

Innovative technology



年報

Annual Report
2022



Zhaoke Ophthalmology Limited
兆科眼科有限公司

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

(於英屬處女群島註冊成立並於開曼群島存續的有限公司)

(Stock Code 股份代號 : 6622)

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

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

Non-executive Directors

Ms. Leelalertsuphakun Wanee
Ms. Tiantian Zhang
Ms. Cai Li
Mr. Chen Yu

Independent Non-executive Directors

Mr. Wong Hin Wing
Prof. Lo Yuk Lam
Dr. Tam Lai Fan Gloria (*resigned on April 11, 2022*)
Mr. Liew Fui Kiang (*appointed on June 6, 2022*)

AUTHORIZED REPRESENTATIVES

Dr. Li Xiaoyi
Ms. Yau Suk Yan

AUDIT COMMITTEE

Mr. Wong Hin Wing (*Chairman*)
Ms. Cai Li
Dr. Tam Lai Fan Gloria (*resigned on April 11, 2022*)
Mr. Liew Fui Kiang (*appointed on June 6, 2022*)

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

INVESTMENT COMMITTEE

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

董事會

執行董事

李小羿博士(*董事會主席*)
戴向榮先生

非執行董事

李燁妮女士
張甜甜女士
蔡俐女士
陳宇先生

獨立非執行董事

黃顯榮先生
盧毓琳教授
譚麗芬醫生(*於2022年4月11日辭任*)
劉懷鏡先生(*於2022年6月6日獲委任*)

授權代表

李小羿博士
邱淑欣女士

審核委員會

黃顯榮先生(*主席*)
蔡俐女士
譚麗芬醫生(*於2022年4月11日辭任*)
劉懷鏡先生(*於2022年6月6日獲委任*)

薪酬委員會

盧毓琳教授(*主席*)
張甜甜女士
黃顯榮先生

提名委員會

李小羿博士(*主席*)
黃顯榮先生
盧毓琳教授

投資委員會

黃顯榮先生(*主席*)
李小羿博士
盧毓琳教授

EXECUTIVE COMMITTEE

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

COMPANY SECRETARY

Ms. Yau Suk Yan (*fellow of HKICPA*)

AUDITOR

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

COMPLIANCE ADVISER

Somerley Capital Limited
20/F, China Building
29 Queen's Road Central
Hong Kong

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN THE PRC

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

執行委員會

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

公司秘書

邱淑欣女士(香港會計師公會資深會員)

核數師

畢馬威會計師事務所
執業會計師
於《會計及財務匯報局條例》下的註冊公眾利益實體核數師
香港
中環
遮打道10號
太子大廈8樓

合規顧問

新百利融資有限公司
香港
皇后大道中29號
華人行20樓

註冊辦事處

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

中國主要營業地點

中國
廣東省
廣州市
南沙區
珠江工業園
美德三路1號



Corporate Information 公司資料

HONG KONG LEGAL ADVISER

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG SHARE REGISTRAR

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

STOCK CODE

6622

COMPANY'S WEBSITE

zkoph.com

香港法律顧問

凱易律師事務所
香港中環
皇后大道中15號
置地廣場
告羅士打大廈26樓

香港主要營業地點

香港沙田
香港科學園3期
12W座7樓716室

股份過戶登記總處

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

香港股份登記處

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

股份代號

6622

公司網站

zkoph.com

Chairman and CEO Statement

主席兼行政總裁報告



Dr. Li Xiaoyi
李小羿博士

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

Dear Shareholders,

With great pleasure and enthusiasm, I would like to share the vitally transformational events for Zhaoke Ophthalmology in 2022, in which we attained our primary goal of maturation from a pure R&D company to a commercial pharmaceutical company. Despite multiple macro challenges encountered in 2022, I am delighted to share several significant milestones reached.

In 2022, we were particularly proud of our dual achievement in advancing key clinical programs and developing differentiated commercial capabilities. We solidified our leadership as an ophthalmology-focused company in China with late-stage programs (Phase III or later) addressing significant market opportunities in three major front-of-the-eye diseases. In addition, we filed two NDA submissions, strengthened our position in the vast market for the progression of myopia, initiated the commercialization of our first product on Tmall, built a leading content portal for Chinese ophthalmologists with our Boshi WeChat account, and received ANDA approval for our first commercialized in-house manufactured drug targeting glaucoma.

各位股東：

本人熱切地在這裡分享兆科眼科於2022年的重大轉型事項，當中包括我們達成了首要目標，從純研發公司演進為商業製藥公司。儘管於2022年面對種種宏觀挑戰，本人喜與 閣下分享我們達到的多項重要里程碑。

於2022年，最令我們引以為傲的，是在推進主要臨床項目及發展一枝獨秀的商業能力方面取得雙軌成就。隨着針對三大眼前節疾病龐大市場機遇的項目已屆後期階段(第III期或之後)，我們已鞏固我們作為中國專注眼科藥物的公司的領導地位。此外，我們已提交兩項新藥申請，鞏固我們在龐大的近視加深市場的地位，於天貓推出我們首個商業化產品，利用我們的博視微信帳號為中國眼科醫生建立領先內容門戶，以及就首款商業化的自研青光眼藥物獲批簡化新藥申請。

Chairman and CEO Statement

主席兼行政總裁報告

Outlined below are details related to these achievements:

- **CsA Ophthalmic Gel NDA application:** Our NDA application for CsA Ophthalmic Gel for DED was accepted for review by the NMPA in June 2022. In addition, the drug passed onsite inspection by the NMPA and GMP standards in January 2023.
- **NVK002 completed patient recruitment for the Phase III clinical trials in China significantly ahead of schedule. Our partner Vyluma successfully concluded their global Phase III clinical study:** Zhaoke Ophthalmology successfully completed patient recruitment of NVK002's Phase III clinical trials in China for myopia treatment in July 2022. Despite the challenging environment for patient recruitment, we accomplished this milestone significantly ahead of schedule. Furthermore, we strengthened our leading position in the low-dose atropine market. Our partner Vyluma announced a successful conclusion to their global Phase III clinical study, a significant step in the lead-up to a NDA submission to FDA. Simultaneously, we have made rapid progress with our China-CHAMP and Mini-CHAMP Phase III studies in China. We also just announced our first partnership agreement for NVK002 for South Korea.
- **Bimatoprost Timolol ANDA approval:** We received ANDA approval for Bimatoprost Timolol eye drop (晶贝莹®), our first commercialized in-house manufactured drug targeting glaucoma, in February 2023. The first prescription for Bimatoprost Timolol was issued on in March 2023 in Guangzhou.
- **Brimochol, partnership signed with Visus:** We partnered with Visus in May 2022 to in-license Brimochol, an innovative drug asset for presbyopia. This solidifies our position as the only ophthalmology-focused company in China with advanced programs (Phase III or later) in three of the largest front-of-the-eye diseases: DED, myopia, and presbyopia.
- **First product launch on Tmall:** Zhaoke Ophthalmology launched its first commercial product, 堡得视® the Heat Compress Eyepatch, a category II medical device for reducing symptoms of mild cases of dry eye, with an official flagship store on Tmall in August 2022. This step showcases that eye diseases frequently have multifactorial etiological mechanisms, and an optimized treatment regimen often requires the combination of a drug and device.
- **Engagement with Chinese ophthalmologists:** Our Boshi WeChat account surpassed 10,000 followers in August 2022 and solidified its position as a leading portal for Chinese ophthalmologists, with the latest top article reading count exceeding established vertical platforms such as International Ophthalmology Times (國際眼科時訊), Mingyizhi (名醫智), Ophthalmology and Optometry Observe (眼視光觀察).

與這些成就有關的詳情簡要如下：

- **環孢素A眼凝膠新藥申請：**治療乾眼症的環孢素A眼凝膠新藥申請已於2022年6月獲國家藥監局受理。此外，該藥物已於2023年1月通過國家藥監局的現場核查及GMP審查。
- **NVK002遠早於預期完成在中國的患者招募工作。我們的夥伴Vyluma成功結束全球第III期臨床研究：**兆科眼科已於2022年7月完成治療近視的NVK002第III期臨床試驗在中國的患者招募工作。儘管患者招募的環境挑戰重重，惟我們達成此項里程碑的時間遠早於預期。再者，我們鞏固了在低劑量阿托品市場的領先地位。我們的夥伴Vyluma公佈NVK002的全球第III期臨床研究的成功結果，在籌備向FDA提交新藥申請的過程中邁進一大步。與此同時，我們在中國進行的中國CHAMP及小型CHAMP第III期研究進度甚佳。我們亦已公佈NVK002在南韓的首份夥伴協議。
- **貝美素噁嗎洛爾獲批簡化新藥申請：**我們已於2023年2月就首款商業化的自研青光眼藥物—貝美素噁嗎洛爾滴眼液(晶貝瑩®)獲批簡化新藥申請。貝美素噁嗎洛爾的首張處方於2023年3月在廣州開出。
- **Brimochol，與Visus簽署建立夥伴關係：**我們於2022年5月與Visus建立夥伴關係，引進治療老花眼的創新藥物資產Brimochol。此舉鞏固我們作為中國唯一一間坐擁乾眼症、近視及老花眼三大眼前節疾病、已屆後期(第III期或之後)階段項目的眼科公司的地位。
- **於天貓推出首個產品：**於2022年8月，兆科眼科於天貓官方旗艦店推出我們其首個商業產品熱敷眼罩堡得視®，作為用於減輕輕度乾眼症徵狀的第二類醫療器械。這一步顯示眼疾很多時候具有多因素病因機制，而優秀的療法通常需要結合藥物及器械。
- **中國眼科醫生的參與：**我們的博視微信帳號於2022年8月的關注者人數已超過10,000名，鞏固其作為中國眼科醫生的領先門戶，最新置頂文章的閱讀次數超越國際眼科時訊、名醫智、眼視光觀察等知名垂直平台。

Chairman and CEO Statement

主席兼行政總裁報告



While we have launched many initiatives this year, we remain nimble and flexible to address the changing market dynamics. Moreover, we exercise diligence and great discipline with respect to our cash management. We firmly believe in treating our financial resources as the foundation for survival in a challenging capital market while accelerating growth by being very selective towards attractive opportunities as they arise.

Several trends emerge as I glance at the evolution in healthcare. Interactions amongst drug companies, physicians and patients are rapidly shifting toward digital adoption. Critical advancements in areas such as AI for imaging, natural language processing, and big data analytics are evident. Digital solutions are becoming essential enablers for the pharmaceutical and biotechnology value chain. In 2022, we established a solid digital foundation and leveraged these systems to transform our business model and processes. For example, we deployed a project management system to entirely digitize the management of our R&D process, thereby effectively improving the return on investment of these projects.

Concurrently, we are actively developing innovative omnichannel commercialization models. This manifestation can be testified in several areas. For example, one purpose for launching 堡得視® on Tmall is to establish a digital presence for brand awareness and direct engagement with consumers. We believe some of them will, in the long run, become end-users of our prescription products. In addition, enhancing our brand requires establishing powerful and effective online communication with the ophthalmology community. Through our Boshi WeChat account, we have observed a rapid increase in brand awareness amongst the physician community. We are confident that this outreach and commitment to creating and distributing cutting-edge content will strengthen our position as the trusted partner for Chinese ophthalmologists. Collectively, we are convinced that these initiatives will translate to the enhancement and differentiation of Zhaoke Ophthalmology's leadership.

