團發行權證作為發行債券的預付款項(附註2.18.1)。權證可由持有人選擇以(1)本公司1類普通股、(2)由本公司相關股權價值確定的現金行使和結算。權證初始及隨後均按公允價值計量。權證公允價值的任何變動均於損益中確認。

##### 2.18.3 衍生負債

本集團因終止權證而確認衍生負債。衍生負債可以用(1)預定數額的現金、或(2)重新訂立權證(附註2.18.2)來結算，取決於在2022年12月31日前是否發生合資格首次公開發售或交易銷售。衍生負債初始及隨後均按公允價值計量。衍生負債公允價值的任何變動均於損益中確認。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.19 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

#### 2.20 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

##### 2.20.1 Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### 2 主要會計政策概要(續)

#### 2.19 借款成本

收購、建設或生產合資格資產直接應佔的一般及特定借款成本，於完成建設及將資產達致擬定用途或銷售狀況所需時間期限內撥充資本。合資格資產為需要相當長時間達致擬定用途或銷售狀況的資產。

就有待用於合資格資產支出的特定借款作出暫時投資賺取的投資收入，自合資格撥充資本的借款成本中扣除。

其他借款成本均在其產生的期間支銷。

#### 2.20 即期及遞延所得稅

期內所得稅開支或抵免是根據各司法管轄區適用的所得稅稅率計算的即期應課稅收入的應繳稅項，並根據歸因於暫時性差額和未使用的稅項虧損的遞延稅項資產及負債變動予以調整。

##### 2.20.1 即期所得稅

即期所得稅支出是根據本公司的子公司經營業務及產生應課稅收入的國家於資產負債表日期已頒佈或實質上已頒佈的稅法計算。管理層就適用稅務法規需要解釋的情況定期評估報稅表中的狀況，本集團在適用情況下根據預期須向稅務機關繳納的稅款計提撥備。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.20 Current and deferred income tax (continued)

##### 2.20.2 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

### 2 主要會計政策概要(續)

#### 2.20 即期及遞延所得稅(續)

##### 2.20.2 遞延所得稅

遞延所得稅採用負債法，對資產及負債的稅基與其在合併財務報表中的賬面值之間的暫時性差額，全數計提撥備。然而，倘若遞延所得稅負債源自初始確認商譽，則不予確認。倘若遞延所得稅源自初始確認交易（業務合併除外）中的資產或負債，且進行有關交易時並不影響會計或應課稅利潤或虧損，則亦不予入賬。遞延所得稅按於報告期末之前已頒佈或實質上已頒佈，且預期將於相關遞延所得稅資產變現或遞延所得稅負債清償時適用的稅率（及稅法）計算。

遞延所得稅資產僅在未來很可能有可供動用該等暫時性差額及虧損的應課稅金額時予以確認。

倘若公司能夠控制暫時性差額的轉回時間且該等差額很可能不會於可預見未來轉回，則不會就海外業務投資的賬面值與稅基之間的暫時性差額確認遞延稅項負債及資產。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.20 Current and deferred income tax (continued)

##### 2.20.2 Deferred income tax (continued)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and when the deferred income tax balances relate to the same taxation authority. Current income tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income/(loss) or directly in equity. In this case, the tax is also recognised in other comprehensive income/(loss) or directly in equity, respectively.

#### 2.21 Employee benefits

##### 2.21.1 Short-term obligations

Liabilities for wages, salaries, bonuses and other allowances that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit payable in the consolidated balance sheet.

### 2 主要會計政策概要(續)

#### 2.20 即期及遞延所得稅(續)

##### 2.20.2 遞延所得稅(續)

倘若有可依法執行權利將即期所得稅資產及負債抵銷，且遞延所得稅結餘與同一稅務機關相關，則遞延所得稅資產及負債互相抵銷。倘若實體有可依法執行的抵銷權利且有意按淨額結算，或同時變現資產及結清負債時，則即期所得稅資產及所得稅負債互相抵銷。

即期及遞延所得稅於損益內確認，但與於其他全面收益／(虧損)或直接於權益中確認的項目相關的除外。在此情況下，有關稅項亦分別於其他全面收益／(虧損)或直接於權益中確認。

#### 2.21 僱員福利

##### 2.21.1 短期責任

本集團就直至報告期末的僱員服務確認工資、薪金、花紅及其他津貼負債(預期須於僱員提供相關服務的期間結束後12個月內全數結清)，並按結清負債時預期將要支付的金額計量。該等負債在合併資產負債表中呈列為應付即期僱員福利。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.21 Employee benefits (continued)

#### 2.21.2 Pension obligations

The Company's subsidiaries incorporated in the PRC contribute based on certain percentage of the salaries of the employees to a defined contribution retirement benefit plan organised by relevant government authorities in the PRC on a monthly basis. The government authorities undertake to assume the retirement benefit obligations payable to the existing and future retired employees under these plans and the Group has no further obligation for post-retirement benefits beyond the contributions made. Contributions to these plans are expensed as incurred. Assets of the plans are held and managed by government authorities and are separate from those of the Group.

### 2.22 Share-based compensation

Share-based compensation benefits are provided to employees via the Company's RSU Plan.

#### Restrictive share unit awards ("RSUs")

The fair value of RSUs granted under the Company's RSU Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the RSUs granted:

- Including any market performance conditions (for example, an entity's share price);
- Excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- Including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time).

## 2 主要會計政策概要(續)

### 2.21 僱員福利(續)

#### 2.21.2 退休金責任

本公司在中國註冊成立的子公司按僱員薪金的一定百分比向中國相關政府機關組織的界定供款退休福利計劃每月供款。政府機關承諾承擔這些計劃下應付給現有和未來退休僱員的退休福利責任，而本集團除已作出的供款外沒有進一步的退休後福利責任。對這些計劃的供款在產生時支銷。該計劃的資產由政府機關持有和管理，並與本集團的資產分開。

### 2.22 股份酬金

股份酬金福利通過本公司的受限制股份單位計劃提供予僱員。

#### 受限制股份單位獎勵(「受限制股份單位」)

根據本公司受限制股份單位計劃授出的受限制股份單位的公允價值確認為僱員福利開支，相應權益增加。將予支銷的總金額乃參考授出的受限制股份單位的公允價值釐定：

- 包括任何市場表現情況(例如，實體的股價)；
- 不包括任何服務及非市場表現歸屬條件(例如，盈利能力、銷售增長目標及在特定期間內仍然為實體的僱員)的影響；及
- 包括任何非歸屬條件的影響(例如，要求僱員在指定期間保留或持有股份)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.22 Share-based compensation (continued)

##### *Restrictive share unit awards ("RSUs") (continued)*

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of RSUs that are expected to vest based on the non-market performance conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

If the terms of an equity-settled award are modified, an additional expense is recognised for any modification that increases the total fair value of the share-based compensation arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

#### 2.23 Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts.

Revenue from rendering of dental services is recognised over time because the Group's performance does not create an asset with an alternative use and the Group have an enforceable right to payment for performance completed to date.

### 2 主要會計政策概要(續)

#### 2.22 股份酬金(續)

##### *受限制股份單位獎勵(「受限制股份單位」)(續)*

總開支於歸屬期確認，歸屬期為達成所有指定歸屬條件的期間。於各期間末，實體根據非市場表現條件及服務條件修訂其對預期將歸屬的受限制股份單位數目的估計。其於損益確認修訂原估計的影響(如有)，並對權益作出相應調整。

倘以權益結算獎勵的條款被修訂，則就任何導致股份酬金安排的總公允價值增加或為僱員帶來其他利益的修訂按修訂當日的計量確認額外開支。

#### 2.23 收入確認

當商品或服務的控制權按反映本集團預期交換商品或服務所得對價的金額轉移至客戶時，確認客戶合同收入。收入乃按已收或應收對價的公允價值計量，指正常業務過程中所銷售商品及所提供服務的應收款項(扣除折讓)。

提供口腔醫療服務所得收入於一段時間內確認，原因為本集團的履約並未創建一項可用於替代用途的資產，並且本集團具有就迄今為止已完成的履約部分收取款項的可強制執行權利。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.23 Revenue recognition (continued)

- (a) Revenue from the rendering of orthodontics and implantology services is recognised over time, using an input method to measure progress towards complete satisfaction of the service. The input method recognises revenue on the basis of staff costs and/or costs of inventories, consumables and customised products, when appropriate, relative to the total expected costs to complete the respective service. When the payments received from customers exceed the services rendered, a contract liability is recognised.
- (b) Revenue from the rendering of other dental services is recognised when the services have been rendered given that such dental services are generally completed within a very short period of time.

For revenue from rendering of dental services that the Group have no enforceable right to payment for performance completed to date, revenue is recognised at a point in time when the performance obligation is satisfied by transferring control of the service to the customer.

Revenue from sales of goods is recognised when control of the goods has transferred, being when the goods are delivered to the customers.

For contracts where the period between the payment by the customer and the transfer of the promised service exceeds one year, the transaction price is adjusted for the effects of a financing component, if significant.

### 2 主要會計政策概要(續)

#### 2.23 收入確認(續)

- (a) 提供正畸及植牙服務的收入於一段時間內確認，使用投入法計量完全履行服務的進度。投入法按所花費的員工成本及／或存貨成本、耗材及訂製產品(如適用)與完成相關服務的總預期成本的比例確認收入。倘自客戶收取的付款超過所提供的服務，則確合同負債。
- (b) 提供其他口腔醫療服務的收入於服務已提供時確認，原因為該等口腔醫療服務通常於較短時間內完成。

就提供本集團並無就迄今為止已完成的履約部分收取款項的可強制執行權利的口腔醫療服務所得收入而言，收入於履約責任通過將服務控制權轉移至客戶而得以履行的時間點確認。

銷售商品的收入於商品控制權轉移(即商品交付予客戶)時確認。

對於客戶付款與承諾服務轉移間隔期間超過一年的合同而言，交易價會就重大融資部分的影響作出調整。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.23 Revenue recognition (continued)

The Group recognise as an asset (i) the incremental costs of obtaining a contract with a customer, representing the commissions to dentists; and (ii) the costs incurred to fulfil a contract which relate directly to the contract, generate resources that will be used in satisfying the contract and are expected to be recovered. These assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

#### 2.24 Loss per share

##### 2.24.1 Basic loss per share

Basic loss per share is calculated by dividing:

- the loss attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares; by
- the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

##### 2.24.2 Diluted loss per share

Diluted loss per share adjusts the figures used in the determination of basic loss per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

### 2 主要會計政策概要(續)

#### 2.23 收入確認(續)

本集團將以下各項確認為資產：(i)取得客戶合同的增量成本，即醫生佣金；及(ii)為達成合同而產生的成本，該成本與合同直接相關、產生達成合同時將使用的資源且預期可收回。這些資產按與向客戶轉讓資產相關商品或服務一致的系統性基準進行攤銷。

#### 2.24 每股虧損

##### 2.24.1 每股基本虧損

每股基本虧損按：

- 本公司擁有人應佔虧損(不包括除普通股以外的任何權益服務成本)；除以
- 財政年度內發行在外普通股加權平均數計算，並就年內已發行普通股紅股部分作出調整，並剔除庫存股份。

##### 2.24.2 每股攤薄虧損

每股攤薄虧損調整計算每股基本虧損所用數據以考慮：

- 與攤薄性潛在普通股相關的利息及其他融資成本的除所得稅後影響；及
- 假設轉換所有攤薄性潛在普通股而應已發行的額外普通股的加權平均數。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.25 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities are the net present value of the following lease payments (if applicable):

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

### 2 主要會計政策概要(續)

#### 2.25 租賃

租賃於租賃資產可供本集團使用當日確認為使用權資產及相應負債。

合同可能包含租賃及非租賃部分。本集團根據租賃及非租賃部分的相對獨立價格將合同對價分配至該等部分。

租賃產生的資產及負債按現值基準進行初始計量。租賃負債為下列租賃付款(如適用)的淨現值：

- 固定付款(包括實質固定付款)，扣除任何應收的租賃優惠；
- 以指數或比率為基礎的可變租賃付款，使用開始日期的指數或比率進行初始計量；
- 本集團於剩餘價值擔保下預計應付的金額；
- 倘本集團合理確定行使購買選擇權，則為該選擇權的行使價；及
- 終止租賃的罰款金額(如租賃條款反映本集團行使該選擇權)。

根據合理確定續期選擇權而作出的租賃付款亦計入負債計量。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.25 Leases (continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment and furniture.

### 2 主要會計政策概要(續)

#### 2.25 租賃(續)

租賃付款使用租賃中隱含的利率進行折現。倘無法輕易確定該利率(為本集團租賃的一般情況),則使用承租人的增量借款利率,即個別承租人在類似經濟環境中按類似條款、抵押及條件借入獲得與使用權資產具有類似價值的資產所需資金而必須支付的利率。

租賃付款於本金及財務成本之間作出分配。財務成本在租賃期間於損益扣除,藉以令各期間的負債餘額的期間利率一致。

使用權資產按成本計量,包括以下各項:

- 租賃負債的初始計量金額;
- 在開始日期或之前支付的任何租賃付款減去已收任何租賃優惠;
- 任何初始直接成本;及
- 修復費用。

使用權資產一般於資產可使用年期及租期(以較短者為準)按直線法計算折舊。倘本集團合理確定行使購買選擇權,則使用權資產按相關資產的可使用年期進行折舊。

與短期租賃及所有低價值資產租賃相關的付款以直線法於損益中確認為開支。短期租賃指租期為12個月或以下的租賃。低價值資產包括小件辦公設備及傢具。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.25 Leases (continued)

Amendment to IFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after 30 June 2020 with earlier application permitted and shall be applied retrospectively.

During the year ended 31 March 2021, certain monthly lease payments for the Group's leases have been reduced or waived by the lessors as a result of the COVID-19 pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 April 2019 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the pandemic during the years ended 31 March 2021.

### 2.26 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## 2 主要會計政策概要(續)

### 2.25 租賃(續)

國際財務報告準則第16號(修訂本)為承租人提供一個實際可行權宜方法以選擇就COVID-19疫情的直接後果產生的租金寬免不應用租賃修改會計處理。該實際可行權宜方法僅適用於疫情直接後果產生的租金寬免，且僅當(i)租賃付款的變動使租賃對價有所修改，而經修改的對價與緊接變動前租賃對價大致相同，或少於緊接變動前租賃對價；(ii)租賃付款的任何減幅僅影響原到期日為2021年6月30日或之前的付款；及(iii)租賃的其他條款及條件並無實質變動。該修訂本於2020年6月30日或之後開始的年度期間生效，允許提早應用，並追溯應用。

截至2021年3月31日止年度，由於COVID-19疫情，出租人已減少或豁免本集團租賃的若干每月租賃付款，且租賃條款並無其他變動。本集團已於2019年4月1日提早採納該修訂本，並選擇不就截至2021年3月31日止年度出租人因疫情而授出的所有租金寬免應用租賃修改會計處理。

### 2.26 股息分派

就於報告期末或之前已宣派(即經適當授權及不再由實體酌情決定)但於報告期末並未分派的任何股息金額，予以作出撥備。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.27 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the consolidated income statement on a straight-line basis over the expected lives of the related assets.

#### 2.28 Finance income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets, see Note 9 below.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 10 below.

### 2 主要會計政策概要(續)

#### 2.27 政府補助

政府補助於可合理確保將獲得補助且本集團將符合所有附帶條件時，按公允價值確認。

與成本相關的政府補助遞延並在必要的期間內在合併損益表中確認，以使其與其擬補償的成本相匹配。

與物業、廠房及設備相關的政府補助作為遞延政府補助計入非流動負債內，並在相關資產的預期年期內按直線法計入合併損益表。

#### 2.28 財務收入

按公允價值計入損益的金融資產所得利息收入計入該等資產的淨公允價值收益／(虧損)內，請參閱下文附註9。

倘若利息收入產生自為現金管理目的持有的金融資產，則呈列為財務收入，請參閱下文附註10。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

##### 3.1.1 Market risk

###### (i) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions or recognised assets and liabilities denominated in a currency other than the functional currency of the Group's entities.

The Group's primary subsidiaries operate mainly in the PRC with most of the transactions settled in RMB. The management considers that the business is not exposed to significant foreign exchange risk as there are no significant assets or liabilities of the Group denominated in the currencies other than the respective functional currencies of the Group's entities.

### 3 財務風險管理

#### 3.1 財務風險因素

本集團的業務面臨各種財務風險：市場風險（包括外匯風險、利率風險及價格風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃側重於金融市場的不可預測性，力求盡量減少對本集團財務表現的潛在不利影響。風險管理是由本集團高級管理層負責。

##### 3.1.1 市場風險

###### (i) 外匯風險

外匯風險來自未來商業交易或以本集團實體的功能貨幣以外的貨幣計價的已確認資產及負債。

本集團的主要子公司主要在中國經營業務，大部分交易以人民幣結算。由於本集團不存在以本集團實體各自的功能貨幣以外的貨幣計價的重大資產或負債，因此管理層認為業務並不面臨重大外匯風險。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.1 Market risk (continued)

###### (ii) Interest rate risk

The Group's interest rate risk primarily arises from borrowings. Borrowings carried at floating rates expose the Group to cash flow interest rate risk whereas those carried at fixed rates expose the Group to fair value interest rate risk. The Group has not entered into any interest rate swap arrangements but will, however, continue to monitor interest rate risk exposure and will consider hedging significant interest rate risk exposure should the need arise.

As at 31 March 2022 and 2021, the Group's borrowings at floating rates amounted to RMB22,602,000 and RMB37,111,000, respectively. If the floating interest rates on borrowings had been 100 basis points higher/lower with all other variables held constant, the loss before income tax for the years ended 31 March 2022 and 2021 would have increased/decreased by RMB206,000 and RMB371,000, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### 3.1.1 市場風險(續)

###### (ii) 利率風險

本集團的利率風險主要來自借款。以浮動利率列賬的借款使本集團面臨現金流量利率風險，而以固定利率列賬的借款則使本集團面臨公允價值利率風險。本集團沒有訂立任何利率掉期安排，但將繼續監控利率風險，並將於有需要時考慮對沖重大利率風險。

於2022年及2021年3月31日，本集團的浮動利率借款分別為人民幣22,602,000元及人民幣37,111,000元。如果借款的浮動利率上調／下調100個基點而所有其他變量保持不變，則截至2022年及2021年3月31日止年度的除所得稅前虧損將分別增加／減少人民幣206,000元及人民幣371,000元，主要是由於浮動利率借款的利息開支增加／減少。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk

Credit risk mainly arises from cash and cash equivalents, time deposits with original maturity over three months, restricted cash as well as credit exposures to customers and other counterparties, including outstanding receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated balance sheet.

##### (i) Risk management

Credit risk is managed on a group basis.

The credit risk of cash and cash equivalents, time deposits with original maturity over three months and restricted cash is limited because the counterparties are state-owned banks or reputable commercial banks located in the PRC or Hong Kong which are high credit quality financial institutions with Moody's credit ratings ranging from A1 to Baa2.

For trade receivables and other receivables, if customers or debtors are independently rated, these ratings are used. If there is no independent rating, the Group assesses the credit quality of the customers and debtors, taking into account of their financial positions, past experience and other factors.

For the years ended 31 March 2022 and 2021, the Group has no significant concentrations of credit risk as no revenue from the Group's sales to a single customer amounted to 10% or more of the Group's revenue.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.2 信貸風險

信貸風險主要來自現金及現金等價物、原到期日超過三個月的定期存款、受限制現金以及承擔客戶及其他交易對手的信貸風險(包括未收回的應收款項)。所面臨的最大信貸風險是指合併資產負債表中各項金融資產的賬面值。

##### (i) 風險管理

信貸風險按組別進行管理。

現金及現金等價物、原到期日超過三個月的定期存款及受限制現金的信貸風險有限，原因是交易對手方為國有銀行或中國或香港信譽良好的商業銀行(均為獲穆迪給予信貸評級介乎A1至Baa2級的高信貸質量金融機構)。

就貿易應收款項和其他應收款項而言，如果客戶或債務人被獨立評級，則會使用這些評級。如果沒有獨立評級，本集團會考慮客戶和債務人的財務狀況、過往經驗和其他因素，以對他們的信貸質量進行評估。

截至2022年及2021年3月31日止年度，由於本集團並無向單一客戶的銷售收入佔本集團收入的10%或以上，因此本集團並無重大信貸風險集中問題。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

##### (ii) Impairment of financial assets

The Group has three types of financial assets that are subject to the expected credit loss model:

- cash and cash equivalents, restricted cash and time deposits
- trade receivables, and
- other receivables.

Cash and cash equivalents, restricted cash and time deposits

The Group expects that there is no significant credit risk associated with cash and cash equivalents, restricted cash and time deposits with original maturity over three months since they are substantially deposited at state-owned banks and other medium or large size listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

Trade receivables

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.2 信貸風險 (續)

##### (ii) 金融資產減值

本集團有三種受預期信貸虧損模型規限的金融資產：

- 現金及現金等價物、受限制現金以及定期存款
- 貿易應收款項，及
- 其他應收款項。

現金及現金等價物、受限制現金以及定期存款

由於現金及現金等價物、受限制現金及原到期日超過三個月的定期存款主要存於國有銀行及其他大中型上市銀行，本集團預期其並無重大信貸風險。管理層預期將不會因該等交易對手違約而產生任何重大虧損。

貿易應收款項

本集團採用國際財務報告準則第9號簡化方法計量預期信貸虧損，該方法乃對所有貿易應收款項採用存續期預期虧損撥備。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Trade receivables (continued)

To measure the expected credit losses, trade receivables have been grouped based on shared risk characteristics.

The management calculates the expected credit losses based on the customers' historical credit loss information and further incorporates forward-looking adjustments, which are derived using linear regression, to reflect management's forecasts of macroeconomic factors in different scenarios, including Consumer Price Index ("CPI"), Producer Price Index ("PPI") and Gross Domestic Products ("GDP") of the PRC in which it provides services, as this affects the customers' ability to settle the receivables.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

貿易應收款項 (續)

為計量預期信貸虧損，貿易應收款項已根據共同風險特徵進行分組。

管理層根據客戶的過往信貸虧損資料計算預期信貸虧損，並進一步包含利用線性回歸產生的前瞻性調整，以反映管理層對不同情景下宏觀經濟因素的預測，包括消費者價格指數 (「CPI」)、製造商價格指數 (「PPI」) 及其有提供服務的中國的國內生產總值 (「GDP」)，其會影響客戶償付應收款項的能力。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets  
(continued)

Trade receivables (continued)

The loss allowances of trade receivables as at 31 March 2022 and 2021 were determined on a collective basis as follows:

|  |                    | Up to 3<br>months<br>不超過<br>3個月 | 3 to 6<br>months<br>3至<br>6個月 | 6 to 9<br>months<br>6至<br>9個月 | 9 to 12<br>months<br>9至<br>12個月 | 12 to 15<br>months<br>12至<br>15個月 | Over 15<br>months<br>超過<br>15個月 | Total<br>總計 |
|--|--------------------|---------------------------------|-------------------------------|-------------------------------|---------------------------------|-----------------------------------|---------------------------------|-------------|
| <b>As at 31 March 2022</b>                           | <b>於2022年3月31日</b> |                                 |                               |                               |                                 |                                   |                                 |             |
| Corporate clients and commercial insurance companies | 企業客戶及商業保險公司        |                                 |                               |                               |                                 |                                   |                                 |             |
| Expected loss rate                                   | 預期虧損率              | 3%                              | 6%                            | 14%                           | 49%                             | 68%                               | 62%                             | 22%         |
| Gross carrying amount<br>(RMB'000)                   | 賬面總值(人民幣千元)        | 28,981                          | 17,395                        | 3,053                         | 695                             | 772                               | 20,169                          | 71,065      |
| Loss allowance (RMB'000)                             | 虧損撥備(人民幣千元)        | (899)                           | (1,046)                       | (414)                         | (338)                           | (523)                             | (12,559)                        | (15,779)    |
| Local medical insurance bureaus                      | 地方醫療保險部門           |                                 |                               |                               |                                 |                                   |                                 |             |
| Expected loss rate                                   | 預期虧損率              | 0%                              | 0%                            | 16%                           | 100%                            | 100%                              | 100%                            | 1%          |
| Gross carrying amount<br>(RMB'000)                   | 賬面總值(人民幣千元)        | 7,973                           | 4,064                         | 402                           | -                               | -                                 | 52                              | 12,491      |
| Loss allowance (RMB'000)                             | 虧損撥備(人民幣千元)        | (5)                             | (3)                           | (64)                          | -                               | -                                 | (52)                            | (124)       |
| Local public hospitals                               | 地方公立醫院             |                                 |                               |                               |                                 |                                   |                                 |             |
| Expected loss rate                                   | 預期虧損率              | 3%                              | 0%                            | 0%                            | 2%                              | 100%                              | 100%                            | 6%          |
| Gross carrying amount<br>(RMB'000)                   | 賬面總值(人民幣千元)        | 31                              | 941                           | 1,667                         | 927                             | 104                               | 153                             | 3,823       |
| Loss allowance (RMB'000)                             | 虧損撥備(人民幣千元)        | (1)                             | (4)                           | (7)                           | (17)                            | (5)                               | (153)                           | (187)       |

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### 3.1.2 信貸風險(續)

- (ii) 金融資產減值(續)

貿易應收款項(續)

於2022年及2021年3月31日的貿易應收款項虧損撥備按集體基準確定如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets  
(continued)

##### Trade receivables (continued)

|  | Up to 3<br>months<br>不超過<br>3個月 | 3 to 6<br>months<br>3至<br>6個月 | 6 to 9<br>months<br>6至<br>9個月 | 9 to 12<br>months<br>9至<br>12個月 | 12 to 15<br>months<br>12至<br>15個月 | Over 15<br>months<br>超過<br>15個月 | Total<br>總計 |
|--|---------------------------------|-------------------------------|-------------------------------|---------------------------------|-----------------------------------|---------------------------------|-------------|
|--|---------------------------------|-------------------------------|-------------------------------|---------------------------------|-----------------------------------|---------------------------------|-------------|

##### As at 31 March 2021

##### 於2021年3月31日

|  |             |        |        |       |         |         |          |          |
|--|-------------|--------|--------|-------|---------|---------|----------|----------|
| Corporate clients and commercial insurance companies | 企業客戶及商業保險公司 |        |        |       |         |         |          |          |
| Expected loss rate                                   | 預期虧損率       | 1%     | 3%     | 10%   | 15%     | 19%     | 97%      | 18%      |
| Gross carrying amount<br>(RMB'000)                   | 賬面總值(人民幣千元) | 38,143 | 11,189 | 882   | 8,910   | 5,422   | 11,135   | 75,681   |
| Loss allowance (RMB'000)                             | 虧損撥備(人民幣千元) | (330)  | (280)  | (86)  | (1,292) | (1,019) | (10,745) | (13,752) |
| Local medical insurance bureaus                      | 地方醫療保險部門    |        |        |       |         |         |          |          |
| Expected loss rate                                   | 預期虧損率       | 1%     | 86%    | 100%  | 100%    | 100%    | 100%     | 8%       |
| Gross carrying amount<br>(RMB'000)                   | 賬面總值(人民幣千元) | 8,270  | 634    | 17    | -       | -       | 39       | 8,960    |
| Loss allowance (RMB'000)                             | 虧損撥備(人民幣千元) | (85)   | (545)  | (17)  | -       | -       | (39)     | (686)    |
| Local public hospitals                               | 地方公立醫院      |        |        |       |         |         |          |          |
| Expected loss rate                                   | 預期虧損率       | 14%    | 19%    | 34%   | 98%     | 100%    | 100%     | 28%      |
| Gross carrying amount<br>(RMB'000)                   | 賬面總值(人民幣千元) | 1,600  | 1,149  | 619   | 170     | 93      | 148      | 3,779    |
| Loss allowance (RMB'000)                             | 虧損撥備(人民幣千元) | (227)  | (214)  | (211) | (167)   | (93)    | (148)    | (1,060)  |

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### 3.1.2 信貸風險(續)

- (ii) 金融資產減值(續)

##### 貿易應收款項(續)

|  | Up to 3<br>months<br>不超過<br>3個月 | 3 to 6<br>months<br>3至<br>6個月 | 6 to 9<br>months<br>6至<br>9個月 | 9 to 12<br>months<br>9至<br>12個月 | 12 to 15<br>months<br>12至<br>15個月 | Over 15<br>months<br>超過<br>15個月 | Total<br>總計 |
|--|---------------------------------|-------------------------------|-------------------------------|---------------------------------|-----------------------------------|---------------------------------|-------------|
|--|---------------------------------|-------------------------------|-------------------------------|---------------------------------|-----------------------------------|---------------------------------|-------------|

##### As at 31 March 2021

##### 於2021年3月31日

|  |             |        |        |       |         |         |          |          |
|--|-------------|--------|--------|-------|---------|---------|----------|----------|
| Corporate clients and commercial insurance companies | 企業客戶及商業保險公司 |        |        |       |         |         |          |          |
| Expected loss rate                                   | 預期虧損率       | 1%     | 3%     | 10%   | 15%     | 19%     | 97%      | 18%      |
| Gross carrying amount<br>(RMB'000)                   | 賬面總值(人民幣千元) | 38,143 | 11,189 | 882   | 8,910   | 5,422   | 11,135   | 75,681   |
| Loss allowance (RMB'000)                             | 虧損撥備(人民幣千元) | (330)  | (280)  | (86)  | (1,292) | (1,019) | (10,745) | (13,752) |
| Local medical insurance bureaus                      | 地方醫療保險部門    |        |        |       |         |         |          |          |
| Expected loss rate                                   | 預期虧損率       | 1%     | 86%    | 100%  | 100%    | 100%    | 100%     | 8%       |
| Gross carrying amount<br>(RMB'000)                   | 賬面總值(人民幣千元) | 8,270  | 634    | 17    | -       | -       | 39       | 8,960    |
| Loss allowance (RMB'000)                             | 虧損撥備(人民幣千元) | (85)   | (545)  | (17)  | -       | -       | (39)     | (686)    |
| Local public hospitals                               | 地方公立醫院      |        |        |       |         |         |          |          |
| Expected loss rate                                   | 預期虧損率       | 14%    | 19%    | 34%   | 98%     | 100%    | 100%     | 28%      |
| Gross carrying amount<br>(RMB'000)                   | 賬面總值(人民幣千元) | 1,600  | 1,149  | 619   | 170     | 93      | 148      | 3,779    |
| Loss allowance (RMB'000)                             | 虧損撥備(人民幣千元) | (227)  | (214)  | (211) | (167)   | (93)    | (148)    | (1,060)  |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Trade receivables (continued)

The opening loss allowances for trade receivables reconcile to the closing loss allowances as follows:

|   |                | <b>Year ended 31 March</b><br>截至3月31日止年度                |                                   |
|---|----------------|---|-----------------------------------|
|   |                | <b>2022</b><br><b>2022年</b><br><b>RMB' 000</b><br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Opening loss allowance  | 年初虧損撥備         | <b>15,498</b>   | 12,816                            |
| Increase in loss allowance recognised in profit or loss during the year | 年內於損益確認的虧損撥備增加 | <b>592</b>  | 2,682                             |
| Closing loss allowance  | 年末虧損撥備         | <b>16,090</b>   | 15,498                            |

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

貿易應收款項 (續)

年初貿易應收款項虧損撥備與年末虧損撥備對賬如下：

貿易應收款項於合理預期無法收回時撇銷。合理預期無法收回的跡象為 (其中包括) 債務人未能與本集團訂立還款計劃。

貿易應收款項的減值虧損在經營利潤內列作淨減值虧損。之前撇銷的金額其後收回則記入同一類別項目內。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets  
(continued)

Other receivables

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

其他應收款項

本集團預期信貸虧損模式基於的假設概要如下：

| Category<br>類別                                  | Group definition of category<br>本集團對類別的界定   | Basis for recognition of<br>expected credit loss provision<br>確認預期信貸虧損撥備的基準   |
|---|---|---|
| Performing<br>正常                                | Receivables whose credit risk is in line with original expectations<br>信貸風險與原預期一致的應收款項  | 12 month expected losses; where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime (stage 1)<br>12個月預期虧損；倘資產的預期存續期在12個月內，預期虧損按其預期存續期計量（第一階段） |
| Underperforming<br>關注                           | Receivables for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due<br>與原預期相比信貸風險顯著增加的應收款項；倘利息及／或本金還款逾期30日，則推定信貸風險顯著增加 | Lifetime expected losses (stage 2)<br>存續期預期虧損（第二階段）   |
| Non-performing<br>(credit impaired)<br>不良（信貸受損） | Interest and/or principal repayments are 90 days past due<br>利息及／或本金還款逾期90日   | Lifetime expected losses (stage 3)<br>存續期預期虧損（第三階段）   |
| Write-off<br>撇銷                                 | Interest and/or principal repayments are two years past due or there is no reasonable expectation of recovery<br>利息及／或本金還款逾期兩年或合理預期無法收回   | Asset is written off<br>撇銷資產  |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

##### Other receivables (continued)

Other receivables include loans to related parties and employees, rental deposits, etc. The Group accounts for their credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of debtors, and adjusts for forward-looking macroeconomic data. The Group provides for credit losses against other receivables as follows:

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

##### 其他應收款項 (續)

其他應收款項包括對關聯方及僱員的貸款、租務按金等。本集團透過適時為預期信貸虧損作出適當撥備來應付其信貸風險。於計算預期信貸虧損率時，本集團考慮各類債務人的過往虧損率，並就前瞻性宏觀經濟數據作出調整。本集團就其他應收款項的信貸虧損作出以下撥備：

| Group internal credit rating as at 31 March 2022 | 於2022年3月31日<br>本集團的內部信貸評級 | Equivalent internal rating<br>同等內部評級 | Expected credit loss rate<br>預期信貸虧損率 | Gross carrying amount at default (stage 1)<br>違約<br>賬面總值<br>(第一階段) | Gross carrying amount at default (stage 2)<br>違約<br>賬面總值<br>(第二階段) | Gross carrying amount at default (stage 3)<br>違約<br>賬面總值<br>(第三階段) |
|--|---------------------------|--------------------------------------|--------------------------------------|--|--|--|
|  |                           |                                      |                                      | RMB' 000<br>人民幣千元  | RMB' 000<br>人民幣千元  | RMB' 000<br>人民幣千元  |
| High   | 高                         | AA+                                  | 0.5%                                 | 79,259   | -  | -  |
|  |                           | AA                                   | 1.3%                                 | 1,500  | -  | -  |
|  |                           | A                                    | 4.3%                                 | 55,702   | -  | -  |
| Moderate   | 中                         | B                                    | 28.8%                                | 720  | 150  | -  |
| Low  | 低                         | C                                    | 47.2%                                | 1,500  | -  | -  |
| Credit impaired                                  | 信貸受損                      | D                                    | 100.0%                               | -  | -  | 1,368  |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets  
(continued)

Other receivables (continued)

|   |      | Equivalent<br>internal<br>rating | Expected<br>credit<br>loss rate | Gross<br>amount at<br>default<br>(stage 1) | Gross<br>amount at<br>default<br>(stage 2) | Gross<br>amount at<br>default<br>(stage 3) |
|---|------|----------------------------------|---------------------------------|--|--|--|
| Group internal credit rating<br>as at 31 March 2021 |      | 於2021年3月31日<br>本集團的內部信貸評級        | 預期信貸<br>虧損率                     | 違約賬面總值<br>(第一階段)<br>RMB'000<br>人民幣千元       | 違約賬面總值<br>(第二階段)<br>RMB'000<br>人民幣千元       | 違約賬面總值<br>(第三階段)<br>RMB'000<br>人民幣千元       |
| High  | 高    | AA+                              | 0.8%                            | 71,645                                     | -  | -  |
|   |      | AA                               | 1.1%                            | 56,808                                     | -  | -  |
|   |      | A                                | 4.3%                            | 135,626                                    | -  | -  |
| Moderate  | 中    | BB                               | 6.8%                            | 7,795                                      | -  | -  |
|   |      | B                                | 23.5%                           | 2,568                                      | 2,250                                      | -  |
| Low   | 低    | C                                | 54.8%                           | 96   | -  | -  |
| Credit impaired                                     | 信貸受損 | D                                | 100.0%                          | -  | -  | 1,546                                      |

No significant changes to estimation techniques or assumptions were made during the years ended 31 March 2022 and 2021.