Regarding our commercial enterprise, we will continue investing in omnichannel capabilities as our sales and marketing teams expand. Our relationships with hospitals, doctors, global partners, and new channels continue to strengthen. In the upcoming years, the potential of significant product launches will undoubtedly enhance and build upon brand equity. We are introducing new features and content categories in the Boshi WeChat account to increase interaction with younger physicians. In addition, we are adding more product SKUs to our 堡得視® flagship store as we believe a more comprehensive range of OTC products can boost brand awareness for a broader range of consumers. At the same time, advancing our in-house digital analytical capabilities will allow us to connect the various touchpoints and increase conversion.

Besides our product launches and driving the aforementioned digital initiatives, we continue to expand meaningful partnerships. For example, in March 2022, we established strategic partnerships with some of China's leading pharmaceutical supply chain service providers, including Sinopharm, Shanghai Pharma and China Resources Pharma, to collaborate broadly on a range from procurement models to logistic management.

雖然我們於本年度推出不少舉措，惟我們仍會靈活多變地應對幻變市場。此外，我們審慎嚴格現金管理，堅信財務資源乃克服資本市場困境的基礎，通過嚴選具吸引力的機會來加速增長。

本人所見，醫療保健的演進催生多個趨勢。藥物公司、醫生與病人之間的互動快速走向數字化。AI成像、自然語言處理及大數據分析等範疇的發展均明顯突飛猛進。數字解決方案正成為藥業及生物科技價值鏈的關鍵賦能者。於2022年，我們已穩紮數字基礎，利用這些系統將業務模式及流程轉型。例如，我們已設置一個項目管理系統將研發流程的管理全盤數字化，有效地提高這些項目的投資回報。

同時間，我們一直開發創新的全渠道商業化模式，見於多個範疇。例如，於天貓推出堡得視®的其中一個目的是為品牌認知建立數字據點，並且讓顧客直接參與。我們相信部分顧客長遠將成為我們處方產品的終端用家。此外，品牌升級需要與眼科社群建立強而有效的線上溝通。通過博視微信帳號，我們察覺到品牌認知度在醫生社群中高速增長。我們相信，該觸及面及製作及分佈尖端內容的承諾將鞏固我們作為中國眼科醫生的可靠夥伴的地位。總而言之，我們有信心這些工作將會提升及突顯兆科眼科的領導地位。

從商業企業角度，我們將繼續投資於全渠道能力來壯大銷售營銷團隊。我們將繼續加強與醫院、醫生、全球夥伴及新渠道的關係。於未來數年，推出重磅產品的潛力定將提高並積累品牌權益。我們正於博視微信帳號推出新功能及內容種類，以加強與年輕醫生的互動。此外，我們現正於堡得視®旗艦店新增更多新產品，因為我們相信更廣泛的非處方藥產品可提高更大範圍顧客對我們的品牌認知。與此同時，我們內部的數字分析能力升級將使我們接觸不同接點，更加八面玲瓏。

除推出產品及推進上述數字工作外，我們繼續擴充有意義的夥伴關係。例如，於2022年3月，我們與若干領先的中國醫藥供應鏈服務供應商國藥、上藥及華潤醫藥建立戰略夥伴關係，以擴大由採購模式以至物流管理各個層面的合作。



Chairman and CEO Statement

主席兼行政總裁報告

It is only possible to attain these accomplishments with the support of our Shareholders. Once again, I am deeply grateful for your continuing support. I am also highly thankful to our internal teams. They have worked tirelessly throughout the year to significantly advance our clinical programs and commercialization strategy amid covid-related challenges.

An essential key to success for any company is corporate culture. Although this often takes time to build and is difficult to quantify, I am proud of our accomplishment. Over the past two years, I have continually emphasized the importance of a strong company culture. It is embodied by the outstanding capabilities of our employees and our management's desire to constantly challenge ourselves in a collaborative, transparent and mutually supportive manner. These cultural attributes are critical to consistently delivering the best outcomes. I am very proud to have witnessed extensive growth in this area.

I am also excited about our mentoring and apprenticeship programs which have been integral to our success in 2022. In addition, we are extending these efforts to include new initiatives, such as a rotational program for the senior team. Our employees have passionately embraced all these learning opportunities to build upon their experience and enhance the value of our human capital.

We value the importance of a diverse and inclusive working environment. Therefore, we are committed to equality in employment and advancement opportunities for all our employees. One example concerns the number of female employees, who currently comprise 53% of our total employees, with 42% being managers and executives. In addition, over half of new employees hired in the past year were females.

We are encouraged by the positive news flow regarding the improving economic projections for China and continued strong government backing for our industry. During the 20th National Congress of the Communist Party of China in October 2022, President Xi's proposal to construct a "healthy China" was widely viewed as an indicator of healthcare as a strategic development priority. In addition, the Chinese government has designated three geographic areas, including the Greater Bay Area ("GBA"), as future centers of excellence for healthcare. With a state-of-the-art manufacturing facility located in Nansha, Guangzhou, Zhaoke Ophthalmology is one of few publicly listed healthcare companies headquartered in the GBA. We are incredibly excited about our role in the GBA and committed to being a leader in the region, and we believe we will benefit from additional supportive measures from the regional and local governments.

The market potential for managing and treating ocular disease in China is globally unmatched and reflects a significant opportunity for specialty-focused industry participants like Zhaoke Ophthalmology. According to CIC, the market size of DED drugs in China is forecast to increase from US\$430 million in 2019 to US\$6.7 billion in 2030, at a CAGR of 28.4%. CIC also suggests that the market size of myopia in China is expected to grow from US\$200.0 million in 2019 to US\$3.0 billion in 2030, at a CAGR of 35.9%. China has the world's largest number of glaucoma patients, accounting for around 25.0% of the global total. Estimates suggest that the market size of glaucoma drugs in China will increase significantly from US\$163.0 million in 2019 to US\$2.0 billion in 2030, at a CAGR of 25.4%.

這些成就之所以達成，實有賴股東的支持。本人謹此再次衷心感謝閣下的鼎力支持。同時，本人亦感激我們的內部團隊。面對新冠的相關挑戰，他們孜孜不倦，於年內努力不懈地奮力推進我們的臨床項目及商業化戰略。

企業文化乃公司成功的不二法門，四海如是。儘管企業文化往往建立需時，亦難以量化，惟本人為我們的成就感到驕傲。於過去兩年，本人不斷強調濃厚公司文化的重要性，以僱員與管理層同心同德地迎難而上、精益求精為養份。這些文化特質乃我們一直交出亮麗成果的關鍵。本人能夠見證此範疇的長足發展，與有榮焉。

本人亦樂見我們的導師及學徒計劃成為我們2022年邁向成功的要素，並將工作延伸至包括多項新舉措，例如資深團隊的輪值計劃。我們的僱員充滿熱忱，抓緊各個進修機會，為其本身的經驗及我們的人力資本增值。

我們重視多元共融的工作環境。因此，我們推崇一視同仁的平等就業及晉升機會。舉例而言，女性僱員現時佔僱員總數約53%，當中42%為經理及行政人員。此外，於去年新入職的僱員過半數是女性。

有關提高中國經濟預測的好消息浪滾浪，而政府一直為我們的行業提供強有力的支持，令我們深受鼓舞。於2022年10月舉行的中國共產黨第20次全國代表大會上，習主席提出建設「健康中國」的建議，被廣泛視為將保健作為一個重要戰略發展方面的指標。此外，中國政府指定大灣區為三個地區未來重點保健中心之一。兆科眼科於廣州市南沙擁有尖端製造設施，為少數總部設於大灣區的公眾上市保健公司之一。我們對立足大灣區深感振奮，並致力於成為區內領頭公司，相信將會受惠於地區及地方政府的其他支援措施。

中國眼科疾病管理及治療的市場潛力在全球一支獨秀，為兆科眼科等專科產業參與者提供龐大機遇。根據灼識的資料，中國乾眼症藥物的市場規模預期會由2019年的430百萬美元增加至2030年的67億美元，複合年增長率為28.4%。灼識亦指出，中國近視的市場規模預期會由2019年的200百萬美元增長至2030年的30億美元，複合年增長率為35.9%。中國的青光眼患者人數全球最多，約佔全球總人數25.0%。估計指出，中國青光眼藥物的市場規模將會由2019年的163.0百萬美元大幅增加至2030年的20億美元，複合年增長率為25.4%。

Chairman and CEO Statement

主席兼行政總裁報告



Zhaoke Ophthalmology's innovative drugs, such as CsA Ophthalmic Gel for DED and NVK002 for myopia, are nearing the final stages of development. We focus on finding a meaningful solution for ocular diseases as rapidly as possible with best-in-class products.

Looking forward, 2023 should be another transformative year for Zhaoke Ophthalmology. This will be our first year with meaningful commercial sales derived from a combination of our OTC product portfolio and the first approved glaucoma product, Bimatoprost Timolol.

In terms of the product pipeline, we anticipate multiple milestones in 2023, led by the extremely large market opportunity with expanding prevalent rates of disease entities in refractive error (progressive myopia and presbyopia), DED, wAMD and others. Specifically:

- **CsA Ophthalmic Gel:** We look forward to making significant progress with the NDA review process for our flagship asset, CsA Ophthalmic Gel, ahead of the commercial launch in 2024. In addition, we continue the dialog with FDA regarding a clinical development pathway for CsA in the U.S. and work towards a U.S. IND filing around the end of the year. We are also in active dialogs with potential partners for development in Europe.
- **NVK002:** We expect to complete the Mini-CHAMP clinical trial for NVK002 this summer. Assuming positive results and support from the CDE, we plan to make an NDA submission using the combined global CHAMP and Mini-CHAMP studies in China. With U.S. NDA submission by Vyluma expected within a relatively short order, NVK002 continues to be well positioned to become the first clinically proven and approved pharmaceutical product for treating myopia progression globally.
- **Glaucoma:** Our glaucoma franchise, comprised of seven drugs and one device for home-use IOP measurement, is advancing. We anticipate making additional five to six ANDA submissions in 2023.
- **Epinastine:** We anticipate the completion of the Phase III clinical trial for Epinastine, an antihistamine targeting allergic conjunctivitis with anti-inflammatory and mast cell stabilization properties, followed by an NDA submission.
- **TAB014:** We aim to complete patient recruitment for the Phase III clinical trial for TAB014, the first clinical-stage bevacizumab-based antibody indicated for wAMD in China.
- **Brimochol:** We aim to file IND for a Phase Ib/II study in China later this year, which, if successful, will be followed by a Phase III study.
- **ZKY001:** We are actively reviewing the results from three recently completed Phase II studies (for CED, Pterygium and TPRK), and aim to crystalize the study design this year to progress to Phase III for this in-house developed asset.
- **環孢素A眼凝膠:** 我們期望旗艦資產環孢素A眼凝膠的新藥申請審批程序將取得實質進展，從而於2024年商品化面市。此外，我們將繼續與FDA就於美國進行環孢素A臨床發展的途徑溝通，致力於年底前後提交新藥試驗申請。我們亦將積極地與潛在夥伴溝通，以於歐洲進行開發工作。
- **NVK002:** 我們預計於夏季完成NVK002的小型CHAMP臨床試驗。假如取得正面結果並得到藥品審評中心支持，我們計劃結合全球CHAMP和中國的小型CHAMP研究，從而提交新藥申請。在Vyluma將於短期內提交美國新藥申請的計劃下，NVK002仍然最大機會成為全球首個經臨床驗證可治療近視加深的認可藥品。
- **青光眼:** 我們的青光眼產品組合目前包括合共七種藥物及一款家用眼壓測量儀器，正在迅速發展。我們預料於2023年提交五至六份新的簡化新藥申請。
- **依匹斯汀:** 我們預計完成依匹斯汀(以過敏性結膜炎為目標、具有抗敏及穩定肥大細胞功能的抗組胺藥)第III期臨床試驗，然後提交新藥申請。
- **TAB014:** 我們計劃完成TAB014(中國首款處於臨床階段用於治療wAMD基於貝伐單抗的抗體)第III期臨床試驗的患者入組。
- **Brimochol:** 我們計劃於年底提交在中國進行第Ib/II期研究的新藥試驗申請，倘若成功，將接續進行第III期研究。
- **ZKY001:** 我們正積極審視最近完成的三項第II期研究(CED、翼狀胬肉及TPRK)結果，致力於此一自主創新的資產於本年訂下的研究計劃落實推進至第III期。