截至2022年及2021年3月31日止年度，估計方法或假設並無重大變動。

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

其他應收款項 (續)

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Other receivables (continued)

The opening loss allowances for other receivables reconcile to the closing loss allowances as follows:

|  |                         | Performing<br>正常<br>RMB' 000<br>人民幣千元 | Underperforming<br>關注<br>RMB' 000<br>人民幣千元 | Non-<br>performing<br>不良<br>RMB' 000<br>人民幣千元 | Total<br>總計<br>RMB' 000<br>人民幣千元 |
|--|-------------------------|---------------------------------------|--|---|----------------------------------|
| <b>Loss allowance as at 31 March 2021</b>  | <b>於2021年3月31日的虧損撥備</b> | 8,231                                 | 529  | 1,546   | 10,306                           |
| New financial assets originated or purchased   | 已產生或已購買的新金融資產           | 2,212                                 | -  | -   | 2,212                            |
| Individual financial assets transferred to under-performing                                  | 個別金融資產轉為關注              | -                                     | -  | -   | -                                |
| Individual financial assets transferred to non-performing (credit impaired financial assets) | 個別金融資產轉為不良(信貸受損的金融資產)   | -                                     | -  | -   | -                                |
| Recoveries   | 收回                      | (6,122)                               | -  | (823)   | (6,945)                          |
| Change in risk parameters  | 風險參數變動                  | (605)                                 | (486)                                      | 645   | (446)                            |
| <b>Loss allowance as at 31 March 2022</b>  | <b>於2022年3月31日的虧損撥備</b> | <b>3,716</b>                          | <b>43</b>                                  | <b>1,368</b>                                  | <b>5,127</b>                     |
| <b>Loss allowance as at 31 March 2020</b>  | <b>於2020年3月31日的虧損撥備</b> | 6,775                                 | -  | 737   | 7,512                            |
| New financial assets originated or purchased   | 已產生或已購買的新金融資產           | 1,768                                 | -  | -   | 1,768                            |
| Individual financial assets transferred to under-performing                                  | 個別金融資產轉為關注              | (529)                                 | 529  | -   | -                                |
| Individual financial assets transferred to non-performing (credit impaired financial assets) | 個別金融資產轉為不良(信貸受損的金融資產)   | (823)                                 | -  | 823   | -                                |
| Recoveries   | 收回                      | -                                     | -  | (14)  | (14)                             |
| Change in risk parameters  | 風險參數變動                  | 1,040                                 | -  | -   | 1,040                            |
| <b>Loss allowance as at 31 March 2021</b>  | <b>於2021年3月31日的虧損撥備</b> | <b>8,231</b>                          | <b>529</b>                                 | <b>1,546</b>                                  | <b>10,306</b>                    |

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### 3.1.2 信貸風險(續)

- (ii) 金融資產減值(續)

其他應收款項(續)

年初其他應收款項虧損撥備與年末虧損撥備對賬如下：



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Other receivables (continued)

The gross carrying amount of other receivables, and thus the maximum exposure to loss, is as follows:

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

其他應收款項 (續)

其他應收款項的賬面總值，以及由此產生的虧損風險上限如下：

|   |                   | <b>As at 31 March</b> |          |
|---|-------------------|-----------------------|----------|
|   |                   | <b>於3月31日</b>         |          |
|   |                   | <b>2022</b>           | 2021     |
|   |                   | <b>2022年</b>          | 2021年    |
|   |                   | <b>RMB'000</b>        | RMB'000  |
|   |                   | <b>人民幣千元</b>          | 人民幣千元    |
| Performing                                      | 正常                | <b>138,681</b>        | 274,538  |
| Underperforming                                 | 關注                | <b>150</b>            | 2,250    |
| Non-performing                                  | 不良                | <b>1,368</b>          | 1,546    |
| Total gross other receivables                   | 總其他應收款項總額         | <b>140,199</b>        | 278,334  |
| Less: loss allowance                            | 減：虧損撥備            | <b>(5,127)</b>        | (10,306) |
| Other receivables net of expected credit losses | 其他應收款項 (扣除預期信貸虧損) | <b>135,072</b>        | 268,028  |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

##### (ii) Impairment of financial assets (continued)

Net impairment losses/(reversal of impairment losses) on financial assets recognized in profit or loss

During the years ended 31 March 2022 and 2021, the following losses were recognized in profit or loss in relation to impaired financial assets:

|  |                     | Year ended 31 March<br>截至3月31日止年度 |                                   |
|--|---------------------|-----------------------------------|-----------------------------------|
|  |                     | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Impairment losses on trade receivables                                     | 貿易應收款項減值虧損          | 592                               | 2,682                             |
| (Reversal of impairment losses)/ impairment losses on other receivables    | 其他應收款項(減值虧損撥回)/減值虧損 | (5,177)                           | 2,794                             |
| Net (reversal of impairment losses)/ impairment losses on financial assets | 金融資產淨(減值虧損撥回)/減值虧損  | (4,585)                           | 5,476                             |

Financial assets at fair value through profit or loss

The maximum exposure to credit risk is represented by the carrying amount of the financial assets at fair value through profit or loss in the consolidated balance sheet.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### 3.1.2 信貸風險(續)

##### (ii) 金融資產減值(續)

於損益確認的金融資產淨減值虧損/(減值虧損撥回)

截至2022年及2021年3月31日止年度，與減值金融資產相關的以下損失已在損益中確認：

按公允價值計入損益的金融資產

最高信貸風險指合併資產負債表中按公允價值計入損益的金融資產的賬面值。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Financial assets at fair value through profit or loss (continued)

As at 31 March 2022, the Group's wealth management products measured at FVPL were investment products subscribed to Growth Vanguard Fund SPC at a fixed annualized return rate of 1.2%. The wealth management products are subject to a lock-up period of one month and can be redeemed by the Company at any time upon expiration of the lock-up period (Note 23). Growth Vanguard Fund SPC is a segregated portfolio company incorporated in the Cayman Islands and is solely owned by an individual who is an independent third party to the Group. The recoverability of the Group's investments in these wealth management products depends on the credit worthiness of Growth Vanguard Fund SPC and its sole owner.

As at 31 March 2021, the Group's bank structured deposits were mainly investment products purchased from reputable financial institutions in the PRC with floating rates. The returns on all of these bank structured deposits were not guaranteed, hence their contractual cash flows did not qualify for solely payments of principal and interest. Therefore, they were measured at fair value through profit or loss. None of these investments were past due. Changes in fair values of bank structured deposits were analysed at the end of each reporting period by the Group's management. The fair values were determined based on the expected cash flows discounted using an expected rate of return (based on management's judgement). The relevant fair value gains/(losses) were minimal because of short term maturity.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

按公允價值計入損益的金融資產 (續)

於2022年3月31日，本集團按公允價值計入損益的理財產品為以固定年化回報率1.2%認購的Growth Vanguard Fund SPC投資產品。該理財產品的鎖定期為一個月，本公司可於鎖定期屆滿後隨時贖回有關理財產品（附註23）。Growth Vanguard Fund SPC為於開曼群島註冊成立之獨立投資組合公司，由本集團之一名獨立第三方全部擁有。本集團投資於該等理財產品的可收回程度取決於Growth Vanguard Fund SPC及其唯一擁有人的信譽。

於2021年3月31日，本集團的銀行結構性存款主要為向中國知名金融機構購買的浮動利率投資產品。所有這些銀行結構性存款的回報均無保證，因此其合同現金流量不符合僅用於支付本金和利息的條件。因此，其按公允價值計入損益。這些投資均未逾期。本集團管理層於各報告期末分析銀行結構性存款公允價值的變動。公允價值根據使用預期回報率（基於管理層的判斷）折現的預期現金流量釐定。由於短時間便到期，相關公允價值收益／（虧損）甚微。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Financial assets at fair value through profit or loss (continued)

From the perspective of cash management and risk control, the Group diversified its investment portfolio and mainly preferred those products with high-liquidity.

##### 3.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. Due to the dynamic nature of the underlying business, the policy of the Group is to regularly monitor the Group's liquidity risk and to maintain adequate liquid assets such as cash and cash equivalents, short-term time deposits and investments in bank structured deposits or to retain adequate financing arrangements to meet the Group's liquidity requirements.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

按公允價值計入損益的金融資產 (續)

從現金管理和風險控制的角度看，本集團投資組合多元化，並主要優先選擇流動性高的產品。

##### 3.1.3 流動資金風險

審慎的流動資金風險管理意味著維持充足的現金及現金等價物。由於有關業務存在變動，本集團的政策是定期監控本集團的流動資金風險，並維持充足的流動資產，如現金及現金等價物、短期定期存款和銀行結構性存款投資或保留充足的融資安排，以滿足本集團的流動性需求。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.3 Liquidity risk (continued)

##### (i) Financing arrangements

The Group had access to the following undrawn borrowing facilities as at 31 March 2022 and 2021:

|                                    |            | As at 31 March<br>於3月31日           |                                    |
|------------------------------------|------------|------------------------------------|------------------------------------|
|                                    |            | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Floating-rate bank loan facilities | 浮動利率銀行貸款額度 |                                    |                                    |
| Expiring within one year           | 一年以內到期     | 97,398                             | –                                  |
| Expiring beyond one year           | 一年後到期      | –                                  | 82,889                             |
|                                    |            | 97,398                             | 82,889                             |
| Fixed-rate bank loan facilities    | 固定利率銀行貸款額度 |                                    |                                    |
| Expiring within one year           | 一年以內到期     | 236,066                            | 123,040                            |
| Expiring beyond one year           | 一年後到期      | –                                  | 150,000                            |
|                                    |            | 236,066                            | 273,040                            |

The bank loan facilities may be drawn in RMB and have an average maturity of 0.6 years, and 1.2 year as at 31 March 2022 and 2021.

銀行貸款額度可以人民幣提取，於2022年及2021年3月31日的平均到期期限分別為0.6年及1.2年。

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### 3.1.3 流動資金風險 (續)

##### (i) 融資安排

本集團於2022年及2021年3月31日可使用以下未提取的借款額度：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.3 Liquidity risk (continued)

##### (ii) Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

|   |                               | Less than 1 year | Between 1 and 2 years | Between 2 and 5 years | Over 5 years | Total Contractual cash flows | Carrying amount liabilities |
|---|-------------------------------|------------------|-----------------------|-----------------------|--------------|------------------------------|-----------------------------|
|   |                               | 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                       |
| <b>At 31 March 2022</b>   | <b>於2022年3月31日</b>            |                  |                       |                       |              |                              |                             |
| Trade payables  | 貿易應付款項                        | 74,211           | -                     | -                     | -            | 74,211                       | 74,211                      |
| Other payables and accruals (excluding employee benefits payable and other taxes payable) | 其他應付款項及應計費用(不包括應付僱員福利及其他應付稅項) | 108,820          | -                     | -                     | -            | 108,820                      | 108,820                     |
| Borrowings  | 借款                            | 139,877          | -                     | -                     | -            | 139,877                      | 137,363                     |
| Lease liabilities   | 租賃負債                          | 172,305          | 143,173               | 265,906               | 233,115      | 814,499                      | 753,308                     |
|   |                               | 495,213          | 143,173               | 265,906               | 233,115      | 1,137,407                    | 1,073,702                   |

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### 3.1.3 流動資金風險(續)

##### (ii) 金融負債的到期日

下表根據資產負債表日期至合同到期日的剩餘期間，分析本集團劃分為一些相關到期組別的金融負債。表中披露的金額為合同未折現現金流量。由於折現的影響不大，因此12個月內到期的餘額等於其賬面餘額。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### 3.1.3 Liquidity risk (continued)

- (ii) Maturities of financial liabilities  
(continued)

|  |   | Less<br>than 1<br>year<br>不足1年<br>RMB'000<br>人民幣千元 | Between<br>1 and 2<br>years<br>1至2年<br>RMB'000<br>人民幣千元 | Between<br>2 and 5<br>years<br>2至5年<br>RMB'000<br>人民幣千元 | Over 5<br>years<br>超過5年<br>RMB'000<br>人民幣千元 | Total<br>Contractual<br>cash flows<br>合同現金<br>流量總額<br>RMB'000<br>人民幣千元 | Carrying<br>amount<br>賬面值<br>負債<br>RMB'000<br>人民幣千元 |
|--|---|--|---|---|---|--|---|
| <b>At 31 March 2021</b>  | <b>於2021年3月31日</b>                        |  |   |   |   |  |   |
| Trade payables   | 貿易應付款項                                    | 121,320  | -   | -   | -   | 121,320  | 121,320   |
| Other payables and accruals<br>(excluding employee<br>benefits payable and other<br>taxes payable) | 其他應付款項及應<br>計費用(不包括<br>應付僱員福利及<br>其他應付稅項) | 87,151   | -   | -   | -   | 87,151   | 87,151  |
| Borrowings   | 借款  | 205,118  | 19,318  | 3,381   | -   | 227,817  | 218,491   |
| Lease liabilities  | 租賃負債                                      | 166,865  | 140,356   | 248,372   | 219,104                                     | 774,697  | 643,147   |
| Preferred Shares   | 優先股                                       | 3,178,465  | -   | -   | -   | 3,178,465  | 3,178,465   |
| Bond   | 債券  | 205,897  | -   | -   | -   | 205,897  | 167,345   |
| Warrants   | 權證  | 71,126   | -   | -   | -   | 71,126   | 71,126  |
|  |   | 4,035,942  | 159,674   | 251,753   | 219,104                                     | 4,666,473  | 4,487,045   |

##### 3.1.4 Price risk

The Group is exposed to price risk mainly relating to certain investments held by the Group, which were classified as financial assets at fair value through profit or loss, including investments in wealth management products. The Group is not exposed to commodity price risk. See Note 3.3 for details.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### 3.1.3 流動資金風險(續)

- (ii) 金融負債的到期日(續)

##### 3.1.4 價格風險

本集團面對的價格風險主要與本集團持有的若干投資(分類為按公允價值計入損益的金融資產)有關,包括理財產品投資。本集團並無面對商品價格風險。詳情請參閱附註3.3。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.2 Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to enhance shareholders' value in the long term.

The Group monitors capital (including share capital, other reserves and Preferred Shares on an as-if-converted basis) by regularly reviewing the capital structure. As a part of this review, the Group considers the cost of capital and the risks associated with the issued share capital. The Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or repurchase the Company's shares. In the opinion of the directors of the Company, the Group's capital risk is low. As a result, capital risk is not significant for the Group and measurement of capital management is not a tool currently used in the internal management reporting procedures of the Group.

#### 3.3 Fair value estimation

##### 3.3.1 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

### 3 財務風險管理(續)

#### 3.2 資本管理

本集團管理資本的首要目標是保障本集團持續經營的能力，以便繼續為股東提供回報及為其他利益相關方提供利益，並保持最佳資本結構以長期提升股東價值。

本集團定期審查資本結構以監控資本(包括股本、其他儲備及優先股(視為已轉換))。作為這項審查的一環，本集團會考慮資本成本及與已發行股本相關的風險。本集團或會調整支付給股東的股息金額、向股東歸還資本、發行新股份或購回本公司股份。本公司董事認為，本集團的資本風險較低。因此，本集團的資本風險並不重大，資本管理的計量不是本集團內部管理報告程序中目前使用的工具。

#### 3.3 公允價值估計

##### 3.3.1 公允價值層級

本節解釋了在釐定財務報表中按公允價值確認和計量的金融工具的公允價值時作出的判斷和估計。為了說明釐定公允價值時所用輸入數據的可靠性，本集團已將其金融工具分為會計準則規定的三個層級。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### 3.3.1 Fair value hierarchy (continued)

The table below analyses the Group's financial instruments carried at fair value as of each balance sheet date by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorized into three levels within a fair value hierarchy as follows:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (ii) Inputs other than quoted process included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- (iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's financial assets and liabilities that are measured at fair value as at 31 March 2022:

### 3 財務風險管理 (續)

#### 3.3 公允價值估計 (續)

##### 3.3.1 公允價值層級 (續)

下表根據在計量公允價值的估值技術中所運用到的輸入數據的層級，分析本集團截至各資產負債表日期按公允價值列賬的金融工具。該等輸入數據按照公允價值層級歸類為如下三個層級：

- (i) 相同資產或負債在活躍市場的報價(未經調整)(第一層級)；
- (ii) 除第一層級包括的報價外，資產或負債直接(即價格)或間接(即源自價格)可觀察輸入數據(第二層級)；及
- (iii) 資產或負債並非依據可觀察市場數據的輸入數據(即不可觀察輸入數據)(第三層級)。

下表呈列於2022年3月31日本集團按公允價值計量的金融資產及負債：

|   |                | Level 1<br>第一層級<br>RMB' 000<br>人民幣千元 | Level 2<br>第二層級<br>RMB' 000<br>人民幣千元 | Level 3<br>第三層級<br>RMB' 000<br>人民幣千元 | Total<br>總計<br>RMB' 000<br>人民幣千元 |
|---|----------------|--------------------------------------|--------------------------------------|--------------------------------------|----------------------------------|
| <b>Assets</b>   | <b>資產</b>      |                                      |                                      |                                      |                                  |
| Financial assets at fair value through profit or loss | 按公允價值計入損益的金融資產 |                                      |                                      |                                      |                                  |
| - Unlisted debt instruments                           | - 非上市債務工具      | -                                    | -                                    | 34,675                               | 34,675                           |
| - Wealth management products                          | - 理財產品         | -                                    | -                                    | 197,055                              | 197,055                          |
|   |                | -                                    | -                                    | 231,730                              | 231,730                          |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### 3.3.1 Fair value hierarchy (continued)

The following table presents the Group's financial assets and liabilities that are measured at fair value as at 31 March 2021:

|   | Level 1<br>第一層級<br>RMB'000<br>人民幣千元 | Level 2<br>第二層級<br>RMB'000<br>人民幣千元 | Level 3<br>第三層級<br>RMB'000<br>人民幣千元 | Total<br>總計<br>RMB'000<br>人民幣千元 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|---------------------------------|
| <b>Assets</b>   |                                     |                                     |                                     |                                 |
| Financial assets at fair value through profit or loss |                                     |                                     |                                     |                                 |
| – Unlisted debt instruments                           | –                                   | –                                   | 30,000                              | 30,000                          |
| – Bank structured deposits                            | –                                   | –                                   | 51,004                              | 51,004                          |
|   | –                                   | –                                   | 81,004                              | 81,004                          |
| <b>Liabilities</b>                                    |                                     |                                     |                                     |                                 |
| Preferred Shares                                      | –                                   | –                                   | 3,178,465                           | 3,178,465                       |
| Bond  | –                                   | –                                   | 167,345                             | 167,345                         |
| Warrants  | –                                   | –                                   | 71,126                              | 71,126                          |
|   | –                                   | –                                   | 3,416,936                           | 3,416,936                       |

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between Level 1, 2, and 3 for recurring fair value measurements during the years ended 31 March 2022 and 2021.

The changes in level 3 instruments of Preferred Shares, bond, warrants and derivative liabilities for the years ended 31 March 2022 and 2021 are presented in Note 29, Note 29.1 and Note 29.2 and 29.3, respectively.

### 3 財務風險管理 (續)

#### 3.3 公允價值估計 (續)

##### 3.3.1 公允價值層級 (續)

下表呈列於2021年3月31日本集團按公允價值計量的金融資產及負債：

本集團的政策是在報告期末確認公允價值層級的轉入和轉出。截至2022年及2021年3月31日止年度，經常性的公允價值計量在第一、第二和第三層級之間未發生轉移。

截至2022年及2021年3月31日止年度，優先股、債券、權證和衍生負債第三層級工具的變動情況分別呈列於附註29、附註29.1、附註29.2及附註29.3。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### 3.3.1 Fair value hierarchy (continued)

The following table presents the changes in level 3 items of financial assets at fair value through profit or loss for the years ended 31 March 2022 and 2021.

|   |                                 | Financial assets<br>at fair value<br>through profit<br>or loss – bank<br>structured<br>deposits<br>按公允價值計入<br>損益的金融資產 –<br>銀行結構性存款<br>RMB' 000<br>人民幣千元 | Financial assets<br>at fair value<br>through profit<br>or loss – Wealth<br>management<br>products<br>按公允價值計入<br>損益的金融資產 –<br>理財產品<br>RMB' 000<br>人民幣千元 | Financial assets<br>at fair value<br>through profit<br>or loss – debt<br>instruments<br>按公允價值計入<br>損益的金融資產 –<br>債務工具<br>RMB' 000<br>人民幣千元 |
|---|---------------------------------|---|--|---|
| <b>At 1 April 2021</b>  | <b>於2021年4月1日</b>               | 51,004  | –  | 30,000  |
| Additions   | 添置                              | 100,150   | 197,048  | –   |
| Redemptions   | 贖回                              | (151,516)   | –  | –   |
| Gains recognised in other gains, net  | 在其他收益中確認的<br>淨收益                | 362   | 7  | 4,675   |
| <b>At 31 March 2022</b>   | <b>於2022年3月31日</b>              | <b>–</b>  | <b>197,055</b>   | <b>34,675</b>   |
| Includes unrealised gains recognised in profit or loss attributable to balances held at the end of the reporting period | 包括報告期末所持結餘應<br>佔損益中確認的未變現<br>收益 | –   | 7  | 4,675   |

### 3 財務風險管理 (續)

#### 3.3 公允價值估計 (續)

##### 3.3.1 公允價值層級 (續)

下表呈列截至2022年及2021年3月31日止年度按公允價值計入損益的金融資產的第三層級項目變動。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### 3.3.1 Fair value hierarchy (continued)

### 3 財務風險管理 (續)

#### 3.3 公允價值估計 (續)

##### 3.3.1 公允價值層級 (續)

|   |                         | Financial assets<br>at fair value<br>through profit<br>or loss – bank<br>structured<br>deposits<br>按公允價值<br>計入損益的<br>金融資產 –<br>銀行結構性存款<br>RMB' 000<br>人民幣千元 | Financial assets<br>at fair value<br>through profit<br>or loss – debt<br>instruments<br>按公允價值<br>計入損益的<br>金融資產 –<br>債務工具<br>RMB' 000<br>人民幣千元 |
|---|-------------------------|---|---|
| <b>At 1 April 2020</b>  | <b>於2020年4月1日</b>       | 77,104  | –   |
| Additions   | 添置                      | 1,104,830   | 30,000  |
| Redemptions   | 贖回                      | (1,137,068)   | –   |
| Gains recognised in other gains, net  | 在其他收益中確認的淨收益            | 6,138   | –   |
| <b>At 31 March 2021</b>   | <b>於2021年3月31日</b>      | <b>51,004</b>   | <b>30,000</b>   |
| Includes unrealised gains recognised in profit or loss attributable to balances held at the end of the reporting period | 包括報告期末所持結餘應佔損益中確認的未變現收益 | 27  | –   |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### 3.3.2 Valuation techniques and processes

The Group has a team that manages the valuation of level 3 instruments for financial reporting purpose. The team manages the valuation of the investments on a case by case basis. At least once every year, the team would use valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.

The valuation of level 3 instruments mainly includes bank structured deposits and wealth management products measured at FVPL (Note 23), unlisted debt instruments at fair value through profit or loss (Note 23), Preferred Shares (Note 29), bond (Note 29.1), warrants (Note 29.2) and derivative liabilities (Note 29.3). As these instruments are not traded in an active market, their fair values have been determined by using various applicable valuation techniques, including discounted cash flows and market approach etc. Major assumptions used in the valuation and the sensitivity analysis for Preferred Shares, bond, warrants and derivative liabilities are presented in Note 29, Note 29.1, Note 29.2 and Note 29.3, respectively.

### 3 財務風險管理 (續)

#### 3.3 公允價值估計 (續)

##### 3.3.2 估值技術及程序

本集團設有團隊管理第三層級工具的估值，以供財務報告之用。該團隊根據個別情況管理投資的估值。該團隊至少每年一次使用估值技術釐定本集團第三層級工具的公允價值。必要時，會有外部估值專家參與估值。

第三層級工具的估值主要包括按公允價值計入損益的銀行結構性存款及理財產品(附註23)、按公允價值計入損益的非上市債務工具(附註23)、優先股(附註29)、債券(附註29.1)、權證(附註29.2)及衍生負債(附註29.3)。由於這些工具未於活躍市場買賣，其公允價值採用多種適用的估值技術釐定，包括折現現金流量及市場法等。優先股、債券、權證及衍生負債的估值及敏感性分析所使用的關鍵假設分別呈列於附註29、附註29.1、附註29.2及附註29.3。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### 3.3.3 Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

|   | Fair value as at 31 March<br>於3月31日的公允價值 |                                    | Significant<br>Unobservable<br>inputs<br>重大<br>不可觀察<br>輸入數據  | Range of inputs<br>as at 31 March<br>於3月31日<br>的輸入數據範圍 |                 | Relationship<br>of significant<br>unobservable<br>inputs to fair value<br>重大不可觀察輸入數據<br>與公允價值的關係 |
|---|--|------------------------------------|--|--|-----------------|--|
|   | 2022<br>2022年<br>RMB' 000<br>人民幣千元       | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |  | 2022<br>2022年  | 2021<br>2021年   |  |
| Bank structured deposits<br>measured at FVPL<br>按公允價值計入損益的<br>銀行結構性存款 | -  | 51,004                             | Expected<br>rate of return,<br>exchange rate<br>預期回報率，<br>匯率 | -  | 2.75%-<br>4.24% | The higher the expected<br>rate of return,<br>the higher the fair value<br>預期回報率越高，<br>公允價值越高    |
| Wealth management products<br>measured at FVPL<br>按公允價值計入損益的<br>理財產品  | 197,055                                  | -                                  | Expected<br>rate of return<br>預期回報率                          | 1.2%   | -               | The higher the expected<br>rate of return,<br>the higher the fair value<br>預期回報率越高，<br>公允價值越高    |
| Unlisted debt instrument at<br>FVPL<br>按公允價值計入損益的<br>非上市債務工具          | 34,675                                   | 30,000                             | Rate of<br>volatility<br>波動率                                 | 52%  | 51%             | The lower the volatility,<br>the higher the fair value<br>波動率越低，公允價值越高                           |

### 3 財務風險管理 (續)

#### 3.3 公允價值估計 (續)

##### 3.3.3 估值輸入數據及與公允價值的關係

下表概述有關用於第三層級公允價值計量的重大不可觀察輸入數據的定量資料。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### 3.3.3 Valuation inputs and relationships to fair value (continued)

The Group's bank structured deposits were mainly investment products purchased from reputable financial institutions in the PRC with floating rates. The returns on all of these bank structured deposits were not guaranteed, hence their contractual cash flows did not qualify for solely payments of principal and interest. Therefore, they were measured at fair value through profit or loss. None of these investments were past due. Changes in fair values of bank structured deposits were analysed at the end of each reporting period by the Group's management. The fair values were determined based on the expected cash flows discounted using an expected rate of return (based on management's judgement). The relevant fair value gains/(losses) were minimal because of short term maturity.

The Group's wealth management products measured at FVPL were investment products subscribed to Growth Vanguard Fund SPC at a fixed annualized return rate of 1.2%. The wealth management products are subject to a lock-up period of one month and can be redeemed by the Company at any time upon expiration of the lock-up period (Note 23).

From the perspective of cash management and risk control, the Group diversified its investment portfolio and mainly preferred those products with high-liquidity.

If the expected rate of return had decreased/increased by 100 basis points with all other variables held constant, the fair value of bank structured deposits measured at FVPL would have decreased/increased by approximately RMB5,000 and RMB510,000 as at 31 March 2022 and 2021, respectively.

### 3 財務風險管理(續)

#### 3.3 公允價值估計(續)

##### 3.3.3 估值輸入數據及與公允價值的關係(續)

本集團的銀行結構性存款主要為向中國知名金融機構購買的浮動利率投資產品。所有這些銀行結構性存款的回報均無保證，因此其合同現金流量不符合僅用於支付本金和利息的條件。因此，其按公允價值計入損益。這些投資均未逾期。本集團管理層於各報告期末分析銀行結構性存款公允價值的變動。公允價值根據使用預期回報率（基於管理層的判斷）折現的預期現金流量釐定。由於短時間便到期，相關公允價值收益／（虧損）甚微。

本集團按公允價值計入損益的理財產品為以固定年化回報率1.2%認購的Growth Vanguard Fund SPC投資產品。該等理財產品的鎖定期為一個月，本公司可於鎖定期屆滿後隨時贖回有關理財產品（附註23）。

從現金管理和風險控制的角度看，本集團投資組合多元化，並主要優先選擇流動性高的產品。

如果預期回報率減少／增加100個基點而所有其他變量保持不變，則於2022年及2021年3月31日，按公允價值計入損益的銀行結構性存款的公允價值將分別減少／增加約人民幣5,000元及人民幣510,000元。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### 3.3.3 Valuation inputs and relationships to fair value (continued)

If the expected volatility had decreased by 5% with all other variables held constant, the fair value of unlisted debt instrument at FVPL would have increased by approximately RMB354,000 and RMB690,000 as at 31 March 2022 and 2021, respectively. If the expected volatility had increased by 5% with all other variables held constant, the fair value of unlisted debt instrument at FVPL would have decreased by approximately RMB412,000 and RMB690,000 as at 31 March 2022 and 2021, respectively.

##### 3.3.4 Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost approximate their fair values since either the instruments are with short maturities or the rate of interest receivable/payable is close to the current market rate.

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

### 3 財務風險管理 (續)

#### 3.3 公允價值估計 (續)

##### 3.3.3 估值輸入數據及與公允價值的關係 (續)

如果預期波動率減少5%而所有其他變量保持不變，則於2022年及2021年3月31日，按公允價值計入損益的非上市債務工具的公允價值將分別增加約人民幣354,000元及人民幣690,000元。如果預期波動率增加5%而所有其他變量保持不變，則於2022年及2021年3月31日，按公允價值計入損益的非上市債務工具的公允價值將分別減少約人民幣412,000元及人民幣690,000元。

##### 3.3.4 並非按公允價值列賬的金融資產及負債的公允價值

本集團按攤銷成本列賬的金融工具的賬面值與其公允價值相若，因為該等工具的到期時間較短或應收／應付利息的利率接近現行市場利率。

### 4 重大會計估計及判斷

編製財務報表需要使用會計估計，由其定義可知，會計估計很少與實際結果相符。管理層在應用本集團的會計政策時也需要作出判斷。

本集團持續評估估計和判斷。其乃基於歷史經驗和其他因素，包括對於可能對實體產生財務影響並在該等情況下被認為屬合理的未來事件的預期。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### (a) Contractual Arrangements

The Group conducts a portion of the business through the Shenzhen Ruijian Consulting Management Co., Ltd. (“the VIE Entity”) in the PRC due to regulatory restrictions on the foreign ownership in the Group’s medical institutions in the PRC. The Directors assessed whether or not the Group has control over the VIE Entity, has rights to variable returns from its involvement with the VIE Entity and has the ability to affect those returns through its power over the operating entities. After assessment, the Directors concluded that the Group has control over the VIE Entity as a result of the Contractual Arrangement and accordingly the financial position and their operating results of the VIE Entity are included in the Group’s consolidated financial statements throughout the year or since the respective dates of incorporation/establishment, whichever is the shorter period.

Nevertheless, the Contractual Arrangement may not be as effective as direct legal ownership in providing the Group with direct control over the VIE Entity and uncertainties presented by the PRC legal system could impede the Group’s beneficiary rights of the results, assets and liabilities of the VIE Entity. The Directors, based on the advice of the PRC Legal Advisers, consider that save as otherwise disclosed, each agreement under the Contractual Arrangements is legal, valid and binding upon the parties thereto under the current PRC laws and regulations.

### 4 重大會計估計及判斷 (續)

#### (a) 合同安排

由於本集團中國醫療機構的外資擁有權受到監管限制，本集團通過深圳市瑞健諮詢管理有限公司（「可變利益實體」）在中國開展部分業務。董事評估本集團是否對可變利益實體有控制權、是否有權從參與可變利益實體業務中獲得可變回報，以及是否有能力通過其對經營實體的權力影響該等回報。進行評估後，董事斷定，由於合同安排，本集團對可變利益實體有控制權，因此可變利益實體於整個年度或自各自的註冊成立／成立日期起（以較短期間為準）的財務狀況及經營業績納入本集團的合併財務報表。

然而，本集團通過合同安排實現對可變利益實體的直接控制未必如直接法定所有權般有效，且中國法律制度的不確定性可能妨礙本集團行使對可變利益實體的業績、資產及負債的受益權。基於中國法律顧問的意見，董事認為，除另有披露者外，根據中國現行法律法規，合同安排項下的各項協議均屬合法、有效並對各訂約方具有約束力。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### (b) Estimation of revenue recognition

The Group applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers. Revenue from the rendering of orthodontics and implantology services is to be recognised over time because the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date. The Group determined that the input method is the best method for measuring the progress of orthodontics and implantology services because there is a direct relationship between the Group's effort (i.e., staff costs and/or costs of inventories, consumables and customised products incurred, when appropriate) and the transfer of services to the customer. The Group recognises revenue on the basis of the staff costs and/or cost of inventories, consumables and customised products, when appropriate, expended relative to the total expected costs to complete the service. Judgements are required in the determination of the estimate of the total expected costs to complete the service.

#### (c) Estimation of fair value of financial assets and financial liabilities

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions including credit risk, volatility and liquidity risks associated with the instruments at the end of each reporting period, which are subject to uncertainty and might materially differ from the actual results. Changes in these assumptions and estimates could materially affect the respective fair value of these financial assets and liabilities (Note 3.3).

### 4 重大會計估計及判斷 (續)

#### (b) 收入確認估計

本集團採用的判斷對釐定客戶合同收入的金額及時間有重大影響。提供正畸及植牙服務的收入於一段時間內確認，原因為本集團的履約並未創建一項可用於替代用途的資產，並且本集團具有就迄今為止已完成的履約部分收取款項的可強制執行權利。本集團確定投入法為計量正畸及植牙服務進度的最佳方法，原因為本集團的投入（即所產生的員工成本及／或存貨、耗材及訂製產品成本（如適用））與向客戶轉移服務間有直接關係。本集團按所花費的員工成本及／或存貨、耗材及訂製產品成本（如適用）佔完成服務的總預期成本的比例確認收入。釐定完成服務的估計總預期成本時需要作出判斷。

#### (c) 金融資產及金融負債的公允價值估計

未於活躍市場買賣的金融工具的公允價值採用估值技術釐定。本集團使用判斷來選擇多種方法並作出假設，包括於各報告期末與工具相關的信貸風險、波動性及流動資金風險，這些假設具有不確定性並可能與實際結果有重大差異。這些假設及估計的變化可能對這些金融資產及負債各自的公允價值產生重大影響（附註3.3）。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### (d) Estimation of the useful life and depreciation of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation for the Group's property, plant and equipment based on the asset's expected utility to the Group, the asset management policy of the Group may involve the disposal of assets after a specified time or after consumption of a specified proportion of the future economic benefits embodied in the asset. Therefore, the useful life of an asset may be shorter than its economic life. The estimation of the useful life of the asset is a matter of judgement based on the experience of the Group with similar assets.

#### (e) Estimation of the useful life and amortisation of intangible assets

The Group's management determines the estimated useful lives and related amortisation for the Group's intangible assets with reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets. Management will revise the amortisation charges where useful lives are different from that of previously estimated, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in useful lives and therefore amortisation expense in future periods.

### 4 重大會計估計及判斷 (續)

#### (d) 物業、廠房及設備的可使用年期及折舊估計

本集團的管理層根據本集團物業、廠房及設備對本集團的預期用途來釐定有關資產的估計可使用年期及相關折舊，本集團的資產管理政策可能涉及於特定時間後或消耗了資產所包含的未來經濟利益的特定比例後出售資產。因此，資產的可使用年期可能短於其經濟年期。資產可使用年期的估計乃基於本集團處理類似資產的經驗而作出的判斷。

#### (e) 無形資產的可使用年期及攤銷估計

本集團管理層參考本集團擬從使用無形資產中產生未來經濟利益的估計期間，釐定本集團這些資產的估計可使用年期及相關攤銷。如果可使用年期與先前的估計不同，管理層將修訂攤銷支出，或撤銷或撤減已廢棄或出售的技術過時或非戰略資產。實際經濟年期可能與估計可使用年期有所不同。定期審查可導致可使用年期變動，並因而導致未來期間的攤銷開支變動。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### (f) Estimation of goodwill impairment

The Group tests whether goodwill has suffered any impairment on an annual basis, or whenever events or changes in circumstances indicate that it might be impaired. As at 31 March 2022 and 2021, the recoverable amount of cash-generating units (CGUs) was determined based on fair value less cost of disposal calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five year period.

Details of impairment charge, key assumptions and impact of possible changes in key assumptions are disclosed in Note 17.

#### (g) Credit loss allowance for trade receivables, other receivables and other financial assets

Under IFRS 9, the expected credit loss of trade receivables, other receivables and other assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to calculate the loss allowances, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3.1.2.

#### (h) Recoverability of non-financial assets

Other non-financial assets including property and equipment, right-of-use assets and intangible assets (including brand and licenses) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The recoverable amount of CGU is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management with an estimation of terminal value.

### 4 重大會計估計及判斷 (續)

#### (f) 商譽減值估計

本集團每年或於無論何時事件或情況發生變化表明可能出現減值時測試商譽是否發生任何減值。於2022年及2021年3月31日，現金產生單位的可收回金額根據公允價值減去出售成本的計算釐定，這需要使用假設。計算使用的現金流量預測基於管理層批准的涵蓋五年的財務預算。

減值費用、關鍵假設以及關鍵假設可能變化的影響詳情於附註17披露。

#### (g) 貿易應收款項、其他應收款項及其他金融資產的信貸虧損撥備

根據國際財務報告準則第9號，貿易應收款項、其他應收款項及其他資產的預期信貸虧損乃基於有關違約風險及預期虧損率的假設。本集團於各報告期末作出該等假設及選擇計算虧損撥備的輸入數據時，會基於本集團的過往歷史、現有市場狀況及前瞻性估計而作出判斷。所使用的關鍵假設及輸入數據的詳情於附註3.1.2披露。

#### (h) 非金融資產的可收回性

每當出現事件或情況變化顯示物業及設備、使用權資產及無形資產(包括品牌及許可證)等其他非金融資產的賬面值未必可收回時，會審查該等資產是否發生減值。現金產生單位的可收回金額乃根據使用價值的計算(需要使用假設)來釐定。有關計算使用基於管理層批准的財務預算的現金流量預測，並估計最終價值。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### (i) Current and deferred income tax

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Deferred tax assets in relation to (i) temporary differences (including but not limited to credit loss allowance of financial asset); and (ii) unused tax losses had been recognised in the consolidated balance sheet. The realisability of the deferred tax asset mainly depends on whether sufficient future taxable profit or taxable temporary differences will be available in the future. The outcome of their actual utilisation may be different from management's estimation.

#### (j) Recognition of share-based compensation expenses

The Group established RSU Plan, which grants RSUs to employees, directors and other qualified persons. The fair value of the RSUs on the grant date is determined according to binomial option pricing model on the grant date and is expected to be included in the loss during their respective vesting periods. Significant estimates and assumptions (including discount rate, risk-free interest rate and expected price volatility) was made by the management and an independent valuer. Details of the key assumptions and inputs used are disclosed in Note 8(b).

### 4 重大會計估計及判斷(續)

#### (i) 即期及遞延所得稅

在日常業務過程中，許多交易和計算所涉及的最終稅項釐定均不確定。倘若這些事項的最終稅務結果與初始記錄的金額不同，有關差異將影響作出有關釐定的期間的即期及遞延稅項資產及負債。

與(i)暫時性差額(包括但不限於金融資產的信貸虧損撥備)；及(ii)未使用稅項虧損有關的遞延稅項資產已於合併資產負債表確認。遞延稅項資產的可實現性主要倚賴未來是否有充足的應課稅利潤或應課稅暫時性差額。其實際使用的結果可能與管理層的估計有所不同。

#### (j) 確認股份酬金開支

本集團制定受限制股份單位計劃，該計劃授予僱員、董事及其他合資格人士受限制股份單位。受限制股份單位於授出日期的公允價值乃根據授出日期二項式期權定價模式釐定，預期於其各自歸屬期計入虧損。重大估計及假設(包括折現率、無風險利率及預期價格波幅)乃由管理層及獨立估值師作出。所使用之主要假設及輸入數據詳情披露於附註8(b)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5 SEGMENT INFORMATION

The Group's business activities, being mainly the provision of dental services (including general dentistry, orthodontics and implantology) through the operations of dental clinics and hospitals in the PRC, are regularly evaluated by the board of directors of the Group. Management has determined the operating segments based on the reports reviewed by the board of directors for the purpose of making decisions about resource allocation and performance assessment.

The Group's business activities were previously operated and managed as a single segment, prior to 30 September 2021. The Group has adopted the new business group structure due to a change in the internal reporting structure effective since 30 September 2021. Segments by business group comprise Arrail Dental and Rytime Dental. The comparative segment information has been reclassified to conform to the reporting format under the current internal reporting structure.

The board of directors assesses the performance of the operating segments based on a measure of operating profit. The measurement basis excludes the effects of allocation of certain income, expenses, gains and losses from headquarter, reversal of impairment losses/ (impairment losses) on financial assets, share of net (loss)/profit of investments accounted for using the equity method, fair value changes of financial instruments, and finance income and costs. There were no separate segment assets and segment liabilities information provided to the board of directors of the Group, as they does not use this information to allocate resources to or evaluate the performance of the operating segments.

### 5 分部資料

本集團的業務活動主要為於中國透過經營口腔診所及醫院提供口腔醫療服務(包括普通牙科、正畸科及種植科)，由本集團的董事會定期評估。管理層已根據董事會審閱的報告就資源分配及績效評估的決策釐定經營分部。

於2021年9月30日前，本集團的業務活動一向按單一分部進行營運及管理。由於自2021年9月30日起內部申報架構發生變動，本集團已採用新業務集團架構。按業務集團劃分的分部包括瑞爾齒科及瑞泰口腔。可資比較分部資料已經重新分類以符合目前內部申報架構下的呈報格式。

董事會根據經營利潤衡量指標評估經營分部的表現。衡量基準不包括總部若干收入、開支、收益及虧損、金融資產減值虧損撥回／(減值虧損)、分佔使用權益法入賬的投資的淨(虧損)／利潤、金融工具的公允價值變動以及財務收入及成本的分配的影響。概無向本集團董事會單獨提供分部資產及分部負債資料，因彼等在向經營分部分配資源或評估經營分部的表現時不會使用該資料。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5 SEGMENT INFORMATION (continued)

### 5 分部資料(續)

|   |                       | Years ended 31 March<br>截至3月31日止年度 |                          |                  |                          |
|---|-----------------------|------------------------------------|--------------------------|------------------|--------------------------|
|   |                       | 2022<br>2022年                      |                          | 2021<br>2021年    |                          |
|   |                       | Revenue<br>收入                      | Operating profit<br>經營利潤 | Revenue<br>收入    | Operating profit<br>經營利潤 |
|   |                       | RMB'000<br>人民幣千元                   | RMB'000<br>人民幣千元         | RMB'000<br>人民幣千元 | RMB'000<br>人民幣千元         |
| Arrail Dental   | 瑞爾齒科                  | 831,550                            | 101,723                  | 767,219          | 94,961                   |
| Rytime Dental   | 瑞泰口腔                  | 792,003                            | 64,994                   | 747,908          | 99,075                   |
| <b>Total</b>  | <b>總計</b>             | <b>1,623,553</b>                   | <b>166,717</b>           | 1,515,127        | 194,036                  |
| <b>Unallocated:</b>   | <b>未分配:</b>           |                                    |                          |                  |                          |
| Headquarter and corporate expenses  | 總部及企業開支               |                                    | (199,874)                |                  | (64,093)                 |
| Reversal of impairment losses/(impairment losses) on financial assets                               | 金融資產減值虧損撥回/(減值虧損)     |                                    | 4,585                    |                  | (5,476)                  |
| Finance income  | 財務收入                  |                                    | 8,276                    |                  | 7,581                    |
| Finance costs   | 財務成本                  |                                    | (55,641)                 |                  | (51,914)                 |
| Share of net (loss)/profit of investments accounted for using the equity method                     | 分佔使用權益法入賬的投資的淨(虧損)/利潤 |                                    | (411)                    |                  | 2,602                    |
| Re-designation to Series E Preferred Shares from issued ordinary and Preferred Shares               | 自己發行普通股及優先股重新指定為E輪優先股 |                                    | -                        |                  | (196,712)                |
| Fair value changes of Preferred Shares  | 優先股的公允價值變動            |                                    | (541,089)                |                  | (424,289)                |
| Fair value change of bond   | 債券的公允價值變動             |                                    | (61,647)                 |                  | (16,677)                 |
| Fair value change of warrants   | 權證的公允價值變動             |                                    | (13,686)                 |                  | (26,802)                 |
| Fair value changes of derivative liabilities  | 衍生負債的公允價值變動           |                                    | (6,005)                  |                  | -                        |
| Fair value difference between termination of the warrants and recognition of derivative liabilities | 終止權證與確認衍生負債之間的公允價值差額  |                                    | (11,136)                 |                  | -                        |
| <b>Loss before income tax</b>   | <b>除所得稅前虧損</b>        |                                    | <b>(709,911)</b>         |                  | (581,744)                |

The Company is domiciled in the Cayman Islands while the Group mainly operates its business in the PRC and earns substantially all of the revenues from external customers in the PRC.

As at 31 March 2022 and 2021, substantially all of the non-current assets of the Group were located in the PRC.

No revenue from the Group's sales to a single customer amounted to 10% or more of the Group's revenue for the years ended 31 March 2022 and 2021.

本公司於開曼群島註冊，而本集團則主要在中國經營業務，且絕大部分收入源於中國的外部客戶。

於2022年及2021年3月31日，本集團絕大部分非流動資產位於中國。

截至2022年及2021年3月31日止年度，本集團向單一客戶的銷售收入概無佔本集團收入的10%或以上。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5 SEGMENT INFORMATION (continued)

#### Other segment information

|   |            | Years ended 31 March<br>截至3月31日止年度 |                       |                       |                       |
|---|------------|------------------------------------|-----------------------|-----------------------|-----------------------|
|   |            | 2022<br>2022年                      |                       | 2021<br>2021年         |                       |
|   |            | Arrail Dental<br>瑞爾齒科              | Rytime Dental<br>瑞泰口腔 | Arrail Dental<br>瑞爾齒科 | Rytime Dental<br>瑞泰口腔 |
|   |            | RMB'000<br>人民幣千元                   | RMB'000<br>人民幣千元      | RMB'000<br>人民幣千元      | RMB'000<br>人民幣千元      |
| Depreciation and amortisation             | 折舊及攤銷      | 130,468                            | 115,835               | 116,908               | 112,083               |
| Addition to property, plant and equipment | 添置物業、廠房及設備 | 65,258                             | 50,537                | 21,606                | 10,803                |
| Addition to right-of use assets           | 添置使用權資產    | 120,435                            | 151,469               | 74,967                | 71,230                |

### 6 REVENUE

#### (a) Revenue from contracts with customers

The breakdown of revenues by service categories during the years ended 31 March 2022 and 2021 is as follows:

### 6 收入

#### (a) 客戶合同收入

截至2022年及2021年3月31日止年度按服務類別劃分的收入明細如下：

|   |                 | Year ended 31 March<br>截至3月31日止年度 |                  |
|---|-----------------|-----------------------------------|------------------|
|   |                 | 2022<br>2022年                     | 2021<br>2021年    |
|   |                 | RMB'000<br>人民幣千元                  | RMB'000<br>人民幣千元 |
| General Dentistry – recognised at a point in time | 普通牙科 – 於某一時間點確認 | 872,586                           | 828,452          |
| Orthodontics – recognised over time               | 正畸科 – 於一段時間確認   | 366,264                           | 342,273          |
| Implantology – recognised over time               | 種植科 – 於一段時間確認   | 353,079                           | 299,568          |
| Others – recognised at a point in time            | 其他 – 於某一時間點確認   | 31,624                            | 44,834           |
|   |                 | <b>1,623,553</b>                  | 1,515,127        |



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 6 REVENUE (continued)

#### (a) Revenue from contracts with customers (continued)

The breakdown of revenues by geographic locations and by brands during the years ended 31 March 2022 and 2021 is as follows:

### 6 收入(續)

#### (a) 客戶合同收入(續)

截至2022年及2021年3月31日止年度按地理位置及按品牌劃分的收入明細如下：

|                |    | Year ended 31 March<br>截至3月31日止年度 |                                   |
|----------------|----|-----------------------------------|-----------------------------------|
|                |    | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Northern China | 華北 | 693,781                           | 637,590                           |
| Eastern China  | 華東 | 391,694                           | 384,664                           |
| Southern China | 華南 | 154,488                           | 146,990                           |
| Western China  | 西區 | 383,590                           | 345,883                           |
|                |    | <b>1,623,553</b>                  | 1,515,127                         |

|               |      | Year ended 31 March<br>截至3月31日止年度 |                                   |
|---------------|------|-----------------------------------|-----------------------------------|
|               |      | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Arrail Dental | 瑞爾齒科 | 831,550                           | 767,219                           |
| Rytime Dental | 瑞泰口腔 | 792,003                           | 747,908                           |
|               |      | <b>1,623,553</b>                  | 1,515,127                         |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 6 REVENUE (continued)

#### (b) Liabilities related to contracts with customers

##### (i) Revenue recognised in relation to contract liabilities

The following table shows the amounts of revenue recognised in each of the financial years that were included in the contract liabilities at the beginning of each of the financial years:

|   |                    | Year ended 31 March<br>截至3月31日止年度 |                                   |
|---|--------------------|-----------------------------------|-----------------------------------|
|   |                    | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Revenue recognised that was included in contract liabilities at the beginning of each of the years: | 已於各年初計入合同負債的已確認收入： |                                   |                                   |
| – Rendering dental services   | – 提供口腔醫療服務         | 209,521                           | 236,263                           |

##### (ii) Unsatisfied performance obligations

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2022 and 2021 are as follows:

|   |              | As at 31 March<br>於3月31日          |                                   |
|---|--------------|-----------------------------------|-----------------------------------|
|   |              | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Amounts expected to be recognised as revenue: | 預期將確認為收入的金額： |                                   |                                   |
| Within one year                               | 一年內          | 184,287                           | 209,521                           |
| After one year                                | 一年後          | 21,597                            | 11,878                            |
|   |              | 205,884                           | 221,399                           |

### 6 收入(續)

#### (b) 與客戶合同有關的負債

##### (i) 就合同負債確認的收入

下表顯示於各財政年度確認的收入金額(已於各財政年度開始計入合同負債)：

##### (ii) 未履行的履約責任

於2022年及2021年3月31日，分配至餘下履約責任(未履行或部分未履行)的交易價金額如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 6 REVENUE (continued)

#### (b) Liabilities related to contracts with customers (continued)

##### (ii) Unsatisfied performance obligations (continued)

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year related to orthodontics services, of which the performance obligations are to be satisfied within two years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year.

All other contracts are for periods of one year or less or are billed based on time incurred. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

### 6 收入(續)

#### (b) 與客戶合同有關的負債(續)

##### (ii) 未履行的履約責任(續)

分配至餘下履約責任的交易價金額(預期於一年後確認為收入)與正畸服務相關,其中履約責任將在兩年內履行。分配至餘下履約責任的所有其他交易價金額預期於一年內確認為收入。

所有其他合同的期限均為一年或不足一年,或根據發生時間開具賬單。國際財務報告準則第15號允許不披露分配至該等未履行合同的交易價。

### 7 EXPENSES BY NATURE

### 7 按性質劃分的開支

|   |           | Year ended 31 March<br>截至3月31日止年度 |                                   |
|---|-----------|-----------------------------------|-----------------------------------|
|   |           | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Employee benefits expenses              | 僱員福利開支    | 915,664                           | 716,704                           |
| Depreciation and amortisation           | 折舊及攤銷     | 246,303                           | 228,991                           |
| Dental materials used                   | 所用齒科材料    | 253,254                           | 233,421                           |
| Advertising and marketing expenses      | 廣告及營銷開支   | 33,588                            | 38,165                            |
| Office and property management expenses | 辦公及物業管理開支 | 51,276                            | 49,625                            |
| Consulting fees                         | 諮詢費       | 65,182                            | 56,595                            |
| Auditor's remuneration                  | 審計師薪酬     |                                   |                                   |
| – Audit services                        | – 審計服務    | 3,500                             | 2,700                             |
| – Non-audit services                    | – 非審計服務   | 330                               | –                                 |
| Listing expenses                        | 上市開支      | 42,501                            | 3,171                             |
| Other expenses                          | 其他開支      | 64,034                            | 58,098                            |
|   |           | <b>1,675,632</b>                  | 1,387,470                         |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 8 EMPLOYEE BENEFITS EXPENSES

### 8 僱員福利開支

|   |                      | Year ended 31 March<br>截至3月31日止年度  |                                    |
|---|----------------------|------------------------------------|------------------------------------|
|   |                      | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Wages, salaries, bonuses and other allowances                 | 工資、薪金、花紅及其他津貼        | 702,324                            | 649,011                            |
| Social security costs and housing fund contributions (note a) | 社會保障成本及住房公積金供款 (附註a) | 118,319                            | 67,693                             |
| Share-based compensation expenses (note b)                    | 股份酬金開支 (附註b)         | 95,021                             | –                                  |
|   |                      | <b>915,664</b>                     | 716,704                            |

#### (a) Social security costs and housing fund contributions

The employees of the Group in the PRC are members of a state-managed pension obligations operated by the PRC Government, including social security costs and housing benefits. The Group is required to contribute a specified percentage of payroll costs as determined by respective local government authority to the pension obligations to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions under the scheme.

#### (b) Share-based compensation expenses – RSUs

In August 2021, the board of the directors of the Company approved the establishment of a RSU Plan for the purpose of attracting, retaining and motivating the directors, employees and such other participants of the Company.

The RSU Plan is effective from the date of establishment and will govern RSUs made by the Company. The total number of RSUs which may be granted and issued under the RSU Plan will not exceed 4,798,904 (subdivided into 119,972,600 upon share subdivision).

#### (a) 社會保障成本及住房公積金供款

本集團於中國的僱員為中國政府所運作國家管理退休金責任項目(包括社會保障成本及住房福利)的成員。本集團須按各地方政府機關釐定的工資成本的特定百分比向退休金責任項目供款，以提供福利資金。本集團對退休福利計劃的唯一責任為根據計劃作出指定供款。

#### (b) 股份酬金開支 – 受限制股份單位

於2021年8月，本公司董事會批准制定受限制股份單位計劃，以吸引、挽留及激勵本公司董事、僱員及有關其他參與者。

受限制股份單位計劃自制定日期起生效且將管控本公司作出的受限制股份單位。根據受限制股份單位計劃可能授出及發行的受限制股份單位總數將不超過4,798,904股(根據股份拆細拆細為119,972,600股)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 8 EMPLOYEE BENEFITS EXPENSES (continued)

#### (b) Share-based compensation expenses – RSUs (continued)

On 1 October 2021, 3,668,941 RSUs of the Company were granted to certain directors and eligible employees. Effective from 21 March 2022, these RSUs were subdivided into 91,723,525 RSUs. RSUs will be vested and become realisable only at the end of the first 6 months, the first year, the first 18 months and the second year from the commencement date of dealings in the Company's shares on the Stock Exchange of Hong Kong Limited ("Vesting Period") at the respective proportion of 25%, 25%, 25% and 25%, provided that the participants pass the annual performance review administrated by the board of the directors of the Company. Vesting Period may be different due to specific cases or exception. RSUs can be purchased for 1 ordinary share at any time, provided that RSUs are vested.

Movements in the number of RSUs granted and their related weighted average fair value per restrictive share unit ("RSU") are as follows:

|                                 |                 | Number<br>of RSUs | Weighted<br>average fair<br>value per<br>RSU (USD)<br>每受限制股份<br>單位加權平均<br>公允價值<br>(美元) |
|---------------------------------|-----------------|-------------------|--|
| Outstanding as at 1 April 2021  | 於2021年4月1日尚未行使  | –                 |  |
| Granted during the year         | 於年內授出           | 3,668,941         | 14.74 (Note)<br>(附註)   |
| Share subdivision               | 股份拆細            | 88,054,584        |  |
| Outstanding as at 31 March 2022 | 於2022年3月31日尚未行使 | <b>91,723,525</b> |  |

Note: Weighted average fair value per RSU, after adjustment for share subdivision, is USD0.59.

### 8 僱員福利開支(續)

#### (b) 股份酬金開支 – 受限制股份單位(續)

於2021年10月1日，本公司向若干董事及合資格僱員授予3,668,941個受限制股份單位。自2022年3月21日起，該等受限制股份單位被拆細為91,723,525個受限制股份單位。受限制股份單位將予歸屬且僅可於本公司股份在香港聯合交易所有限公司開始買賣日期起的首六個月、第一年、首18個月及第二年(「歸屬期」)結束時分別按25%、25%、25%及25%的比例變現，惟參與者須通過由本公司董事會執行的年度業績審閱。歸屬期可能因個別或例外情況而有所不同。倘受限制股份單位獲歸屬，則可隨時以1股普通股購買受限制股份單位。

授出的受限制股份單位數目及其每受限制股份單位(「受限制股份單位」)相關的加權平均公允價值變動如下：

附註：每受限制股份單位加權平均公允價值經股份拆細調整後為0.59美元。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 8 EMPLOYEE BENEFITS EXPENSES (continued)

#### (b) Share-based compensation expenses – RSUs (continued)

The weighted average fair value of the RSUs at grant date was estimated by the fair value of the underlying ordinary shares less its purchase price. The average purchase price is USD0.8 (adjusted for share subdivision). The Group has used the discounted cash flow method to determine the underlying equity fair value of the Company and adopted the equity allocation model to determine the fair value of the underlying ordinary shares. Key assumptions, such as projections of future performance, are determined by the Group with best estimate.

Based on fair value of the underlying ordinary shares, the Group has used binomial option pricing model to determine the fair value of the RSUs as at the grant date. Key assumptions are set as below:

|   |                          | On grant date<br>於授出日期       |
|---|--------------------------|------------------------------|
| Fair value per ordinary share<br>(adjusted for share subdivision) | 每股普通股公允價值<br>(就股份拆細作出調整) | USD1.11<br>1.11美元            |
| Grant date  | 授出日期                     | 1 October 2021<br>2021年10月1日 |
| Expected price volatility   | 預期價格波幅                   | 48.6%                        |
| Risk-free interest rate   | 無風險利率                    | 1.5%                         |
| Dividend yield  | 股息收益                     | 0%                           |
| Discount rate   | 折現率                      | 15.5%                        |

The share-based compensation expenses relating to the RSUs were recognised as administrative expenses during the year ended 31 March 2022 amounting to RMB95,021,000.

### 8 僱員福利開支(續)

#### (b) 股份酬金開支 – 受限制股份單位(續)

受限制股份單位於授出日期的加權平均公允價值乃根據相關普通股的公允價值減其購買價估計得出。平均購買價為0.8美元(就股份拆細作出調整)。本集團使用貼現現金流量法釐定本公司相關股權公允價值，採納權益分配模式釐定相關普通股的公允價值。未來表現預測等主要假設須根據本集團最佳估計釐定。

基於相關普通股的公允價值，本集團使用二項式期權定價模型釐定受限制股份單位於授出日期的公允價值。主要假設載列如下：

截至2022年3月31日止年度確認為行政開支的受限制股份單位有關的股份酬金開支為人民幣95,021,000元。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 8 EMPLOYEE BENEFITS EXPENSES (continued)

#### (c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the years ended 31 March 2022 and 2021 include 3 and 1 directors whose emoluments are reflected in the analysis shown in Note 36. The emoluments payable to the remaining 2 and 4 individuals during the years are as follows:

|  |                | Year ended 31 March<br>截至3月31日止年度  |                                    |
|--|----------------|------------------------------------|------------------------------------|
|  |                | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Wages, salaries, bonuses and other allowances        | 工資、薪金、花紅及其他津貼  | 2,030                              | 9,753                              |
| Social security costs and housing fund contributions | 社會保障成本及住房公積金供款 | 223                                | 390                                |
| Share-based compensation expenses                    | 股份酬金開支         | 10,893                             | –                                  |
|  |                | <b>13,146</b>                      | 10,143                             |

The emoluments fell within the following bands:

酬金介乎以下範圍：

|                                |                          | Number of individuals<br>人數       |               |
|--------------------------------|--------------------------|-----------------------------------|---------------|
|                                |                          | Year ended 31 March<br>截至3月31日止年度 |               |
|                                |                          | 2022<br>2022年                     | 2021<br>2021年 |
| Emolument bands (in HK dollar) | 酬金範圍 (以港元計)              |                                   |               |
| HK\$2,500,001 – HK\$3,000,000  | 2,500,001港元至3,000,000港元  | –                                 | 2             |
| HK\$3,000,001 – HK\$3,500,000  | 3,000,001港元至3,500,000港元  | –                                 | 1             |
| HK\$3,500,001 – HK\$4,000,000  | 3,500,001港元至4,000,000港元  | –                                 | 1             |
| HK\$5,500,001 – HK\$6,000,000  | 5,500,001港元至6,000,000港元  | 1                                 | –             |
| HK\$9,500,001 – HK\$10,000,000 | 9,500,001港元至10,000,000港元 | 1                                 | –             |

### 8 僱員福利開支 (續)

#### (c) 五名最高薪酬人士

截至2022年及2021年3月31日止年度，本集團五名最高薪酬人士包括三名及一名董事，其薪酬已反映在附註36所示的分析。年內應付餘下兩名及四名人士的酬金如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 9 OTHER GAINS, NET

### 9 其他淨收益

|   |                        | Year ended 31 March<br>截至3月31日止年度 |                                   |
|---|------------------------|-----------------------------------|-----------------------------------|
|   |                        | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Net losses on disposal of property, plant and equipment                       | 出售物業、廠房及設備的淨虧損         | (58)                              | (5,002)                           |
| Net fair value gains on financial assets at fair value through profit or loss | 按公允價值計入損益的金融資產的淨公允價值收益 | 5,044                             | 6,138                             |
| Net foreign exchange losses   | 淨匯兌虧損                  | (188)                             | (63)                              |
| Reversal of accrual for water discharge license penalties                     | 排水許可證罰款的應計費用撥回         | 4,000                             | –                                 |
| Government grants   | 政府補助                   | 4,269                             | 343                               |
| Others  | 其他                     | 5,855                             | 870                               |
|   |                        | <b>18,922</b>                     | <b>2,286</b>                      |

### 10 FINANCE COSTS – NET

### 10 淨財務成本

|   |                  | Year ended 31 March<br>截至3月31日止年度 |                                   |
|---|------------------|-----------------------------------|-----------------------------------|
|   |                  | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| <b>Finance income</b>                                       | <b>財務收入</b>      |                                   |                                   |
| Interest income from bank deposits                          | 銀行存款利息收入         | 4,122                             | 4,351                             |
| Interest income from loans to related parties and employees | 向關聯方及僱員提供貸款的利息收入 | 4,154                             | 3,230                             |
|   |                  | <b>8,276</b>                      | <b>7,581</b>                      |
| <b>Finance costs</b>  | <b>財務成本</b>      |                                   |                                   |
| Interest expense on borrowings                              | 借款利息開支           | (9,628)                           | (19,526)                          |
| Interest expense on lease liabilities                       | 租賃負債利息開支         | (36,843)                          | (32,388)                          |
| Transaction costs on issuance of Series E Preferred Shares  | 發行E輪優先股的交易成本     | (9,170)                           | –                                 |
|   |                  | <b>(55,641)</b>                   | <b>(51,914)</b>                   |
|   |                  | <b>(47,365)</b>                   | <b>(44,333)</b>                   |



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The amounts recognised in the consolidated balance sheet are as follows:

|                                   |            | As at 31 March<br>於3月31日          |                                   |
|-----------------------------------|------------|-----------------------------------|-----------------------------------|
|                                   |            | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Associates, unlisted entities     | 聯營公司，非上市實體 | 13,104                            | 14,116                            |
| Joint ventures, unlisted entities | 合營公司，非上市實體 | 1,051                             | -                                 |
|                                   |            | <b>14,155</b>                     | 14,116                            |

During the years ended 31 March 2022 and 2021, the unrecognised share of loss of associates and joint ventures accounted for under the equity method amounted to RMB25,117,000 and RMB23,065,000, respectively, of which RMB16,450,000 and RMB16,544,000, respectively were attributed from 濟南濟東口腔醫院有限公司(“濟南濟東”).

No impairment loss on the investments accounted for using the equity method was recognised during the years ended 31 March 2022 and 2021.

### 11 使用權益法入賬的投資

於合併資產負債表確認的金額如下：

|                                   |            | As at 31 March<br>於3月31日          |                                   |
|-----------------------------------|------------|-----------------------------------|-----------------------------------|
|                                   |            | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Associates, unlisted entities     | 聯營公司，非上市實體 | 13,104                            | 14,116                            |
| Joint ventures, unlisted entities | 合營公司，非上市實體 | 1,051                             | -                                 |
|                                   |            | <b>14,155</b>                     | 14,116                            |

截至2022年及2021年3月31日止年度，未確認的根據權益法入賬的分佔聯營公司及合營公司虧損分別為人民幣25,117,000元及人民幣23,065,000元，其中人民幣16,450,000元及人民幣16,544,000元分別為分佔濟南濟東口腔醫院有限公司(「濟南濟東」)的虧損。

截至2022年及2021年3月31日止年度，概無就使用權益法入賬的投資確認減值虧損。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

Set out below are the associates and joint ventures of the Group as at 31 March 2022 and 2021. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

### 11 使用權益法入賬的投資(續)

下文載列本集團於2022年及2021年3月31日的聯營公司及合營公司。以下所列實體的股本僅由本集團直接持有的普通股組成。註冊成立或註冊國家亦為其主要營業地點，而擁有權權益的比例與所持表決權的比例相同。

| Name of entities<br>實體名稱     | Place of business/<br>country of incorporation<br>營業地點/<br>註冊成立國家 | % of ownership interest<br>As at 31 March<br>佔擁有權權益百分比<br>於3月31日 |                    | Nature of relationship<br>關係性質 | Principal activities<br>主要業務                                   |
|------------------------------|---|--|--------------------|--------------------------------|--|
|                              |   | 2022<br>2022年<br>%   | 2021<br>2021年<br>% |                                |  |
| 北京康泰健瑞牙科技術有限公司<br>(「北京康泰」)   | PRC   | 51   | 51                 | Joint venture                  | Provision of technical services in respect of dental materials |
| 濟南濟東                         | 中國<br>PRC   | 45   | 45                 | 合營公司<br>Associate              | 就齒科材料提供技術服務<br>Provision of dental services                    |
| 福州美可普口腔醫院有限公司<br>(「福州美可普」)   | 中國<br>PRC   | 30   | 30                 | 聯營公司<br>Associate              | 提供口腔醫療服務<br>Provision of dental services                       |
| 郴州科爾雅口腔醫院管理有限公司              | 中國<br>PRC   | 31   | 31                 | 聯營公司<br>Associate              | 提供口腔醫療服務<br>Provision of dental services                       |
| 廣州天河領航口腔門診部有限公司              | 中國<br>PRC   | 20   | 20                 | 聯營公司<br>Associate              | 提供口腔醫療服務<br>Provision of dental services                       |
| 重慶瑞登醫院管理中心(有限合夥)<br>(「重慶瑞登」) | 中國<br>PRC   | 12   | -                  | 聯營公司<br>Joint venture          | 提供口腔醫療服務<br>Investment holding                                 |
| 重慶瑞微醫院管理中心(有限合夥)<br>(「重慶瑞微」) | 中國<br>PRC   | 20   | -                  | 合營公司<br>Joint venture          | 投資控股<br>Investment holding                                     |
| 重慶瑞新醫院管理中心(有限合夥)<br>(「重慶瑞新」) | 中國<br>PRC   | 8  | -                  | 合營公司<br>Joint venture          | 投資控股<br>Investment holding                                     |
| 重慶瑞歡醫院管理中心(有限合夥)<br>(「重慶瑞歡」) | 中國<br>PRC   | 60   | -                  | 合營公司<br>Joint venture          | 投資控股<br>Investment holding                                     |
|                              | 中國  |  |                    | 合營公司                           | 投資控股   |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

The associates and joint ventures of the Group above have been accounted for using the equity method based on the financial information of the associates and joint ventures prepared under the accounting policies consistent with the Group.

The joint arrangements in relation to 北京康泰、重慶瑞登、重慶瑞徵、重慶瑞新 and 重慶瑞歡 require unanimous consent from all shareholders for all relevant activities. Each shareholder does not have direct rights to the assets and obligation for the liabilities of these entities. Therefore, these entities are classified as joint ventures.

The interests in associates and joint ventures disclosed above all belong to a number of individually immaterial associates and joint ventures that are accounted for using the equity method. The summarised financial information for all individually immaterial associates and joint venture are set out below:

### 11 使用權益法入賬的投資(續)

本集團的上述聯營公司及合營公司已根據按照與本集團一致的會計政策編製的聯營公司及合營公司財務資料，使用權益法入賬。

有關北京康泰、重慶瑞登、重慶瑞徵、重慶瑞新及重慶瑞歡的合營安排需要全體股東一致同意所有相關活動。各股東對這些實體的資產並無享有直接權利，對其負債並無直接義務。因此，這些實體分類為合營公司。

上文披露的聯營公司及合營公司利息均屬於使用權益法入賬的若干個別非重大聯營公司及合營公司。所有個別非重大聯營公司及合營公司的財務資料概述如下：

|  |                             | <b>As at 31 March</b> |         |
|--|-----------------------------|-----------------------|---------|
|  |                             | 於3月31日                |         |
|  |                             | <b>2022</b>           | 2021    |
|  |                             | <b>2022年</b>          | 2021年   |
|  |                             | <b>RMB'000</b>        | RMB'000 |
|  |                             | <b>人民幣千元</b>          | 人民幣千元   |
| Aggregate carrying amount of individually immaterial associates and joint ventures                         | 個別非重大聯營公司及合營公司的賬面值總額        | <b>14,155</b>         | 14,116  |
| Aggregate amounts of the group's share of (loss)/profit and total comprehensive (loss)/income for the year | 本集團應佔年內(虧損)/利潤及總全面(虧損)/收益總額 | <b>(411)</b>          | 2,602   |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 12 INCOME TAX (CREDIT)/EXPENSES

The income tax (credit)/expense of the Group for the years ended 31 March 2022 and 2021 is analysed as follows:

### 12 所得稅(抵免)/開支

截至2022年及2021年3月31日止年度本集團的所得稅(抵免)/開支分析如下：

|                               |             | Year ended 31 March<br>截至3月31日止年度 |                                   |
|-------------------------------|-------------|-----------------------------------|-----------------------------------|
|                               |             | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Current income tax            | 即期所得稅       |                                   |                                   |
| – PRC corporate income tax    | – 中國企業所得稅   | 15,536                            | 11,063                            |
| Deferred income tax (Note 28) | 遞延所得稅(附註28) | (29,047)                          | 4,955                             |
|                               |             | <b>(13,511)</b>                   | 16,018                            |

The taxation on the Group's loss before income tax differs from the theoretical amount that would arise using the taxation rate of the PRC, the principal place of the Group's operations, as follows:

本集團除所得稅前虧損的稅項與採用本集團主要營運地點的中國稅率將會產生的理論金額差異如下：

|   |                                 | Year ended 31 March<br>截至3月31日止年度 |                                   |
|---|---------------------------------|-----------------------------------|-----------------------------------|
|   |                                 | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Loss before income tax  | 除所得稅前虧損                         | (709,711)                         | (581,744)                         |
| Tax calculated at statutory income tax rate of 25% (2021: 25%) in mainland China          | 按中國內地法定所得稅率25% (2021年：25%)計算的稅項 | (177,478)                         | (145,436)                         |
| Tax effects of:   | 以下各項的稅務影響：                      |                                   |                                   |
| – Effect of different tax rates in other jurisdictions                                    | – 其他司法管轄區不同稅率的影響                | 178,220                           | 162,166                           |
| – Effect of preferential tax rates of certain subsidiaries                                | – 若干子公司的優惠稅率的影響                 | (13,102)                          | (12,494)                          |
| – Tax losses for which no deferred tax assets was recognised                              | – 未確認遞延稅項資產的稅項虧損                | 4,039                             | 2,719                             |
| – Temporary deductible timing differences for which no deferred tax assets was recognised | – 未確認遞延稅項資產的暫時可扣減時間差異           | (34)                              | 560                               |
| – Expenses not deductible for income tax purposes   | – 不可扣減所得稅開支                     | 18,159                            | 9,154                             |
| – Recognition of previously unrecognised tax losses and temporary differences             | – 確認先前未確認的稅項虧損及暫時性差額            | (22,156)                          | –                                 |
| – Income not subject to tax   | – 無須課稅收入                        | (1,159)                           | (651)                             |
|   |                                 | <b>(13,511)</b>                   | (16,018)                          |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 12 INCOME TAX (CREDIT)/EXPENSES (continued)

#### (a) Cayman Islands

The Company is incorporated as an exempted company with limited liability under the Companies Act of the Cayman Islands and is not subject to tax on income or capital gains. Additionally, the Cayman Islands do not impose a withholding tax on payments of dividends to shareholders. The Cayman Islands are not party to any double tax treaties that are applicable to any payments made by or to the Company.

#### (b) BVI

The Group's entities established under the International Business Companies Acts of BVI are exempted from BVI income tax.

#### (c) Hong Kong Income Tax

Entities incorporated in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% for taxable income earned in Hong Kong before 1 April 2018. Starting from the financial year commencing on 1 April 2018, the two-tiered profits tax regime took effect, under which the tax rate is 8.25% for assessable profits on the first HK\$2 million and 16.5% for any assessable profits in excess of HK\$2 million. The subsidiary, Arrail Institute of Advanced Dentistry (AIAD) Limited, was established in Hong Kong and this tax policy is applicable. No provision for Hong Kong profits tax was made as the Group had no estimated assessable profit that was subject to Hong Kong profits tax during the years ended 31 March 2022 and 2021.

### 12 所得稅(抵免)/開支(續)

#### (a) 開曼群島

本公司根據開曼群島公司法註冊成立為獲豁免有限公司，無須繳納所得稅或資本利得稅。此外，開曼群島並無就向股東派付的股息徵收預扣稅。開曼群島並非適用於本公司支付任何款項或向本公司支付任何款項的任何雙重徵稅條約的締約方。

#### (b) 英屬維爾京群島

本集團根據英屬維爾京群島國際商業公司法成立的實體獲豁免繳納英屬維爾京群島所得稅。

#### (c) 香港利得稅

於2018年4月1日之前，在香港註冊成立的實體須就於香港獲得的應課稅收入按16.5%的稅率繳納香港利得稅。自2018年4月1日開始的財政年度起，兩級利得稅制度生效，根據該制度，首2百萬港元的應課稅利潤稅率為8.25%，超出2百萬港元部分的任何應課稅利潤稅率為16.5%。子公司瑞爾口腔醫學院有限公司於香港成立，該利得稅制度適用。由於截至2022年及2021年3月31日止年度本集團未有須繳納香港利得稅的估計應課稅利潤，因此未有就香港利得稅作出撥備。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 12 INCOME TAX (CREDIT)/EXPENSES (continued)

#### (d) PRC Enterprise Income Tax (“EIT”)

The income tax provision of the Group in respect of its operations in PRC was subject to statutory tax rate of 25% on the assessable profits for the years ended 31 March 2022 and 2021 based on the existing legislation, interpretation and practices in respect thereof.

For the Group’s PRC subsidiaries recognised as Small and Micro Enterprise (“SME”) by the relevant government authorities, they are subject to a 50%-75% deduction of the assessable profits as well as a preferential tax rate of 20% or 10%, effective until 31 December 2022. During the year ended 31 March 2022, the majority of the Group’s PRC subsidiaries meet the criteria of SMEs.

#### (e) Withholding tax in Mainland China (“WHT”)

According to the New Corporate Income Tax Law (“New EIT Law”), beginning 1 January 2008, distribution of profits earned by companies in mainland China since 1 January 2008 to foreign investors is subject to withholding tax of 5% or 10%, depending on the country of incorporation of the foreign investor, upon the distribution of profits to overseas-incorporated immediate holding companies.

The Group does not have any plan in the foreseeable future to require its subsidiaries in mainland China to distribute their retained earnings, totaling RMB276,699,000 and RMB172,854,000 as at 31 March 2022 and 2021, respectively, and intends to retain them to operate and expand its business in mainland China. Accordingly, no deferred income tax liability related to WHT on undistributed earnings was accrued as at 31 March 2022 and 2021.

### 12 所得稅(抵免)/開支(續)

#### (d) 中國企業所得稅(「企業所得稅」)

根據有關的現行法例、詮釋及慣例，本集團就截至2022年及2021年3月31日止年度的應課稅利潤按法定稅率25%計提中國業務的所得稅撥備。

就本集團被相關政府機關認定為小微企業(「小微企業」)的中國子公司而言，其於2022年12月31日之前均可享受應課稅利潤50%至75%扣減並享受20%或10%的優惠稅率。於截至2022年3月31日止年度，本集團大部分中國子公司符合小微企業標準。

#### (e) 中國內地預扣稅(「預扣稅」)

根據自2008年1月1日起施行的新企業所得稅法(「新企業所得稅法」)，自2008年1月1日起，中國內地的公司向於境外註冊成立的直接控股公司分派利潤時，視乎外國投資者註冊成立所在國家而定，向該等外國投資者分派的利潤須按5%或10%的稅率繳納預扣稅。

本集團於可預見未來並無任何計劃要求其在中國內地的子公司分派其保留盈利，於2022年及2021年3月31日的保留盈利總額分別為人民幣276,699,000元及人民幣172,854,000元，並擬保留該等盈利以經營及擴展其於中國內地的業務。因此，於2022年及2021年3月31日，並無產生與未分派盈利的預扣稅有關的遞延所得稅負債。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 13 LOSS PER SHARE

#### (a) Basic loss per shares

Basic loss per share for the years ended 31 March 2022 and 2021 are calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year.