兆科眼科的創新藥物，例如治療乾眼症的環孢素A眼凝膠及治療近視的NVK002，均接近最後開發階段。我們專注於以同類最佳的產品儘快為眼科疾病尋找有意義的解決方案。

展望將來，2023年應為兆科眼科另一個轉型的年頭，成為我們旗下非處方產品組合與首次獲批的青光眼產品Bimatoprost Timolol聯手產生有意義的商業銷售的第一年。

產品管線方面，在屈光不正(近視加深及老花眼)、乾眼症、wAMD等疾病普及率不斷上升的龐大商機推動下，我們預計將於2023年取得多個里程碑。具體而言：



Chairman and CEO Statement

主席兼行政總裁報告

In addition to identifying clear business targets for 2023, we continue to reflect upon long-term ambitions for Zhaoke Ophthalmology. We aim to enhance our scientific and commercial leadership in ophthalmology. We are focused on delivering high-quality products to serve the unmet needs of patients and ophthalmologists alike. We are committed to driving digital innovation and building a world-class, state-of-the-art business model. We take our social responsibilities seriously and strive to help increase public awareness of eye diseases, including their detection and treatment solutions. We have also started to expand our footprint outside of China, starting with partnerships and/or presence in South Korea and South East Asia. For our in-house development assets, we will selectively target U.S. and European markets as well.

We have strategically and diligently laid the foundations to achieve our vision. We are fortunate to be in a solid financial position. With prudent financial management and guarding against complacency, we are confident in driving our business forward to increase Shareholder value.

As we look ahead to 2023, we are confident that the composite of focus and hard work during the last few years will result in the meaningful evolution of our organization with increased Shareholder value. We look forward to sharing more with you as we move into the highly anticipated year ahead and wish you the very best of health in the coming year.

Dr. Li Xiaoyi
Chairman of the Board and CEO

除確定2023年的清晰業務目標外，我們繼續實現兆科眼科的長遠抱負。我們冀能提高我們在眼科的科學及商業領導地位。我們專注於交付優質產品以滿足患者及眼科醫生等各方的需求缺口，亦致力推動數字化創新，構建世界級的尖端業務模型。我們認真承擔社會責任，銳意提高公眾對眼疾的意識，包括診斷和治療方法。我們已開始擴大中國以外的版圖，於南韓及東南亞建立夥伴關係及／或據點。至於我們的自主研發資產，我們將選擇以美國及歐洲的市場為目標。

我們已精心打造戰略基礎來實現我們的願景。我們慶幸財務狀況穩健，只要審慎管理財務及不故步自封，我們有信心推動業務向前，提升股東價值。

展望2023年，我們深信結集過去多年的專注和努力，集團的演進將與股東價值一同取得豐碩成果。我們對來年寄望甚殷，期待與閣下共享更為豐碩的成果，並祝願閣下來年身心康泰。

董事會主席兼行政總裁
李小羿博士

I. BUSINESS HIGHLIGHTS OF THE YEAR

CsA Ophthalmic Gel: In June 2022, our NDA submission for CsA Ophthalmic Gel, an innovative drug for DED, was accepted for review by the CDE. In January 2023, our CsA Ophthalmic Gel successively passed the on-site regulatory and clinical trial inspections by the NMPA, as well as the GMP compliance inspection conducted by the Guangdong Medical Products Administration. The passing of all three inspections marks a major milestone in our progress toward the final regulatory approval and commercialization of CsA Ophthalmic Gel.

NVK002: In July 2022, Zhaoke Ophthalmology successfully completed patient recruitment of NVK002's Phase III clinical trials in China for myopia treatment. Despite the challenging environment for patient recruitment, we accomplished this milestone significantly ahead of schedule. Furthermore, we strengthened our leading position in the low-dose atropine market. Vyluma announced a successful conclusion to their global Phase III clinical study, a significant step in the lead-up to a NDA submission to FDA. Simultaneously, we have made rapid progress with our China-CHAMP and Mini-CHAMP Phase III studies in China. We also just announced our first partnership agreement for NVK002 for South Korea.

Glaucoma: Our glaucoma franchise, which currently comprises seven drugs and one device for home-use IOP measurement, is advancing. In November 2022, we reached an exclusive distribution agreement to commercialize TONO-i in Greater China for self-measurement of intraocular pressure. In February 2023, Bimatoprost Timolol eye drop (晶贝莹®), the first generic drug of Bimatoprost Timolol eye drop for the treatment of glaucoma/ocular hypertension in China, received marketing authorization from the NMPA. It is also the first drug to be commercialized in our drug pipeline. In addition, the first prescription for Bimatoprost Timolol was issued in March 2023.

Heat Compress Eyepatch – first commercialized product: In August 2022, we launched our online flagship store on Tmall with our first product 堡得视® the Heat Compress Eyepatch, a class II medical device for reducing symptoms of mild DED. The launch of this product marked the beginning of our commercialization strategy and has enabled us to directly engage with eye-health conscious consumers. It also exemplifies our belief that eye diseases frequently have multifactorial etiological mechanisms, and an optimized treatment regimen often requires the combination of drug(s) and device(s).

I. 本年度業務摘要

環孢素A眼凝膠: 於2022年6月, 用於治療乾眼症的創新藥物環孢素A眼凝膠的新藥申請已獲藥品審評中心受理審評。於2023年1月, 環孢素A眼凝膠陸續通過國家藥監局的藥品註冊及臨床試驗現場檢查, 以及通過廣東省藥品監督管理局的GMP符合性檢查。通過全部三項檢查標誌着我們的重要里程碑, 讓我們朝着環孢素A眼凝膠的最終註冊及商業化邁進。

NVK002: 於2022年7月, 兆科眼科成功完成NVK002第III期近視治療臨床試驗在中國的患者招募工作。儘管在患者招募方面面對重重挑戰, 惟我們達成此項里程碑的時間遠早於預期。再者, 我們鞏固了在低劑量阿托品市場的領先地位。Vyluma公佈NVK002的全球第III期臨床研究的成功結果, 在籌備向FDA提交新藥申請的過程中邁進一大步。與此同時, 我們在中國進行的中國CHAMP及小型CHAMP第III期研究進度甚佳。我們亦已公佈NVK002在南韓的首份夥伴協議。

青光眼: 我們的青光眼醫療產品組合由七種藥物及一種家用眼壓測量器械組成, 正值發展當中。於2022年11月, 我們於大中華達成一項有關商業化TONO-i的獨家分銷協議, 以自行測量眼壓。於2023年2月, 中國首款用於治療青光眼/高眼壓的貝美素噠嗎洛爾滴眼液仿製藥—貝美素噠嗎洛爾滴眼液(晶贝莹®)獲得國家藥監局批准上市, 亦為我們藥物管線中第一款商業化的藥物。此外, 貝美素噠嗎洛爾的首張處方於2023年3月開出。

熱敷眼罩—首個商業化產品: 於2022年8月, 我們於天貓線上旗艦店推出我們首個熱敷眼罩堡得视®, 作為用於減輕輕度乾眼症徵狀的第二類醫療器械。推出該產品標誌着我們展開商業化策略, 讓我們直接接觸注重眼睛保健的消費者。此亦印證我們的信念, 即眼疾很多時候具有多因素病因機制, 而優秀的療法通常需要結合一種或多種藥物及器械。

Operation Highlights

營運摘要

Presbyopia: In May 2022, we successfully established an agreement with Visus Therapeutics and introduced an innovative drug BRIMOCHOL™ PF and Carbachol PF, to our portfolio. This makes us the first Chinese ophthalmic pharmaceutical company with advanced-staged (Phase III and above) drug candidates across all three major front-of-the-eye diseases, namely myopia, DED and presbyopia.

老花眼：於2022年5月，我們成功與Visus Therapeutics訂立協議，並將創新藥物BRIMOCHOL™ PF及Carbachol PF引入我們的組合，讓我們成為中國首間坐擁近視、乾眼症及老花眼三大眼前節疾病、已屆後期階段(第III期或之後)的候選藥物的眼科製藥公司。

II. FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last three financial years⁽¹⁾ is set out below:

Consolidated results

II. 財務概要

本集團於過去三個財政年度的業績以及資產及負債概要⁽¹⁾載列如下：

綜合業績

		Year ended December 31, 截至12月31日止年度		
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Other income and gain, net	其他收入及收益淨額	8,310	34,542	62,975
R&D expenses	研發開支	(296,430)	(220,058)	(81,779)
General and administrative expenses	一般及行政費用	(86,109)	(162,080)	(35,002)
Selling and distribution expenses	銷售及分銷開支	(28,946)	(16,736)	(1,542)
Interest expenses	利息開支	(3,142)	(1,949)	(1,655)
Changes in the carrying amount of preferred shares liability	優先股負債的賬面金額變動	—	(1,763,499)	(669,978)
Loss for the year	年內虧損	(407,317)	(2,129,780)	(726,981)
<i>Less:</i>	<i>減：</i>			
Income from licensing agreement	許可協議收入	—	—	(64,246)
<i>Add:</i>	<i>加：</i>			
Changes in the carrying amount of preferred shares liability	優先股負債賬面金額的變動	—	1,763,499	669,978
Listing expenses	上市費用	—	28,112	10,558
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	46,684	109,858	14,998
Non-HKFRS adjusted loss for the year⁽²⁾	非香港財務報告準則經調整年內虧損⁽²⁾	(360,633)	(228,311)	(95,693)
Loss per share	每股虧損			
— Basic & Diluted (RMB)	— 基本及攤薄(人民幣)	(0.75)	(5.16)	(4.81)



Consolidated assets and liabilities

綜合資產及負債

As at December 31,
於12月31日

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Non-current assets	非流動資產	597,876	396,513	312,963
Current assets	流動資產	1,972,747	2,208,894	913,623
Total assets	資產總值	2,570,623	2,605,407	1,226,586
Current liabilities	流動負債	(194,540)	(89,008)	(53,666)
Non-current liabilities	非流動負債	(27,710)	(20,912)	(1,918,888)
Total liabilities	負債總額	(222,250)	(109,920)	(1,972,554)
Total equity/(deficit)	權益/(虧絀)總額	2,348,373	2,495,487	(745,968)

Notes:

- (1) The Shares of the Company were listed on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules on April 29, 2021.
- (2) Non-HKFRS adjusted net loss for the year is defined as loss and total comprehensive income for the year adjusted by adding back non-cash adjustments and one-time events of (i) changes in the carrying amount of preferred shares liability in relation to the redemption amount and conversion features for our Series A Preferred Shares and Series B Preferred Shares; (ii) Listing expenses; (iii) income from licensing agreement; and (iv) equity-settled share-based payment expenses. The above table reconciles our Non-HKFRS adjusted net loss for the year with our loss.