The weighted average number of class 1 and class 2 ordinary share has been retrospectively adjusted for the effect of the share subdivision completed on 21 March 2022 whereby each class 1 and class 2 ordinary share was subdivided into 25 class 1 and class 2 shares. (Note 25(c)).

For the purpose of calculating the weighted average number of class 1 and class 2 ordinary shares outstanding, the number of shares shown below has taken the share subdivision into account as if the share subdivision was deemed to be effective since 1 April 2020.

### 13 每股虧損

#### (a) 每股基本虧損

截至2022年及2021年3月31日止年度，每股基本虧損乃按本公司擁有人應佔虧損除以年內發行在外普通股加權平均數計算。

1類及2類普通股加權平均數已就於2022年3月21日完成的股份拆細的影響作出追溯調整，據此，每股1類及2類普通股被拆細為25股1類及2類股份（附註25(c)）。

就計算發行在外1類及2類普通股加權平均數而言，以下列示的股份數目已計及股份拆細，猶如股份拆細被視為自2020年4月1日起生效。

|  |  | Year ended 31 March<br>截至3月31日止年度 |               |
|--|--|-----------------------------------|---------------|
|  |  | 2022<br>2022年                     | 2021<br>2021年 |
| Loss attributable to owners of the Company (RMB'000)   | 本公司擁有人應佔虧損<br>(人民幣千元)                  | <b>(701,032)</b>                  | (599,420)     |
| Weighted average number of class 1 ordinary shares outstanding (in thousand)                                   | 發行在外1類普通股加權<br>平均數(千股)                 | —                                 | 42,582        |
| Weighted average number of class 2 ordinary shares outstanding (in thousand)                                   | 發行在外2類普通股加權<br>平均數(千股)                 | —                                 | 30,389        |
| Weighted average number of ordinary shares outstanding (in thousand)   | 發行在外普通股加權<br>平均數(千股)                   | <b>80,555</b>                     | —             |
| Basic loss per share, for class 1 and class 2 ordinary shares and ordinary shares (expressed in RMB per share) | 1類及2類普通股以及普通股<br>每股基本虧損<br>(以每股人民幣元列示) | <b>(8.70)</b>                     | (8.21)        |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 13 LOSS PER SHARE (continued)

#### (b) Diluted loss per shares

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

During the years ended 31 March 2022 and 2021, the Company had potential ordinary shares, including RSUs, Preferred Shares, warrants and derivative liabilities. As the Group incurred losses for the years ended 31 March 2022 and 2021, the potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, the amounts of diluted loss per share for the years ended 31 March 2022 and 2021 were the same as basic loss per share of the respective year.

### 13 每股虧損(續)

#### (b) 每股攤薄虧損

計算每股攤薄虧損時，已就假設轉換所有攤薄性潛在普通股而調整發行在外普通股加權平均數。

截至2022年及2021年3月31日止年度，本公司擁有潛在普通股，包括受限制股份單位、優先股、權證及衍生負債。由於本集團在截至2022年及2021年3月31日止年度產生虧損，故計算每股攤薄虧損時未計入潛在普通股，因為其計入將導致反攤薄。因此，截至2022年及2021年3月31日止年度的每股攤薄虧損金額與各年度的每股基本虧損金額相同。

### 14 PROPERTY, PLANT AND EQUIPMENT

### 14 物業、廠房及設備

|                                 |                    | Medical<br>equipment<br>醫療設備<br>RMB' 000<br>人民幣千元 | Office<br>equipment and<br>furniture<br>辦公設備及傢具<br>RMB' 000<br>人民幣千元 | Motor<br>vehicles<br>汽車<br>RMB' 000<br>人民幣千元 | Leasehold<br>improvements<br>租賃物業裝修<br>RMB' 000<br>人民幣千元 | Total<br>總計<br>RMB' 000<br>人民幣千元 |
|---------------------------------|--------------------|---|--|--|--|----------------------------------|
| <b>Cost</b>                     | <b>成本</b>          |   |  |  |  |                                  |
| <b>At 31 March 2021</b>         | <b>於2021年3月31日</b> | 260,461   | 36,788   | 4,537  | 291,833  | 593,619                          |
| Additions                       | 添置                 | 73,366  | 7,599  | 1,061  | 33,769   | 115,795                          |
| Disposals                       | 處置                 | (17,761)  | (3,604)  | (1,002)                                      | -  | (22,367)                         |
| <b>At 31 March 2022</b>         | <b>於2022年3月31日</b> | <b>316,066</b>                                    | <b>40,783</b>  | <b>4,596</b>                                 | <b>325,602</b>   | <b>687,047</b>                   |
| <b>Accumulated depreciation</b> | <b>累計折舊</b>        |   |  |  |  |                                  |
| <b>At 31 March 2021</b>         | <b>於2021年3月31日</b> | (136,985)   | (26,949)   | (3,966)                                      | (164,877)  | (332,777)                        |
| Charge for the year             | 年內扣除               | (38,795)  | (5,404)  | (734)  | (30,796)   | (75,729)                         |
| Disposals                       | 處置                 | 15,079  | 3,199  | 979  | -  | 19,257                           |
| <b>At 31 March 2022</b>         | <b>於2022年3月31日</b> | <b>(160,701)</b>                                  | <b>(29,154)</b>  | <b>(3,721)</b>                               | <b>(195,673)</b>   | <b>(389,249)</b>                 |
| <b>Net book value</b>           | <b>賬面淨值</b>        |   |  |  |  |                                  |
| <b>At 31 March 2022</b>         | <b>於2022年3月31日</b> | <b>155,365</b>                                    | <b>11,629</b>  | <b>875</b>                                   | <b>129,929</b>   | <b>297,798</b>                   |



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 14 PROPERTY, PLANT AND EQUIPMENT 14 物業、廠房及設備(續) (continued)

|                                 |                    | Medical<br>equipment<br>醫療設備<br>RMB' 000<br>人民幣千元 | Office<br>equipment and<br>furniture<br>辦公設備及傢具<br>RMB' 000<br>人民幣千元 | Motor<br>vehicles<br>汽車<br>RMB' 000<br>人民幣千元 | Leasehold<br>improvements<br>租賃物業裝修<br>RMB' 000<br>人民幣千元 | Total<br>總計<br>RMB' 000<br>人民幣千元 |
|---------------------------------|--------------------|---|--|--|--|----------------------------------|
| <b>Cost</b>                     | <b>成本</b>          |   |  |  |  |                                  |
| <b>At 31 March 2020</b>         | <b>於2020年3月31日</b> | 264,260   | 38,842   | 4,577  | 290,316  | 597,995                          |
| Additions                       | 添置                 | 17,881  | 3,290  | 167  | 11,071   | 32,409                           |
| Disposals                       | 處置                 | (21,680)  | (5,344)  | (207)  | (9,554)  | (36,785)                         |
| <b>At 31 March 2021</b>         | <b>於2021年3月31日</b> | <b>260,461</b>                                    | <b>36,788</b>  | <b>4,537</b>                                 | <b>291,833</b>   | <b>593,619</b>                   |
| <b>Accumulated depreciation</b> | <b>累計折舊</b>        |   |  |  |  |                                  |
| <b>At 31 March 2020</b>         | <b>於2020年3月31日</b> | (124,476)   | (26,090)   | (3,867)                                      | (131,408)  | (285,841)                        |
| Charge for the year             | 年內扣除               | (28,306)  | (5,332)  | (239)  | (41,545)   | (75,422)                         |
| Disposals                       | 處置                 | 15,797  | 4,473  | 140  | 8,076  | 28,486                           |
| <b>At 31 March 2021</b>         | <b>於2021年3月31日</b> | <b>(136,985)</b>                                  | <b>(26,949)</b>  | <b>(3,966)</b>                               | <b>(164,877)</b>   | <b>(332,777)</b>                 |
| <b>Net book value</b>           | <b>賬面淨值</b>        |   |  |  |  |                                  |
| <b>At 31 March 2021</b>         | <b>於2021年3月31日</b> | <b>123,476</b>                                    | <b>9,839</b>   | <b>571</b>                                   | <b>126,956</b>   | <b>260,842</b>                   |

For the years ended 31 March 2022 and 2021, depreciation of the Group's property, plant and equipment amounting to RMB75,729,000 and RMB75,422,000, respectively, have been charged to cost of sales amounting to RMB67,809,000 and RMB70,176,000, respectively, to selling and distribution expenses amounting to RMB225,000 and RMB542,000, respectively, to administrative expenses amounting to RMB7,421,000 and RMB4,596,000, respectively, and to research and development expenses amounting to RMB274,000 and RMB108,000, respectively.

截至2022年及2021年3月31日止年度，本集團物業、廠房及設備折舊分別為人民幣75,729,000元及人民幣75,422,000元，自銷售成本扣除的金額分別為人民幣67,809,000元及人民幣70,176,000元，自銷售及經銷開支扣除的金額分別為人民幣225,000元及人民幣542,000元，自行政開支扣除的金額分別為人民幣7,421,000元及人民幣4,596,000元，以及自研發開支扣除的金額分別為人民幣274,000元及人民幣108,000元。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 15 LEASES

#### (a) Items recognised in the consolidated balance sheet

|                              |              | As at 31 March<br>於3月31日          |                                   |
|------------------------------|--------------|-----------------------------------|-----------------------------------|
|                              |              | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| <b>Right-of-use assets</b>   | <b>使用權資產</b> |                                   |                                   |
| Clinics and office buildings | 診所及寫字樓       | <b>703,466</b>                    | 595,114                           |
| <b>Lease liabilities</b>     | <b>租賃負債</b>  |                                   |                                   |
| Current                      | 流動           | <b>142,121</b>                    | 132,140                           |
| Non-current                  | 非流動          | <b>611,187</b>                    | 511,007                           |
|                              |              | <b>753,308</b>                    | 643,147                           |

Additions to the right-of-use assets for the years ended 31 March 2022 and 2021 were RMB271,904,000 and RMB146,197,000, respectively.

截至2022年及2021年3月31日止年度，分別添置使用權資產人民幣271,904,000元及人民幣146,197,000元。

#### (b) Items recognised in the consolidated income statement

|  |                            | Year ended 31 March<br>截至3月31日止年度 |                                   |
|--|----------------------------|-----------------------------------|-----------------------------------|
|  |                            | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| <b>Depreciation charge of right-of-use assets</b>  | <b>使用權資產折舊費用</b>           |                                   |                                   |
| Clinics and office buildings   | 診所及寫字樓                     | <b>163,552</b>                    | 147,033                           |
| Interest expense<br>(included in finance costs, net)   | 利息開支(計入淨財務成本)              | <b>36,843</b>                     | 32,388                            |
| Expense relating to short-term leases and leases of low value assets not included in lease liabilities | 與不計入租賃負債的短期租賃及低價值資產租賃相關的開支 | <b>13,692</b>                     | 14,156                            |

### 15 租賃

#### (a) 於合併資產負債表確認的項目

#### (b) 於合併損益表確認的項目

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 15 LEASES (continued)

#### (b) Items recognised in the consolidated income statement (continued)

For the years ended 31 March 2022 and 2021, a reduction in the lease payments arising from the rent concessions of nil and RMB3,750,000, respectively, has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss.

The total cash outflows for leases during the years ended 31 March 2022 and 2021 was RMB212,278,000 and RMB203,120,000, respectively.

The total cash outflows in financing activities for leases during the years ended 31 March 2022 and 2021 are as follows:

|                                      |           | Year ended 31 March<br>截至3月31日止年度 |                                   |
|--------------------------------------|-----------|-----------------------------------|-----------------------------------|
|                                      |           | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Principal elements of lease payments | 租賃付款的本金部分 | 161,743                           | 156,576                           |
| Related interest paid                | 已付相關利息    | 36,843                            | 32,388                            |
|                                      |           | <b>198,586</b>                    | 188,964                           |

The weighted average incremental borrowing rate applied to the lease liabilities for the years ended 31 March 2022 and 2021 were 4.56% and 5.03% per annum, respectively.

#### (c) The Group's leasing activities and how these are accounted for

The Group leased various clinics and office buildings under rental contracts which are typically for fixed periods of 2 to 8 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and are not used as security for borrowing purposes.

### 15 租賃(續)

#### (b) 於合併損益表確認的項目(續)

截至2022年及2021年3月31日止年度，因租金減免而產生的租賃付款分別減少零及人民幣3,750,000元，已通過終止確認部分租賃負債作為可變租賃付款入賬，並計入損益。

截至2022年及2021年3月31日止年度，租賃現金流出總額分別為人民幣212,278,000元及人民幣203,120,000元。

截至2022年及2021年3月31日止年度的租賃融資活動現金流出總額如下：

|                                      |           | Year ended 31 March<br>截至3月31日止年度 |                                   |
|--------------------------------------|-----------|-----------------------------------|-----------------------------------|
|                                      |           | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Principal elements of lease payments | 租賃付款的本金部分 | 161,743                           | 156,576                           |
| Related interest paid                | 已付相關利息    | 36,843                            | 32,388                            |
|                                      |           | <b>198,586</b>                    | 188,964                           |

截至2022年及2021年3月31日止年度，適用於租賃負債的加權平均增量借款年利率分別為4.56%及5.03%。

#### (c) 本集團的租賃活動及其入賬方法

本集團根據租賃合同租用多處診所及寫字樓，一般固定期限為2至8年。

租賃條款乃按個別基準磋商，並且包括眾多不同的條款及條件。租賃協議並不構成任何契諾，且不用作借款的擔保。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 16 INTANGIBLE ASSETS

### 16 無形資產

|                                 |                    | Service contracts | Brands and licenses | Non-competitive agreements and customer relationship | Software       | Total           |
|---------------------------------|--------------------|-------------------|---------------------|--|----------------|-----------------|
|                                 |                    | 服務合同              | 品牌及許可證              | 非競爭性協議及客戶關係  | 軟件             | 總計              |
|                                 |                    | RMB' 000          | RMB' 000            | RMB' 000   | RMB' 000       | RMB' 000        |
|                                 |                    | 人民幣千元             | 人民幣千元               | 人民幣千元  | 人民幣千元          | 人民幣千元           |
| <b>Cost</b>                     | <b>成本</b>          |                   |                     |  |                |                 |
| <b>At 31 March 2021</b>         | <b>於2021年3月31日</b> | 7,324             | 32,605              | 21,550   | 7,576          | 69,055          |
| Additions                       | 添置                 | -                 | -                   | -  | 5,027          | 5,027           |
| <b>At 31 March 2022</b>         | <b>於2022年3月31日</b> | <b>7,324</b>      | <b>32,605</b>       | <b>21,550</b>  | <b>12,603</b>  | <b>74,082</b>   |
| <b>Accumulated amortisation</b> | <b>累計攤銷</b>        |                   |                     |  |                |                 |
| <b>At 31 March 2021</b>         | <b>於2021年3月31日</b> | (1,543)           | (19,878)            | (15,623)   | (5,404)        | (42,448)        |
| Charge for the year             | 年內扣除               | (750)             | (2,636)             | (1,536)  | (2,100)        | (7,022)         |
| <b>At 31 March 2022</b>         | <b>於2022年3月31日</b> | <b>(2,293)</b>    | <b>(22,514)</b>     | <b>(17,159)</b>                                      | <b>(7,504)</b> | <b>(49,470)</b> |
| <b>Net book value</b>           | <b>賬面淨值</b>        |                   |                     |  |                |                 |
| <b>At 31 March 2022</b>         | <b>於2022年3月31日</b> | <b>5,031</b>      | <b>10,091</b>       | <b>4,391</b>   | <b>5,099</b>   | <b>24,612</b>   |
| <b>Cost</b>                     | <b>成本</b>          |                   |                     |  |                |                 |
| <b>At 31 March 2020</b>         | <b>於2020年3月31日</b> | 8,448             | 32,120              | 20,950   | 7,100          | 68,618          |
| Acquisition of assets (Note 31) | 收購資產(附註31)         | -                 | 485                 | 600  | -              | 1,085           |
| Additions                       | 添置                 | -                 | -                   | -  | 476            | 476             |
| Disposals (Note 31)             | 處置(附註31)           | (1,124)           | -                   | -  | -              | (1,124)         |
| <b>At 31 March 2021</b>         | <b>於2021年3月31日</b> | <b>7,324</b>      | <b>32,605</b>       | <b>21,550</b>  | <b>7,576</b>   | <b>69,055</b>   |
| <b>Accumulated amortisation</b> | <b>累計攤銷</b>        |                   |                     |  |                |                 |
| <b>At 31 March 2020</b>         | <b>於2020年3月31日</b> | (1,560)           | (16,239)            | (14,101)   | (4,694)        | (36,594)        |
| Charge for the year             | 年內扣除               | (665)             | (3,639)             | (1,522)  | (710)          | (6,536)         |
| Disposals (Note 31)             | 處置(附註31)           | 682               | -                   | -  | -              | 682             |
| <b>At 31 March 2021</b>         | <b>於2021年3月31日</b> | <b>(1,543)</b>    | <b>(19,878)</b>     | <b>(15,623)</b>                                      | <b>(5,404)</b> | <b>(42,448)</b> |
| <b>Net book value</b>           | <b>賬面淨值</b>        |                   |                     |  |                |                 |
| <b>At 31 March 2021</b>         | <b>於2021年3月31日</b> | <b>5,781</b>      | <b>12,727</b>       | <b>5,927</b>   | <b>2,172</b>   | <b>26,607</b>   |

Amortisations of the Group's intangible assets has been charged to administrative expenses in the consolidated income statement.

本集團無形資產的攤銷已自合併損益表中的行政開支扣除。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17 GOODWILL

### 17 商譽

|                                   |                          | RMB' 000<br>人民幣千元 |
|-----------------------------------|--------------------------|-------------------|
| <b>At 1 April 2020</b>            | <b>於2020年4月1日</b>        | 96,062            |
| Acquisition of business (Note 31) | 收購業務(附註31)               | 2,405             |
| <b>At 31 March 2022 and 2021</b>  | <b>於2022年及2021年3月31日</b> | 98,467            |

#### (a) Impairment tests for goodwill

For the purpose of impairment testing of goodwill, goodwill is allocated to groups of CGUs. Such groups of CGUs represent the lowest level within the Group for which the goodwill is monitored for internal management purpose.

Management considered that the Group only had one group of CGUs according to how it operated its business as at 31 March 2021. On 30 September 2021, the Group has adopted the new business group structure due to a change in internal reporting structure. Management has determined the operating segments based on the reports reviewed by the board of directors for the purpose of making decisions about resource allocation and performance assessment, which comprise Arrail Dental and Rytime Dental. Goodwill is allocated to the two operating segments since 30 September 2021. A summary of the goodwill allocation is presented below.

#### (a) 商譽減值測試

為進行商譽減值測試，商譽分配至現金產生單位組別。該等現金產生單位組別是指本集團內出於內部管理目的對其商譽進行監控的最低組別。

管理層認為，根據本集團於2021年3月31日的業務營運方式，其僅有一組現金產生單位。於2021年9月30日，由於內部申報架構的變動，本集團採用新的業務集團架構。為作出有關資源分配及表現評估的決策，管理層已根據董事會審閱的報告釐定經營分部，包括瑞爾齒科及瑞泰口腔。商譽自2021年9月30日起分配至兩個經營分部。商譽分配概要呈列如下。

|               |      | As at 31 March<br>於3月31日           |
|---------------|------|------------------------------------|
|               |      | 2022<br>2022年<br>RMB' 000<br>人民幣千元 |
| Arrail Dental | 瑞爾齒科 | 40,893                             |
| Rytime Dental | 瑞泰口腔 | 57,574                             |
|               |      | <b>98,467</b>                      |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17 GOODWILL (continued)

#### (a) Impairment tests for goodwill (continued)

The impairment test is performed for the groups of CGUs by engaging an independent appraiser to estimate fair value less cost of disposal (“FVLCO”) as its recoverable amount. These calculations use post-tax cash flow projections based on financial budgets prepared by management covering five years. The accuracy and reliability of the information is reasonably assured by the appropriate budgeting, forecast and control processes established by the Group. Cash flows beyond the projected period are extrapolated using the estimated terminal growth rate. The management leveraged their extensive experiences in the industry and provided forecast based on past performance, their expectation of future business plans and external sources of information. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation.

The following key assumptions were used for FVLCO calculation of two groups of CGUs as at 31 March 2022:

### 17 商譽 (續)

#### (a) 商譽減值測試 (續)

現金產生單位組別的減值測試乃通過聘請獨立評估師估計公允價值減處置成本(「公允價值減處置成本」)作為其可收回金額進行。這些計算使用基於管理層編製的涵蓋五年的財務預算使用稅後現金流量預測。本集團制定的適當預算、預測及控制程序合理地確保了資料的準確性及可靠性。超出預測期間的現金流量採用估計的最終增長率進行推斷。管理層利用其在行業內的豐富經驗，根據過往表現、其對未來業務計劃的預期和外部來源信息提出預測。由於估值中使用了不可觀察輸入數據，因此估值被視為公允價值層級中的第三層級。

以下關鍵假設用於計算兩組現金產生單位於2022年3月31日的公允價值減處置成本：

|  |                                | As at 31 March 2022<br>於2022年3月31日 |                       |
|--|--------------------------------|------------------------------------|-----------------------|
|  |                                | Arrail Dental<br>瑞爾齒科              | Rytime Dental<br>瑞泰口腔 |
| Compound annual growth rate of revenue in the projected period | 預測期間收入的年複合增長率                  | 18.4%                              | 24.2%                 |
| Terminal growth rate   | 最終增長率                          | 3%                                 | 3%                    |
| Post-tax discount rate   | 稅後折現率                          | 14.5%                              | 14.5%                 |
| FVLCO of the group of CGUs<br>(in RMB million)                 | 現金產生單位組別的公允價值減處置成本<br>(人民幣百萬元) | 2,793                              | 3,251                 |
| Carrying amount of the group of CGUs<br>(in RMB million)       | 現金產生單位組別的賬面值<br>(人民幣百萬元)       | 937                                | 1,208                 |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17 GOODWILL (continued)

#### (a) Impairment tests for goodwill (continued)

The following key assumptions were used for FVLCOB calculations of the one group of CGUs as at 31 March 2021:

|  |                                    | <b>As at 31 March</b> |
|--|------------------------------------|-----------------------|
|  |                                    | <b>於3月31日</b>         |
|  |                                    | 2021                  |
|  |                                    | 2021年                 |
| Compound annual growth rate of revenue in the projected period | 預測期間收入的年複合增長率                      | 27%                   |
| Terminal growth rate   | 最終增長率                              | 3%                    |
| Post-tax discount rate   | 稅後折現率                              | 17%                   |
| FVLCOB of the group of CGUs (in RMB million)                   | 現金產生單位組別的<br>公允價值減處置成本<br>(人民幣百萬元) | 3,753                 |
| Carrying amount of the group of CGUs (in RMB million)          | 現金產生單位組別的賬面值<br>(人民幣百萬元)           | 1,804                 |

The compound annual growth rates of revenue and the terminal growth rate used do not exceed the industry growth forecast for the market in which the Group operates. The discount rate used is post-tax and reflects market assessments of the time value and the specific risks relating to the industry. The values assigned to the key assumptions and discount rates are consistent with external information sources.

Based on the result of the goodwill impairment testing, the estimated headroom was approximately RMB1,949 million as at 31 March 2021. The estimated headrooms of Arrail Dental and Rytime Dental were approximately RMB1,856 million and RMB2,043 million, respectively, as at 31 March 2022. As the recoverable amount was significantly above the carrying amount, no impairment was identified in respect of goodwill as at 31 March 2022 and 2021, respectively.

### 17 商譽 (續)

#### (a) 商譽減值測試 (續)

以下關鍵假設用於計算一組現金產生單位於2021年3月30日的公允價值減處置成本：

|  |                                    | <b>As at 31 March</b> |
|--|------------------------------------|-----------------------|
|  |                                    | <b>於3月31日</b>         |
|  |                                    | 2021                  |
|  |                                    | 2021年                 |
| Compound annual growth rate of revenue in the projected period | 預測期間收入的年複合增長率                      | 27%                   |
| Terminal growth rate   | 最終增長率                              | 3%                    |
| Post-tax discount rate   | 稅後折現率                              | 17%                   |
| FVLCOB of the group of CGUs (in RMB million)                   | 現金產生單位組別的<br>公允價值減處置成本<br>(人民幣百萬元) | 3,753                 |
| Carrying amount of the group of CGUs (in RMB million)          | 現金產生單位組別的賬面值<br>(人民幣百萬元)           | 1,804                 |

所使用收入的年複合增長率和最終增長率不超過本集團經營所在市場的行業增長預測。所使用的折現率是稅後的比率，反映了市場對時間價值和與行業相關的特定風險的評估。分配予關鍵假設和折現率的數值與外部來源信息一致。

根據商譽減值測試的結果，於2021年3月31日的估計餘額空間約為人民幣1,949百萬元。於2022年3月31日，瑞爾齒科及瑞泰口腔的估計餘額空間分別約為人民幣1,856百萬元及人民幣2,043百萬元。由於可收回金額遠高於賬面值，因此於2022年及2021年3月31日的商譽均未見減值。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17 GOODWILL (continued)

#### (a) Impairment tests for goodwill (continued)

The Group performs a sensitivity analysis based on the reasonably possible changes in assumptions underlying the compound annual revenue growth rate, terminal growth rate or the post-tax discount rate. Had the estimated key assumptions during the forecast period been changed as below, the headroom would be decreased to as below:

|   |                     | As at 31 March 2022<br>於2022年3月31日             |  |
|---|---------------------|--|--|
|   |                     | Arrail Dental<br>瑞爾齒科<br>RMB'million<br>人民幣百萬元 | Rytime Dental<br>瑞泰口腔<br>RMB'million<br>人民幣百萬元 |
| Compound annual growth rate of revenue decreases by 10% from the original growth rate | 收入的年複合增長率較原增長率下降10% | 560  | 570  |
| Terminal growth rate decreases by 3% from the original growth                         | 最終增長率較原增長率下降3%      | 1,449  | 1,554  |
| Post-tax discount rate increases by 10% from the original post-tax discount rate      | 稅後折現率較原稅後折現率上升10%   | 421  | 332  |
|   |                     | As at 31 March<br>於3月31日                       |  |
|   |                     | 2021<br>2021年<br>RMB'million<br>人民幣百萬元         |  |
| Compound annual growth rate of revenue decreases by 10% from the original growth rate | 收入的年複合增長率較原增長率下降10% |  | 800  |
| Terminal growth rate decreases by 3% from the original growth                         | 最終增長率較原增長率下降3%      |  | 1,463  |
| Post-tax discount rate increases by 10% from the original post-tax discount rate      | 稅後折現率較原稅後折現率上升10%   |  | 105  |

The Directors and management have considered and assessed the reasonably possible changes in key assumptions above and have not identified any instances that would cause the carrying amounts of the groups of CGUs to exceed its recoverable amounts. Therefore, it would not lead to any significant impairment of goodwill as at 31 March 2022 and 2021, respectively.

### 17 商譽 (續)

#### (a) 商譽減值測試 (續)

本集團基於收入的年複合增長率、最終增長率或稅後折現率的相關假設可能合理發生的變動進行敏感性分析。倘預測期間的估計關鍵假設變動如下，餘額空間將減少至如下所載：

董事及管理層已考慮及評估上述關鍵假設可能合理發生的變動，並未發現任何將會導致現金產生單位組別的賬面值超過其可收回金額的情況。因此，其將不會導致於2022年及2021年3月31日的商譽分別發生任何重大減值。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 18 INVESTMENTS IN SUBSIDIARIES

Details of the principal subsidiaries of the Company as at 31 March 2022 and 2021 are as follows:

| Name<br>名稱  | Place of<br>incorporation/<br>establishment and<br>kind of legal entity<br>註冊成立/<br>成立地點及<br>法人實體類型 | Date of<br>incorporation/<br>establishment<br>註冊成立/<br>成立日期 | Particulars of<br>issued/paid-in<br>capital<br>已發行/<br>實繳股本詳情 | Total aggregate effective interest<br>of the Company held via direct or<br>indirect equity interest held, and<br>via Contractual Arrangements<br>本公司通過直接或間接持有的股權<br>以及通過合同安排<br>持有的合共實際權益總額 |               | Principal<br>activities<br>主要業務             |
|---|---|---|---|---|---------------|---|
|   |   |   |   | As at 31 March<br>於3月31日  |               |   |
|   |   |   |   | 2022<br>2022年   | 2021<br>2021年 |   |
| <b>Direct equity interest held by the Company:</b>                      |   |   |   |   |               |   |
| 本公司所持有的直接股權：  |   |   |   |   |               |   |
| Arrail Dental Limited   | The BVI, limited liability<br>company<br>英屬維爾京群島，有限公司   | 3 April 1998<br>1998年4月3日                                   | USD2,820,000<br>2,820,000美元                                   | 100%  | 100%          | Investment holding<br>投資控股                  |
| <b>Equity interest held via subsidiaries of the Company:</b>            |   |   |   |   |               |   |
| 透過本公司之子公司持有的股權：   |   |   |   |   |               |   |
| Arrail Institute of Advanced Dentistry (AIAD)<br>Limited<br>瑞爾口腔醫學院有限公司 | Hong Kong, limited liability<br>company<br>香港，有限公司  | 21 February 2013<br>2013年2月21日                              | USD1,282<br>1,282美元   | 100%  | 100%          | Provision of dental<br>services<br>提供口腔醫療服務 |
| Beijing Ruicheng Hospital Management Co., Ltd.<br>北京瑞程醫院管理有限公司          | The PRC, limited liability<br>company<br>中國，有限公司  | 23 July 2009<br>2009年7月23日                                  | RMB 6,000,000<br>人民幣6,000,000元                                | 100%  | 100%          | Provision of dental<br>services<br>提供口腔醫療服務 |
| Chongqing Jiuyue Dental Clinic Co., Ltd.<br>重慶久悅口腔門診有限公司                | The PRC, limited liability<br>company<br>中國，有限公司  | 27 November 2013<br>2013年11月27日                             | RMB 6,000,000<br>人民幣6,000,000元                                | 100%  | 100%          | Provision of dental<br>services<br>提供口腔醫療服務 |
| Chongqing Ruisheng Dental Clinic Co., Ltd.<br>重慶瑞升口腔門診有限公司              | The PRC, limited liability<br>company<br>中國，有限公司  | 10 March 2004<br>2004年3月10日                                 | RMB 8,329,400<br>人民幣8,329,400元                                | 100%  | 85%           | Provision of dental<br>services<br>提供口腔醫療服務 |

### 18 於子公司的投資

於2022年及2021年3月31日，本公司主要子公司詳情如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 18 INVESTMENTS IN SUBSIDIARIES (continued)

### 18 於子公司的投資(續)

| Name<br>名稱  | Place of<br>incorporation/<br>establishment and<br>kind of legal entity<br>註冊成立/<br>成立地點及<br>法人實體類型 | Date of<br>incorporation/<br>establishment<br>註冊成立/<br>成立日期 | Particulars of<br>issued/paid-in<br>capital<br>已發行/<br>實繳股本詳情 | Total aggregate effective interest<br>of the Company held via direct or<br>indirect equity interest held, and<br>via Contractual Arrangements<br>本公司通過直接或間接持有的股權<br>以及通過合同安排<br>持有的合共實際權益總額 |               | Principal<br>activities<br>主要業務             |  |
|---|---|---|---|---|---------------|---|--|
|   |   |   |   | As at 31 March<br>於3月31日  |               |   |  |
|   |   |   |   | 2022<br>2022年   | 2021<br>2021年 |   |  |
| Chongqing Ruitai Dental Hospital Co., Ltd.<br>重慶瑞泰口腔醫院有限公司                | The PRC, limited liability<br>company<br>中國·有限公司  | 28 June 2017<br>2017年6月28日                                  | RMB 5,000,000<br>人民幣5,000,000元                                | 88%   | 88%           | Provision of dental<br>services<br>提供口腔醫療服務 |  |
| Beijing Arrail Shengbin Medical Technology<br>Co., Ltd.<br>北京瑞爾聖彬醫療科技有限公司 | The PRC, limited liability<br>company<br>中國·有限公司  | 25 March 1999<br>1999年3月25日                                 | USD 33,000,000<br>33,000,000美元                                | 100%  | 100%          | Wholesale of medical<br>materials<br>醫療材料批發 |  |
| Ruishengbin (Shanghai) Finance Leasing<br>Co., Ltd.<br>瑞爾聖彬(上海)融資租賃有限公司   | The PRC, limited liability<br>company<br>中國·有限公司  | 12 March 2015<br>2015年3月12日                                 | USD 60,000,000<br>60,000,000美元                                | 100%  | 100%          | Provision of dental<br>services<br>提供口腔醫療服務 |  |
| Beijing Shengbin Science Trade Co., Ltd.<br>北京聖彬科貿有限公司                    | The PRC, limited liability<br>company<br>中國·有限公司  | 17 December 1997<br>1997年12月17日                             | RMB 1,000,000<br>人民幣1,000,000元                                | 100%  | 100%          | Provision of dental<br>services<br>提供口腔醫療服務 |  |
| Shanghai Yazheng Medical Consulting Co., Ltd.<br>上海亞正醫療諮詢服務有限公司           | The PRC, limited liability<br>company<br>中國·有限公司  | 24 May 2002<br>2002年5月24日                                   | RMB 3,000,000<br>人民幣3,000,000元                                | 100%  | 100%          | Provision of dental<br>services<br>提供口腔醫療服務 |  |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 18 INVESTMENTS IN SUBSIDIARIES (continued)

### 18 於子公司的投資(續)

| Name<br>名稱   | Place of incorporation/<br>establishment and kind of<br>legal entity<br>註冊成立/<br>成立地點及<br>法人實體類型 | Date of<br>incorporation/<br>establishment<br>註冊成立/<br>成立日期 | Particulars of<br>issued/paid-in<br>capital<br>已發行/<br>實繳股本詳情 | Total aggregate effective interest<br>of the Company held via direct or<br>indirect equity interest held, and via<br>Previous Contractual Arrangements<br>and New Contractual Arrangements<br>本公司通過直接或間接持有的股權<br>以及通過先前合同安排及新合同<br>安排持有的合共實際權益總額 |               | Principal<br>activities<br>主要業務          |
|--|--|---|---|--|---------------|--|
|  |  |   |   | As at 31 March<br>於3月31日   |               |  |
|  |  |   |   | 2022<br>2022年  | 2021<br>2021年 |  |
| Shanghai Shengbin Medical Consulting Service Co., Ltd.<br>上海聖彬醫療諮詢服務有限公司 | The PRC, limited liability company<br>中國·有限公司  | 26 September 2001<br>2001年9月26日                             | RMB 5,000,000<br>人民幣5,000,000元                                | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |
| Shanghai Ruiquan Dental Clinic Co., Ltd.<br>上海瑞冠口腔門診部有限公司                | The PRC, limited liability company<br>中國·有限公司  | 25 April 2014<br>2014年4月25日                                 | RMB 1,000,000<br>人民幣1,000,000元                                | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |
| Shanghai Ruiyun Dental Clinic Co., Ltd.<br>上海瑞雲口腔門診部有限公司                 | The PRC, limited liability company<br>中國·有限公司  | 9 August 2015<br>2015年8月9日                                  | RMB 3,500,000<br>人民幣3,500,000元                                | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |
| Shanghai Ruijun Dental Clinic Co., Ltd.<br>上海瑞駿口腔門診部有限公司                 | The PRC, limited liability company<br>中國·有限公司  | 10 May 2018<br>2018年5月10日                                   | RMB 5,000,000<br>人民幣5,000,000元                                | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |
| Shenzhen Ruier Dental Medical Treatment Co., Ltd.<br>深圳瑞爾齒科醫療有限公司        | The PRC, limited liability company<br>中國·有限公司  | 5 June 1995<br>1995年6月5日                                    | RMB 1,702,372<br>人民幣1,702,372元                                | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |
| Shenzhen Ruijian Dental Clinic<br>深圳瑞健口腔門診部                              | The PRC, limited liability company<br>中國·有限公司  | 24 December 2015<br>2015年12月24日                             | RMB 1,500,000<br>人民幣1,500,000元                                | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |
| Shenzhen Ruihuan Dental Clinic<br>深圳瑞環口腔門診部                              | The PRC, limited liability company<br>中國·有限公司  | 29 July 2015<br>2015年7月29日                                  | RMB 1,500,000<br>人民幣1,500,000元                                | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |
| Guangzhou Ruier Medical Consulting Co., Ltd.<br>廣州瑞爾醫療諮詢有限公司             | The PRC, limited liability company<br>中國·有限公司  | 1 August 2012<br>2012年8月1日                                  | RMB 180,000<br>人民幣180,000元                                    | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 18 INVESTMENTS IN SUBSIDIARIES (continued)

### 18 於子公司的投資(續)

| Name<br>名稱  | Place of incorporation/<br>establishment and kind of<br>legal entity<br>註冊成立/<br>成立地點及<br>法人實體類型 | Date of<br>incorporation/<br>establishment<br>註冊成立/<br>成立日期 | Particulars of<br>issued/paid-in<br>capital<br>已發行/<br>實繳股本詳情 | Total aggregate effective interest<br>of the Company held via direct or<br>indirect equity interest held, and via<br>Previous Contractual Arrangements<br>and New Contractual Arrangements<br>本公司通過直接或間接持有的股權<br>以及通過先前合同安排及新合同<br>安排持有的合共實際權益總額 |               | Principal<br>activities<br>主要業務          |
|---|--|---|---|--|---------------|--|
|   |  |   |   | As at 31 March<br>於3月31日   |               |  |
|   |  |   |   | 2022<br>2022年  | 2021<br>2021年 |  |
| Chengdu Wuhou Ruitai Rongcheng Dental Hospital Co., Ltd.<br>成都武侯瑞泰融誠口腔醫院有限公司  | The PRC, limited liability company<br>中國·有限公司  | 16 October 2014<br>2014年10月16日                              | RMB 1,500,000<br>人民幣1,500,000元                                | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |
| Shanxi Ruitaiercang Dental Hospital Co., Ltd.<br>陝西瑞泰爾倉口腔醫院有限公司   | The PRC, limited liability company<br>中國·有限公司  | 15 June 2015<br>2015年6月15日                                  | RMB 2,500,000<br>人民幣2,500,000元                                | 60%  | 60%           | Provision of dental services<br>提供口腔醫療服務 |
| Qingdao Donghe Medical Management Co. Ltd.<br>(formerly known as Qingdao Ruitai Donghe Medical Management Co. Ltd.)<br>青島東和醫療管理有限公司<br>(前稱青島瑞泰東和醫療管理有限公司) | The PRC, limited liability company<br>中國·有限公司  | 8 February 2017<br>2017年2月8日                                | RMB 3,000,000<br>人民幣3,000,000元                                | 70%  | 70%           | Hospital management<br>醫院管理              |
| Changsha Keerya Dental Hospital Co., Ltd.<br>長沙科爾雅口腔醫院有限公司  | The PRC, limited liability company<br>中國·有限公司  | 28 November 2002<br>2002年11月28日                             | RMB 5,000,000<br>人民幣5,000,000元                                | 60%  | 60%           | Provision of dental services<br>提供口腔醫療服務 |
| Jiangyin Meijiaxin Dental Clinic Co., Ltd.<br>江陰美嘉欣口腔門診部有限公司  | The PRC, limited liability company<br>中國·有限公司  | 10 December 2013<br>2013年12月10日                             | RMB 6,800,000<br>人民幣6,800,000元                                | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |
| Shanghai Ruitai Jiasheng dental clinic Co., Ltd.<br>上海瑞泰佳盛口腔門診部有限公司   | The PRC, limited liability company<br>中國·有限公司  | 22 January 2019<br>2019年1月22日                               | RMB 5,000,000<br>人民幣5,000,000元                                | 100%   | 100%          | Provision of dental services<br>提供口腔醫療服務 |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 19 PREPAYMENTS

The detailed information of prepayments during the years ended 31 March 2022 and 2021 is as below:

### 19 預付款項

截至2022年及2021年3月31日止年度，預付款項的詳情如下：

|   |               | As at 31 March<br>於3月31日           |                                    |
|---|---------------|------------------------------------|------------------------------------|
|   |               | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| <i>Non-current</i>                              |               |                                    |                                    |
|   | <i>非流動</i>    |                                    |                                    |
| Prepayments for construction                    | 工程墊款          | 5,251                              | 17,259                             |
| Prepayments for equipment                       | 設備預付款項        | 12,800                             | –                                  |
| Incremental costs of obtaining contracts (Note) | 獲得合同的增量成本(附註) | 3,671                              | 1,743                              |
|   |               | <b>21,722</b>                      | 19,002                             |
| <i>Current</i>                                  |               |                                    |                                    |
|   | <i>流動</i>     |                                    |                                    |
| Prepayments for braces                          | 牙套預付款項        | 56,624                             | 47,597                             |
| Prepayments for inventories other than braces   | 存貨(牙套除外)預付款項  | 32,160                             | 24,036                             |
| Incremental costs of obtaining contracts (Note) | 獲得合同的增量成本(附註) | 17,923                             | 17,468                             |
| Short-term lease prepayments                    | 短期租賃預付款項      | 10,341                             | 4,222                              |
| Prepayments for services                        | 服務預付款項        | 9,656                              | 9,696                              |
| Listing fees                                    | 上市費用          | –                                  | 1,957                              |
|   |               | <b>126,704</b>                     | 104,976                            |
|   |               | <b>148,426</b>                     | 123,978                            |

Note: Incremental costs of obtaining contracts

Incremental cost of obtaining contracts represents the commissions to dentists, which are calculated based on certain percentage of total contract sum of new contracts introduced by dentists. The Group recognised an asset for the incremental costs of obtaining contracts for the commissions because the Group expects to recover these costs through future fees for the goods or services to be provided. Details are set out in Note 2.23 to the consolidated financial statements.

附註：獲得合同的增量成本

獲得合同的增量成本是指給予牙醫的佣金，其乃根據牙醫所推介的新合同總金額的一定比例計算。本集團就獲得合同的佣金的增量成本確認一項資產，因為本集團預計將通過未來提供的商品或服務的費用來收回該等成本。詳情載於合併財務報表附註2.23。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20 INVENTORIES

### 20 存貨

|                  |      | As at 31 March<br>於3月31日          |                                   |
|------------------|------|-----------------------------------|-----------------------------------|
|                  |      | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Dental materials | 齒科材料 | 47,080                            | 39,036                            |

Inventories recognised as cost of sales during the years ended 31 March 2022 and 2021 amounted to RMB253,254,000 and RMB233,421,000, respectively.

於截至2022年及2021年3月31日止年度確認為銷售成本的存貨分別為人民幣253,254,000元及人民幣233,421,000元。

### 21 FINANCIAL INSTRUMENTS BY CATEGORY

The detail information of financial instruments by category during the years ended 31 March 2022 and 2021 is as below:

### 21 按類別劃分的金融工具

截至2022年及2021年3月31日止年度按類別劃分的金融工具詳情如下：

|   |                            | As at 31 March<br>於3月31日          |                                   |
|---|----------------------------|-----------------------------------|-----------------------------------|
|   |                            | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| <b>Assets as per consolidated balance sheet</b>                       | <b>合併資產負債表所示資產</b>         |                                   |                                   |
| Financial assets measured at fair value through profit or loss:       | 按公允價值計入損益的金融資產：            |                                   |                                   |
| - Wealth management products (Note 23)                                | - 理財產品 (附註23)              | 197,055                           | -                                 |
| - Bank structured deposits (Note 23)                                  | - 銀行結構性存款 (附註23)           | -                                 | 51,004                            |
| - Unlisted debt instruments (Note 23)                                 | - 非上市債務工具 (附註23)           | 34,675                            | 30,000                            |
| Financial assets measured at amortised cost:                          | 按攤銷成本計量的金融資產：              |                                   |                                   |
| - Trade and other receivables (Note 22)                               | - 貿易及其他應收款項 (附註22)         | 206,361                           | 340,950                           |
| - Restricted cash (Note 24(b))  | - 受限制現金 (附註24(b))          | 95,290                            | 65,706                            |
| - Time deposits with original maturity over three months (Note 24(c)) | - 原到期日超過三個月的定期存款 (附註24(c)) | 14,000                            | -                                 |
| - Cash and cash equivalents (Note 24(a))                              | - 現金及現金等價物 (附註24(a))       | 1,052,285                         | 676,304                           |
|   |                            | <b>1,599,666</b>                  | <b>1,163,964</b>                  |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 21 FINANCIAL INSTRUMENTS BY CATEGORY 21 按類別劃分的金融工具(續) (continued)

|  |                    | As at 31 March<br>於3月31日          |                                   |
|--|--------------------|-----------------------------------|-----------------------------------|
|  |                    | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| <b>Liabilities as per consolidated balance sheet</b>                 | <b>合併資產負債表所示負債</b> |                                   |                                   |
| Financial liabilities measured at fair value through profit or loss: | 按公允價值計入損益的金融負債：    |                                   |                                   |
| – Preferred Shares (Note 29)   | – 優先股(附註29)        | –                                 | 3,178,465                         |
| – Bond (Note 29.1)   | – 債券(附註29.1)       | –                                 | 167,345                           |
| – Warrants (Note 29.2)   | – 權證(附註29.2)       | –                                 | 71,126                            |
| Financial liabilities measured at amortised cost:                    | 按攤銷成本計量的金融負債：      |                                   |                                   |
| – Borrowings (Note 27)   | – 借款(附註27)         | <b>137,363</b>                    | 218,491                           |
| – Lease liabilities (Note 15(a))                                     | – 租賃負債(附註15(a))    | <b>753,308</b>                    | 643,147                           |
| – Trade and other payables   | – 貿易及其他應付款項        | <b>183,031</b>                    | 208,471                           |
|  |                    | <b>1,073,702</b>                  | 4,487,045                         |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 22 TRADE AND OTHER RECEIVABLES

### 22 貿易及其他應收款項

|  |                          | As at 31 March<br>於3月31日          |                                   |
|--|--------------------------|-----------------------------------|-----------------------------------|
|  |                          | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| <i>Non-current</i>   |                          |                                   |                                   |
| <b>Other receivables</b>   |                          |                                   |                                   |
| Loan to an ordinary shareholder (Note 35(c))   | 向普通股股東提供貸款<br>(附註35(c))  | –                                 | 87,169                            |
| Loans to employees (Note a)  | 向僱員提供貸款 (附註a)            | 40,300                            | 41,862                            |
| Rental deposits  | 租賃按金                     | 61,970                            | 56,760                            |
| Deposits paid for investments (Note b)   | 就投資所支付的按金 (附註b)          | 5,000                             | –                                 |
| Others   | 其他                       | 3,642                             | 5,958                             |
|  |                          | <b>110,912</b>                    | 191,749                           |
| Less: loss allowance   | 減：虧損撥備                   | <b>(1,436)</b>                    | (6,734)                           |
|  |                          | <b>109,476</b>                    | 185,015                           |
| <i>Current</i>   |                          |                                   |                                   |
| <b>Trade receivables</b>   |                          | <b>87,379</b>                     | 88,420                            |
| <b>Other receivables</b>   |                          |                                   |                                   |
| Loans to related parties (Note 35(c))  | 向關聯方提供貸款 (附註35(c))       | 1,500                             | 24,665                            |
| Amounts due from related parties (Note 35(c))  | 應收關聯方款項 (附註35(c))        | 1,359                             | 53,242                            |
| Petty cash granted to employees  | 授予僱員的小額現金                | 7,728                             | 4,565                             |
| Rental and other deposits  | 租賃及其他按金                  | 1,824                             | 631                               |
| Amounts due from clinics operated under<br>exclusive consultation and service agreements | 應收根據獨家諮詢及<br>服務協議運營的診所款項 | 12,272                            | –                                 |
| Others   | 其他                       | 4,604                             | 3,482                             |
|  |                          | <b>116,666</b>                    | 175,005                           |
| Less: loss allowance   | 減：虧損撥備                   | <b>(19,781)</b>                   | (19,070)                          |
|  |                          | <b>96,885</b>                     | 155,935                           |
|  |                          | <b>206,361</b>                    | 340,950                           |



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 22 TRADE AND OTHER RECEIVABLES (continued)

Note:

- (a) The loans to employees are unsecured, with interest accruing at 2% per annum, and repayable after 5 years from the date of drawdown.
- (b) On 2 April 2022, a subsidiary of the Company entered into an investment agreement with the existing shareholders of Shenzhen Baocheng Dental Hospital to acquire 14.1% equity interest of Shenzhen Baocheng Dental Hospital for a cash consideration of RMB25 million. As at 31 March 2022, a deposit amounting to RMB5 million was paid to the existing shareholders of Shenzhen Baocheng Dental Hospital for the purpose of first installment of the consideration of the acquisition.

The carrying amounts of the Group's trade receivables were denominated in RMB and approximated their fair values. As a result, there is no exposure to foreign currency risk.

The Group generally allows a credit period of 10 to 60 days to its customers. Ageing analysis of trade receivables based on billing date is as follows:

|                    |        |
|--------------------|--------|
| Up to 3 months     | 不超過3個月 |
| 3 to 6 months      | 3至6個月  |
| 6 months to 1 year | 6個月至1年 |
| 1 to 2 years       | 1至2年   |
| Over 2 years       | 超過2年   |

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Details of which are set out in Note 3.1.2 to the consolidated financial statements.

### 22 貿易及其他應收款項 (續)

附註：

- (a) 向僱員提供的貸款為無抵押，按年利率2%計息，並須於提取之日起5年後償還。
- (b) 於2022年4月2日，本公司子公司與深圳寶城口腔醫院現有股東訂立投資協議以收購深圳寶城口腔醫院14.1%的股權，現金對價為人民幣25百萬元。於2022年3月31日，已向深圳寶城口腔醫院現有股東支付人民幣5百萬元的按金，作為此收購對價的首期付款。

本集團貿易應收款項的賬面值以人民幣計值，並與其公允價值相若。因此，不存在外匯風險。

本集團一般給予其客戶10至60天的信貸期。按賬單日期劃分的貿易應收款項賬齡分析如下：

As at 31 March

於3月31日

|                    |        | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
|--------------------|--------|------------------------------------|------------------------------------|
| Up to 3 months     | 不超過3個月 | 36,985                             | 48,013                             |
| 3 to 6 months      | 3至6個月  | 22,400                             | 12,972                             |
| 6 months to 1 year | 6個月至1年 | 6,744                              | 10,598                             |
| 1 to 2 years       | 1至2年   | 7,780                              | 5,840                              |
| Over 2 years       | 超過2年   | 13,470                             | 10,997                             |
|                    |        | <b>87,379</b>                      | 88,420                             |

本集團應用國際財務報告準則第9號簡化方法計量預期信貸虧損，該方法對所有貿易應收款項採用存續期預期虧損撥備。有關詳情載於合併財務報表附註3.1.2。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 23 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS 23 按公允價值計入損益的金融資產

|  |                        | As at 31 March<br>於3月31日           |                                    |
|--|------------------------|------------------------------------|------------------------------------|
|  |                        | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Wealth management products – current (Note a)    | 理財產品 – 即期 (附註a)        | 197,055                            | –                                  |
| Bank structured deposits – current               | 銀行結構性存款 – 即期           | –                                  | 51,004                             |
| Unlisted debt instruments – non-current (Note b) | 非上市債務工具 – 非即期<br>(附註b) | 34,675                             | 30,000                             |
|  |                        | <b>231,730</b>                     | 81,004                             |

*Note a:* On 10 February 2022, 14 and 15 March 2022, the Company and a subsidiary of the Company entered into the subscription agreements with Growth Vanguard Fund SPC to purchase wealth management products amounted to US\$31,040,000 at fixed annualized return rate of 1.2%. The wealth management product is subject to a lock-up period of one month and can be redeemed by the Company at any time upon expiration of the lock-up period. Its fair values are within level 3 of the fair value hierarchy (Note 3.3).

*Note b:* The fair values of the unlisted debt instruments are calculated using the market approach. In this model, the fair value of the financial instruments is determined by the recent transaction prices of similar or similar assets in the market to estimate the assets value through direct comparison or simulation analysis. Its fair values are within level 3 of the fair value hierarchy (Note 3.3).

*附註a:* 於2022年2月10日、2022年3月14日及15日，本公司及本公司子公司與Growth Vanguard Fund SPC訂立認購協議，以購買金額為31,040,000美元的理財產品，固定年化收益率為1.2%。該理財產品的禁售期為一個月，本公司可於禁售期屆滿後隨時贖回。其公允價值屬於公允價值層級中的第三層級（附註3.3）。

*附註b:* 非上市債務工具的公允價值乃使用市場法計算。在此模式下，金融工具的公允價值乃按市場上同類或類似資產的近期交易價格，經過直接比較或模擬分析以估測資產價值釐定。其公允價值屬於公允價值層級中的第三層級（附註3.3）。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 24 CASH AND BANK BALANCES

#### (a) Cash and cash equivalents

|  |                | As at 31 March<br>於3月31日           |                                    |
|--|----------------|------------------------------------|------------------------------------|
|  |                | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Cash at bank and in hand                                 | 銀行及手頭現金        | 813,877                            | 303,198                            |
| Time deposits with original maturity within three months | 原到期日為三個月內的定期存款 | 238,408                            | 373,106                            |
|  |                | <b>1,052,285</b>                   | 676,304                            |

The weighted average effective interest rates on the Group's time deposits with original maturity within three months as at 31 March 2022 and 2021 were 0.50% and 0.38% per annum, respectively.

於2022年及2021年3月31日，本集團原到期日為三個月內的定期存款的加權平均實際利率分別為每年0.50%及0.38%。

#### (b) Restricted cash

|                              |                | As at 31 March<br>於3月31日           |                                    |
|------------------------------|----------------|------------------------------------|------------------------------------|
|                              |                | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Restricted cash (Note 27(a)) | 受限制現金(附註27(a)) | 95,290                             | 65,706                             |
|                              |                | <b>95,290</b>                      | 65,706                             |

The interest rates on the Group's restricted cash as at 31 March 2022 and 2021 were 0.10% and 0.10% per annum, respectively.

於2022年及2021年3月31日，本集團的受限制現金的利率分別為每年0.10%及0.10%。

### 24 現金及銀行結餘

#### (a) 現金及現金等價物

#### (b) 受限制現金

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 24 CASH AND BANK BALANCES (continued)

#### (c) Time deposits with original maturity over three months

|  |                | As at 31 March<br>於3月31日           |                                    |
|--|----------------|------------------------------------|------------------------------------|
|  |                | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Time deposits with original maturity over three months | 原到期日超過三個月的定期存款 | 14,000                             | –                                  |
|  |                | <b>14,000</b>                      | –                                  |

The interest rates on the Group's time deposits with original maturity over three months as at 31 March 2022 were in the range of 1.65% to 3.55% per annum, respectively.

Cash and bank balances are denominated in the following currencies:

### 24 現金及銀行結餘(續)

#### (c) 原到期日超過三個月的定期存款

|  |                | As at 31 March<br>於3月31日           |                                    |
|--|----------------|------------------------------------|------------------------------------|
|  |                | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Time deposits with original maturity over three months | 原到期日超過三個月的定期存款 | 14,000                             | –                                  |
|  |                | <b>14,000</b>                      | –                                  |

於2022年3月31日，本集團原到期日超過三個月的定期存款的利率分別介乎每年1.65%至3.55%。

現金及銀行結餘乃以下列貨幣計值：

|     |     | As at 31 March<br>於3月31日           |                                    |
|-----|-----|------------------------------------|------------------------------------|
|     |     | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| USD | 美元  | 593,588                            | 530,802                            |
| RMB | 人民幣 | 287,679                            | 211,045                            |
| HKD | 港元  | 280,308                            | 163                                |
|     |     | <b>1,161,575</b>                   | 742,010                            |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 25 SHARE CAPITAL

#### Authorised:

|   |             | Number of<br>class 1<br>ordinary<br>shares<br>1類<br>普通股數目<br>USD<br>美元 | Nominal<br>value of<br>class 1<br>ordinary<br>shares<br>1類<br>普通股面值<br>'000<br>千股 | Number of<br>class 2<br>ordinary<br>shares<br>2類<br>普通股數目<br>USD<br>美元 | Nominal<br>value of<br>class 2<br>ordinary<br>shares<br>2類<br>普通股面值<br>'000<br>千美元 | Number of<br>ordinary<br>shares<br>'000<br>千股 | Nominal<br>value of<br>ordinary<br>shares<br>'000<br>千美元 |
|---|-------------|--|---|--|--|---|--|
| As at 31 March 2020                             | 於2020年3月31日 | 4,923  | 2,461   | 27,905   | 13,953   | -   | -  |
| Increase/(decrease) of authorised share capital | 法定股本增加/(減少) | 1,573  | 787   | (2,196)  | (1,098)  | -   | -  |
| As at 31 March 2021                             | 於2021年3月31日 | 6,496  | 3,248   | 25,709   | 12,855   | -   | -  |
| (Decrease)/increase of authorised share capital | 法定股本(減少)/增加 | (6,496)  | (3,248)   | (25,709)   | (12,855)   | 1,250,000                                     | 25,000   |
| As at 31 March 2022                             | 於2022年3月31日 | -  | -   | -  | -  | 1,250,000                                     | 25,000   |

#### Issued:

#### 已發行：

|   |                             | Number<br>of class 1<br>ordinary<br>shares<br>1類普通股數目<br>'000<br>千股 | Number<br>of class 2<br>ordinary<br>shares<br>2類普通股數目<br>'000<br>千股 | Number of<br>ordinary<br>shares<br>普通股數目<br>'000<br>千股 | Total<br>number<br>of class 1<br>and class<br>2 ordinary<br>shares and<br>ordinary<br>shares<br>1類及2類<br>普通股以及<br>普通股總數<br>'000<br>千股 | Total<br>nominal<br>value of<br>class 1 and<br>class 2<br>ordinary<br>shares and<br>ordinary<br>shares<br>1類及2類<br>普通股以及<br>普通股總面值<br>USD'000<br>千美元 | Equivalent<br>total<br>nominal value<br>of class 1<br>and class<br>2 ordinary<br>shares and<br>ordinary<br>shares<br>1類及2類<br>普通股以及<br>普通股等類<br>總面值<br>RMB'000<br>人民幣千元 |
|---|-----------------------------|---|---|--|---|--|---|
| As at 31 March 2021   | 於2021年3月31日                 | 1,604   | 1,189   | -  | 2,793   | 1,397  | 9,447   |
| Issuance of shares for restrictive share unit scheme (Note b)   | 發行受限制股份單位計劃股份(附註b)          | 4,799   | -   | -  | 4,799   | 2,399  | 15,435  |
| Share subdivision (Note c)  | 股份拆細(附註c)                   | 153,661   | 28,541  | -  | 182,202   | -  | -   |
| Conversion of class 1 and class 2 ordinary shares and Preferred Shares into ordinary shares upon the Listing (Note d) | 上市後1類及2類普通股以及優先股轉換為普通股(附註d) | (160,064)   | (29,730)  | 535,064  | 345,270   | 6,906  | 43,963  |
| Share issued in the IPO (Note e)  | 首次公開發售發行的股份(附註e)            | -   | -   | 46,528   | 46,528  | 931  | 5,924   |
| As at 31 March 2022   | 於2022年3月31日                 | -   | -   | 581,592  | 581,592   | 11,633   | 74,769  |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 25 SHARE CAPITAL (continued)

### 25 股本(續)

|   |                    | Number<br>of class 1<br>ordinary<br>shares | Number<br>of class 2<br>ordinary<br>shares | Number of<br>class 1 and<br>class 2<br>ordinary<br>shares | Nominal<br>value of<br>class 1 and<br>class 2<br>ordinary<br>shares | Equivalent<br>nominal<br>value of<br>class 1 and<br>class 2<br>ordinary<br>shares |
|---|--------------------|--|--|---|---|---|
|   |                    | 1類<br>普通股數目                                | 2類<br>普通股數目                                | 1類及2類<br>普通股數目  | 1類及2類<br>普通股面值  | 1類及2類<br>普通股等額<br>面值  |
|   |                    | '000<br>千股                                 | '000<br>千股                                 | '000<br>千股  | USD'000<br>千美元  | '000<br>千股  |
| <b>As at 31 March 2020</b>  | <b>於2020年3月31日</b> | 1,724                                      | 1,209                                      | 2,933   | 1,467   | 9,938   |
| Issuance of shares upon fulfillment of vesting conditions of share-based compensation | 於達成股份酬金歸屬條件後發行股份   | -  | 100  | 100   | 50  | 327   |
| Re-designation to Series E Preferred Shares (Note a)                                  | 重新指定為E輪優先股(附註a)    | (120)                                      | (120)                                      | (240)   | (120)   | (818)   |
| <b>As at 31 March 2021</b>  | <b>於2021年3月31日</b> | 1,604                                      | 1,189                                      | 2,793   | 1,397   | 9,447   |

Upon occurrence of a liquidation event, the holders of class 1 ordinary shares shall be entitled to receive assets and funds available for distribution before the holders of class 2 ordinary shares after full settlement to all preference shares. Other rights and preference of class 1 and class 2 ordinary shares are the same.

於清算事件發生時，1類普通股的持有人有權在所有優先股全部清算後，在2類普通股的持有人之前獲得可供分派的資產及資金。1類及2類普通股的其他權利及優先權是相同的。

*Note:*

*附註：*

- (a) Under the Share Subscription and Share Purchase Agreement dated 8 January 2021 (the "Agreement"), certain ordinary shareholders and Preferred Shares holders of the Company (the "Seller of Redesignated Shares") shall sell a total of 1,819,497 ordinary shares and Preferred Shares, including 120,000 class 1 ordinary shares, 119,876 Class 2 ordinary shares, 408,138 Series A-1 Preferred Shares, 729,652 Series B Preferred Shares and 441,831 Series C Preferred Shares (the "Redesignated Shares"), to a Series E Preferred Shares holder of the Company (the "Buyer"). Subject to the terms and conditions of the Agreement, each ordinary shares and Preferred Share to be purchased and sold shall, concurrently with the closing of the Agreement, be reclassified and designated into one Series E Preferred Shares.

- (a) 根據日期為2021年1月8日的股份認購及股份購買協議(「該協議」)，本公司的某些普通股股東和優先股股東(「重新指定股份的賣方」)須將合共1,819,497股普通股和優先股，包括120,000股1類普通股、119,876股2類普通股、408,138股A-1輪優先股、729,652股B輪優先股和441,831股C輪優先股(「重新指定股份」)，售予本公司E輪優先股股東(「買方」)。根據該協議的條款和條件，將被買賣的每一股普通股和優先股須在該協議交割的同時被重新分類並指定為一股E輪優先股。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 25 SHARE CAPITAL (continued)

Note: (continued)

(a) (continued)

The consideration paid by the Buyer was close to the fair value of the Series E Preferred Shares at the date of redesignation. Since the redesignation did not involve all ordinary shareholders or preferred shareholders of the Company, it was not regarded as a transaction in the capacity of shareholders. The redesignation falls into the scope of share-based payment under IFRS 2, as the transaction was effectively deemed to be an issuance of Series E Preferred Shares by the Company in exchange for the Redesignated Shares held by the Seller of Redesignated Shares.

As the consideration received by the Company (i.e. the fair value of the Redesignated Shares at the date of redesignation) was less than the fair value of the Series E Preferred Shares issued, and there was no right to a benefit and no control over economic resource obtained by the Company through the redesignation, the fair value difference between the Series E Preferred Shares issued and the Redesignated Shares at date of redesignation, amounting to RMB196,712,000, was recognised as an expense during the year ended 31 March 2021.

(b) On 25 June 2021, the board of the directors has approved to set up a platform in the BVI ("ESOP BVI") to hold incentive shares for the participants under an RSU Plan to be adopted by the Company. A total of 4,798,904 shares was issued to the Arrail Sunshine Holdings Limited, the ESOP BVI, on 16 September 2021. Please refer to Note 8(b) for the details of the RSU Plan.

(c) On 21 March 2022, each share of class 1 and class 2 ordinary shares and Preferred Shares of a par value of USD0.5 each (including authorized issued class 1 and class 2 ordinary shares and Preferred Shares) was sub-divided into 25 shares of a par value of USD0.02 each.

(d) On 22 March 2022, the Company completed its Initial Public Offering ("IPO") on the Main Board of The Stock Exchange of Hong Kong Limited. Upon the Listing, all class 1 and class 2 ordinary shares and Preferred Shares have been automatically converted into ordinary shares.

### 25 股本(續)

附註：(續)

(a) (續)

買方支付的對價接近於重新指定日期E輪優先股的公允價值。由於重新指定不涉及本公司全體普通股股東或優先股股東，因此其不被視為以股東身份進行的交易。重新指定屬於國際財務報告準則第2號項下股份支付的範疇，因為該交易實際被視為本公司發行E輪優先股以換取重新指定的股份賣方持有的重新指定股份。

由於本公司收取的對價（即於重新指定日期重新指定股份的公允價值）低於已發行E輪優先股的公允價值，且本公司通過該重新指定未獲取任何享有利益的權利和任何經濟資源的控制權，於重新指定日期已發行E輪優先股與重新指定股份之間的公允價值差額人民幣196,712,000元已於截至2021年3月31日止年度確認為開支。

(b) 於2021年6月25日，董事會已批准於英屬維爾京群島註冊成立一個平台（「ESOP BVI」），為本公司將採納的受限制股份單位計劃的參與者持有激勵股份。於2021年9月16日，本公司向Arrail Sunshine Holdings Limited (ESOP BVI)發行合共4,798,904股股份。有關受限制股份單位計劃的詳情請參閱附註8(b)。

(c) 於2022年3月21日，每股面值0.5美元的1類及2類普通股及優先股（包括法定發行的1類及2類普通股及優先股）拆細為25股每股面值0.02美元的股份。

(d) 於2022年3月22日，本公司於香港聯合交易所有限公司主板完成首次公開發售（「首次公開發售」）。上市後，所有1類及2類普通股及優先股均已自動轉換為普通股。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 25 SHARE CAPITAL (continued)

Note: (continued)

- (e) On 22 March 2022, the shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited, whereby 46,527,500 new shares at the offer price of HKD14.6 each were issued by the Company. The issuance of the new shares, net of underwriting commissions and other issuance costs, amounting to RMB527.3 million, led to an increase of share capital and share premium by RMB5.9 million and RMB521.4 million, respectively.

### 26 RESERVES

The following table shows a breakdown of the balance sheet line item "reserves" and the movements in these reserves during the year.

### 25 股本(續)

附註：(續)

- (e) 於2022年3月22日，本公司股份於香港聯合交易所有限公司主板上市，據此，本公司按每股14.6港元的發售價發行46,527,500股新股。發行的新股在扣除承銷佣金及其他發行成本後為人民幣527.3百萬元，導致股本和股份溢價分別增加人民幣5.9百萬元和人民幣521.4百萬元。

### 26 儲備

下表列示資產負債表項目「儲備」的明細及該等儲備於年內的變動。

|  | Treasury shares | Share premium | Share-based compensation reserves | Currency translation differences (Note) | Fair value change due to own credit risk and others | Total     |
|--|-----------------|---------------|-----------------------------------|---|---|-----------|
|  | 庫存股份            | 股份溢價          | 股份酬金儲備                            | 匯兌差額                                    | 自有信貸風險導致的公允價值變動及其他                                  | 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     |
| <b>At 1 April 2021</b>   |                 |               |                                   |   |   |           |
| 於2021年4月1日   | -               | 109,792       | -                                 | 13,345                                  | 116,047   | 239,184   |
| Issuance of ordinary shares in relation to the IPO (Note 25(e))                | -               | 521,359       | -                                 | -                                       | -   | 521,359   |
| 發行首次公開發售普通股 (附註25(e))  | -               | 521,359       | -                                 | -                                       | -   | 521,359   |
| Fair value change of Preferred Shares due to own credit risk (Note 29)         | -               | -             | -                                 | -                                       | (18,439)  | (18,439)  |
| 自有信貸風險導致的優先股公允價值變動(附註29)   | -               | -             | -                                 | -                                       | (18,439)  | (18,439)  |
| Fair value change of bond due to own credit risk (Note 29.1)                   | -               | -             | -                                 | -                                       | 1,083   | 1,083     |
| 自有信貸風險導致的債券公允價值變動(附註29.1)  | -               | -             | -                                 | -                                       | 1,083   | 1,083     |
| Issuance of shares for restrictive share unit scheme (Note 25(b))              | (15,435)        | -             | -                                 | -                                       | -   | (15,435)  |
| 發行受限制股份單位計劃股份 (附註25(b))  | (15,435)        | -             | -                                 | -                                       | -   | (15,435)  |
| Share-based compensation (Note 8(b))   | -               | -             | 95,021                            | -                                       | -   | 95,021    |
| 股份酬金(附註8(b))   | -               | -             | 95,021                            | -                                       | -   | 95,021    |
| Currency translation differences   | -               | -             | -                                 | 84,672                                  | -   | 84,672    |
| 匯兌差額   | -               | -             | -                                 | 84,672                                  | -   | 84,672    |
| Conversion of convertible redeemable preferred to ordinary shares (Note 25(d)) | -               | 4,062,014     | -                                 | -                                       | (101,423)   | 3,960,591 |
| 將可轉換可贖回優先股轉換為普通股(附註25(d))  | -               | 4,062,014     | -                                 | -                                       | (101,423)   | 3,960,591 |
| Repayment of bond (Note 29.1)  | -               | -             | -                                 | -                                       | 3,628   | 3,628     |
| 償還債券(附註29.1)   | -               | -             | -                                 | -                                       | 3,628   | 3,628     |
| Non-controlling interests acquired (Note 37(a))                                | -               | -             | -                                 | -                                       | (30,030)  | (30,030)  |
| 已收購非控股權益(附註37(a))  | -               | -             | -                                 | -                                       | (30,030)  | (30,030)  |
| Non-controlling interests disposed (Note 37(b))                                | -               | -             | -                                 | -                                       | 49  | 49        |
| 已出售非控股權益(附註37(b))  | -               | -             | -                                 | -                                       | 49  | 49        |
| <b>As at 31 March 2022</b>   |                 |               |                                   |   |   |           |
| 於2022年3月31日  | (15,435)        | 4,693,165     | 95,021                            | 98,017                                  | (29,085)  | 4,841,683 |



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 26 RESERVES (continued)

## 26 儲備(續)

|   |                    | Treasury<br>shares        | Share<br>premium          | Share-based<br>compensation<br>reserves | Currency<br>translation<br>differences<br>(Note) | Fair value<br>change due<br>to own<br>credit risk<br>and others<br>自有信貸風險<br>導致的公允價<br>值變動及其他 | Total                   |
|---|--------------------|---------------------------|---------------------------|---|--|---|-------------------------|
|   |                    | 庫存股份<br>RMB' 000<br>人民幣千元 | 股份溢價<br>RMB' 000<br>人民幣千元 | 股份酬金儲備<br>RMB' 000<br>人民幣千元             | 匯兌差額<br>(附註)<br>RMB' 000<br>人民幣千元                | 自有信貸風險<br>導致的公允價<br>值變動及其他<br>RMB' 000<br>人民幣千元   | 總計<br>RMB' 000<br>人民幣千元 |
| <b>At 1 April 2020</b>  | <b>於2020年4月1日</b>  | -                         | 114,788                   | 5,060                                   | (166,384)  | 117,916   | 71,380                  |
| Issuance of shares  | 發行股份               | -                         | 4,733                     | (5,060)                                 | -  | -   | (327)                   |
| Fair value change of Preferred Shares due to own credit risk          | 自有信貸風險導致的優先股公允價值變動 | -                         | -                         | -                                       | -  | 4,457   | 4,457                   |
| Fair value change of bond due to own credit risk                      | 自有信貸風險導致的債券公允價值變動  | -                         | -                         | -                                       | -  | (4,711)   | (4,711)                 |
| Re-designation of issued ordinary shares to Series E Preferred Shares | 重新指定已發行普通股為E輪優先股   | -                         | (9,729)                   | -                                       | -  | -   | (9,729)                 |
| Currency translation differences                                      | 匯兌差額               | -                         | -                         | -                                       | 179,729  | -   | 179,729                 |
| Non-controlling interests acquired (Note 37(a))                       | 已收購非控股權益(附註37(a))  | -                         | -                         | -                                       | -  | (3,131)   | (3,131)                 |
| Non-controlling interests disposed (Note 37(b))                       | 已出售非控股權益(附註37(b))  | -                         | -                         | -                                       | -  | 2,402   | 2,402                   |
| Others  | 其他                 | -                         | -                         | -                                       | -  | (886)   | (886)                   |
| <b>As at 31 March 2021</b>  | <b>於2021年3月31日</b> | -                         | 109,792                   | -                                       | 13,345   | 116,047   | 239,184                 |

*Note:* Currency translation differences represent the differences arising from the translation of the financial statements of companies within the Group that have a functional currency different from the reporting currency of RMB for the financial statements of the Group.

*附註:* 匯兌差額指因換算本集團旗下公司(其功能貨幣不同於本集團財務報表的呈報貨幣人民幣)財務報表而產生的差額。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 27 BORROWINGS

### 27 借款

|  |            | As at 31 March<br>於3月31日           |                                   |
|--|------------|------------------------------------|-----------------------------------|
|  |            | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| <b>Included in non-current liabilities</b> |            |                                    |                                   |
|  | 計入非流動負債    |                                    |                                   |
| Unsecured bank borrowings (b)              | 無抵押銀行借款(b) | —                                  | 5,302                             |
| Secured other borrowings (c)               | 有抵押其他借款(c) | —                                  | 18,566                            |
|  |            | —                                  | 23,868                            |
| <b>Included in current liabilities</b>     |            |                                    |                                   |
|  | 計入流動負債     |                                    |                                   |
| Secured bank borrowings (a)                | 有抵押銀行借款(a) | 80,100                             | 37,800                            |
| Unsecured bank borrowings (b)              | 無抵押銀行借款(b) | 57,263                             | 143,970                           |
| Secured other borrowings (c)               | 有抵押其他借款(c) | —                                  | 12,853                            |
|  |            | 137,363                            | 194,623                           |
|  |            | 137,363                            | 218,491                           |

#### (a) Secured bank borrowings

Secured bank borrowings as at 31 March 2022 and 2021 bear annual weighted average interest rate at 4.47% and 4.49%, respectively.

The maturity of secured bank borrowings is as follows:

#### (a) 有抵押銀行借款

於2022年及2021年3月31日的有抵押銀行借款分別按4.47%及4.49%的年加權平均利率計息。

有抵押銀行借款的到期情況如下：

|               |     | As at 31 March<br>於3月31日           |                                   |
|---------------|-----|------------------------------------|-----------------------------------|
|               |     | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Within 1 year | 1年內 | 80,100                             | 37,800                            |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 27 BORROWINGS (continued)

#### (a) Secured bank borrowings (continued)

Secured bank borrowings of the Group are secured as follows:

|   |                          | As at 31 March<br>於3月31日           |                                    |
|---|--------------------------|------------------------------------|------------------------------------|
|   |                          | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Time deposits with original maturity over three months (Note 24(b)) | 原到期日超過三個月的定期存款 (附註24(b)) | 95,290                             | 65,706                             |

#### (b) Unsecured bank borrowings

Unsecured bank borrowings as at 31 March 2022 and 2021 bear annual weighted average interest rate at 4.63% and 5.35%, respectively.