附註：

- (1) 本公司股份於2021年4月29日根據上市規則第十八A章於聯交所主板上市。
- (2) 非香港財務報告準則經調整年內虧損淨額的定義為經調整年內虧損及全面收益總額，當中加回非現金調整及以下一次性項目：(i)與A系列優先股及B系列優先股的贖回金額及轉換特性有關的優先股負債賬面金額的變動；(ii)上市開支；(iii)許可協議收入；及(iv)以權益結算以股份為基礎的付款開支。上表為非香港財務報告準則經調整年內虧損淨額與虧損的對賬。



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

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

China has the largest number of eye disease patients in the world, and there is still significant unmet demand from a fast growing patient base. We are well positioned to capture the opportunity of a rapidly growing ophthalmology drug market, which is expected to reach approximately US\$11 billion in 2027, according to the information from CIC, driven by market demand and new supportive public policies in the healthcare sector in the PRC.

Zhaoke Ophthalmology's drug portfolio is one of the largest and most comprehensive in the ophthalmology industry, with innovative and generic treatments covering major diseases affecting both the front- and back-of-the-eye. In portfolio construction, we aim to strike a balance between being a "one-stop solutions provider" for ophthalmologists and focusing most of our precious resources on areas with the largest unmet needs and commercial potential. We are the only ophthalmology company in China with advanced programs, Phase III or later, in all three of the largest front-of-the-eye diseases: being DED, myopia, and presbyopia. We have several potential blockbuster innovative drug candidates in the pipeline, which we believe will be best-in-class or first-in-class, and make a significant contribution to our future revenue.

We are committed to our goal of becoming a leader in ophthalmology in China and globally and have made remarkable achievements in advancing our key clinical programs. During 2022, we filed two NDA submissions, including one of our Core Products, CsA Ophthalmology Gel, for the treatment of DED, strengthened our position in the vast market for the progression of myopia, and initiated our coverage in presbyopia by introducing an innovative drug, and received ANDA approval for Bimatoprost Timolol eye drop (晶贝莹®), our first commercialized in-house manufactured drug targeting glaucoma.

業務回顧

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

中國眼疾患者人數全球最多，患者群正急速擴大，醫療缺口龐大。根據灼識的資料，在中國市場需求及醫療護理行業新的支援公共政策推動下，眼科藥物市場規模預計將於2027年達到約110億美元，我們已作好準備把握此一快速增長機會。

兆科眼科的藥物組合包含創新藥及仿製藥，針對影響眼前節及眼後節的主要疾病，在眼科行業中規模最大，效用最全面。在構建組合時，我們致力於在成為眼科醫生的「一站式解決方案供應商」與集中大部分寶貴資源於滿足巨大需求缺口及商業潛力之間取得平衡。我們為中國唯一一間坐擁乾眼症、近視及老花眼三大眼前節疾病、已屆後期(第III期或之後)階段的項目的眼科公司。我們的管線中有多種可能療效顯著的候選創新藥，相信將成為同類最佳或同類首創療法，未來將為我們的收益作出重大貢獻。

我們銳意成為中國以至全球眼科行業領先企業，並於推進主要臨床項目上取得良好進展。於2022年，我們已提交兩項新藥申請，包括我們的核心產品之一——治療乾眼症的環孢素A眼凝膠；鞏固我們在龐大的近視加深市場的地位；引進一種創新藥引進我們的組合開展老花眼的版圖；以及就首款商業化的自研青光眼藥物——貝素噁嗎洛爾滴眼液(晶貝莹®)獲批簡化新藥申請。

Management Discussion and Analysis

管理層討論及分析



Ahead of the launch of 晶贝莹® and other innovative and generics products in the next two to three years, Zhaoke Ophthalmology has developed a robust commercialization strategy centered around an omnichannel model with multiple touchpoints with our key constituents across our online channels, including a WeChat account with high levels of ophthalmologist and eye health community engagement, as well as traditional offline channels through our experienced sales teams and partnerships with hospitals. In addition, we also launched our first commercialized product in 2022, the heat compress eyepatch 堡得视®, which is a class II medical device for patients with mild DED.

This marked our progress from a pure R&D company to a commercial pharmaceutical company. With the approval and launch of our first commercialized drug targeting glaucoma, Bimatoprost Timolol, as well as more OTC products to be included in our Tmall flagship and physical points of sales, the year ahead will help us further increase the brand awareness and accumulate experiences for the commercialization of the Company's robust drug pipeline, including the self-developed innovative treatment for DED, CsA Ophthalmic Gel and our innovative drug for myopia, NVK002.

At Zhaoke Ophthalmology, our vision is to be persistently patient- and physician-centric, harnessing our scientific rigor, and the large innovative and generic drug portfolio that we have built to address the major eye conditions affecting both the front- and back-of-the-eye. Our objective is to eliminate as far as possible all preventable eye diseases and contribute significantly to the visual health of millions of patients in China and globally. We are focused on delivering high-quality products to serve the unmet needs of patients and ophthalmologists. We are also committed to driving innovation via a state-of-the-art digitally enabled business model. We take our social responsibilities seriously and aim to help increase public awareness of eye diseases, including their detection and treatment solutions.

在未來兩至三年推出晶贝莹®以及其他創新藥及仿製藥之前，兆科眼科已制訂強健的商業化策略，聚焦全渠道模式，與線上渠道的主要成員建立多個溝通方式，包括有眼科醫生及眼睛保健社群高度參與的微信賬戶，亦透過經驗豐富的銷售團隊採用傳統線下渠道與醫院合作。此外，我們亦於2022年推出首項商業化產品堡得视®熱敷眼罩，乃供輕度乾眼症患者使用的第二類醫療器械。

此項成就標誌着我們從純研發公司演進為商業製藥公司。隨着我們首款針對青光眼的商業化藥物貝美素噶嗎洛爾獲批及推出，以及更多非處方產品納入我們的天貓旗艦店及實體銷售點，來年將有助我們進一步提高品牌認知度，並積累本公司強健的藥物管線商業化的經驗，包括自行開發的創新乾眼症藥物環孢素A眼凝膠及我們的創新近視藥物NVK002。

兆科眼科的願景是堅持兼顧病人與醫生的需要，憑藉嚴格的科研以及我們建立的龐大創新藥及仿製藥組合，治療影響眼前節及眼後節的主要眼科疾病。我們的目標是盡力消除所有可預防的眼科疾病，為中國及全球數以百萬計患者的視力健康作出重要貢獻。我們專注於交付優質產品以滿足患者及眼科醫生的需求缺口，亦致力推動尖端數字化業務模型的創新。我們認真承擔社會責任，銳意提高公眾對眼疾的意識，包括診斷和治療方法。

Management Discussion and Analysis

管理層討論及分析

Our Portfolio

Our product pipeline is set out below as of the Latest Practicable Date:

Our Innovation Drugs

我們的組合

以下載列我們於最後實際可行日期的產品管線：

我們的創新藥

Drug Candidate 候選藥物	Source 來源	Commercial Rights 商業權利	Preclinical 臨床前	IND 新藥試驗申請	Phase I 第I期	Phase II 第II期	Phase III 第III期	NDA 新藥申請
Cyclosporine A (CsA) Ophthalmic Gel 環孢素 A 眼凝膠	ZHAOKE OPHTHALMOLOGY	Global 全球	China 中國	Passed on-site and clinical inspections and GMP inspections 已通過藥品註冊及臨床試驗現場核查以及 GMP 符合性檢查				
NTC010 (levofloxacin dexamethasone combination) NTC010 (左氧氟沙星與 地塞米松複方)	ntc	China 中國	China 中國				Certain Countries of the EU: Commercialized (NTC and Santen) 若干歐盟國家：商業化(NTC及Santen)	
NVK002 (Atropine) NVK002(阿托品)	Vyluma	Greater China, South Korea and ASEAN ¹ 大中華區、南韓及若干東盟 國家 ¹	China 中國		US: Phase III trial top-line results announced (Vyluma, previously known as Nevakar) 美國：第 III 期試驗頂線結果已公佈(Vyluma, 前稱 Nevakar)			
TAB014 (Bevacizumab) TAB014 (貝伐單抗)	东曜药业 DONGYAO PHARMACEUTICALS	China 中國	China 中國					
ZKY001 (Functional fragment of Thymosin β4) ZKY001(胸腺肽β4的 功能片段)	ZHAOKE OPHTHALMOLOGY	Greater China excluding Macau 大中華區、不包括澳門	China 中國					
BRIMOCHOL™ PF and Carbachol PF BRIMOCHOL™ PF 及 Carbachol PF	VISUS PHARMACEUTICALS	Greater China, South Korea and ASEAN ³ 大中華區、南韓及若干東盟 國家 ³	China 中國		US: Phase III trial ongoing (Visus) 美國：第 III 期試驗進行中(Visus)			
NTC014 (levofloxacin and ketorolac trometamol combination) NTC014(左氧氟沙星 與酮咯酸氨丁三醇複方)	ntc	Greater China, South Korea and ASEAN ³ 大中華區、南韓及若干東盟 國家 ³	China 中國	EU: Preclinical (NTC) 歐盟：臨床前(NTC)				
Resolv ER (Liposome - loaded urea) Resolv ER (脂質體尿素)	KATO Pharmaceuticals	Greater China and ASEAN ¹ 大中華區及若干東盟國家 ¹	China 中國		US: Phase Ib trial ongoing (Kato) 美國：第 Ib 期試驗進行中(Kato)			
IC-270 (Syk inhibitor and antihistamine) IC-270(Syk 酪氨酸激酶 抑制劑和抗組胺藥)	IACATA PHARMA	Greater China and ASEAN ¹ 大中華區及若干東盟國家 ¹	China 中國	US: Preclinical (IACATA) 美國：臨床前(IACATA)				
RGN-259 (Thymosin β4) RGN-259(胸腺肽β4)	REGENEREX	Greater China 大中華區	China 中國		US: Phase III trial ongoing (RegeneRx) 美國：第 III 期試驗進行中(RegeneRx)			
IC-265 (Syk inhibitor) IC-265(Syk 酪氨酸激酶 抑制劑)	IACATA PHARMA	Greater China and ASEAN ¹ 大中華區及若干東盟國家 ¹	China 中國		US: Phase II trial completed in allergic conjunctivitis (IACATA) 美國：過敏性結膜炎第 II 期試驗完成(IACATA)			
PAN-90806 (VEGFR2 inhibitor) PAN-90806 (VEGFR2 抑制劑)	PANOPTICA	Greater China, South Korea and ASEAN ² 大中華區、南韓及若干東盟 國家 ²	China 中國		US: Phase I/II trial completed (PanOptica) 美國：第 I/II 期試驗完成(PanOptica)			
CsA/Rebamidepide Ophthalmic Gel 環孢素 A/瑞巴派特 眼凝膠	ZHAOKE OPHTHALMOLOGY	Global 全球	China 中國					
ZK002	ZHAOKE OPHTHALMOLOGY	Global 全球	China 中國					

Our Progress 我們的進度
 Expected Next Step 預期下一階段
 Progress of Our Licensing Partner 我們許可方夥伴的進度