The maturity of unsecured bank borrowings is as follows:

|                       |      | As at 31 March<br>於3月31日           |                                    |
|-----------------------|------|------------------------------------|------------------------------------|
|                       |      | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Within 1 year         | 1年內  | 57,263                             | 143,970                            |
| Between 1 and 2 years | 1至2年 | —                                  | 5,302                              |
|                       |      | 57,263                             | 149,272                            |

### 27 借款 (續)

#### (a) 有抵押銀行借款 (續)

本集團的有抵押銀行借款抵押如下：

|   |                          | As at 31 March<br>於3月31日           |                                    |
|---|--------------------------|------------------------------------|------------------------------------|
|   |                          | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Time deposits with original maturity over three months (Note 24(b)) | 原到期日超過三個月的定期存款 (附註24(b)) | 95,290                             | 65,706                             |

#### (b) 無抵押銀行借款

於2022年及2021年3月31日的無抵押銀行借款分別按4.63%及5.35%的年加權平均利率計息。

無抵押銀行借款的到期情況如下：

|                       |      | As at 31 March<br>於3月31日           |                                    |
|-----------------------|------|------------------------------------|------------------------------------|
|                       |      | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Within 1 year         | 1年內  | 57,263                             | 143,970                            |
| Between 1 and 2 years | 1至2年 | —                                  | 5,302                              |
|                       |      | 57,263                             | 149,272                            |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 27 BORROWINGS (continued)

#### (b) Unsecured bank borrowings (continued)

Certain unsecured bank borrowings with additional guarantees are as follows:

|   |               | As at 31 March<br>於3月31日          |                                   |
|---|---------------|-----------------------------------|-----------------------------------|
|   |               | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Guaranteed by Zou Qifang, a director of the Company | 由鄒其芳(本公司董事)擔保 | —                                 | 30,000                            |

Such personal guarantees by the Company's director were released on 2 August 2021.

若干有額外擔保的無抵押銀行借款如下：

|   |               | As at 31 March<br>於3月31日          |                                   |
|---|---------------|-----------------------------------|-----------------------------------|
|   |               | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Guaranteed by Zou Qifang, a director of the Company | 由鄒其芳(本公司董事)擔保 | —                                 | 30,000                            |

由本公司董事提供的該等個人擔保於2021年8月2日解除。

#### (c) Secured other borrowings

On 15 June 2020, the Company's subsidiaries, Beijing Shengbin Science Trade Co., Ltd. ("Beijing Shengbin") and Beijing Ruicheng Hospital Management Co., Ltd. ("Beijing Ruicheng"), entered into separate agreements for and leaseback of property, plant, and equipment with 中關村科技租賃股份有限公司 ("中關村科技"), pursuant to which the lease principals amounted to RMB9,640,000 and RMB28,920,000, respectively, with interest accruing at 5.6% per annum, and payable quarterly within 3 years.

Based on the assessment of management of the Group, 中關村科技 did not obtain control of the assets and the transfer of assets did not satisfy the requirements of IFRS 15 to be accounted for as a sale of the assets. Therefore, the Group continued to recognise the assets and recognised borrowings equal to the transfer proceeds according to IFRS 9.

The borrowings were fully settled in November 2021 before the maturity.

#### (c) 有抵押其他借款

於2020年6月15日，本公司的子公司北京聖彬科貿有限公司（「北京聖彬」）及北京瑞程醫院管理有限公司（「北京瑞程」）與中關村科技租賃股份有限公司（「中關村科技」）就物業、廠房及設備售後回租分別訂立協議，據此租賃本金分別為人民幣9,640,000元及人民幣28,920,000元，按年利率5.6%計息，須於三年內按季度支付。

根據本集團管理層評估，中關村科技並無取得資產控制權，且資產轉移並不符合國際財務報告準則第15號的入賬列為資產出售的規定。因此，本集團繼續根據國際財務報告準則第9號確認有關資產及確認等同轉讓所得款項的借款。

借款在到期前於2021年11月全部結清。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 27 BORROWINGS (continued)

#### (d) Fair value

The fair values of the borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

#### (e) Compliance with financial covenants

The Group has complied with the financial covenants of its bank borrowings during the years ended 31 March 2022 and 2021.

### 28 DEFERRED INCOME TAX

The following is an analysis of the deferred tax balances presented on the consolidated balance sheet:

### 27 借款(續)

#### (d) 公允價值

借款的公允價值與賬面值並無重大差異，原因為該等借款的應付利息接近當前市場利率或借款屬短期性質。

#### (e) 遵守財務契諾

截至2022年及2021年3月31日止年度，本集團已遵守其銀行借款的財務契諾。

### 28 遞延所得稅

以下是合併資產負債表呈列的對遞延稅款餘額的分析：

|                          |        | As at 31 March<br>於3月31日          |                                   |
|--------------------------|--------|-----------------------------------|-----------------------------------|
|                          |        | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Deferred tax assets      | 遞延稅項資產 | 56,677                            | 28,630                            |
| Deferred tax liabilities | 遞延稅項負債 | (2,125)                           | (3,125)                           |
|                          |        | 54,552                            | 25,505                            |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 28 DEFERRED INCOME TAX (continued)

The following are the deferred tax assets and liabilities recognised by the Group and movements thereon during the years ended 31 March 2022 and 2021.

|                                      |             | Tax losses    | Credit loss allowance | Fair value adjustments on assets acquired in business combinations | Total         |
|--------------------------------------|-------------|---------------|-----------------------|--|---------------|
|                                      |             | 稅項虧損          | 信貸虧損撥備                | 業務合併收購資產的公允價值調整  | 總計            |
|                                      |             | RMB' 000      | RMB' 000              | RMB' 000   | RMB' 000      |
|                                      |             | 人民幣千元         | 人民幣千元                 | 人民幣千元  | 人民幣千元         |
| <b>At 1 April 2020</b>               | 於2020年4月1日  | 33,275        | 1,028                 | (3,843)  | 30,460        |
| (Charged)/credited to profit or loss | (扣除自)/計入損益  | (6,083)       | 410                   | 718  | (4,955)       |
| <b>At 31 March 2021</b>              | 於2021年3月31日 | 27,192        | 1,438                 | (3,125)  | 25,505        |
| <b>At 1 April 2021</b>               | 於2021年4月1日  | 27,192        | 1,438                 | (3,125)  | 25,505        |
| Credited to profit or loss           | 計入損益        | 24,161        | 3,886                 | 1,000  | 29,047        |
| <b>At 31 March 2022</b>              | 於2022年3月31日 | <b>51,353</b> | <b>5,324</b>          | <b>(2,125)</b>   | <b>54,552</b> |

The deferred tax assets amounted to RMB14,660,000 and RMB7,971,000, and deferred tax liabilities amounted to RMB608,000 and RMB722,000 and as at 31 March 2022 and 2021 respectively are expected to be recovered within 12 months. The remaining deferred tax assets and deferred tax liabilities as at 31 March 2022 and 2021 are expected to be recovered after 12 months.

### 28 遞延所得稅 (續)

以下是本集團於截至2022年及2021年3月31日止年度確認的遞延稅項資產及負債及其變動情況。

於2022年及2021年3月31日，遞延稅項資產人民幣14,660,000元及人民幣7,971,000元及遞延稅項負債人民幣608,000元及人民幣722,000元預期將於12個月內收回。於2022年及2021年3月31日的剩餘遞延稅項資產及遞延稅項負債預計將於12個月後收回。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 28 DEFERRED INCOME TAX (continued)

The unrecognised deductible cumulated tax losses and deductible temporary differences as at 31 March 2022 and 2021 are as the table below:

|   |                  | As at 31 March<br>於3月31日           |                                    |
|---|------------------|------------------------------------|------------------------------------|
|   |                  | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| <b>Deductible cumulative tax losses</b> | <b>可扣減累計稅項虧損</b> |                                    |                                    |
| To be expired within 5 years            | 於5年內到期           | <b>177,548</b>                     | 233,195                            |
| <b>Deductible temporary differences</b> | <b>可扣減暫時性差額</b>  | <b>1,504</b>                       | 18,461                             |

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES

Since the date of incorporation, the Company has completed several rounds of financing by issuing preferred shares to investors, namely, series A-1 Preferred Shares, series A-2 Preferred Shares, series B Preferred Shares, series C Preferred Shares, series D-1 Preferred Shares, series D-2 Preferred Shares, series D-3 Preferred Shares and Series E Preferred Shares.

The key terms of the Preferred Shares are summarised as follows:

#### (a) Dividends rights

Each holder of Preferred Shares shall be entitled to receive from the Company, out of funds legally available, non-cumulative dividends per Preferred Share held by such holder accrued at the rate which is decided and declared by the Company's board of directors, when and if declared by the board of directors, prior and in preference to holders of all other current or future class or series of shares of the Company, including the ordinary shares.

### 28 遞延所得稅(續)

於2022年及2021年3月31日，未確認的可扣減累計稅項虧損及可扣減暫時性差額如下表所示：

### 29 可轉換可贖回優先股

自註冊成立日期以來，本公司已通過向投資者發行優先股(即A-1輪優先股、A-2輪優先股、B輪優先股、C輪優先股、D-1輪優先股、D-2輪優先股、D-3輪優先股及E輪優先股)完成數輪融資。

優先股的主要條款概述如下：

#### (a) 股息權利

每名優先股持有人均有權於董事會宣派股息時，優先於本公司所有其他現有或未來類別或輪次股份(包括普通股)持有人，自本公司收取有關持有人所持每股優先股的非累計股息，按本公司董事會決定及宣佈的比率計算，有關股息以可合法作此用途的資金撥付。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued)

#### (b) Conversion feature

The Preferred Shares shall be converted into ordinary shares at the option of holders at any time after the considerations of each series of Preferred Shares were fully-paid, or automatically converted into ordinary shares at the then effective applicable conversion price upon the closing of the QIPO.

QIPO means an IPO managed by a leading underwriter reasonably acceptable to Preferred Shares' holders, with the Company's pre-money market capitalization of at least USD1,000,000,000.

#### (c) Redemption feature

Prior to revised and restated of memorandum of association of the Company dated 29 January 2021, if there is (a) no QIPO until 31 December 2020 ("Redemption Commencement Date") or (b) occurrence of a material breach of any transaction documents by the Company, any Preferred Share holder (the "Requesting Holder") may, with written notice, request that the Company redeems and the Company shall redeem all or a portion of the then outstanding Preferred Shares held by such Requesting Holder (the "Redemption Shares").

After the revised and restated of memorandum of association of the Company dated 29 January 2021, the Redemption Commencement Date is modified to be (i) for Series E Preferred Shares' holders, three years from the issuance date, or after receiving any notice of redemption by Series A – D Preferred Shares' holders; (ii) for Series A – D Preferred Shares holders, 31 December 2021.

On 12 August 2021, the Company entered into an addendum to the eighth amended and restated shareholders agreement with all ordinary and Preferred Shares holders to modify the Redemption Commencement Date to after 31 December 2023.

### 29 可轉換可贖回優先股 (續)

#### (b) 轉換特點

優先股可按持有人選擇於每輪優先股對價全數繳清後隨時轉換為普通股，或於合資格首次公開發售完成後按當時有效的適用轉換價自動轉換為普通股。

合資格首次公開發售指由優先股持有人所合理接受的牽頭承銷商經辦且本公司的投資前市值至少為1,000,000,000美元的首次公開發售。

#### (c) 贖回特點

在修訂及重述本公司日期為2021年1月29日的組織章程大綱之前，如果(a)在2020年12月31日(「贖回開始日期」)之前沒有合資格首次公開發售或(b)本公司嚴重違反任何交易文件的情況，任何優先股持有人(「請求持有人」)可在發出書面通知的情況下要求本公司贖回，而本公司須贖回該請求持有人所持有的全部或部分當時未贖回的優先股(「贖回股份」)。

在修訂及重述本公司日期為2021年1月29日的組織章程大綱之後，贖回開始日期被修改為(i)就E輪優先股持有人而言為自發行日期起計三年或收到A輪至D輪優先股持有人的任何贖回通知後；(ii)就A輪至D輪優先股持有人而言為2021年12月31日。

於2021年8月12日，本公司與所有普通股及優先股股東訂立第八份經修訂及重述的股東協議的增編，將贖回開始日期修改為2023年12月31日之後。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued)

#### (c) Redemption feature (continued)

Preferred Shares issued by the Company are redeemable at the option of the holder after the Redemption Commencement Date. If the number of shares that may then be legally redeemed by the Company is less than the number of shares requested to be redeemed (including but not limited to the lack of sufficient fund), then the number of shares redeemed from each Preferred Share holder shall be reduced on a pro rata basis (calculated on a total amount of entitlement basis). After that, the remaining shares requested to be redeemed shall be carried forward and redeemed as soon as the Company has legally available funds to do so.

The redemption price shall be paid by the Company to the Preferred Shares' holders in an amount equal to a simple six percent (6%) per annum interest of the original issue price on each Preferred Share accrued during the period from the issuance date of each Preferred Share until the date on which the redemption price is paid in full, and any accrued but unpaid dividends.

#### (d) Liquidation preferences

Liquidation happens if (a) there is any liquidation, dissolution or winding up, either voluntarily or involuntarily, of the Company and (b) deemed liquidation events happen. Deemed liquidation events include (i) any sale, disposition, lease or conveyance by any Group entities of all or substantially all of its assets; (ii) any merger or consolidation of any Group entities after which the holders of such Group entities' voting securities prior to such transaction own or control less than a majority of the outstanding voting securities of the surviving corporation (on an as-converted basis) or other entity on account of shares held by them prior to the transaction; or (iii) a sale of no less than a majority of the outstanding voting securities of any Group entities (on an as-converted basis). The deemed liquidation events can be waived if it is determined in writing by the majority Preferred Shares' holders that such event is not a liquidation event.

### 29 可轉換可贖回優先股 (續)

#### (c) 贖回特點 (續)

本公司發行的優先股可按持有人選擇在贖回開始日期後贖回。倘本公司屆時可合法贖回的股份數量少於要求贖回的股份數量(包括但不限於資金不足)，則自每名優先股持有人贖回的股份數量應按比例減少(按所享有權益總額為基準計算)。其後，要求贖回的剩餘股份須結轉，並於本公司有合法可用資金作此用途時盡快贖回。

贖回價格應由本公司支付給優先股持有人，金額相當於自各優先股發行日期起至贖回價全額支付日期止期間每股優先股原發行價每年百分之六(6%)的應計簡單利息，以及任何應計但未付的股息。

#### (d) 清算優先權

清算於以下情況下發生：(a)本公司出現任何清算、解散或清盤(不論自願與否)及(b)視作清算事件發生。視作清算事件包括(i)任何集團實體任何出售、處置、租賃或轉讓所有或絕大部分資產；(ii)任何集團實體作出任何併購或合併，此後，該集團實體於有關交易前持有投票權證券的持有人擁有或控制存續公司(按已轉換基準)或其他實體於交易前持有的股份賬戶的少於半數的流通在外投票權證券；或(iii)銷售任何集團實體的不少於半數的流通在外投票權證券(按已轉換基準)。視作清算事件在多數優先股持有人書面認為該事件並非清算事件時可獲豁免。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued)

#### (d) Liquidation preferences (continued)

Upon the occurrence of any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the assets of the Company legally available for distribution shall be distributed among the holders of the issued and outstanding shares (on an as-converted basis) in the following order and manner:

Each holder of Preferred Shares shall be entitled to receive for each Preferred Share held, prior and in preference to any distribution of any of the assets or surplus funds of the Company to the holders of previous Preferred Shares and ordinary shares or any other class or series of shares by reason of their ownership of such shares, the amount equal to one hundred fifty percent (150%) of the applicable preferred issue price, plus all accrued or declared but unpaid dividends on such Preferred Share. If the assets and funds available for distribution shall be insufficient to permit the payment to such holders of the full preferred preference amount, the liquidation preference amount will be paid to the Preferred Shares holders in the following order: first to holders of any Preferred Shares, second to holders of class 1 ordinary shares, third to holders of class 2 ordinary shares.

### 29 可轉換可贖回優先股(續)

#### (d) 清算優先權(續)

倘若本公司清算、解散或清盤(不論自願與否),則本公司合法可供分派的資產須按下列順序及方式分派予已發行及發行在外股份(按已轉換基準)持有人:

每名優先股持有人因擁有有關股份,可就所持每股優先股優先於先前優先股及普通股或任何其他類別或輪次股份持有人收取本公司任何資產或盈餘資金分派,金額等於適用優先發行價的百分之一百五十(150%),另加相關優先股所有應計或已宣派但未支付的股息。倘若可供分派資產及資金不足以向相關持有人悉數支付優先受償金,則按以下順序向優先股股東支付清算優先受償金:第一為任何優先股的持有人,第二為1類普通股的持有人,第三為2類普通股的持有人。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

Movements of the Preferred Shares during the years ended 31 March 2022 and 2021 are set out as below:

截至2022年及2021年3月31日止年度，優先股的變動載列如下：

|  |                                | RMB' 000<br>人民幣千元 |
|--|--------------------------------|-------------------|
| <b>At 1 April 2021</b>   | <b>於2021年4月1日</b>              | 3,178,465         |
| Issuance of Preferred Shares   | 發行優先股                          | 475,585           |
| Change in fair value   | 公允價值變動                         | 559,528           |
| Includes: change in fair value due to own credit risk  | 包括：自有信貸風險導致的公允價值變動             | 18,439            |
| Currency translation differences   | 匯兌差額                           | (107,601)         |
| Conversion to ordinary shares (Note 25(d))   | 轉換為普通股 (附註25(d))               | (4,105,977)       |
| <b>At 31 March 2022</b>  | <b>於2022年3月31日</b>             | —                 |
| Total change in fair value for the year included in "Fair value change of Preferred Shares"    | 計入「優先股的公允價值變動」的年內公允價值變動總額      | 541,089           |
| <b>At 1 April 2020</b>   | <b>於2020年4月1日</b>              | 2,463,404         |
| Issuance of Preferred Shares   | 發行優先股                          | 296,867           |
| Reclassification of balance due to the re-designation from issued ordinary shares (Note 25(a)) | 自己發行普通股重新指定導致的結餘重新分類 (附註25(a)) | 10,547            |
| Re-designation to Series E Preferred Shares from the Redesignated Shares (Note 25(a))          | 自重新指定股份重新指定為E輪優先股 (附註25(a))    | 196,712           |
| Change in fair value   | 公允價值變動                         | 419,832           |
| Includes: change in fair value due to own credit risk  | 包括：自有信貸風險導致的公允價值變動             | (4,457)           |
| Currency translation differences   | 匯兌差額                           | (208,897)         |
| <b>At 31 March 2021</b>  | <b>於2021年3月31日</b>             | 3,178,465         |
| Total change in fair value for the year included in "Fair value change of Preferred Shares"    | 計入「優先股的公允價值變動」的年內公允價值變動總額      | 424,289           |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

As at 31 March 2021, the Preferred Shares were classified as current liabilities, on the basis that (i) Redemption Commencement Date for Series A – D Preferred Shares' holders is within one year of 31 March 2021; and (ii) Series E Preferred Shares' holders can redeem after receiving any notice of redemption by Series A-D Preferred Shares' holders.

Upon the Listing on 22 March 2022, all Preferred Shares have been automatically converted into ordinary shares.

The Preferred Shares were not traded in an active securities market, as such, the Group engaged an independent valuer to assess the fair value of the Preferred Shares using a discount cash flow model. Key assumptions using in the models are set out below:

於2021年3月31日，鑒於(i) A輪至D輪優先股持有人的贖回開始日期分別為2021年3月31日起一年內；及(ii)E輪優先股持有人可在收到A輪至D輪優先股持有人的任何贖回通知後贖回優先股，故優先股已分類為流動負債。

於2022年3月22日上市後，所有優先股已自動轉換為普通股。

優先股不在活躍證券市場交易，因此，本集團委聘獨立估值師採用折現現金流量模型評估優先股的公允價值。於模型中使用的關鍵假設如下：

|   |                            | <b>As at 31 March</b> |
|---|----------------------------|-----------------------|
|   |                            | <b>於3月31日</b>         |
|   |                            | 2021                  |
|   |                            | 2021年                 |
| Discount rate                               | 折現率                        | 17%                   |
| Risk-free interest rate                     | 無風險利率                      | 0.06%                 |
| Discount for lack of marketability ("DLOM") | 缺乏市場流通性折讓<br>(「缺乏市場流通性折讓」) | 10%                   |
| Volatility                                  | 波幅                         | 49%                   |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued)

If the equity value of the Company had decreased by 10% with all other variables held constant, the fair value of Preferred Shares would have decreased by approximately RMB309,300,000 as at 31 March 2021. If the equity value of the Company had increased by 10% with all other variables held constant, the fair value of Preferred Shares would have increased by approximately RMB315,978,000 as of 31 March 2021, respectively.

Discount rate (post-tax) was estimated by weighted average cost of capital as at each valuation date. The directors estimated according to the risk-free interest rate based on the yield of US Government Bonds with a maturity life close to the QIPO timing as of the valuation date. The DLOM was estimated based on the option-pricing method. Under the option-pricing method, the cost of a put option, which can hedge the price change before the privately held share can be sold, was considered as a basis to determine the lack of marketability discount. Volatility was estimated based on the annualised standard deviation of the daily return embedded in historical stock prices of comparable companies with a time horizon close to the expected term. Probability weight among redemption, liquidation and IPO scenarios was based on the Company's best estimates. In addition to the assumptions adopted above, the Company's projections of future performance were also factored into the determination of the fair value of Preferred Shares on each valuation date.

Change in fair value of Preferred Shares was recorded in "fair value change of Preferred Shares" in the consolidated income statement, and the fair value change in the Preferred Shares that was attributable to change of own credit risk of this liability was recorded in other comprehensive income/(loss).

### 29 可轉換可贖回優先股 (續)

倘本公司股本價值減少10%而所有其他變量保持不變，則於2021年3月31日，優先股的公允價值將減少約人民幣309,300,000元。倘本公司股本價值增加10%而所有其他變量保持不變，則截至2021年3月31日，優先股的公允價值將增加約人民幣315,978,000元。

折現率(稅後)按各估值日期的加權平均資本成本估計得出。董事根據到期年限與合資格首次公開發售時間接近的美國政府債券的收益率按無風險利率估計截至估值日期的折現率。缺乏市場流通性折讓根據期權定價法估計得出。根據期權定價法，認沽期權的成本(可對沖私人持有的股份在可出售前的價格變動)被視作釐定缺乏市場流通性折讓的基準。波幅乃根據時間跨度接近預期期限的可比較公司的歷史股價中嵌入的每日收益年化標準差估計得出。贖回、清算及首次公開發售情境的概率權重基於本公司的最佳估計。除上述採用的假設外，在釐定於各估值日期優先股的公允價值時，本公司未來表現的預測亦考慮在內。

優先股的公允價值變動計入合併損益表的「優先股的公允價值變動」，而由於該負債的自有信貸風險變動而導致的優先股公允價值變動則計入其他全面收益/(虧損)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

#### 29.1 Bond

On 16 March 2020, a subsidiary of the Company, Beijing Arrail Shengbin Medical Technology Co. Limited (the “Bond Borrower”), signed an investment agreement (“Original Bond Investment Agreement”) where the Bond Borrower issued a bond with principal amount of RMB200 million to an investor (the “Bond Holder”). The Bond was drawn down and issued on 10 April 2020. The Bond will mature on the earlier date (the “Maturity Date”) of (i) voluntary early repayment by the Group after one year from issue date; (ii) four years from the issue date of the bond; (iii) the holder of the warrants exercised the warrants (Note 29.2) and requested for early repayment from the Group, after one year from the issue date of the Bond; or (iv) in any event of default (i.e. default in payment, breach of representation, etc.). The Bond interest rate is set at the rate of 5.8% per annum and will be paid semi-annually. In the event that the Group elects to make a voluntary early repayment, the Group will repay the principal plus additional interest equivalent to a yield of 14.2% Internal Rate of Return (IRR) if there is no QIPO or 11.8% IRR if there is a QIPO on the date of election.

On 29 June 2021, the Bond Borrower and the Bond Holder entered into a new bond investment agreement (“New Bond Investment Agreement”) to supersede the terms of the Original Bond Investment Agreement. Pursuant to the New Bond Investment Agreement, which provided a QIPO occurring before 31 December 2022, the Bond Holder is entitled to request the Bond Borrower to repay the bond and its accrued interest within 15 days from the date of such listing. Other terms are the same as the Original Bond Investment Agreement.

#### 29.1 債券

於2020年3月16日，本公司的子公司北京瑞爾聖彬醫療科技有限公司（「債券借款人」）簽署投資協議（「原債券投資協議」），據此，債券借款人向一名投資者（「債券持有人」）發行本金額人民幣200百萬元的債券。該債券已於2020年4月10日提取並發行。該債券將於以下較早日期（「到期日」）到期：(i)自發行日期起計一年後由本集團自願提前償付；(ii)自債券發行日期起計四年；(iii)於債券發行日期起計一年後權證持有人行使權證（附註29.2）並要求本集團提前償付；或(iv)有任何違約事件（即拖欠付款、違反陳述等）。債券利息設定為每年5.8%，每半年支付一次。如果本集團選擇自願提前償付，本集團將償付本金另加額外利息（作出選擇當天若無合資格首次公开发售則其相當於14.2%的內部收益率或當天若有合資格首次公开发售則相當於11.8%的內部收益率）。

於2021年6月29日，債券借款人及債券持有人訂立新債券投資協議（「新債券投資協議」），以取代原債券投資協議的條款。根據新債券投資協議，倘於2022年12月31日之前發生合資格首次公开发售，則債券持有人有權要求債券借款人於該上市日期起15天內償還債券及其應計利息。其他條款與原債券投資協議相同。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

#### 29.1 Bond (continued)

The bond is presented in the consolidated balance sheet as follows:

|                            |               | As at 31 March<br>於3月31日           |                                    |
|----------------------------|---------------|------------------------------------|------------------------------------|
|                            |               | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| <b>Current liabilities</b> | <b>流動負債</b>   |                                    |                                    |
| Bond issued, at fair value | 按公允價值計量的已發行債券 | —                                  | 167,345                            |

The bond was secured by corporate guarantees from various group entities and the future service fee receivable from VIE Entities of the Bond Borrower.

債券以多個集團實體的公司擔保以及債券借款人可變利益實體的未來應收服務費作抵押。

Movements of the bond during the years ended 31 March and 2022 and 2021 are set out below:

截至2022年及2021年3月31日止年度的債券變動載列如下：

|   |                          | RMB' 000<br>人民幣千元 |
|---|--------------------------|-------------------|
| <b>At 1 April 2021</b>  | <b>於2021年4月1日</b>        | 167,345           |
| Interest paid   | 已付利息                     | (10,867)          |
| Change in fair value  | 公允價值變動                   | 60,564            |
| Includes: change in fair value due to own credit risk                           | 包括：自有信貸風險導致的公允價值變動       | (1,083)           |
| Includes: change in fair value due to modification of bond                      | 包括：調整債券導致的公允價值變動         | 9,628             |
| Repayment of bond (Note)  | 償還債券(附註)                 | (217,042)         |
| <b>At 31 March 2022</b>   | <b>於2022年3月31日</b>       | —                 |
| Total change in fair value for the year included in "Fair value change of bond" | 計入「債券的公允價值變動」的年內公允價值變動總額 | 61,647            |

Note: On March 9, 2022, the Group elected to make a voluntary early repayment of the bond in full, including principal and additional interest, in a total of RMB217 million.

附註：於2022年3月9日，本集團選擇自願提前悉數償還債券，包括本金及額外的利息，總額為人民幣217百萬元。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

#### 29.1 Bond (continued)

#### 29.1 債券 (續)

|   |                          | RMB' 000<br>人民幣千元 |
|---|--------------------------|-------------------|
| <b>At 1 April 2020</b>  | <b>於2020年4月1日</b>        | –                 |
| Issuance  | 發行                       | 151,608           |
| Interest paid   | 已付利息                     | (5,651)           |
| Change in fair value  | 公允價值變動                   | 21,388            |
| Includes: change in fair value due to own credit risk                           | 包括：自有信貸風險導致的公允價值變動       | 4,711             |
| <b>At 31 March 2021</b>   | <b>於2021年3月31日</b>       | 167,345           |
| Total change in fair value for the year included in “Fair value change of bond” | 計入「債券的公允價值變動」的年內公允價值變動總額 | 16,677            |

The bond is not traded in an active securities market, as such, the Group engaged an independent valuer to assess the fair value of the bond using a discount cash flow model. Key assumptions in determine of its fair value are set as below:

債券不在活躍證券市場交易，因此，本集團委聘獨立估值師採用折現現金流量模型評估債券的公允價值。確定其公允價值的關鍵假設載列如下：

|               |     | As at 31 March<br>於3月31日<br>2021<br>2021年 |
|---------------|-----|---|
| Discount rate | 折現率 | 14.15%                                    |

If the discount rate had decreased/increased by 1% with all other variables held constant, the fair value of bond would have increased/decreased by approximately RMB2,326,000 as at 31 March 2021.

倘折現率減少／增加1%而所有其他變量保持不變，則於2021年3月31日，債券的公允價值將增加／減少約人民幣2,326,000元。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

#### 29.2 Warrants

The warrants are presented in the consolidated balance sheet as follows:

|                            |             | As at 31 March<br>於3月31日          |                                   |
|----------------------------|-------------|-----------------------------------|-----------------------------------|
|                            |             | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| <b>Current liabilities</b> | <b>流動負債</b> |                                   |                                   |
| Warrants, at fair value    | 按公允價值計量的權證  | —                                 | 71,126                            |

In connection with the issuance of a bond as described in Note 29.1, warrants were issued to an affiliate of the Bond Holder (the "Warrants Holder") in which the Warrants Holder has the option to exercise one of following three rights: (1) subscribe for class 1 ordinary shares of the Company at the exercise price of the class 1 ordinary shares set out in the warrants agreement (the "Warrants Exercise Price"); (2) receiving cash profit between the warrants' fair value (the "Cash Profit Fair Value") and the Warrants Exercise Price; and (3) selling the warrants back to the Company at the put option price, which is determined by a certain formula based on difference between 5.8% and IRR (a yield of 14.2% IRR if there is no QIPO or 11.8% IRR if there is a QIPO). The Cash Profit Fair Value is based on either (i) if listed in public market: weighted average market price of 30 days before exercise; or (ii) if not listed: last round equity financing valuation. No warrants were exercised since the issuance of the warrants.

On 29 June 2021, the Company, the Bond Borrower, the Bond Holder and the Warrants Holders (the "Bond and Warrants Parties") entered into a deed of termination and undertaking, pursuant to which, the Bond and Warrants Parties agreed that the warrants shall be cancelled immediately (Note 29.3).

#### 29.2 權證

權證於合併資產負債表呈列如下：

|                            |             | As at 31 March<br>於3月31日          |                                   |
|----------------------------|-------------|-----------------------------------|-----------------------------------|
|                            |             | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| <b>Current liabilities</b> | <b>流動負債</b> |                                   |                                   |
| Warrants, at fair value    | 按公允價值計量的權證  | —                                 | 71,126                            |

誠如附註29.1所述，就債券發行而言，已向債券持有人的聯屬公司（「權證持有人」）發行權證，權證持有人擁有選擇權行使以下三項權利其中一項：(1)按權證協議所載1類普通股的行使價（「權證行使價」）認購本公司1類普通股；(2)收取權證公允價值與權證行使價之間的現金利潤（「現金利潤公允價值」）；及(3)按認沽期權價（乃按5.8%與內部收益率（若無合資格首次公开发售則按14.2%的內部收益率或若有合資格首次公开发售則按11.8%的內部收益率）之間的差異計算的若干方程式釐定）向本公司售回權證。現金利潤公允價值乃(i)倘於公開市場上市：則按行使前30日的加權平均市價；或(ii)倘未上市：則按最後一輪股本融資估值計算。自權證發行以來概無權證已獲行使。

於2021年6月29日，本公司、債券借款人、債券持有人及權證持有人（「債券及權證各方」）訂立終止及承諾契據，據此，債券及權證各方同意權證須立即註銷（附註29.3）。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

#### 29.2 Warrants (continued)

Movements of warrants during the years ended 31 March 2022 and 2021 are set out below:

#### 29.2 權證 (續)

截至2022年及2021年3月31日止年度的權證變動載列如下：

|   |                              | RMB' 000<br>人民幣千元 |
|---|------------------------------|-------------------|
| <b>At 1 April 2021</b>  | <b>於2021年4月1日</b>            | 71,126            |
| Change in fair value  | 公允價值變動                       | 13,686            |
| Currency translation differences  | 匯兌差額                         | (1,094)           |
| Termination of warrants (Note 29.3)   | 終止權證 (附註29.3)                | (83,718)          |
| <b>At 31 March 2022</b>   | <b>於2022年3月31日</b>           | —                 |
| Total change in fair value for the year included in "Fair value change of Warrants" | 計入「權證的公允價值變動」的<br>年內公允價值變動總額 | 13,686            |
| <b>At 1 April 2020</b>  | <b>於2020年4月1日</b>            | —                 |
| Issuance  | 發行                           | 48,392            |
| Change in fair value  | 公允價值變動                       | 26,802            |
| Currency translation differences  | 匯兌差額                         | (4,068)           |
| <b>At 31 March 2021</b>   | <b>於2021年3月31日</b>           | <b>71,126</b>     |
| Total change in fair value for the year included in "Fair value change of Warrants" | 計入「權證的公允價值變動」的<br>年內公允價值變動總額 | 26,802            |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

#### 29.2 Warrants (continued)

The warrants are not traded in an active securities market, as such, the Group engaged an independent valuer to assess the fair value of warrants by using a binomial-tree model. Key assumptions in determining its fair value are set out below:

#### 29.2 權證 (續)

權證不在活躍證券市場交易，因此，本集團委聘獨立估值師採用二叉樹模型評估權證的公允價值。確定其公允價值的關鍵假設載列如下：

|                         |       | <b>As at 31 March</b> |
|-------------------------|-------|-----------------------|
|                         |       | <b>於3月31日</b>         |
|                         |       | 2021                  |
|                         |       | 2021年                 |
| Volatility              | 波動率   | 46%                   |
| Risk-free interest rate | 無風險利率 | 0.64%                 |

Management considers that the change in the equity value of the Company is the most sensitive factor to the fair value of the warrants. If the equity value of the Company had decreased/increased by 10% with all other variables held constant, the fair value of the warrants would have been decreased/increased by approximately RMB5,837,000 as at 31 March 2021.

管理層認為，本公司股本價值變動屬權證公允價值的最敏感因素。倘本公司股本價值減少／增加10%而所有其他變量保持不變，則於2021年3月31日，權證的公允價值將減少／增加約人民幣5,837,000元。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

#### 29.3 Derivative liabilities

On 29 June 2021, the Bond and Warrants Parties entered into a deed of termination and undertaking, pursuant to which, the parties agreed that (i) the warrants shall be cancelled immediately and the warrants documents shall be terminated immediately and irrevocably; (ii) in full consideration of the cancellation and termination of the warrants documents, the Company shall pay to the Warrants Holder an amount of USD15.62 million on or prior to the third business day from the date of consummation of an IPO; (iii) in the event that (y) the Company fails to consummate an IPO on or prior to 31 December 2022; or (z) the Company contemplates a trade sale, the Bond and Warrants parties shall, by no later than 5 business days from the re-entry date (in the case of (y)) or by no later than 30 Business Days before closing of any trade sale (in the case of (z)), re-enter into a warrants purchase agreement, a warrants instrument and the warrants, in each case in form and substance the same as the warrants documents (Note 29.2).

In March 2022, the derivative liabilities were settled by the Company to the Warrants Holder amounting to USD15.62 million (equivalent to RMB99,148,884).

#### 29.3 衍生負債

於2021年6月29日，債券及權證各方訂立一份終止及承諾契據，據此，各方同意：(i)權證應立即註銷，權證文件應立即及不可撤銷地終止；(ii)作為註銷及終止權證文件的全部對價，本公司應於首次公開發售完成日期起計第三個營業日當日或之前向權證持有人支付15.62百萬美元；(iii)倘(y)本公司未能於2022年12月31日或之前完成首次公開發售；或(z)本公司擬進行交易出售，債券及權證各方應於重訂日期(就(y)而言)後的5個營業日或任何交易出售結束(就(z)而言)的30個營業日之前，重新訂立權證購買協議、權證文據及權證，於各種情況下，其形式及內容均與權證文件相同(附註29.2)。

於2022年3月，本公司已向權證持有人清償衍生負債15.62百萬美元(相等於人民幣99,148,884元)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

#### 29.3 Derivative liabilities (continued)

Movements of derivative liabilities during the year ended 31 March 2022 are set out below:

#### 29.3 衍生負債 (續)

截至2022年3月31日止年度的衍生負債變動載列如下：

|   |                      | RMB' 000<br>人民幣千元 |
|---|----------------------|-------------------|
| <b>At 1 April 2021</b>  | <b>於2021年4月1日</b>    | –                 |
| Recognition of derivative liabilities   | 確認衍生負債               | 94,854            |
| Change in fair value  | 公允價值變動               | 6,005             |
| Currency translation differences  | 匯兌差額                 | (1,711)           |
| Termination of derivative liabilities   | 終止衍生負債               | (99,148)          |
| <b>At 31 March 2022</b>   | <b>於2022年3月31日</b>   | <b>–</b>          |
| Recognition of derivative liabilities   | 確認衍生負債               | <b>94,854</b>     |
| Termination of the warrants (Note 29.2)   | 終止權證 (附註29.2)        | <b>(83,718)</b>   |
| Fair value difference between termination of the warrants and recognition of derivative liabilities | 終止權證與確認衍生負債之間的公允價值差額 | <b>11,136</b>     |

### 30 TRADE AND OTHER PAYABLES

### 30 貿易及其他應付款項

|                |        | As at 31 March<br>於3月31日           |                                    |
|----------------|--------|------------------------------------|------------------------------------|
|                |        | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| Trade payables | 貿易應付款項 | 74,211                             | 121,320                            |
| Other payables | 其他應付款項 | 198,894                            | 173,348                            |
|                |        | <b>273,105</b>                     | 294,668                            |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 30 TRADE AND OTHER PAYABLES (continued)

Ageing analysis of trade payables of the Group based on invoice date is as follows:

|                    |        | As at 31 March<br>於3月31日          |                                   |
|--------------------|--------|-----------------------------------|-----------------------------------|
|                    |        | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Up to 3 months     | 不超過3個月 | 38,755                            | 65,180                            |
| 3 to 6 months      | 3至6個月  | 11,154                            | 25,535                            |
| 6 months to 1 year | 6個月至1年 | 8,462                             | 17,061                            |
| Over 1 year        | 超過1年   | 15,840                            | 13,544                            |
|                    |        | <b>74,211</b>                     | 121,320                           |

The breakdown of other payables is as follows:

|   |                         | As at 31 March<br>於3月31日          |                                   |
|---|-------------------------|-----------------------------------|-----------------------------------|
|   |                         | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Amounts due to minority shareholders  | 應付少數股東款項                | 7,325                             | 16,906                            |
| Amounts due to former shareholders  | 應付前任股東款項                | 7,836                             | 14,366                            |
| Amounts due to related parties (Note 35(c))   | 應付關聯方款項 (附註35(c))       | 7,114                             | 21,130                            |
| Loan from a related party (Note 35(c))  | 來自關聯方的貸款 (附註35(c))      | –                                 | 3,618                             |
| Employee benefits payable   | 應付僱員福利                  | 80,607                            | 72,780                            |
| Consideration payable for acquisition of additional interest in a subsidiary (Note 37(a)) | 收購子公司額外權益應付對價 (附註37(a)) | 36,500                            | –                                 |
| Taxes payable   | 應付稅項                    | 9,467                             | 13,417                            |
| Listing fees  | 上市費用                    | 24,493                            | –                                 |
| Others  | 其他                      | 25,552                            | 31,131                            |
|   |                         | <b>198,894</b>                    | 173,348                           |

The carrying amounts of trade and other payables were denominated in RMB and approximated their fair values due to their short-term maturities.

### 30 貿易及其他應付款項 (續)

本集團按發票日期劃分的貿易應付款項賬齡分析如下：

|                    |        | As at 31 March<br>於3月31日          |                                   |
|--------------------|--------|-----------------------------------|-----------------------------------|
|                    |        | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Up to 3 months     | 不超過3個月 | 38,755                            | 65,180                            |
| 3 to 6 months      | 3至6個月  | 11,154                            | 25,535                            |
| 6 months to 1 year | 6個月至1年 | 8,462                             | 17,061                            |
| Over 1 year        | 超過1年   | 15,840                            | 13,544                            |
|                    |        | <b>74,211</b>                     | 121,320                           |

其他應付款項的明細如下：

|   |                         | As at 31 March<br>於3月31日          |                                   |
|---|-------------------------|-----------------------------------|-----------------------------------|
|   |                         | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Amounts due to minority shareholders  | 應付少數股東款項                | 7,325                             | 16,906                            |
| Amounts due to former shareholders  | 應付前任股東款項                | 7,836                             | 14,366                            |
| Amounts due to related parties (Note 35(c))   | 應付關聯方款項 (附註35(c))       | 7,114                             | 21,130                            |
| Loan from a related party (Note 35(c))  | 來自關聯方的貸款 (附註35(c))      | –                                 | 3,618                             |
| Employee benefits payable   | 應付僱員福利                  | 80,607                            | 72,780                            |
| Consideration payable for acquisition of additional interest in a subsidiary (Note 37(a)) | 收購子公司額外權益應付對價 (附註37(a)) | 36,500                            | –                                 |
| Taxes payable   | 應付稅項                    | 9,467                             | 13,417                            |
| Listing fees  | 上市費用                    | 24,493                            | –                                 |
| Others  | 其他                      | 25,552                            | 31,131                            |
|   |                         | <b>198,894</b>                    | 173,348                           |

貿易及其他應付款項的賬面值以人民幣計值，由於到期時間較短，其與公允價值相若。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 31 BUSINESS COMBINATION

#### (a) Acquisition of business of Dalian Shahekou Bailixia Dental Clinic

Dalian Shahekou Bailixia Dental Clinic is a business that provides dental services to individual customers.

In December 2020, the Group signed an agreement to acquire a 51.22% equity interest of the business of Dalian Shahekou Bailixia Dental Clinic for consideration of RMB3.00 million and intangible assets disposed of RMB0.44 million. The excess of the consideration over net fair value of assets and liabilities acquired amounting to RMB2.41 million was recorded as goodwill.

The following table summarises the total purchase consideration for acquiring the business of Dalian Shahekou Bailixia Dental Clinic, the fair value of assets acquired, and the liabilities assumed at the acquisition date:

### 31 業務合併

#### (a) 收購Dalian Shahekou Bailixia Dental Clinic的業務

Dalian Shahekou Bailixia Dental Clinic是一家為個人客戶提供口腔醫療服務的企業。

於2020年12月，本集團簽署協議，以人民幣3.00百萬元及所出售無形資產人民幣0.44百萬元作為對價，收購Dalian Shahekou Bailixia Dental Clinic業務的51.22%股權。對價超過所收購資產和負債淨公允價值的部分為人民幣2.41百萬元，其已計入商譽。

下表概述於收購日收購Dalian Shahekou Bailixia Dental Clinic業務的總購買對價及所收購資產以及所承擔負債的公允價值：

|   |                                  | 31 December<br>2020<br>2020年<br>12月31日<br>RMB'000<br>人民幣千元 |
|---|----------------------------------|--|
| <b>Consideration</b>  | <b>對價</b>                        |  |
| Purchase consideration  | 購買對價                             | 3,000  |
| Settlement of pre-existing service contracts<br>(Note 16)                             | 結算既有的服務合同<br>(附註16)              | 442  |
| <b>Total purchase consideration</b>   | <b>總購買對價</b>                     | <b>3,442</b>   |
| <b>Recognised amounts of identifiable assets<br/>acquired and liabilities assumed</b> | <b>所收購可識別資產及所承擔負債的<br/>已確認金額</b> |  |
| Cash and cash equivalents   | 現金及現金等價物                         | 1,049  |
| Prepayments, other receivables and<br>other current assets                            | 預付款項、其他應收款項及其他流動<br>資產           | 108  |
| Intangible assets: brand (Note 16)  | 無形資產：品牌(附註16)                    | 485  |
| Intangible assets: non-competitive agreements<br>and customer relationship (Note 16)  | 無形資產：非競爭性協議及客戶關係<br>(附註16)       | 600  |
| Other payables and accruals   | 其他應付款項及應計費用                      | (100)  |
| Deferred tax liabilities  | 遞延稅項負債                           | (108)  |
| <b>Total identifiable net assets</b>  | <b>可識別淨資產總值</b>                  | <b>2,034</b>   |
| Less: Non-controlling interests   | 減：非控股權益                          | (997)  |
| Add: Goodwill (Note 17)   | 加：商譽(附註17)                       | 2,405  |
|   |                                  | <b>3,442</b>   |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 31 BUSINESS COMBINATION (continued)

#### (a) Acquisition of business of Dalian Shahekou Bailixia Dental Clinic (continued)

#### Outflow of cash to acquire the business, net of cash acquired

Cash consideration  
Less: Cash and cash equivalents acquired

#### Net outflow of cash – investing activities

The goodwill is attributable to Dalian Ruisheng Baojia Dental Clinic's synergies expected to arise after the Group's acquisition of this business.

#### (b) Other information

The acquisition-related costs were not significant and were charged directly to administrative expenses during the year ended 31 March 2021.

The post-acquisition revenue and net loss contributed by the acquired businesses above were not material to the Group during the year ended 31 March 2021.

### 31 業務合併(續)

#### (a) 收購Dalian Shahekou Bailixia Dental Clinic的業務(續)

31 December  
2020  
2020年  
12月31日  
RMB'000  
人民幣千元

#### 收購業務的現金流出 (扣除所得現金)

現金對價 3,000  
減：所得現金及現金等價物 (1,049)

#### 現金流出淨額 – 投資活動

1,951

商譽歸因於本集團收購大連瑞盛葆嘉口腔診所後預期產生的該業務的協同效應。

#### (b) 其他資料

收購相關的成本並不重大，已於截至2021年3月31日止年度的行政開支直接扣除。

於截至2021年3月31日止年度，上文所收購業務的收購後收入及淨虧損對本集團而言並不重大。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 32 CASH FLOW INFORMATION

#### (a) Cash generated from operations

### 32 現金流量資料

#### (a) 經營所得現金

|   |                             | Year ended 31 March<br>截至3月31日止年度 |                                   |
|---|-----------------------------|-----------------------------------|-----------------------------------|
|   |                             | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| <b>Loss before income tax</b>   | <b>除所得稅前虧損</b>              | <b>(709,911)</b>                  | (581,744)                         |
| Adjustments for:  | 就以下各項作出調整：                  |                                   |                                   |
| Depreciation and amortisation   | 折舊及攤銷                       | 246,303                           | 228,991                           |
| Share-based compensation  | 股份酬金                        | 95,021                            | –                                 |
| Re-designation to Series E Preferred Shares from issued ordinary and Preferred Shares               | 自己發行普通股及優先股重新指定為E輪優先股       | –                                 | 196,712                           |
| Net (reversal of impairment losses)/ impairment losses on financial assets                          | 金融資產淨(減值虧損撥回)/減值虧損          | (4,585)                           | 5,476                             |
| Fair value change of Preferred Shares   | 優先股的公允價值變動                  | 541,089                           | 424,289                           |
| Fair value change of bond   | 債券的公允價值變動                   | 61,647                            | 16,677                            |
| Fair value change of warrants   | 權證的公允價值變動                   | 13,686                            | 26,802                            |
| Fair value change of derivative liabilities   | 衍生負債的公允價值變動                 | 6,005                             | –                                 |
| Fair value difference between termination of the warrants and recognition of derivative liabilities | 終止權證與確認衍生負債之間的公允價值差額        | 11,136                            | –                                 |
| Net losses on disposal of property, plant and equipment   | 出售物業、廠房及設備的淨虧損              | 58                                | 5,002                             |
| Net fair value gains on financial assets at fair value through profit or loss                       | 按公允價值計入損益的金融資產的淨公允價值收益      | (5,044)                           | (6,138)                           |
| Share of net loss/(profit) of associates and joint ventures accounted for using the equity method   | 使用權益法入賬的分佔聯營公司及合營公司淨虧損/(利潤) | 411                               | (2,602)                           |
| Finance costs – net   | 淨財務成本                       | 47,365                            | 44,333                            |
|   |                             | <b>303,181</b>                    | 357,798                           |
| <b>Changes in working capital</b>   | <b>營運資金變動</b>               |                                   |                                   |
| Decrease/(increase) in trade and other receivables  | 貿易及其他應收款項減少/(增加)            | 42,593                            | (54,034)                          |
| Increase in inventories   | 存貨增加                        | (8,044)                           | (3,571)                           |
| Increase in prepayments   | 預付款項增加                      | (23,656)                          | (47,166)                          |
| Decrease in contract liabilities  | 合同負債減少                      | (15,515)                          | (28,561)                          |
| (Decrease)/increase in trade and other payables   | 貿易及其他應付款項(減少)/增加            | (57,246)                          | 25,793                            |
| Cash generated from operations  | 經營所得現金                      | <b>241,313</b>                    | 250,259                           |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 32 CASH FLOW INFORMATION (continued)

#### (b) Non-cash investing and financial activities

Non-cash transactions are primarily related to the changes in other payables related to property and equipment and intangible assets additions described in Note 14 and Note 16, the addition of right-of-use assets and lease liabilities described in Note 15, the re-designation of ordinary shares and Preferred Shares for the issuance of Series E Preferred Shares described in Note 25, modification of the Bond (Note 29.1), and termination of the warrants and recognition of derivative liabilities (Note 29.2 and 29.3). Excluding these, there were no other material non-cash investing and financing transactions for the years ended 31 March 2022 and 2021.

### 32 現金流量資料(續)

#### (b) 非現金投資及融資活動

非現金交易主要與附註14及附註16所述與物業及設備以及無形資產增加有關的其他應付款項變動、附註15所述使用權資產及租賃負債增加、附註25所述就發行E輪優先股重新指定普通股及優先股、調整債券(附註29.1)以及終止權證與確認衍生負債(附註29.2及29.3)有關。除此之外，截至2022年及2021年3月31日止年度並無其他重大非現金投資及融資交易。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 32 CASH FLOW INFORMATION (continued)

#### (c) Reconciliation of liabilities generated from/ (used in) financing activities

### 32 現金流量資料 (續)

#### (c) 融資活動所得/(所用)負債的對賬

|  |                           | Liabilities from financing activities<br>融資活動負債                           |                                 |                                     |                                |  |                                       | Interest payables<br>(included in trade and other payables)<br>應付利息<br>(計入貿易及其他應付款項) |
|--|---------------------------|---|---------------------------------|-------------------------------------|--------------------------------|--|---------------------------------------|--|
|  |                           | Convertible redeemable preferred shares<br>可轉換可贖回優先股<br>RMB' 000<br>人民幣千元 | Bond<br>債券<br>RMB' 000<br>人民幣千元 | Warrants<br>權證<br>RMB' 000<br>人民幣千元 | Derivative liabilities<br>衍生負債 | Lease liabilities<br>租賃負債<br>RMB' 000<br>人民幣千元 | Borrowings<br>借款<br>RMB' 000<br>人民幣千元 | RMB' 000<br>人民幣千元  |
| <b>Liabilities from financing activities as at 31 March 2021</b>                 | <b>於2021年3月31日的融資活動負債</b> | 3,178,465   | 167,345                         | 71,126                              | -                              | 643,147  | 218,491                               | 817  |
| Cash inflows   | 現金流入                      | 475,585   | -                               | -                                   | -                              | -  | 131,234                               | -  |
| Cash outflows  | 現金流出                      | -   | (227,909)                       | -                                   | (99,148)                       | (198,586)                                      | (213,190)                             | (18,787)   |
| Changes in fair value  | 公允價值變動                    | 559,528   | 60,564                          | 13,686                              | 17,141                         | -  | -                                     | -  |
| Conversion of Preferred Shares to ordinary shares                                | 轉換優先股至普通股                 | (4,105,977)   | -                               | -                                   | -                              | -  | -                                     | -  |
| Termination of warrants and recognition of derivative liabilities                | 終止權證與確認衍生負債               | -   | -                               | (83,718)                            | 83,718                         | -  | -                                     | -  |
| Leases   | 租賃                        | -   | -                               | -                                   | -                              | 271,904  | -                                     | -  |
| Accrued interest   | 應計利息                      | -   | -                               | -                                   | -                              | 36,843   | 828                                   | 17,970   |
| Foreign exchange adjustments   | 匯兌調整                      | (107,601)   | -                               | (1,094)                             | (1,711)                        | -  | -                                     | -  |
| <b>Liabilities from financing activities as at 31 March 2022</b>                 | <b>於2022年3月31日的融資活動負債</b> | <b>-</b>  | <b>-</b>                        | <b>-</b>                            | <b>-</b>                       | <b>753,308</b>                                 | <b>137,363</b>                        | <b>-</b>   |
| <b>Liabilities from financing activities as at 31 March 2020</b>                 | <b>於2020年3月31日的融資活動負債</b> | 2,463,404   | -                               | -                                   | -                              | 653,526  | 288,000                               | 3  |
| Cash inflows   | 現金流入                      | 296,867   | 151,608                         | 48,392                              | -                              | -  | 297,858                               | -  |
| Cash outflows  | 現金流出                      | -   | (5,651)                         | -                                   | -                              | (188,964)                                      | (367,367)                             | (18,712)   |
| Changes in fair value  | 公允價值變動                    | 419,832   | 21,388                          | 26,802                              | -                              | -  | -                                     | -  |
| Reclassification of balance due to the redesignation from issued ordinary shares | 自己發行普通股重新指定導致的結餘重新分類      | 10,547  | -                               | -                                   | -                              | -  | -                                     | -  |
| Re-designation to Series E Preferred Shares from the Redesignated Shares         | 自重新指定股份重新指定為E輪優先股         | 196,712   | -                               | -                                   | -                              | -  | -                                     | -  |
| Leases   | 租賃                        | -   | -                               | -                                   | -                              | 146,197  | -                                     | -  |
| Accrued interest   | 應計利息                      | -   | -                               | -                                   | -                              | 32,388   | -                                     | 19,526   |
| Foreign exchange adjustments   | 匯兌調整                      | (208,897)   | -                               | (4,068)                             | -                              | -  | -                                     | -  |
| <b>Liabilities from financing activities as at 31 March 2021</b>                 | <b>於2021年3月31日的融資活動負債</b> | <b>3,178,465</b>  | <b>167,345</b>                  | <b>71,126</b>                       | <b>-</b>                       | <b>643,147</b>                                 | <b>218,491</b>                        | <b>817</b>   |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 33 CONTINGENCIES

As at 31 March 2022 and 2021, the Group did not have any material contingent liabilities.

### 34 COMMITMENTS

#### (a) Capital commitments

Saved as disclosed elsewhere, significant capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

### 33 或然事項

於2022年及2021年3月31日，本集團並無任何重大或然負債。

### 34 承擔

#### (a) 資本承擔

除其他地方所披露外，於報告期末已訂約但尚未產生的重大資本開支如下：

|                               |          | As at 31 March<br>於3月31日          |                                   |
|-------------------------------|----------|-----------------------------------|-----------------------------------|
|                               |          | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Property, plant and equipment | 物業、廠房及設備 | 16,094                            | 8,384                             |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 35 RELATED PARTY TRANSACTIONS

#### (a) Names and relationships with related parties

The following companies are significant related parties of the Group that had transactions and/or balances with the Group during the years ended 31 March 2022 and 2021.

#### Name of related party

關聯方名稱

### 35 關聯方交易

#### (a) 關聯方名稱及與關聯方的關係

以下公司為於截至2022年及2021年3月31日止年度與本集團有交易及／或結餘的本集團重大關聯方。

#### Relationship with the Group

與本集團的關係

|  |   |
|--|---|
| Zou Qifang<br>鄒其芳  | Director of the Company<br>本公司董事  |
| Hangzhou Jarvis<br>杭州佳沃思   | Entity controlled by a close family member of a director<br>由董事的近親控制的實體 |
| Hangzhou Shengchao Medical Technology Company Limited ("Hangzhou Shengchao")<br>杭州盛朝醫療科技有限公司(「杭州盛朝」) | Entity controlled by a close family member of a director<br>由董事的近親控制的實體 |
| 福州美可普  | Associate of the Group<br>本集團聯營公司                                       |
| 濟南濟東   | Associate of the Group<br>本集團聯營公司                                       |
| 北京康泰   | Joint Venture of the Group<br>本集團合營公司                                   |
| Beier Holdings Limited   | Entity controlled by a director<br>由董事控制的實體                             |
| Rise Day Holdings Limited  | Entity controlled by a director<br>由董事控制的實體                             |
| Ever Respect Limited   | Entity controlled by a director<br>由董事控制的實體                             |
| Qin Jessie Xin<br>辛勤   | Director of the Company<br>本公司董事  |
| Qiming Venture Partners II, L.P.   | Shareholder of the Company<br>本公司股東                                     |
| Qiming Venture Partners II-C, L.P.   | Shareholder of the Company<br>本公司股東                                     |
| Qiming Managing Directors Fund II, L.P.  | Shareholder of the Company<br>本公司股東                                     |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 35 RELATED PARTY TRANSACTIONS (continued)

#### (b) Significant transactions with related parties

The following significant transactions were carried out between the Group and its related parties during the years ended 31 March 2022 and 2021. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

### 35 關聯方交易(續)

#### (b) 與關聯方的重大交易

於截至2022年及2021年3月31日止年度，本集團與其關聯方進行以下重大交易。本公司董事認為，關聯方交易乃於正常業務過程中按本集團與各關聯方之間協商的條款進行。

|                                 |                  | Year ended 31 March<br>截至3月31日止年度  |                                    |
|---------------------------------|------------------|------------------------------------|------------------------------------|
|                                 |                  | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| <u>Sales of goods</u>           |                  |                                    |                                    |
| Hangzhou Shengchao              | 銷售貨品<br>杭州盛朝     | 1,897                              | 10,334                             |
| 福州美可普                           | 福州美可普            | 1,795                              | 1,892                              |
| 濟南濟東                            | 濟南濟東             | 124                                | 32                                 |
|                                 |                  | <b>3,816</b>                       | 12,258                             |
| <u>Purchases of goods</u>       |                  |                                    |                                    |
| Hangzhou Shengchao              | 購買貨品<br>杭州盛朝     | 20,902                             | 16,030                             |
| 北京康泰                            | 北京康泰             | 7,551                              | 5,746                              |
|                                 |                  | <b>28,453</b>                      | 21,776                             |
| <u>Receiving services</u>       |                  |                                    |                                    |
| Hangzhou Shengchao              | 接受服務<br>杭州盛朝     | 563                                | 581                                |
|                                 |                  | <b>563</b>                         | 581                                |
| <u>Loans to related parties</u> |                  |                                    |                                    |
| 濟南濟東                            | 向關聯方提供貸款<br>濟南濟東 | —                                  | 1,500                              |
| 北京康泰                            | 北京康泰             | —                                  | 150                                |
|                                 |                  | <b>—</b>                           | 1,650                              |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 35 RELATED PARTY TRANSACTIONS (continued)

#### (c) Balances with related parties

The following balances are outstanding as at 31 March 2022 and 2021 in relation to transactions with related parties:

### 35 關聯方交易(續)

#### (c) 與關聯方的結餘

以下與關聯方的交易有關的結餘於2022年及2021年3月31日為未結清：

|   |   | As at 31 March<br>於3月31日           |                                    |
|---|---|------------------------------------|------------------------------------|
|   |   | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| <u>Prepayments to related parties</u>             | <u>預付關聯方款項</u>                          |                                    |                                    |
| <i>Trade nature</i>                               | <i>貿易性質</i>                             |                                    |                                    |
| 北京康泰  | 北京康泰                                    | 12,269                             | -                                  |
| <u>Trade related receivables</u>                  | <u>貿易相關應收款項</u>                         |                                    |                                    |
| Hangzhou Jarvis                                   | 杭州佳沃思                                   | -                                  | 1,575                              |
| Hangzhou Shengchao                                | 杭州盛朝                                    | 5,245                              | 13,524                             |
| 福州美可普   | 福州美可普                                   | 3,608                              | 1,813                              |
| 北京康泰  | 北京康泰                                    | 4,613                              | 3,989                              |
|   |   | <b>13,466</b>                      | 20,901                             |
| <u>Amounts due from related parties (Note 22)</u> | <u>應收關聯方款項(附註22)</u>                    |                                    |                                    |
| <i>Non-trade nature</i>                           | <i>非貿易性質</i>                            |                                    |                                    |
| Hangzhou Shengchao                                | 杭州盛朝                                    | -                                  | 42,359                             |
| 濟南濟東  | 濟南濟東                                    | -                                  | 93                                 |
| 北京康泰  | 北京康泰                                    | -                                  | 2,139                              |
| Rise Day Holdings Limited                         | Rise Day Holdings Limited               | 1,359                              | 8,651                              |
|   |   | <b>1,359</b>                       | 53,242                             |
| <u>Trade related payables</u>                     | <u>貿易相關應付款項</u>                         |                                    |                                    |
| Hangzhou Shengchao                                | 杭州盛朝                                    | -                                  | 26,521                             |
| 北京康泰  | 北京康泰                                    | 1,254                              | 1,395                              |
|   |   | <b>1,254</b>                       | 27,916                             |
| <u>Amounts due to related parties (Note 30)</u>   | <u>應付關聯方款項(附註30)</u>                    |                                    |                                    |
| <i>Non-trade nature</i>                           | <i>非貿易性質</i>                            |                                    |                                    |
| Zou Qifang  | 鄒其芳                                     | 151                                | 2,351                              |
| Rise Day Holdings Limited                         | Rise Day Holdings Limited               | -                                  | 3,068                              |
| Qin Jessie Xin                                    | 辛勤                                      | -                                  | 2,568                              |
| Qiming Venture Partners II, L.P.                  | Qiming Venture Partners II, L.P.        | 6,317                              | 11,925                             |
| Qiming Venture Partners II-C, L.P.                | Qiming Venture Partners II-C, L.P.      | 553                                | 1,044                              |
| Qiming Managing Directors Fund II, L.P.           | Qiming Managing Directors Fund II, L.P. | 93                                 | 174                                |
|   |   | <b>7,114</b>                       | 21,130                             |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 35 RELATED PARTY TRANSACTIONS (continued)

#### (c) Balances with related parties (continued)

|  |                            | As at 31 March<br>於3月31日           |                                    |
|--|----------------------------|------------------------------------|------------------------------------|
|  |                            | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| <u>Loans to related parties (Note 22)</u>  |                            |                                    |                                    |
| <i>Non-trade nature</i>                    |                            |                                    |                                    |
| Zou Qifang                                 | 鄒其芳                        | —                                  | 3,698                              |
| Ever Respect Limited                       | Ever Respect Limited       | —                                  | 19,714                             |
| Beier Holdings Limited (i)                 | Beier Holdings Limited (i) | —                                  | 87,169                             |
| 濟南濟東(ii)                                   | 濟南濟東(ii)                   | 1,500                              | 823                                |
| 北京康泰                                       | 北京康泰                       | —                                  | 430                                |
|  |                            | 1,500                              | 111,834                            |
| <u>Loan from a related party (Note 30)</u> |                            |                                    |                                    |
| <i>Non-trade nature</i>                    |                            |                                    |                                    |
| Zou Qifang                                 | 鄒其芳                        | —                                  | 3,618                              |

As at 31 March 2021, outstanding balances due to/from related parties, loan to/from Zou Qifang and loan to Ever Respect Limited were unsecured, non-interest bearing and repayable on demand.

#### Notes:

- (i) The loan to Beier Holdings Limited, amounting to USD13,264,349, is secured by 396,827 class 1 ordinary shares of the Company, with interest accruing at 3% per annum, and repayable on the earlier of (i) the date falling on 12 months from the IPO, and (ii) 31 December 2023 (Note 22). Such loan amounted to USD13,264,349 (equivalent to RMB87,169,000) as at 31 March 2021, was fully settled in October 2021.
- (ii) As at 31 March 2022 and 2021, loans to 濟南濟東, with gross balances amounted to RMB1,500,000 and RMB823,000, respectively, were unsecured, with annual interest rates ranging from 0% to 7%, and repayable in 1 to 3 years from the borrowing date. The loss allowance for loans to 濟南濟東 as at 31 March 2022 and 2021 amounted to RMB823,000 and RMB823,000, respectively.

於2021年3月31日，應付／應收關聯方未償還結餘、向鄒其芳提供貸款／鄒其芳貸款及向Ever Respect Limited提供貸款為無抵押、免息及按要求償還。

#### 附註：

- (i) 向Beier Holdings Limited提供的貸款13,264,349美元以本公司396,827股1類普通股作抵押，按年利率3%計息，並須於(i)首次公開發售起計12個月當日及(ii)2023年12月31日(以較早者為準)償還(附註22)。該筆貸款於2021年3月31日的金額為13,264,349美元(相等於人民幣87,169,000元)並已於2021年10月悉數清償。
- (ii) 於2022年及2021年3月31日，向濟南濟東提供之無抵押貸款總結餘分別為人民幣1,500,000元及人民幣823,000元，年利率介乎0%至7%，須自借款日期起一至三年內償還。於2022年及2021年3月31日，濟南濟東貸款的虧損撥備分別為人民幣823,000元及人民幣823,000元。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 35 RELATED PARTY TRANSACTIONS (continued)

#### (c) Balances with related parties (continued)

The amounts due from Hangzhou Shengchao, 濟南濟東 and 北京康泰 and loans to related parties as at 31 March 2021 amounting to RMB42,359,000, RMB93,000, RMB2,139,000 and RMB111,834,000, respectively were settled during the year ended 31 March 2022.

The amount due to Zou Qifang as at 31 March 2021 amounting to RMB3,618,000 was settled during the year ended 31 March 2022. The remaining amounts due to related parties as at 31 March 2022 were withheld from certain related parties for PRC tax purposes, and the settlement of such amounts depends on the progress of tax declaration and tax filing with the PRC tax authorities.

#### (d) Key management personnel compensation

### 35 關聯方交易 (續)

#### (c) 與關聯方的結餘 (續)

於2021年3月31日應收杭州盛朝、濟南濟東及北京康泰的款項以及向關聯方提供貸款分別為人民幣42,359,000元、人民幣93,000元、人民幣2,139,000元及人民幣111,834,000元，已於截至2022年3月31日止年度清償。

於2021年3月31日應付鄒其芳的款項人民幣3,618,000元已於截至2022年3月31日止年度清償。於2022年3月31日應付關聯方的剩餘款項已自若干關聯方扣繳用於中國稅收目的，而該等款項的清償取決於在中國稅務機關辦理納稅申報及稅金填報的進度。

#### (d) 主要管理人員薪酬

|   |                | Year ended 31 March<br>截至3月31日止年度 |                                   |
|---|----------------|-----------------------------------|-----------------------------------|
|   |                | 2022<br>2022年<br>RMB'000<br>人民幣千元 | 2021<br>2021年<br>RMB'000<br>人民幣千元 |
| Wages, salaries, bonuses and other allowances                     | 工資、薪金、花紅及其他津貼  | 8,077                             | 8,135                             |
| Share-based compensation expenses                                 | 股份酬金開支         | 35,914                            | –                                 |
| Social security costs and contributions to housing provident fund | 社會保障成本及住房公積金供款 | 528                               | 323                               |
| Allowances and benefits in kind                                   | 津貼及實物福利        | 1,818                             | 1,657                             |
|   |                | <b>46,337</b>                     | 10,115                            |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 36 BENEFITS AND INTERESTS OF DIRECTORS

#### (a) Directors' emoluments

The remuneration of every director and the chief executive officer for the years ended 31 March 2022 and 2021 is set out below:

For the year ended 31 March 2022:

| Name                                | 姓名                              | Fees<br>袍金<br>RMB' 000<br>人民幣千元 | Salaries<br>薪金<br>RMB' 000<br>人民幣千元 | Discretionary<br>bonuses<br>酌情花紅<br>RMB' 000<br>人民幣千元 | Allowances<br>and benefits<br>in kind<br>津貼及<br>實物福利 | Employer's<br>contribution<br>to a<br>retirement<br>benefit<br>scheme<br>退休福利<br>計劃的<br>僱主供款 | Share-based<br>compensation<br>股份酬金<br>RMB' 000<br>人民幣千元 | Total<br>總計<br>RMB' 000<br>人民幣千元 |
|-------------------------------------|---------------------------------|---------------------------------|-------------------------------------|---|--|--|--|----------------------------------|
|                                     |                                 |                                 |                                     |   |  | RMB' 000<br>人民幣千元  |  |                                  |
| <i>Chairman</i>                     | <i>主席</i>                       |                                 |                                     |   |  |  |  |                                  |
| Zou Qifang                          | 鄒其芳                             | -                               | 1,204                               | -   | 1,818  | -  | 13,410   | 16,432                           |
| <i>Directors</i>                    | <i>董事</i>                       |                                 |                                     |   |  |  |  |                                  |
| Zou Jianlong                        | 鄒劍龍                             | -                               | 474                                 | -   | -  | 66   | 4,683  | 5,223                            |
| Qi Yong (Note (i))                  | Qi Yong (附註(i))                 | -                               | 240                                 | -   | -  | 49   | -  | 289                              |
| Qin Jessie XIN                      | 辛勤                              | -                               | 518                                 | -   | -  | -  | 1,017  | 1,535                            |
| Zhang Jincai (Note (ii))            | 章錦才 (附註(ii))                    | -                               | 2,040                               | -   | -  | 92   | 3,076  | 5,208                            |
| Zhou Wei (Note (i))                 | Zhou Wei (附註(i))                | -                               | -                                   | -   | -  | -  | -  | -                                |
| Qiu Yumin (Note (i))                | Qiu Yumin (附註(i))               | -                               | -                                   | -   | -  | -  | -  | -                                |
| Denis Francis KINANE<br>(Note (i))  | Denis Francis<br>KINANE (附註(i)) | -                               | -                                   | -   | -  | -  | -  | -                                |
| Xu Xiaou (Note (i))                 | Xu Xiaou (附註(i))                | -                               | -                                   | -   | -  | -  | -  | -                                |
| Miao Jingwen (Note (i))             | Miao Jingwen<br>(附註(i))         | -                               | -                                   | -   | -  | -  | -  | -                                |
| Liu Xiaomei Michelle<br>(Note (ii)) | 劉笑梅 (附註(ii))                    | -                               | -                                   | -   | -  | -  | -  | -                                |
| Sun Jian (Note (ii))                | 孫健 (附註(ii))                     | -                               | -                                   | -   | -  | -  | -  | -                                |
| Zhang Bang (Note (ii))              | 張磅 (附註(ii))                     | -                               | -                                   | -   | -  | -  | -  | -                                |
| <b>Total</b>                        | <b>總計</b>                       | -                               | 4,476                               | -   | 1,818  | 207  | 22,186   | 28,687                           |

### 36 董事福利及利益

#### (a) 董事薪酬

截至2022年及2021年3月31日止年度各董事及行政總裁的薪酬載列如下：

截至2022年3月31日止年度：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 36 BENEFITS AND INTERESTS OF DIRECTORS 36 董事福利及利益 (續)

(continued)

#### (a) Directors' emoluments (continued)

For the year ended 31 March 2021:

| Name                            | 姓名                           | Fees    | Salaries | Discretionary bonuses | Allowances and benefits in kind | Employer's contribution to a retirement benefit scheme | Share-based compensation | Total   |
|---------------------------------|------------------------------|---------|----------|-----------------------|---------------------------------|--|--------------------------|---------|
|                                 |                              | 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   |
| <i>Chairman</i>                 | <i>主席</i>                    |         |          |                       |                                 |  |                          |         |
| Zou Qifang                      | 鄒其芳                          | -       | 941      | 144                   | 1,657                           | -  | -                        | 2,742   |
| <i>Directors</i>                | <i>董事</i>                    |         |          |                       |                                 |  |                          |         |
| Zou Jianlong                    | 鄒劍龍                          | -       | 257      | 172                   | -                               | 14   | -                        | 443     |
| Qi Yong (Note (i))              | Qi Yong (附註(i))              | -       | 256      | 86                    | -                               | 86   | -                        | 428     |
| Qin Jessie XIN                  | 辛勤                           | -       | 1,019    | 210                   | -                               | -  | -                        | 1,229   |
| Zhou Wei (Note (i))             | Zhou Wei (附註(i))             | -       | -        | -                     | -                               | -  | -                        | -       |
| Hu Xubo (Note (i))              | Hu Xubo (附註(i))              | -       | -        | -                     | -                               | -  | -                        | -       |
| Qiu Yumin                       | Qiu Yumin                    | -       | -        | -                     | -                               | -  | -                        | -       |
| Denis Francis KINANE (Note (i)) | Denis Francis KINANE (附註(i)) | 272     | -        | -                     | -                               | -  | -                        | 272     |
| Xu Xiaou (Note (i))             | Xu Xiaou (附註(i))             | -       | -        | -                     | -                               | -  | -                        | -       |
| Miao Jingwen (Note (i))         | Miao Jingwen (附註(i))         | -       | -        | -                     | -                               | -  | -                        | -       |
| <b>Total</b>                    | <b>總計</b>                    | 272     | 2,473    | 612                   | 1,657                           | 100  | -                        | 5,114   |

Note:

- (i) Hu Xubo and Qi Yong resigned as director of the Company on 29 January 2021 and 22 June 2021 respectively. Miao Jingwen, Zhou Wei, Qiu Yu Min, Denis Francis KINANE and Xu Xiaou resigned as director of the Company on 23 June 2021.
- (ii) Zhang Jincai was appointed as director of the Company on 15 July 2021.
- (iii) Liu Xiaomei Michelle, Sun Jian and Zhang Bang were appointed as directors of the Company on 25 November 2021.

附註：

- (i) Hu Xubo及Qi Yong分別於2021年1月29日及2021年6月22日辭任本公司董事。Miao Jingwen、Zhou Wei、Qiu Yu Min、Denis Francis KINANE及Xu Xiaou於2021年6月23日辭任本公司董事。
- (ii) 章錦才於2021年7月15日獲委任為本公司董事。
- (iii) 劉笑梅、孫健及張磅於2021年11月25日獲委任為本公司董事。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 36 BENEFITS AND INTERESTS OF DIRECTORS (continued)

#### (b) Directors' retirement and termination benefits

No retirement or termination benefits have been paid to the Company's directors for the years ended 31 March 2022 and 2021.

#### (c) Consideration provided to third parties for making available directors' services

No consideration was provided to third parties for making available directors' services during the years ended 31 March 2022 and 2021.

#### (d) Information about loans, quasi-loans or other dealings in favor of directors, controlled bodies corporate by and connected entities with such directors

Save as disclosed in Note 35, no loans, quasi-loans or other dealings were entered into by the Company in favor of directors, controlled bodies corporate by and connected entities with such directors during the years ended 31 March 2022 and 2021.

#### (e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the years or at any time during the years ended 31 March 2022 and 2021.

### 36 董事福利及利益 (續)

#### (b) 董事的退休及離職福利

截至2022年及2021年3月31日止年度，本公司並無向董事支付退休及離職福利。

#### (c) 就獲得董事服務而向第三方提供的對價

截至2022年及2021年3月31日止年度，本公司並無就獲得董事服務向第三方提供對價。

#### (d) 與董事、受該等董事控制的法人團體及該等董事的關連實體訂立的貸款、準貸款或其他交易的資料

除於附註35所披露者外，截至2022年及2021年3月31日止年度，本公司並無與董事、受該等董事控制的法人團體及該等董事的關連實體訂立貸款、準貸款或其他交易。

#### (e) 董事在交易、安排或合同中的重大權益

截至2022年及2021年3月31日止年度年末或任何時間，概無本公司董事直接或間接於本集團所訂立的涉及本集團業務的任何重大交易、安排及合同中擁有重大權益。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 37 TRANSACTIONS WITH NON-CONTROLLING INTERESTS 37 與非控股權益的交易

#### (a) Acquisitions of additional interests in subsidiaries

During the year ended 31 March 2022, the Group acquired additional equity interests in a subsidiary from the relevant non-controlling shareholders at cash consideration of RMB36,500,000. The differences between the carrying amounts of non-controlling interests acquired and consideration payable are set out below.