Management Discussion and Analysis

管理層討論及分析



- | | |
|---|---|
| <p>* May not require a Phase I clinical trial prior to initiating a Phase II clinical trial.</p> <p>** May not require a Phase I and/or Phase II clinical trials prior to initiating a Phase III clinical trial.</p> | <p>* 啟動第II期臨床試驗之前可能不需要進行第I期臨床試驗。</p> <p>** 啟動第III期臨床試驗之前可能不需要進行第I期及/或第II期臨床試驗。</p> |
| <p>(1) Including Brunei, Myanmar (Burma), Cambodia, Timor-Leste, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam</p> <p>(2) Including Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar (Burma), the Philippines, Singapore, Thailand and Vietnam</p> <p>(3) Including Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar (Burma), the Philippines, Singapore, Thailand, Vietnam and Sri Lanka</p> | <p>(1) 包括文萊、緬甸、柬埔寨、東帝汶、印度尼西亞、老撾、馬來西亞、菲律賓、新加坡、泰國及越南</p> <p>(2) 包括文萊、柬埔寨、印度尼西亞、老撾、馬來西亞、緬甸、菲律賓、新加坡、泰國及越南</p> <p>(3) 包括文萊、柬埔寨、印度尼西亞、老撾、馬來西亞、緬甸、菲律賓、新加坡、泰國、越南及斯里蘭卡</p> |

Our Generic Drugs

我們的仿製藥

Drug Candidate 候選藥物	Indication 適應症	Reference Drug 參照藥	MOA 作用機制
Bimatoprost 貝美前列素	Glaucoma 青光眼	Lumigan	PGA monotherapy PGA單一療法
Bimatoprost Timolol 貝美素噁嗎洛爾	Glaucoma 青光眼	Ganfort	PGA and β blocking agent combotherapy PGA及 β 受體拮抗劑聯合療法
Latanoprost 拉坦前列素	Glaucoma 青光眼	Xalatan	PGA monotherapy PGA單一療法
Latanoprost Timolol 拉坦噁嗎	Glaucoma 青光眼	Xalacom	PGA and β blocking agent combotherapy PGA及 β 受體拮抗劑聯合療法
Travoprost 曲伏前列素	Glaucoma 青光眼	Travatan	PGA monotherapy PGA單一療法
Travoprost Timolol 曲伏噁嗎	Glaucoma 青光眼	DuoTrav	PGA and β blocking agent combotherapy PGA及 β 受體拮抗劑聯合療法
Levobetaxolol HCl 鹽酸左倍他洛爾	Glaucoma 青光眼	Betaxon	Monotherapy β blocker 單一療法的 β 受體拮抗劑
Epinastine HCl 鹽酸依巴斯汀	Allergic conjunctivitis 過敏性結膜炎	Elestat	Dual-acting antihistamine and mast cell stabilizers 雙效抗組胺藥及肥大細胞穩定劑
Natamycin 納他黴素	Fungal eye infections 眼部真菌感染	Natacyn	Antifungal 抗真菌
Proparacaine HCl 鹽酸丙美卡因	Surface anesthesia 表面麻醉	Alcaine	Block nerve conduction in the corneal tissue 阻礙角膜組織中的神經傳導
Povidone Iodine 聚維酮碘	Periocular and ocular surface disinfection 眼周及眼表消毒	Betadine	Microbicidal/Antimicrobial action by iodine 碘的殺菌/抗菌作用
Fluorescein Sodium 螢光素鈉	Diagnostic for certain eye injuries 眼表損傷診斷	Minims fluorescein sodium	Fluorescent dye 螢光染色

Management Discussion and Analysis

管理層討論及分析

Pipeline Strategy

Zhaoke Ophthalmology has established a comprehensive asset portfolio with innovative and generic drugs that address the six major eye diseases across both the front-and back-of-the-eye. The six major ophthalmic indications in terms of the market potential in China are DED, myopia, presbyopia, wAMD, DME and glaucoma. We have chosen multiple drug candidates to address these diseases, as we believe this is the best way to treat their multiple and complex underlying causes.

Innovative drugs

Our Company has several key potential blockbuster innovative drugs in the pipeline for the next few years.

CsA Ophthalmic Gel for DED (self-developed)

Overview

CsA Ophthalmic Gel is an innovative drug being developed by Zhaoke Ophthalmology for the treatment of DED. It is a single, daily dose hydrogel that eliminates daytime administration and the associated discomfort and inconvenience, and aims to dramatically improve patients' treatment compliance and quality of life. The proprietary hydrogel formulation is protected with patent approval in China and internationally. This novel formulation enhances the pharmacokinetic profiles of CsA on the ocular surface, allowing efficacy similar to that of Cyclosporine A products currently available for DED. However, unlike the current treatment, CsA Ophthalmic Gel's unique formulation stays on the eye for longer, requiring only once-a-day dosing (compared with traditional twice-a-day dosing). In Phase III clinical trial, the treatment also showed a faster onset of action by demonstrating efficacy at around the two-week time period.

Updates during the Reporting Period and up to the Latest Practicable Date

On June 8, 2022, the NDA submission for CsA Ophthalmic Gel was accepted for review by the CDE.

On January 31, 2023, CsA Ophthalmic Gel passed the on-site regulatory and clinical trial inspections by the NMPA, and the GMP compliance inspection conducted by the Guangdong Medical Products Administration.

Zhaoke Ophthalmology continues to target regulatory approval and commercialization of CsA Ophthalmic Gel in China in early 2024. Given the prevalence of DED globally and the differentiated profile of CsA Ophthalmic Gel, the Company is also exploring opportunities outside of China. Specifically, the Company will continue the dialog with the FDA regarding a clinical development pathway for CsA in the U.S. with the aim of getting into the position for U.S. IND filing around the end of 2023.

管線策略

兆科眼科已建立全面的藥物資產組合，包含創新藥及仿製藥，針對影響眼前節及眼後節的六大眼科疾病。該六大眼科適應症（以中國市場潛力計）為乾眼症、近視、老花眼、wAMD、DME及青光眼。我們相信，針對該等疾病的多個及複雜相關成因對症下藥是最佳的療法，因此，我們已挑選多種適用於該等病症的候選藥物。

創新藥

本公司的管線中備有多種可能療效顯著的創新藥，可望於未來數年上市。

環孢素A眼凝膠，用於治療乾眼症（自主研发）

概覽

環孢素A眼凝膠是兆科眼科開發以供治療乾眼症的創新藥。此眼凝膠每天給藥一次，可消除日間給藥及相關的不適和不便，有望顯著改善患者的遵醫囑性和生活質量。專利水凝膠方已於中國以至國際範圍獲批專利保護。此創新藥方提升環孢素A於眼表的藥物代謝動力學效能，起到與現時用於乾眼症的環孢素A產品類近的療效。然而，有別於現時的療法，環孢素A眼凝膠的獨特配方可停留於眼表更長時間，只需每天一次給藥（過往一般需要每天給藥兩次）。環孢素A眼凝膠第III期臨床試驗療程亦顯示其更快起效，只需約兩星期即表現顯著療效。

報告期內及直至最後實際可行日期的最新資料

於2022年6月8日，就環孢素A眼凝膠提交的新藥申請已獲藥品審評中心受理審評。

於2023年1月31日，環孢素A眼凝膠已通過國家藥監局的藥品註冊及臨床試驗現場核查，以及通過廣東省藥品監督管理局的GMP符合性檢查。

兆科眼科維持於2024年初在中國將環孢素A眼凝膠藥品註冊及商業化的目標。鑑於乾眼症廣遍全球，而環孢素A眼凝膠具獨特效能，故本公司亦正於中國以外地區尋求機會。具體而言，本公司將繼續與FDA就於美國進行環孢素A臨床發展的途徑溝通，致力於2023年底前後符合資格提交美國新藥試驗申請。

Management Discussion and Analysis

管理層討論及分析



NVK002 (Atropine) for Myopia (partnered with Vyluma)

Overview

To date, low concentration atropine is the only medication that is consistently effective in myopia progression control among children and adolescents. Zhaoke Ophthalmology's NVK002 is currently positioned as the first clinically proven pharmaceutical product approved for treating the progression of myopia globally. This treatment has a proprietary formulation that successfully addresses the instability of low-concentration atropine, with patent protection in the U.S. as well as in China, and is preservative-free with an expected shelf life of over 24 months.

Zhaoke Ophthalmology's licensing partner for NVK002 is Vyluma, a wholly owned subsidiary of U.S.-based Nevakar Inc. Vyluma has successfully completed the Phase III clinical trial for NVK002 in the U.S. and EU and announced encouraging top-line results of the three-year trial in October 2022.

In September 2021, Zhaoke Ophthalmology received approval from the CDE to initiate two concurrent Phase III clinical trials, including a two-year Phase III clinical trial ("**China CHAMP**") and a one-year Phase III bridging trial ("**Mini-CHAMP**") in China.

The China CHAMP trial is led by Professor Wang Ningli from Beijing Tongren Hospital as the principal investigator and involves 19 centers and 777 patients. The Mini-CHAMP trial is jointly led by Professor Qu Xiaomei from the Eye and ENT Hospital of Fudan University and Professor Yang Xiao from the Zhongshan Ophthalmic Center of Sun Yat-Sen University as principal investigators and involves 18 centers and 526 patients.

Combined with global data from Vyluma's Phase III clinical trial (CHAMP) in the U.S. and EU, we believe the overall CHAMP trial for NVK002 will be one of the largest, longest and most comprehensive Phase III clinical trials for low dose atropine use in the world.

Updates during the Reporting Period and up to the Latest Practicable Date

Patient recruitment was completed significantly earlier than expected across both NVK002 trials in China, giving our Company a strong head start in moving towards its goal of becoming one of the first companies to commercialize myopia progression treatment in China and beyond, despite the challenging COVID-19 environment in 2022.

The China CHAMP trial completed enrolment on July 21, 2022, two months ahead of schedule; while the Mini-CHAMP trial completed enrolment on July 28, 2022, three months ahead of schedule.

NVK002(阿托品)·用於治療近視(與Vyluma合作)

概覽

低濃度阿托品是目前唯一能夠持續有效控制兒童及青少年近視加深的藥物。兆科眼科的NVK002目前的定位為全球首款經臨床驗證可治療近視加深的認可藥品。此療法擁有一項專利配方，成功解決低濃度阿托品的不穩定性，於美國及中國均獲專利保護，並不含防腐劑，預計保存期超過24個月。

兆科眼科的NVK002許可方夥伴為Vyluma(為美國Nevakar Inc.的全資附屬公司)，其已於美國及歐盟成功完成NVK002第III期臨床試驗。為期三年試驗的頂線結果已於2022年10月公佈，結果令人鼓舞。

於2021年9月，兆科眼科獲藥品審評中心批准同期開展兩項第III期臨床試驗，包括於中國進行為期兩年的第III期臨床試驗(「**中國CHAMP**」)及為期一年的第III期橋接試驗(「**小型CHAMP**」)。

中國CHAMP試驗由北京同仁醫院王寧利教授出任牽頭主研究者，涉及19間中心及777名患者。小型CHAMP試驗由復旦大學附屬耳鼻喉科醫院瞿小妹教授及中山大學中山眼科中心楊曉教授出任聯席牽頭主研究者，涉及18間中心及526名患者。

結合Vyluma於美國及歐盟的第III期臨床試驗(「**CHAMP**」)全球數據，我們相信NVK002的整體CHAMP試驗將為全球最龐大、最長時間、最全面的低劑量阿托品第III期臨床試驗之一。

報告期內直至最後實際可行日期的最新資料

中國兩項NVK002試驗的患者招募工作遠早於預期完成，使本公司早著先機，即使2022年面對2019冠狀病毒病的艱難環境，仍朝着成為中國以至全球首批將近視加深療法商業化的公司之一的目標邁進。

中國CHAMP試驗已於2022年7月21日完成入組，較原定時間快2個月；而小型CHAMP試驗則於2022年7月28日完成入組，較原定時間快3個月。



Management Discussion and Analysis 管理層討論及分析

In March 2023, we entered into a distribution and supply agreement on NVK002 with Kwangdong Pharmaceutical Co., Ltd. (“KDP”), a Korean-based company principally engaged in the manufacturing and distribution of pharmaceutical products. Under the terms of the agreement, KDP was granted exclusive rights to import, promote, distribute, market, and sell NVK002 in South Korea. Such partnership marked we have taken a concrete step towards expanding our global footprint, while creating new business opportunities as well as developing new revenue streams for our Group.

We expect to complete the one-year Mini-CHAMP bridging trial of NVK002 in the second half of 2023, and the two-year China CHAMP trial in the second half of 2024. Zhaoke Ophthalmology is well-positioned as one of the first companies to commercialize a myopia drug in the mainland China market, with a widened lead, particularly if we are able to combine the data from Mini-CHAMP and those from the successful Phase III clinical study conducted by our partner Vyluma for NDA submission.

BRIMOCHOL™ PF and Carbachol PF (partnered with Visus)

Overview

BRIMOCHOL™ PF and Carbachol PF are pupil-modulating eye drops designed to be once-daily, preservative-free therapeutics to correct the loss of near vision associated with presbyopia. BRIMOCHOL™ PF is a fixed-dose combination of carbachol (a cholinergic agent) and brimonidine tartrate (an alpha-2 agonist). Carbachol PF is a proprietary, preservative-free formulation of carbachol monotherapy. Both investigational therapies reduce the size of the pupil resulting in a “pinhole effect” so that only centrally focused light rays are able to enter the eye, thereby sharpening both near and intermediate images.

Zhaoke Ophthalmology’s licensing partner for Brimochol is Visus, a clinical-stage pharmaceutical company focused on developing innovative ophthalmic therapies with offices in Seattle, Washington, and Irvine, California. In Visus’ Phase II study, VIVID, both formulations met primary and secondary endpoints, demonstrating a three-line improvement in near visual acuity with no loss of distant vision for up to nine hours. Both BRIMOCHOL™ PF and Carbachol PF were well tolerated with no serious adverse events. Visus is currently conducting Phase III pivotal trials.

Concurrent with the ongoing Phase III clinical study of BRIMOCHOL™ PF and Carbachol PF in the U.S., Zhaoke Ophthalmology plans to file IND for a Phase Ib/II study in China in late 2023 which, if successful, will be followed by a Phase III study.

於2023年3月，我們與Kwangdong Pharmaceutical Co., Ltd. (「KDP」，一間主要從事藥品生產及分銷的韓國公司)訂立一份有關NVK002的分銷及供應協議。根據協議條款，本公司授予KDP獨家權利，於南韓進口、宣傳、分銷、營銷及出售NVK002。有關合作標誌著我們已採取踏實措施，擴大全球版圖，同時為本集團創造新商機和開拓新收益來源。

我們預期於2023年下半年完成NVK002為期一年的小型CHAMP橋接試驗，並於2024年下半年完成為期兩年的中國CHAMP試驗。兆科眼科已作好準備，成為首批在中國大陸市場商業化近視藥物的公司之一，尤其假如我們能夠將小型CHAMP的數據，與夥伴Vyluma就提交新藥申請成功進行的第III期臨床研究的數據結合，擴大領先優勢。

BRIMOCHOL™ PF及Carbachol PF (與Visus合作)

概覽

BRIMOCHOL™ PF及Carbachol PF為不含防腐劑的一日一次瞳孔調節滴眼液，用於矯正因老花眼而喪失近距離視力的療法。BRIMOCHOL™ PF為固定劑量卡巴可(膽鹼製劑)及酒石酸溴莫尼丁(α2-受體促效劑)複方。Carbachol PF是卡巴可單一療法的專利不含防腐劑藥方。兩款新療法令瞳孔收縮，產生針孔效應，僅在中央聚焦的光線可進入眼球，從而使中短距離的影像更銳利。

兆科眼科的Brimochol許可方夥伴為Visus，其為一間臨床階段製藥公司，專注開發創新眼科療法，於華盛頓州西雅圖及加州爾灣設有辦事處。於Visus的第II期研究VIVID中，兩款藥方均達到主要及次要終點，九個小時近距離視力展現三行改進，並無影響遠視視力。BRIMOCHOL™ PF及Carbachol PF耐受性強，並無嚴重副作用。Visus現正進行第III期關鍵試驗。

為配合BRIMOCHOL™ PF及Carbachol PF在美國進行中的第III期臨床研究，兆科眼科計劃於2023年底在中國提交第Ib/II期研究的新藥試驗申請，成功申請後將進行第III期研究。

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

Overview

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

Updates during the Reporting Period and up to the Latest Practicable Date

In March 2022, Zhaoke Guangzhou, a wholly-owned subsidiary of the Company, and TOT BIOPHARM Co., Ltd., a wholly-owned subsidiary of TOT BIOPHARM, entered into a supplemental agreement, pursuant to which Zhaoke Guangzhou now has full control in the execution of clinical trials and the ultimate decision-making power in the development and commercialization of TAB014 in China, Hong Kong and Macau. Zhaoke Guangzhou has also been given the right to develop TAB014 for other ophthalmic indications besides wAMD and/or novel formulations for ophthalmic indications.

We recruited the first patient for the Phase III clinical trial on June 28, 2022, and expect to complete patient recruitment before the end of 2023.

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

ZKY001 (self-developed)

Overview

ZKY001 is a seven-amino acid peptide derived from the functional fragment of Thymosin β 4 that binds actin, a type of protein that plays a central role in cell structure and movement. ZKY001 has broad applications in the healing of corneal wounds and can potentially be used in multiple corneal repair indications. Zhaoke Ophthalmology has been exploring multiple indications for ZKY001, including CED; TPRK, a surgical treatment for myopia; pterygium, a growth in the cornea or the conjunctiva; and NK, a rare degenerative corneal disease.

Zhaoke Ophthalmology has conducted Phase II clinical trials of ZKY001 for CED, TPRK and Pterygium and an investigator initiated trial for NK. The research and clinical teams aim to analyze all the results across these studies to determine the direction for development of this asset and next steps.

TAB014(貝伐單抗)·用於治療wAMD(與東曜藥業合作)

概覽

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

報告期內及直至最後實際可行日期的最新資料

於2022年3月，本公司全資附屬公司兆科廣州與東曜藥業全資附屬公司東曜藥業有限公司訂立一份補充協議，據此，兆科廣州現對執行TAB014的臨床試驗擁有全面控制權，並對TAB014的開發及在中港澳商業化擁有最終決策權。兆科廣州亦獲得就wAMD以外其他眼科適應症開發TAB014及／或就眼科適應症開發創新藥方的權利。

我們已於2022年6月28日招募第III期臨床試驗的首名患者，並預期於2023年底前完成患者招募工作。

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

ZKY001(自主研發)

概覽

ZKY001是一種包含七個氨基酸的肽，源自胸腺肽 β 4的功能片段，可與肌動蛋白結合，而肌動蛋白為一種在細胞結構及運動中起核心作用的蛋白質。ZKY001對於促進角膜傷口癒合的應用範圍廣泛，有望用於多種角膜癒合適應症。兆科眼科一直發掘ZKY001的多種適應症，包括CED、TPRK（一種治療近視的手術療法）、翼狀胬肉（角膜或結膜增生）；及NK（一種罕見角膜退化疾病）。

兆科眼科已進行有關CED、TPRK及翼狀胬肉的ZKY001第II期臨床試驗以及研究者發起的NK試驗。研究及臨床團隊目標是分析該等研究的所有結果，以釐定該資產的發展方向及後續步驟。



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NTC010 (Partnered with NTC)

Overview

NTC010 is a fixed dose combination of antibiotics and steroids to prevent infection and inflammation for patients undergoing cataract surgery. The drug belongs to a new generation of antibiotics, which increase efficiency and cover a wider range of bacteria. The drug also shortens the duration of the treatment by half – from 14 to seven days – making it beneficial to patients' overall health and helping to prevent antibiotic overuse.

The drug has already been approved across the EU and in 15 extra-Europe countries/areas and is expected to be further rolled out across extra-Europe countries. According to the information from CIC, NTC010 is the first eye drop product marketed in the EU that combines a quinolone antibiotic with an anti-inflammatory steroid.

The Company submitted an NDA in conjunction with a clinical trial exemption based on the existing European clinical data to the NMPA in November 2022.

PAN-90806 (VEGFR2 inhibitor) for wAMD and DME (partnered with PanOptica)

Overview

PAN-90806 is an innovative drug indicated in the treatment of wAMD, as well as DME, the leading cause of blindness in diabetic patients worldwide.

PAN-90806 is a novel eye drop formulation. The goal is to be applied as a maintenance therapy in order to reduce the frequency of intravitreal injections and other treatment issues associated with mainstream anti-VEGF therapies while at the same time maintaining visual stability. If successful, the use of PAN-90806 is expected to significantly reduce treatment discontinuation, and therefore slow underlying disease progression through improved patient comfort, acceptance, convenience and compliance.

Zhaoke Ophthalmology is currently focused on optimizing the formulation of PAN-90806. The Company plans to file IND for patient trials after the completion of requisite animal studies.

NTC010(與NTC合作)

概覽

NTC010是一種抗生素及類固醇的固定劑量複方製劑，用於預防接受白內障手術患者的感染及炎症。此藥物屬於新一代抗生素，具有更高療效，適用的細菌範圍更廣。此外，此藥物的治療時間縮短一半，由14日縮減至7日，對患者整體健康有利，同時有助防止過度使用抗生素。

此藥物已於歐盟及15個非歐洲國家／地區獲得批准，並預計將進一步在非歐洲國家推出。根據灼識的資料，NTC010是首款在歐盟上市的喹諾酮類抗生素與抗炎類固醇組合滴眼液產品。

於2022年11月，本公司已基於現有歐洲臨床數據，連同臨床試驗豁免向國家藥監局提交新藥申請。

PAN-90806(VEGFR2抑制劑)，用於治療wAMD及DME(與PanOptica合作)

概覽

PAN-90806為用以治療wAMD及DME(導致全球糖尿病患者失明的主因)的創新藥。

PAN-90806為一種新型滴眼液劑型，目標為作為維持療法，降低主流抗VEGF療法中的玻璃體腔內注射頻率及其他相關治療負擔，同時維持視力穩定性。若試驗成功，預期使用PAN-90806將大幅減少治療中斷的情況，從而通過提升患者舒適性、接受性、便捷性及遵醫屬性減緩相關疾病惡化。

兆科眼科目前專注於優化PAN-90806的配方。本公司計劃於完成所需動物研究後就患者試驗提出新藥試驗申請。

Management Discussion and Analysis

管理層討論及分析



Generic drugs

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

We made meaningful progress across our generic programs in the Reporting Period. In particular, we obtained marketing authorization from the NMPA in February 2023 for Bimatoprost Timolol eye drop, known as 晶贝莹® in the PRC and researched, developed and manufactured by us, for the treatment of glaucoma.

Bimatoprost Timolol eye drop (晶贝莹®) is used to lower the IOP in patients with primary open-angle glaucoma or ocular hypertension who do not respond sufficiently to β -blockers or PGA. It is the first generic drug of Bimatoprost Timolol eye drop for the treatment of glaucoma or ocular hypertension in China.

Bimatoprost Timolol eye drop (晶贝莹®) is also our Company's first drug approved for commercialization. The first prescription for this drug was written on March 8, 2023 in Guangzhou. The launch of this product will help expand brand recognition of Zhaoke Ophthalmology to support the future commercial launch of our innovative drugs.