#### (a) 收購子公司的額外權益

於截至2022年3月31日止年度，本集團自相關非控股股東收購一間子公司的額外股本權益，現金對價為人民幣36,500,000元。已收購非控股權益的賬面值與應付對價的差額載列如下。

|  |                         | Year ended<br>31 March 2022<br>截至2022年<br>3月31日止年度<br>RMB'000<br>人民幣千元 |
|--|-------------------------|--|
| Total carrying amount of non-controlling interests acquired                    | 已收購非控股權益的賬面總值           | 6,470  |
| Less: total consideration payable to the non-controlling shareholder (Note 30) | 減：應付非控股股東的總對價<br>(附註30) | (36,500)   |
| Total difference recognised within equity                                      | 於權益內確認的總差額              | (30,030)   |

During the year ended 31 March 2021, the Group acquired additional equity interests in certain subsidiaries from the relevant non-controlling shareholders at cash consideration of RMB1,262,000, RMB1,325,000 and RMB1,018,000 respectively. The differences between the carrying amounts of non-controlling interests acquired and consideration paid are set out below.

於截至2021年3月31日止年度，本集團自相關非控股股東收購若干子公司的額外股本權益，現金對價分別為人民幣1,262,000元、人民幣1,325,000元及人民幣1,018,000元。已收購非控股權益的賬面值與已付對價的差額載列如下。

|   |               | Year ended<br>31 March 2021<br>截至2021年<br>3月31日止年度<br>RMB'000<br>人民幣千元 |
|---|---------------|--|
| Total carrying amount of non-controlling interests acquired | 已收購非控股權益的賬面總值 | 474  |
| Less: total consideration paid to non-controlling interests | 減：已付非控股權益的總對價 | (3,605)  |
| Total difference recognised within equity                   | 於權益內確認的總差額    | (3,131)  |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 37 TRANSACTIONS WITH NON-CONTROLLING INTERESTS (continued) 37 與非控股權益的交易 (續)

#### (b) Disposals of interests in subsidiaries without change of control

During the year ended 31 March 2022, the Group disposed of certain equity interests in subsidiaries to third parties for a total cash consideration of RMB700,000, RMB700,000, RMB1,400,000 and RMB1,750,000 respectively. The differences between the carrying amounts of equity interest disposed of and consideration received are set out below.

#### (b) 不改變控制權的情況下出售子公司權益

於截至2022年3月31日止年度，本集團向第三方出售子公司若干股本權益，現金總對價分別為人民幣700,000元、人民幣700,000元、人民幣1,400,000元及人民幣1,750,000元。已出售股本權益的賬面值與已收對價的差額載列如下。

|   |               | Year ended<br>31 March 2022<br>截至2022年<br>3月31日止年度<br>RMB'000<br>人民幣千元 |
|---|---------------|--|
| Total carrying amount of equity interests disposed                | 已出售股本權益的賬面總值  | 4,501  |
| Less: total consideration received from non-controlling interests | 減：已收非控股權益的總對價 | (4,550)  |
| Total difference recognised within equity                         |               | (49)   |

During the year ended 31 March 2021, the Group disposed of certain equity interests in subsidiaries to third parties for a total cash consideration of RMB1,120,000, RMB1,750,000 and RMB500,000 respectively. The differences between the carrying amounts of equity interest disposed of and consideration received are set out below.

於截至2021年3月31日止年度，本集團向第三方出售子公司若干股本權益，現金總對價分別為人民幣1,120,000元、人民幣1,750,000元及人民幣500,000元。已出售股本權益的賬面值與已收對價的差額載列如下。

|   |               | Year ended<br>31 March 2021<br>截至2021年<br>3月31日止年度<br>RMB'000<br>人民幣千元 |
|---|---------------|--|
| Total carrying amount of equity interests disposed                | 已出售股本權益的賬面總值  | (968)  |
| Less: total consideration received from non-controlling interests | 減：已收非控股權益的總對價 | 3,370  |
| Total difference recognised within equity                         |               | 2,402  |

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 38 DIVIDENDS

No dividend was declared by the Company during the years ended 31 March 2022 and 2021.

### 38 股息

截至2022年及2021年3月31日止年度，本公司並無宣派任何股息。

### 39 COMPANY BALANCE SHEET

### 39 本公司資產負債表

|   |                         | As at 31 March<br>於3月31日           |                                    |
|---|-------------------------|------------------------------------|------------------------------------|
|   |                         | 2022<br>2022年<br>RMB' 000<br>人民幣千元 | 2021<br>2021年<br>RMB' 000<br>人民幣千元 |
| <b>ASSETS</b>   | <b>資產</b>               |                                    |                                    |
| <b>Non-current assets</b>                               | <b>非流動資產</b>            |                                    |                                    |
| Investments in subsidiaries                             | 於子公司的投資                 | 425,536                            | 342,131                            |
| Other receivables                                       | 其他應收款項                  | -                                  | 82,819                             |
| <b>Total non-current assets</b>                         | <b>總非流動資產</b>           | <b>425,536</b>                     | 424,950                            |
| <b>Current assets</b>                                   | <b>流動資產</b>             |                                    |                                    |
| Amount due from subsidiaries                            | 應收子公司款項                 | 769,115                            | 355,677                            |
| Other receivables                                       | 其他應收款項                  | 1,982                              | 31,839                             |
| Prepayments   | 預付款項                    | -                                  | 1,957                              |
| Financial assets at fair value through profit or loss   | 按公允價值計入損益的金融資產          | 192,923                            | -                                  |
| Cash and cash equivalents                               | 現金及現金等價物                | 777,685                            | 413,074                            |
| <b>Total current assets</b>                             | <b>總流動資產</b>            | <b>1,741,705</b>                   | 802,547                            |
| <b>Total assets</b>                                     | <b>總資產</b>              | <b>2,167,241</b>                   | 1,227,497                          |
| <b>EQUITY/(DEFICIT IN EQUITY)</b>                       | <b>權益 / (權益虧絀)</b>      |                                    |                                    |
| Share capital   | 股本                      | 74,769                             | 9,447                              |
| Reserves  | 儲備                      | 4,874,229                          | 266,074                            |
| Accumulated losses                                      | 累計虧損                    | (2,865,522)                        | (2,349,533)                        |
| <b>Total equity/(deficit in equity)</b>                 | <b>總權益 / (權益虧絀)</b>     | <b>2,083,476</b>                   | (2,074,012)                        |
| <b>Current liabilities</b>                              | <b>流動負債</b>             |                                    |                                    |
| Other payables  | 其他應付款項                  | 83,765                             | 51,918                             |
| Preferred Shares  | 優先股                     | -                                  | 3,178,465                          |
| Warrants  | 權證                      | -                                  | 71,126                             |
| <b>Total current liabilities</b>                        | <b>總流動負債</b>            | <b>83,765</b>                      | 3,301,509                          |
| <b>Total liabilities</b>                                | <b>總負債</b>              | <b>83,765</b>                      | 3,301,509                          |
| <b>Total equity/(deficit in equity) and liabilities</b> | <b>總權益 / (權益虧絀) 及負債</b> | <b>2,167,241</b>                   | 1,227,497                          |

The balance sheet was approved and authorised for issue by the Board of Directors of the Company on 27 June 2022 and was signed on its behalf by:

資產負債表由本公司董事會於2022年6月27日批准並授權發行，並由以下人士代為簽署：

Executive Director: Zou Qifang  
執行董事：鄒其芳

Executive Director: Qin Jessie Xin  
執行董事：辛勤

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 39 COMPANY BALANCE SHEET (continued)

Note (a): Movements in Equity/(Deficit in Equity)

### 39 本公司資產負債表(續)

附註(a): 權益/(權益虧絀)變動

|   |                    | Share capital | Reserves         | Accumulated<br>losses | Total            |
|---|--------------------|---------------|------------------|-----------------------|------------------|
|   |                    | 股本            | 儲備               | 累計虧損                  | 總計               |
|   |                    | RMB' 000      | RMB' 000         | RMB' 000              | RMB' 000         |
|   |                    | 人民幣千元         | 人民幣千元            | 人民幣千元                 | 人民幣千元            |
| <b>Balance at 1 April 2021</b>                                    | 於2021年4月1日的結餘      | 9,447         | 266,074          | (2,349,533)           | (2,074,012)      |
| <b>Comprehensive loss</b>   | 全面虧損               |               |                  |                       |                  |
| Loss for the year   | 年內虧損               | -             | -                | (617,412)             | (617,412)        |
| <b>Other comprehensive (loss)/income</b>                          | 其他全面(虧損)/收益        | -             | -                | -                     | -                |
| Fair value change on Preferred Shares due to own credit risk      | 自有信貸風險導致的優先股公允價值變動 | -             | (18,439)         | -                     | (18,439)         |
| Currency translation differences                                  | 匯兌差額               | -             | 65,058           | -                     | 65,058           |
| <b>Total comprehensive income/(loss) for the year</b>             | 年內總全面收益/(虧損)       | -             | 46,619           | (617,412)             | (570,793)        |
| <b>Transactions with equity holders</b>                           | 與權益持有人的交易          |               |                  |                       |                  |
| Issuance of shares for restrictive share unit scheme              | 發行受限制股份單位計劃股份      | 15,435        | (15,435)         | -                     | -                |
| Share-based compensation  | 股份酬金               | -             | 95,021           | -                     | 95,021           |
| Conversion of convertible redeemable preferred to ordinary shares | 轉換可轉換可贖回優先股至普通股    | 43,963        | 3,960,591        | 101,423               | 4,105,977        |
| Issuance of ordinary shares in relation to IPO                    | 發行首次公開發售普通股        | 5,924         | 521,359          | -                     | 527,283          |
| <b>Balance at 31 March 2022</b>                                   | 於2022年3月31日的結餘     | <b>74,769</b> | <b>4,874,229</b> | <b>(2,865,522)</b>    | <b>2,083,476</b> |



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 39 COMPANY BALANCE SHEET (continued)

Note (a): Movements in Equity/(Deficit in Equity) (continued)

|  |                       | Share capital | Reserves | Accumulated losses | Total       |
|--|-----------------------|---------------|----------|--------------------|-------------|
|  |                       | 股本            | 儲備       | 累計虧損               | 總計          |
|  |                       | RMB' 000      | RMB' 000 | RMB' 000           | RMB' 000    |
|  |                       | 人民幣千元         | 人民幣千元    | 人民幣千元              | 人民幣千元       |
| <b>Balance at 1 April 2020</b>   | <b>於2020年4月1日的結餘</b>  | 9,938         | 137,880  | (1,693,693)        | (1,545,875) |
| <b>Comprehensive loss</b>  | <b>全面虧損</b>           |               |          |                    |             |
| Loss for the year  | 年內虧損                  | -             | -        | (655,840)          | (655,840)   |
| <b>Other comprehensive income</b>  | <b>其他全面收益</b>         |               |          |                    |             |
| Fair value change on Preferred Shares due to own credit risk                         | 自有信貸風險導致的優先股公允價值變動    | -             | 4,457    | -                  | 4,457       |
| Currency translation differences   | 匯兌差額                  | -             | 133,793  | -                  | 133,793     |
| <b>Total comprehensive income/(loss) for the year</b>                                | <b>年內總全面收益/(虧損)</b>   | -             | 138,250  | (655,840)          | (517,590)   |
| <b>Transactions with equity holders</b>  | <b>與權益持有人的交易</b>      |               |          |                    |             |
| Issuance of shares upon fulfilment of vesting conditions of share based compensation | 在滿足股份酬金的歸屬條件後發行股份     | 327           | (327)    | -                  | -           |
| Re-designation to Series E Preferred Shares from issued ordinary shares              | 自己發行普通股重新指定為E輪優先股     | (818)         | (9,729)  | -                  | (10,547)    |
| <b>Balance at 31 March 2021</b>  | <b>於2021年3月31日的結餘</b> | 9,447         | 266,074  | (2,349,533)        | (2,074,012) |

### 39 本公司資產負債表(續)

附註(a): 權益/(權益虧絀)變動(續)

### 40 EVENTS AFTER THE REPORTING PERIOD

On 19 April 2022, the Company entered into a subscription agreement with AP China Unicorn Fund SPC to purchase wealth management products amounted to US\$3,000,000 at a fixed annualised return rate of 1.2%. The wealth management product is subject to a lock-up period of six months and can be redeemed by the Company at any time upon expiration of the lock-up period.

Save as disclosed above and elsewhere in this report, there have been no other material events subsequent to the year ended 31 March 2022, which require adjustment or disclosure in accordance with IFRSs.

### 40 報告期後事項

於2022年4月19日，本公司與AP China Unicorn Fund SPC訂立認購協議，以購買金額為3,000,000美元的理財產品，固定年化收益率為1.2%。該理財產品的禁售期為六個月，本公司可於禁售期屆滿後隨時贖回。

除上文及本報告其他部分另有披露者外，於截至2022年3月31日止年度後，並無任何其他重大事項須根據國際財務報告準則進行調整或披露。

## Four Year Financial Summary

### 四年財務概要

A summary of selected items of the results and of the assets, liabilities and equity of the Group for the last four financial years is set out below.

以下載列過去四個財政年度的業績與本集團資產、負債及權益的經選定項目概要。

| <b>For the year (March 31)</b>                                   | <b>本年度(3月31日)</b> | <b>2022</b>      | 2021        | 2020        | 2019        |
|--|-------------------|------------------|-------------|-------------|-------------|
|  |                   | <b>RMB'000</b>   | RMB'000     | RMB'000     | RMB'000     |
|  |                   | <b>人民幣千元</b>     | 人民幣千元       | 人民幣千元       | 人民幣千元       |
| Revenue  | 收入                | <b>1,623,553</b> | 1,515,127   | 1,099,868   | 1,080,291   |
| Gross profit   | 毛利                | <b>336,557</b>   | 364,420     | 111,391     | 163,772     |
| Operating (loss)/profit  | 經營(虧損)/利潤         | <b>(28,572)</b>  | 124,467     | (133,444)   | (84,043)    |
| Loss before Income tax   | 除所得稅前虧損           | <b>(709,911)</b> | (581,744)   | (320,894)   | (315,462)   |
| Loss for the year  | 年內虧損              | <b>(696,400)</b> | (597,762)   | (325,825)   | (304,169)   |
| <b>At year end (March 31)</b>                                    | <b>於年末(3月31日)</b> | <b>2022</b>      | 2021        | 2020        | 2019        |
|  |                   | <b>RMB'000</b>   | RMB'000     | RMB'000     | RMB'000     |
|  |                   | <b>人民幣千元</b>     | 人民幣千元       | 人民幣千元       | 人民幣千元       |
| Total assets   | 總資產               | <b>2,990,347</b> | 2,350,754   | 1,902,991   | 1,875,736   |
| Total liabilities  | 總負債               | <b>1,379,850</b> | 4,807,331   | 3,931,094   | 3,512,269   |
| Total equity/(deficit in equity)                                 | 總權益/(權益虧絀)        | <b>1,610,497</b> | (2,456,577) | (2,028,103) | (1,636,533) |
| Non-controlling interests  | 非控股權益             | <b>45,785</b>    | 43,295      | 36,664      | 41,801      |
| Equity/(deficit in equity) attributable to owners of the Company | 本公司擁有人應佔權益/(權益虧絀) | <b>1,564,712</b> | (2,499,872) | (2,064,767) | (1,678,334) |

*Note:* Four year financial summary is presented as the Company was newly listed on March 22, 2022 and it is not practicable for the Company to present the financial summary of the Group prior to 2019.

*附註:* 由於本公司為於2022年3月22日新上市的公司，呈列本集團2019年之前的財務概要對本公司而言不切實際，故呈列四年財務概要。

## Definitions and Glossary of Technical Terms

### 釋義及技術詞彙

|   |  |
|---|--|
| <p>“AGM”</p> <p>「股東週年大會」</p>                      | <p>the annual general meeting of the Company to be held at September 26, 2022 or any adjournment thereof</p> <p>指將於2022年9月26日舉行的本公司股東週年大會或其任何續會</p>  |
| <p>“Arrail Sunshine”</p> <p>「Arrail Sunshine」</p> | <p>Arrail Sunshine Holdings Limited, a BVI company which holds the Shares underlying the awards under the RSU Scheme</p> <p>指Arrail Sunshine Holdings Limited，一家英屬維爾京群島公司，持有受限制股份單位計劃項下相關獎勵股份</p>  |
| <p>“Adjusted Net Profit”</p> <p>「經調整淨利潤」</p>      | <p>adjusted net profit as loss for the year adjusted by adding (i) fair value change of convertible redeemable preferred shares, (ii) fair value change of warrants, (iii) share-based compensation expenses, (iv) listing expenses, (v) change in fair value due to modification of bond and early settlement, (vi) termination of bond and recognition of derivative liabilities, (vii) transaction cost on issuance of Series E convertible redeemable preferred shares, (viii) fair value changes of derivative liabilities, (ix) Re-designation to Series E convertible redeemable preferred shares from issued ordinary and preferred shares</p> <p>指經調整淨利潤為通過加上以下各項進行調整的年內虧損：(i)可轉換可贖回優先股的公允價值變動、(ii)權證的公允價值變動、(iii)股份酬金開支、(iv)上市開支、(v)調整債券及提前清償導致的公允價值變動、(vi)終止債券與確認衍生負債、(vii)發行E輪可轉換可贖回優先股的交易成本、(viii)衍生負債的公允價值變動、(ix)自己發行普通股及優先股重新指定為E輪可轉換可贖回優先股</p> |
| <p>“Articles of Association”</p> <p>「組織章程細則」</p>  | <p>the articles of association of the Company adopted on December 1, 2021, which became effective as of the date on which the Shares are listed on the Stock Exchange, as amended from time to time</p> <p>指本公司於2021年12月1日採納的組織章程細則（於股份於聯交所上市日期生效，經不時修訂）</p>   |
| <p>“associate(s)”</p> <p>「聯繫人」</p>                | <p>has the meaning ascribed to it under the Listing Rules</p> <p>指具有上市規則賦予的涵義</p>  |
| <p>“Audit Committee”</p> <p>「審計委員會」</p>           | <p>the audit committee of the Board</p> <p>指董事會審計委員會</p>   |
| <p>“Beijing Ruicheng”</p> <p>「北京瑞程」</p>           | <p>Beijing Ruicheng Hospital Management Co., Ltd*. (北京瑞程醫院管理有限公司), a limited liability company established in the PRC on July 23, 2009 and a VIE Entity of our Company</p> <p>指北京瑞程醫院管理有限公司，一家於2009年7月23日在中國成立的有限公司，為本公司的可變利益實體</p>  |
| <p>“Beijing Ruisheng”</p> <p>「北京瑞盛」</p>           | <p>Beijing Ruisheng Shidai Consulting Service Co., Ltd*. (北京瑞盛時代諮詢服務有限公司), a limited liability company established in the PRC on February 17, 2015 and a subsidiary of our Company</p> <p>指北京瑞盛時代諮詢服務有限公司，一家於2015年2月17日在中國成立的有限公司，為本公司的子公司</p>   |

# Definitions and Glossary of Technical Terms

## 釋義及技術詞彙

|  |  |
|--|--|
| “Beijing Shengbin”<br>[北京聖彬]             | Beijing Shengbin Science Trade Co., Ltd*. (北京聖彬科貿有限公司), a limited liability company established in the PRC on December 17, 1997 and a VIE Entity of our Company<br>指北京聖彬科貿有限公司，一家於1997年12月17日在中國成立的有限公司，為本公司的可變利益實體                            |
| “Board” or “Board of Directors”<br>[董事會] | the board of directors of our Company<br>指本公司董事會   |
| “Business Day”<br>[營業日]                  | a day banks in Hong Kong are generally open for normal banking business to the public and is not a Saturday, Sunday or public holiday in Hong Kong<br>指香港銀行一般對公眾開放辦理正常銀行業務的日子(不包括星期六、星期日或香港公眾假期)   |
| “BVI”<br>[英屬維爾京群島]                       | the British Virgin Islands<br>指英屬維爾京群島   |
| “CAGR”<br>[年複合增長率]                       | compound annual growth rate<br>指年複合增長率   |
| “Companies Ordinance”<br>[公司條例]          | the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time<br>指公司條例(香港法例第622章)，經不時修訂、補充或以其他方式修改   |
| “Chengdu Wuhou Ruitai”<br>[成都武侯瑞泰]       | Chengdu Wuhou Ruitai Rongcheng Dental Hospital Co., Ltd*. (成都武侯瑞泰融誠口腔醫院有限公司), a limited liability company established in the PRC on October 16, 2014 and a VIE Entity of our Company<br>指成都武侯瑞泰融誠口腔醫院有限公司，一家於2014年10月16日在中國成立的有限公司，為本公司的可變利益實體 |
| “China” or “the PRC”<br>[中國]             | the People’s Republic of China excluding, for the purpose of this annual report, Hong Kong, Macau Special Administrative Region and Taiwan<br>指中華人民共和國，就本年報而言，不包括香港、澳門特別行政區及台灣   |
| “Chongqing Jinmei”<br>[重慶金美]             | Chongqing Jinmei Investment Ltd*. (重慶金美投資有限公司), a limited liability company established in the PRC on January 5, 2001 and a VIE Entity of our Company<br>指重慶金美投資有限公司，一家於2001年1月5日在中國成立的有限公司，為本公司的可變利益實體  |
| “Chongqing Jiuyue”<br>[重慶久悅]             | Chongqing Jiuyue Dental Clinic Co., Ltd*. (重慶久悅口腔門診有限公司), a limited liability company established in the PRC on November 27, 2013 and a VIE Entity of our Company<br>指重慶久悅口腔門診有限公司，一家於2013年11月27日在中國成立的有限公司，為本公司的可變利益實體                        |

## Definitions and Glossary of Technical Terms

### 釋義及技術詞彙

|   |  |
|---|--|
| “Chongqing Ruisheng”                      | Chongqing Ruisheng Dental Clinic Co., Ltd.* (重慶瑞升口腔門診有限公司), previously known as Chongqing Huaxi Dental Clinic Co., Ltd.* (重慶市華西口腔門診有限公司), a limited liability company established in the PRC on March 10, 2004 and a subsidiary of our Company |
| 「重慶瑞升」                                    | 指重慶瑞升口腔門診有限公司(前稱重慶市華西口腔門診有限公司), 一家於2004年3月10日在中國成立的有限公司, 為本公司的子公司  |
| “Chongqing Ruijing”                       | Chongqing Ruijing Shengbin Medical Management Co., Ltd*. (重慶瑞景聖彬醫療管理有限公司), a limited liability company established in the PRC on January 25, 2021 and a subsidiary of our Company  |
| 「重慶瑞景」                                    | 指重慶瑞景聖彬醫療管理有限公司, 一家於2021年1月25日在中國成立的有限公司, 為本公司的子公司   |
| “Chongqing Ruitai”                        | Chongqing Ruitai Dental Hospital Co., Ltd*. (重慶瑞泰口腔醫院有限公司), a limited liability company established in the PRC on June 28, 2017 and a VIE Entity of our Company  |
| 「重慶瑞泰」                                    | 指重慶瑞泰口腔醫院有限公司, 一家於2017年6月28日在中國成立的有限公司, 為本公司的可變利益實體  |
| “Company”, “our Company” or “the Company” | Arrail Group Limited (瑞爾集團有限公司), an exempted company registered by way of continuation under the laws of the Cayman Islands with limited liability on November 16, 2020  |
| 「本公司」                                     | 指瑞爾集團有限公司, 一家於2020年11月16日根據開曼群島法例以存續方式註冊的獲豁免有限公司   |
| “connected person”                        | has the meaning ascribed thereto under the Listing Rules   |
| 「關連人士」                                    | 指具有上市規則賦予的涵義   |
| “connected transaction”                   | has the meaning ascribed thereto under the Listing Rules   |
| 「關連交易」                                    | 指具有上市規則賦予的涵義   |
| “Contractual Arrangements”                | the series of contractual arrangements entered into by, among others, Beijing Ruier Shengbin Medical Technology Co., Ltd. (北京瑞爾聖彬醫療科技有限公司), Shenzhen Ruijian Consulting Management Co., Ltd. (深圳市瑞健諮詢管理有限公司) and ZOU Lifang                    |
| 「合同安排」                                    | 指由(其中包括)北京瑞爾聖彬醫療科技有限公司、深圳市瑞健諮詢管理有限公司及鄧立芳訂立的一系列合同安排   |
| “Controlling Shareholder(s)”              | has the meaning ascribed thereto under the Listing Rules, and unless the context otherwise requires, refers to Mr. ZOU Qifang, Rise Day Holdings Limited, Mingda International Limited, Beier Holdings Limited and Arrail Sunshine             |
| 「控股股東」                                    | 指具有上市規則賦予的涵義, 除文義另有所指外, 指鄧其芳先生、Rise Day Holdings Limited、Mingda International Limited、Beier Holdings Limited及Arrail Sunshine   |

# Definitions and Glossary of Technical Terms

## 釋義及技術詞彙

|   |   |
|---|---|
| “Corporate Governance Code”<br>「企業管治守則」 | the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules<br>指上市規則附錄十四所載企業管治守則及企業管治報告  |
| “Director(s)”<br>「董事」                   | the director(s) of the Company<br>指本公司董事  |
| “Frost & Sullivan”<br>「弗若斯特沙利文」         | Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a global market research and consulting company, which is an Independent Third Party<br>指弗若斯特沙利文(北京)諮詢有限公司上海分公司，為全球市場研究與諮詢公司及獨立第三方  |
| “Global Offering”<br>「全球發售」             | On March 22, 2022, the shares of the Company were listed on the Main Board of the Stock Exchange and 46,527,500 new Shares were issued by way of global offering<br>指於2022年3月22日，本公司股份於聯交所主板上市及通過全球發售發行46,527,500股新股份   |
| “Greater China”<br>「大中華區」               | PRC, Hong Kong, Macau and Taiwan<br>指中國、香港、澳門及台灣  |
| “Group”, “we” or “us”<br>「本集團」或「我們」     | our Company and all of our subsidiaries and the VIE Entities from time to time or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)<br>指本公司、我們的全部子公司及不時的可變利益實體或(按文義所指)就本公司成為我們現時子公司的控股公司之前期間而言，指有關子公司或其前身(視情況而定)經營的業務 |
| “Hangzhou Jarvis”<br>「杭州佳沃思」            | Hangzhou Jarvis Medical Technology Company Limited (杭州佳沃思醫療科技有限公司), a connected person of our Company<br>指杭州佳沃思醫療科技有限公司，本公司的關連人士  |
| “Hangzhou Jarvis Group”<br>「杭州佳沃思集團」    | Hangzhou Jarvis together with its subsidiaries including Hangzhou Shengchao<br>指杭州佳沃思連同其子公司(包括杭州盛朝)   |
| “Hangzhou Shengbin”<br>「杭州聖彬」           | Hangzhou Shengbin Health Management Consulting Co., Ltd*. (杭州聖彬健康管理諮詢有限公司), a limited liability company established in the PRC on January 16, 2012 and a VIE Entity of our Company<br>指杭州聖彬健康管理諮詢有限公司，一家於2012年1月16日在中國成立的有限公司，為本公司的可變利益實體   |
| “Hangzhou Shengchao”<br>「杭州盛朝」          | Hangzhou Shengchao Medical Technology Company Limited (杭州盛朝醫療科技有限公司), a subsidiary of Hangzhou Jarvis and a connected person of our Company<br>指杭州盛朝醫療科技有限公司，為杭州佳沃思的子公司及本公司的關連人士  |

## Definitions and Glossary of Technical Terms

### 釋義及技術詞彙

|   |  |
|---|--|
| “HK\$” or “Hong Kong Dollars”<br>「港元」     | Hong Kong dollars, the lawful currency of Hong Kong<br>指香港法定貨幣港元   |
| “Hong Kong”<br>「香港」                       | the Hong Kong Special Administrative Region of the PRC<br>指中國香港特別行政區   |
| “IFRS”<br>「國際財務報告準則」                      | International Financial Reporting Standards<br>指國際財務報告準則   |
| “IND”<br>「IND」                            | investigational new drug or investigational new drug application, also known as clinical trial application in China<br>指研究中新藥或研究中新藥申請，在中國亦稱為臨床試驗申請   |
| “Independent Third Party(ies)”<br>「獨立第三方」 | an individual or a company which, to the best of our Directors’ knowledge, information, and belief, having made all reasonable enquiries, is not a connected person of our Company within the meaning of the Listing Rules<br>指據董事於作出一切合理查詢後所知、所悉及所信，並非本公司關連人士（定義見上市規則）的人士或公司  |
| “Listing” or “IPO”<br>「上市」或「首次公開發售」       | the listing of our Shares on the Stock Exchange<br>指股份在聯交所上市   |
| “Listing Date”<br>「上市日期」                  | March 22, 2022, the date on which dealings in our Shares first commence on the Stock Exchange<br>指2022年3月22日，股份於聯交所首次開始買賣的日期   |
| “Listing Rules”<br>「上市規則」                 | the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time<br>指聯交所證券上市規則，經不時修訂或補充   |
| “Main Board”<br>「主板」                      | the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange. For the avoidance of doubt, the Main Board excludes the Growth Enterprise Market of the Stock Exchange<br>指由聯交所運營的證券交易所（不包括期權市場），獨立於聯交所GEM，並與聯交所GEM 並行運作。為免生疑問，主板不包括聯交所GEM |
| “Model Code”<br>「標準守則」                    | the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules<br>指上市規則附錄十所載上市發行人董事進行證券交易的標準守則  |

# Definitions and Glossary of Technical Terms

## 釋義及技術詞彙

|   |   |
|---|---|
| “Negative List”<br>「負面清單」               | the List of Special Management Measures for the Market Entry of Foreign Investment (《外商投資准入特別管理措施(負面清單)》), which was last amended on December 27, 2021 and subsequently enforced on January 1, 2022 by the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會) and the Ministry of Commerce of the PRC (中華人民共和國商務部)<br>指《外商投資准入特別管理措施(負面清單)》，由中華人民共和國國家發展和改革委員會及中華人民共和國商務部於2021年12月27日最後修訂，隨後於2022年1月1日執行 |
| “Nomination Committee”<br>「提名委員會」       | the nomination committee of the Board<br>指董事會提名委員會  |
| “Principal Share Registrar”<br>「證券登記總處」 | Maples Fund Services (Cayman) Limited, our principal share registrar in the Cayman Islands<br>指Maples Fund Services (Cayman) Limited，我們於開曼群島的證券登記總處   |
| “Prospectus”<br>「招股章程」                  | the prospectus issued by the Company dated March 9, 2022<br>指本公司於2022年3月9日刊發的招股章程   |
| “Qingdao Ruiqi”<br>「青島瑞旗」               | Qingdao Ruiqi Rytime Dental Hospital Co., Ltd*. (青島瑞旗瑞泰口腔醫院有限公司), previously known as Qingdao Ruiqi Medical Management Co., Ltd*. (青島瑞旗醫療管理有限公司), a limited liability company established in the PRC on November 29, 2017 and a VIE Entity of our Company<br>指青島瑞旗瑞泰口腔醫院有限公司(前稱青島瑞旗醫療管理有限公司)，一家於2017年11月29日在中國成立的有限公司，為本公司的可變利益實體   |
| “Registered Shareholder”<br>「登記股東」      | being Ms. Zou Lifang, who is a PRC citizen and the sister of our founder Mr. ZOU Qifang. Ms. Zou holds 100% interest of Shenzhen Ruijian<br>指鄒立芳女士，為中國公民及我們創始人鄒其芳先生的胞姐。鄒女士持有深圳瑞健100%的權益   |
| “Reporting Period”<br>「報告期間」            | the year ended March 31, 2022<br>指截至2022年3月31日止年度   |
| “Remuneration Committee”<br>「薪酬委員會」     | the remuneration committee of the Board<br>指董事會薪酬委員會  |
| “Renminbi” or “RMB”<br>「人民幣」            | Renminbi Yuan, the lawful currency of China<br>指中國法定貨幣人民幣元  |
| “RSU Scheme”<br>「受限制股份單位計劃」             | the restricted share units scheme adopted by our Company on August 3, 2021, as amended from time to time, the principal terms of which are set out in “Directors’ Report – RSU Scheme” to this annual report<br>指本公司於2021年8月3日採納的受限制股份單位計劃，經不時修訂，其主要條款載於本年報「董事會報告－受限制股份單位計劃」  |



## Definitions and Glossary of Technical Terms

### 釋義及技術詞彙

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|-------------------------------|--|
| “SFC”<br>「證監會」                | The Securities and Futures Commission of Hong Kong<br>指香港證券及期貨事務監察委員會  |
| “SFO”<br>「證券及期貨條例」            | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time<br>指香港法例第571章證券及期貨條例，經不時修訂或補充  |
| “Shanghai Ruicheng”<br>「上海瑞城」 | Shanghai Ruicheng Hospital Management Co., Ltd*. (上海瑞城醫院管理有限公司), previously known as Shanghai Ruicheng Dental Hospital Co., Ltd*. (上海瑞程口腔醫院有限公司), a limited liability company established in the PRC on November 11, 2018 and a subsidiary of our Company<br>指上海瑞城醫院管理有限公司(前稱上海瑞程口腔醫院有限公司)，一家於2018年11月11日在中國成立的有限公司，為本公司的子公司   |
| “Shanghai Ruitai”<br>「上海瑞泰」   | Shanghai Ruitai Jiasheng Dental Clinic Co., Ltd*. (上海瑞泰佳盛口腔門診部有限公司), a limited liability company established in the PRC on January 22, 2019 and a VIE Entity of our Company<br>指上海瑞泰佳盛口腔門診部有限公司，一家於2019年1月22日在中國成立的有限公司，為本公司的可變利益實體  |
| “Shanghai Shengbin”<br>「上海聖彬」 | Shanghai Shengbin Medical Consulting Service Co., Ltd*. (上海聖彬醫療諮詢服務有限公司), a limited liability company established in the PRC on September 26, 2001 and a VIE Entity of our Company<br>指上海聖彬醫療諮詢服務有限公司，一家於2001年9月26日在中國成立的有限公司，為本公司的可變利益實體  |
| “Shanghai Yazheng”<br>「上海亞正」  | Shanghai Yazheng Medical Consulting Service Co., Ltd*. (上海亞正醫療諮詢服務有限公司), a limited liability company established in the PRC on May 24, 2002 and a VIE Entity of our Company<br>指上海亞正醫療諮詢服務有限公司，一家於2002年5月24日在中國成立的有限公司，為本公司的可變利益實體   |
| “Share(s)”<br>「股份」            | shares in the share capital of our Company, with a nominal value of US\$0.02 each<br>指本公司股本中每股面值0.02美元的股份  |
| “Shareholder(s)”<br>「股東」      | holder(s) of the Share(s)<br>指股份持有人  |
| “Shenzhen Ruier”<br>「深圳瑞爾」    | Shenzhen Ruier Hospital Management Co., Ltd*. (深圳瑞爾醫院管理有限公司), previously known as Shenzhen Meixia Hospital Management Co., Ltd*. (深圳美霞醫院管理有限公司), a limited liability company established in the PRC on December 21, 2006 and a VIE Entity of our Company<br>指深圳瑞爾醫院管理有限公司(前稱深圳美霞醫院管理有限公司)，一家於2006年12月21日在中國成立的有限公司，為本公司的可變利益實體 |

## Definitions and Glossary of Technical Terms

### 釋義及技術詞彙

|  |   |
|--|---|
| “Shenzhen Ruijian”<br>「深圳瑞健」                 | Shenzhen Ruijian Consulting Management Co., Ltd. (深圳市瑞健諮詢管理有限公司), a limited liability company established under the laws of the PRC on October 11, 2005<br>指深圳市瑞健諮詢管理有限公司，一家於2005年10月11日根據中國法律成立的有限公司   |
| “Stock Exchange”<br>「聯交所」                    | The Stock Exchange of Hong Kong Limited<br>指香港聯合交易所有限公司   |
| “subsidiary(ies)”<br>「子公司」                   | has the meaning ascribed to it in section 15 of the Companies Ordinance<br>指具有公司條例第15條賦予的涵義   |
| “Substantial Shareholder(s)”<br>「主要股東」       | has the meaning ascribed to it under the Listing Rules<br>指具有上市規則賦予的涵義  |
| “U.S.” or “United States”<br>「美國」            | the United States of America, its territories, its possessions and all areas subject to its jurisdiction<br>指美利堅合眾國、其領土、屬地及歸其管轄的所有地區  |
| “U.S. dollars” or “US\$”<br>「美元」             | United States dollars, the lawful currency of the United States<br>指美國的法定貨幣美元   |
| “VIE Entities”<br>「可變利益實體」                   | the non-wholly owned subsidiaries of the WFOE in which Shenzhen Ruijian owns minority interest directly or indirectly through the Contractual Arrangements (each, a “VIE Entity”)<br>指深圳瑞健通過合同安排直接或間接持有少數權益的外商獨資企業的非全資子公司(各為「可變利益實體」)   |
| “WFOE” or “Beijing Ruier”<br>「外商獨資企業」或「北京瑞爾」 | Beijing Ruier Shengbin Medical Technology Co., Ltd. (北京瑞爾聖彬醫療科技有限公司), a limited liability company established under the laws of the PRC on March 25, 1999, and an indirect wholly-owned subsidiary of the Company<br>指北京瑞爾聖彬醫療科技有限公司，一家於1999年3月25日根據中國法律成立的有限公司，並為本公司的間接全資子公司 |
| “%”<br>「%」                                   | per cent.<br>指百分比   |

\* For identification purposes only

\* 僅供識別

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