We also aim to file ANDA submissions for various candidates in our generic drug pipeline this year in glaucoma and other areas.

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

仿製藥

我們依循平衡方針設計藥物管線。除創新候選藥物外，本公司的管線中擁有多款重點仿製藥。中國眼科疾病管理及治療的市場潛力在全球一支獨秀。仿製藥針對中國現時大部分眼科醫療需要。就市場需求層面而言，我們的仿製藥管線與創新藥管線相輔相成，讓我們進佔更有利位置，為眼科醫生及患者提供全方位解決方案。

我們的仿製藥項目於報告期內取得有意義的進展。當中，於2023年2月，由我們研發生產的抗青光眼藥物貝美素噠嗎洛爾滴眼液（於中國稱為晶贝莹®）獲得國家藥監局批准上市。

貝美素噠嗎洛爾滴眼液（晶贝莹®）用於降低對 β -受體阻滯劑或前列腺素類似物治療效果不佳的原發性開角型青光眼或高眼壓症患者的眼壓，是中國首款用於治療青光眼或高眼壓症的貝美素噠嗎洛爾滴眼液仿製藥。

貝美素噠嗎洛爾滴眼液（晶贝莹®）亦是本公司第一款獲批商業化的藥物，首張處方於2023年3月8日在廣州開出。推出該產品將有助建立兆科眼科的品牌認受性，支持日後商業化推出我們的創新藥。

我們亦擬於本年就仿製藥管線中的若干青光眼及其他範疇候選藥物提交簡化新藥申請。

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



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Manufacturing

Zhaoke Ophthalmology has its own state-of-the-art manufacturing facility, located in Nansha New District, Guangzhou, Guangdong Province, China. This facility gives us the strategic advantage of full manufacturing capability inhouse, from production, dosing, filling and packaging to quality assurance. The facility occupies approximately 7,600 sq.m. with equipment and machinery from leading global manufacturers. It is designed in accordance with the highest international standards and requirements of major global regulators, including the FDA, the NMPA and the EMA. The facility currently has three manufacturing lines which are all ready for mass production.

In February 2023, our Bimatoprost Timolol eye drop (晶贝莹®) obtained marketing authorization in China from the NMPA. This eye drop will be manufactured in our manufacturing facility.

As Zhaoke Ophthalmology transforms from a pure R&D to a commercial pharmaceutical company, we have increased investment in our production facility to expand production capacity. For example, our production capacity for single dose drugs has already increased tenfold since its inception.

Commercialization

Having the right people in place to support commercialization is critical. Following the ANDA approval of our Bimatoprost Timolol eye drop (晶贝莹®), our Company is planning to expand our sales and marketing team from 45 people as at the end of 2022, to over 100 as at the end of 2023.

To prepare for the upcoming commercialization of our drug candidates, we have also established an omnichannel strategy leveraging both online and offline channels.

We recognize the rapidly shifting dynamics of the Chinese ophthalmic industry and believe that the traditional way of selling drugs must be complemented by new channels such as digital, social and e-commerce. Our innovative model does not rely solely on traditional channels such as public hospitals and private eye hospitals or institutions, but also builds brand visibility in the digital world through our innovative use of WeChat, the most commonly used mobile application in China, and other online platforms.

生產

兆科眼科於中國廣東省廣州市南沙新區自設先進生產設施。該設施具有完整的內部生產能力，涵蓋生產、配藥、灌裝及包裝以至質量核證，讓我們擁有策略性優勢。該設施佔地約7,600平方米，配備從全球領先生產商採購的設備及機械，按照最高國際標準設計，符合全球主要監管機構(包括FDA、國家藥監局及EMA)的規定。該設施現時設有三條生產線，全部可供進行大批量生產。

於2023年2月，我們的貝美素噁嗎洛爾滴眼液(晶贝莹®)獲得國家藥監局批准在中國上市。該滴眼液將於我們的生產設施生產。

鑑於兆科眼科正由純研發公司轉型為商業製藥公司，我們已加大生產設施的投資，以擴大產能。例如，自生產設施設立以來，我們單劑量藥物的產能已提升十倍。

商業化

知人善任對支持商業化至關重要。於貝美素噁嗎洛爾滴眼液(晶贝莹®)的簡化新藥申請獲批准後，本公司現正計劃將銷售及營銷團隊由2022年末的45人擴張至2023年末超過100人。

為準備候選藥物的未來商業化，我們亦已建立線上線下渠道兼用的全渠道策略。

我們深悉中國眼科行業生態正在急劇變化，相信傳統售藥方式必須輔以數碼、社交及電商等新渠道。我們的創新模式不會純粹倚賴公共醫院及私家眼科醫院或機構等傳統渠道，而是同時透過微信(中國最常用的移動應用程式)及其他線上平台的創新用途，於數碼世界建立品牌知名度。

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Since its launch in September 2021, our content-driven platform on WeChat, Zhaoke Boshi, has been growing rapidly. Zhaoke Boshi lends a stage to leading KOLs in the industry to share their knowledge and insights, while facilitating discussion amongst the broader Chinese ophthalmic community. As of the Latest Practicable Date, Zhaoke Boshi has over 11,000 followers and over 60 leading KOLs and ophthalmologists have contributed content or participated in livestream discussions. We believe that this outreach will help solidate our position as the trusted partner for Chinese ophthalmologists and continue to differentiate and enhance Zhaoke Ophthalmology's leadership in the industry.

In addition to building a digital community on WeChat, Zhaoke Ophthalmology launched a Tmall flagship store for our first commercialized product 堡得視® heat compress eyepatch on August 15, 2022. This eyepatch is an approved class II medical device for people with mild DED.

The successful launch of the product has strategic meaning for our Company as it exemplifies our core mission in two major significant areas. Firstly, many eye diseases are caused by multiple and complex pathogenic pathways, meaning that a single treatment may not always suffice. Although our R&D efforts will primarily focus on ophthalmic drugs, we believe a combination of drug regimen therapy and medical device will ultimately deliver better treatment options for patients. As such, our 堡得視® heat compress eyepatch is considered as a companion therapy for patients suffering from differing degrees of DED. We will continue this approach across multiple indications and opportunistically engage with potential partners to deliver diagnostic and therapeutic solutions alongside our drug assets. We are confident that this strategy will provide a meaningful benefit to patients and ophthalmologists over the short and long term.

Secondly, the launch of our Tmall flagship store and the heat compress eyepatch enables us to establish brand awareness directly amongst eye-health-conscious consumers in China. This lays a solid foundation for our Company ahead of the commercialization of our drugs.

R&D

Although our business encountered broad and macro challenges in 2022, we remained focused on R&D as the backbone, and we were able to significantly progress our R&D efforts during the Reporting Period.

The surge of COVID-19 cases in China in 2022 negatively affected various aspects of the ongoing clinical trials of our drug assets including patient recruitment. However, thanks to the effort and determination of our teams, we were able to broadly maintain the pace of our clinical programs. In fact, patient recruitment of the two concurrent Phase III trials of NVK002 was completed significantly ahead of schedule.

我們於微信創設的內容主導平台「兆科博視」自2021年9月推出以來一直快速成長。「兆科博視」讓業內的頂級KOL分享真知灼見，同時促進中國眼科社群的更廣泛討論。於最後實際可行日期，「兆科博視」的關注者人數已超過11,000名，並有超過60名頂級KOL及眼科醫生曾經提供內容或參與直播討論。我們相信，該觸及面將有助鞏固我們作為中國眼科醫生的可靠夥伴的地位，並繼續突顯及提升兆科眼科在業內的領導地位。

除建立微信的數碼社群外，兆科眼科於2022年8月15日為我們首款商業化產品堡得視®熱敷眼罩開設天貓旗艦店。該眼罩乃供輕度眼乾症人士使用的認可第二類醫療器械。

成功推出產品對本公司有着策略意義，為我們於兩大範疇的核心使命立下典範。第一，許多眼疾由多重及複雜的致病途徑引起，意味着單一療法很多時候未必足夠。雖然我們的研發工作將主要集中於眼科藥物，但我們相信結合藥物與醫療器械最終可為患者提供較佳的治療選項。因此，我們的堡得視®熱敷眼罩被視為不同程度眼乾症患者的輔助療法。我們將沿用多適應症的方針，看準機會聯同潛在夥伴提供藥物資產以外的診斷與治療方案。我們深信，此一策略在長短期內均可為患者與眼科醫生帶來具意義的裨益。

第二，推出天貓旗艦店及熱敷眼罩讓我們直接於中國注重眼睛保健的消費群體中建立品牌知名度，本公司在藥物商業化方面奠下穩固基礎。

研發

儘管我們的業務於2022年面對巨大的挑戰，惟我們堅持專注於作為支柱的研發工作，得以於報告期內取得重大研發進展。

中國於2022年的2019冠狀病毒病個案上升，在不同範疇影響我們藥物資產的持續臨床試驗，包括患者招募。然而，有賴各個團隊的努力及決心，我們大致上保持臨床項目的步伐。事實上，兩項同時進行的NVK002第三期試驗的患者招募均遠早於預期完成。



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Our R&D team has a time-tested track record and is led by an international management team with decades of industry experience working in global biotechnology and pharmaceutical companies. In 2022, we increased the size of our R&D team, from approximately 80 professionals in 2021, to 100 at the end of the Reporting Period.

For the year ended December 31, 2022, our R&D expenses totaled approximately RMB296.4 million, showing an increase of approximately 34.7% from approximately RMB220.0 million for the year ended December 31, 2021.

Partnerships

Zhaoke Ophthalmology has established multiple licensing partnerships with leading companies in China, the U.S. and the EU, and will continue to build our global footprint.

In February 2022, Zhaoke Ophthalmology established a corporate gift agreement with John Hopkins University, one of the world's leading private research institutes, to support translational research and academic exchange. The donation will be used to benefit the Johns Hopkins' Wilmer Eye Institute as a current use gift over the coming year, supporting translational research at the Institute, academic exchanges and mentoring opportunities between Zhaoke Ophthalmology and the Wilmer Eye Institute.

In March 2022, Zhaoke Ophthalmology signed strategic partnership agreements with three of China's leading pharmaceutical supply chain service providers: Sinopharm, Shanghai Pharmaceuticals and China Resources Pharmaceutical. Zhaoke Ophthalmology and the three leading Chinese pharmaceutical companies will collaborate on multiple aspects including but not limited to procurement models and logistics management. These collaborations will be critical to our distribution capabilities as a commercial-stage company.

We will continue to explore partnership and collaboration opportunities with leading domestic and international pharmaceutical firms and research institutions, thereby strengthening our R&D capability and expanding our drug portfolio, particularly in areas where we see white space in our current coverage of key ophthalmic indications. We will also have the chance to explore partnerships as we expand our footprint to adjacent country markets.

我們的研發團隊擁有經時間證明的往績紀錄，由國際管理團隊領導，在全球生物技術及製藥公司擁有數十年行業經驗。於2022年，我們擴大研發團隊的規模，由2021年約80名專業人士增加至報告期末的100名專業人士。

截至2022年12月31日止年度，我們的研發開支合共約為人民幣296.4百萬元，較截至2021年12月31日止年度約人民幣220.0百萬元增加約34.7%。

夥伴關係

兆科眼科已與中國、美國及歐盟多間具有領導地位的公司建立許可夥伴關係，並將會繼續於全球建立據點。

於2022年2月，兆科眼科與其中一間世界領先私人研究機構John Hopkins University訂立企業餽贈協議，以支持轉譯研究及學術交流。捐款將於未來一年以非留本方式餽贈予Johns Hopkins University的Wilmer Eye Institute，用於支持Wilmer Eye Institute進行的轉譯研究、兆科眼科與Wilmer Eye Institute進行的學術交流及指導機會。

於2022年3月，兆科眼科與三間領先的中國醫藥供應鏈服務公司國藥、上藥及華潤醫藥簽訂戰略夥伴協議。兆科眼科與三間領先的中國製藥公司將於多個層面合作，包括但不限於採購模式及物流管理。該等合作將對我們作為商業平台公司的分銷能力起重要作用。

我們將繼續發掘與領先的國內及國際製藥公司及研究機構建立夥伴及合作關係的機會，以增強研發實力及擴大藥物組合，尤其是我們所發現現有主要眼科適應症並無覆蓋的缺口。隨着版圖拓展至鄰近國家的市場，我們亦將有機會發展夥伴網絡。

Management Discussion and Analysis

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Environment, Social and Governance ("ESG")

As a responsible enterprise, Zhaoke Ophthalmology is committed to the development of a sustainable healthcare industry in China. We rigorously monitor the environmental and social impact of our operations and implement measures to improve the sustainability of our business.

We clearly define the ESG responsibilities of the Board and senior management and have established a sustainability steering committee to assist the Board in its management and supervision of the progress and results of relevant initiatives.

As an example, since China's announcement of its national target to achieve carbon neutrality by 2060, our Company has taken steps to reduce its carbon emissions. To effectively manage the risks and opportunities brought on by climate change, our Company has devised its own climate change policy and nurtured a top-down management culture to tackle the impact of climate change on the environment from five perspectives, namely governance, mitigation, adaptation, resistance and disclosure.

Zhaoke Ophthalmology has also invested in building a strong corporate culture and working environment within our Company for our people to continue to grow and develop their capabilities. Our mentoring and apprenticeship programs have been integral to our success in 2022 and illustrate the passion of our people to build the experience and know-how of their colleagues, and to ensure that our huge array of experience is shared across all of our teams wherever possible. Our Company supports a diverse and inclusive working environment and is committed to equal employment and advancement opportunities for all people. As at the end of the Reporting Period, about 53% of our total employees were women, with 42% of them managers and executives. Over half of our new employees hired in the past year were female.

We take our social responsibilities seriously and aim to address the urgent unmet need to increase public awareness of eye diseases, including their detection and treatment solutions. For example, during World Glaucoma Week in March 2022, we initiated the "Glaucoma Commonwealth Campaign", inviting well-known glaucoma ophthalmologists in China for live streaming to improve public's awareness of early screening of glaucoma and rational administration for better glaucoma management. On June 6, 2022, we ran the "National Eyecare Day Commonwealth Campaign" jointly with influential ophthalmic KOLs to raise the public's awareness of children and adolescents in myopia control on various local TV channels and digital platforms.

Zhaoke Ophthalmology is committed to transparency and compliance, disclosing our ESG performance annually in our ESG report.

環境、社會及管治(「ESG」)

作為負責任企業，兆科眼科致力於在中國發展可持續健康護理行業。我們密切監察我們的營運對環境及社會造成的影響，同時實施各類措施提升我們業務的可持續性。

我們明確界定董事會與高級管理層的ESG責任，並成立可持續發展督導委員會，以協助董事會管理及監察各項相關工作的進程及成果。

例如，自中國公佈其國家目標為於2060年或之前達成碳中和起，本公司已採取步驟減少碳排放。為有效管理氣候變化造成的風險及帶來的機會，本公司已制訂本身的氣候變化政策，並營造從上而下的管理文化，從管治、減排、適應、抵禦及披露五個方向對抗氣候變化對環境的影響。

兆科眼科亦已為我們的人員投資於本公司內建立強大的企業文化及工作環境，以不斷提升及發展彼等的能力。我們的導師及學徒計劃成為我們2022年邁向成功的要素，展現出員工為其同胞構建經驗及專業知識的熱忱，並確保我們的經驗寶庫得以在各團隊之間分享傳承。本公司支持多元共融的工作環境，推崇一視同仁的平等就業及晉升機會。於報告期末，我們僱員總數約53%為女性，當中42%為經理及行政人員。於去年新入職的僱員過半數是女性。

我們認真對待社會責任，旨在針對提高公眾對眼疾認知的迫切需求缺口，包括診斷和治療方法。舉例而言，於2022年3月的世界青光眼週，我們推出「青光眼共和國活動」，邀請中國知名的青光眼眼科醫生進行網上直播，提高公眾對及早篩查青光眼的認知及更好地對青光眼進行管理。於2022年6月6日，我們與具影響力的眼科KOL共同舉辦「全國愛眼日共和國活動」，於多個地方電視頻道及數碼平台引起公眾對兒童及青少年近視控制的關注。

兆科眼科致力於保持透明及符合規例，每年於ESG報告中披露ESG績效。



Management Discussion and Analysis

管理層討論及分析

FUTURE AND OUTLOOK

2023 should be another transformative year for Zhaoke Ophthalmology. At the beginning of this year, we announced that our self-developed innovative drug CsA Ophthalmic Gel, passed the onsite inspections and clinical inspections conducted by the NMPA and GMP inspection by the Guangdong Medical Products Administration. Shortly after that, in February 2023, our generic treatment for glaucoma, Bimatoprost Timolol eye drop obtained the marketing authorization from the NMPA. Together with the launch of our heat compress eyepatch on our Tmall flagship store in August 2022, these milestones mark the transformation of Zhaoke Ophthalmology from a pure R&D company into a commercial pharmaceutical company.

Looking forward, we remain committed to our ambitious “dual-engine” growth strategy, which includes the advancement of clinical programs of our innovative and generic drug assets, and the execution of our comprehensive and innovative commercialization model leveraging both online and offline channels. We will also continue to explore mutually value-creating partnership opportunities with domestic and international organizations to support our goal to improve the visual health of people globally.

Regarding our commercial enterprise, we will continue to invest in omnichannel capabilities and sales marketing team to support our vision as we head into 2023. We strongly believe that combining multiple offline channels and interactions with physicians with online/social presence and e-commerce will be a paradigm shift in commercialization, and is key to future success.

Our content-driven WeChat account Zhaoke Boshi has created a dynamic conversation online around cutting-edge research and treatment for eye diseases amongst ophthalmologists. Having firmly established its reputation with high quality content, we are introducing new features and content categories in Zhaoke Boshi to increase interaction with younger physicians. We are excited to witness the growing influence of this online platform and the enhancement of our brand awareness amongst the physician community.

At the same time, we are adding more product SKUs to our 堡得視® flagship store on Tmall as we believe a more comprehensive range of OTC products can boost brand awareness for a broader range of consumers, some of whom we believe will undoubtedly become end-users of our prescription products. We are convinced that these efforts will enhance and further differentiate Zhaoke's leadership.

未來及前景

2023年應為兆科眼科另一個轉型的年頭。本年初，我們宣佈，我們自主研發的創新藥物環孢素A眼凝膠已通過國家藥監局的藥品註冊及臨床試驗現場核查以及廣東省藥品監督管理局的GMP審查。隨後於2023年2月，我們的青光眼仿製藥貝美素噶嗎洛爾滴眼液獲得國家藥監局批准上市。連同於2022年8月在我們的天貓旗艦店推出的熱敷眼罩，各項里程碑均標誌着兆科眼科從純研發公司轉型為商業製藥公司。

展望未來，我們仍然致力實行我們進取的「雙引擎」增長策略，當中包括推進我們的創新及仿製藥資產的臨床項目，以及利用線上線下渠道執行我們全面創新的商業化模式。我們亦會繼續探索與國內及國際機構建立創造相互價值的夥伴關係，以支持我們達成改善全球人類視力健康的目標。

從商業企業角度，邁進2023年，我們將繼續投資於全渠道能力及銷售營銷團隊，以實踐我們的願景。我們深信，將與醫生的多個線下渠道及互動與線上／社交平台及電子商貿連成一線，將會成為商業化的範例，日後成功的法門。

我們以內容主導的微信賬號「兆科博視」已在眼科醫生之間建立一個活躍的線上對話平台，話題圍繞眼疾的先進研究及治療方案。憑藉提供優質內容，我們已建立良好聲譽，並正於「兆科博視」推出新功能及內容種類，以加強與年輕醫生的互動。我們樂見該線上平台的影響力越來越大，品牌認知度在醫生社群之間得以提高。

與此同時，我們現正於天貓的堡得視®旗艦店新增更多新產品，因為我們相信更廣泛的非處方藥產品可提高更大範圍顧客對我們的品牌認知。我們相信部分顧客將肯定成為我們處方產品的終端用戶。我們認為這些工作將會提升及突顯兆科眼科的領導地位。

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In terms of the product pipeline, we anticipate multiple milestones in 2023, led by the extremely large market opportunity with expanding prevalent rates of disease entities in refractive error (progressive myopia and presbyopia), DED, wAMD and others. Specifically:

- **CsA Ophthalmic Gel:** We look forward to making significant progress with the NDA review process for our flagship product, CsA Ophthalmic Gel, ahead of the commercial launch in 2024. In addition, we continue the dialog with FDA regarding a clinical development pathway for CsA in the U.S. and work towards a IND filing around the end of the year. We are also in active dialogs with potential partners for development in the EU.
- **NVK002:** We expect to complete the Mini-CHAMP clinical trial for NVK002 this summer. Assuming positive results and support from the CDE, we plan to make an NDA submission using the combined global CHAMP and Mini-CHAMP studies in China. With U.S. NDA submission by Vyluma expected within a relatively short order, NVK002 continues to be well positioned to become the first clinically proven and approved pharmaceutical product for treating myopia progression globally.
- **Glaucoma:** Our glaucoma franchise, comprised of seven drugs and one device for home-use IOP measurement, is advancing. We anticipate making additional five to six ANDA submissions in 2023.
- **Epinastine:** We anticipate the completion of the Phase III clinical trial for Epinastine, an antihistamine targeting allergic conjunctivitis with anti-inflammatory and mast cell stabilization properties, followed by an ANDA submission.
- **TAB014:** We aim to complete patient recruitment for the Phase III clinical trial for TAB014, the first clinical-stage bevacizumab-based antibody indicated for wAMD in China.
- **Brimochol:** We aim to file IND for a Phase Ib/II study in China later this year, which, if successful, will be followed by a Phase III study.
- **ZKY001:** We are actively reviewing the results from three recently completed Phase II studies (for CED, Pterygium and TPRK), and aim to crystalize the study design to progress to Phase III for this in-house developed asset.

In 2022, Zhaoke Ophthalmology continued its focus on prudent cash management. As at the end of the Reporting Period, we had RMB1,716.4 million cash or cash equivalents and time deposits, giving Zhaoke Ophthalmology a robust position from which to continue advancing the clinical programs of our innovative and generic drug candidates, and to further invest in our commercialization model as we prepare to launch further drugs.

產品管線方面，在屈光不正（近視加深及老花眼）、眼乾症、wAMD等疾病普及率不斷上升的龐大商機推動下，我們預計將於2023年取得多個里程碑。具體而言：

- **環孢素A眼凝膠：**我們期望旗艦產品環孢素A眼凝膠的新藥申請審批程序將取得實質進展，從而於2024年商品化面市。此外，我們將繼續與FDA就於美國進行環孢素A臨床發展的途徑溝通，致力於年底前後提交新藥試驗申請。我們亦將積極地與潛在夥伴溝通，以於歐盟進行開發工作。
- **NVK002：**我們預計於夏季完成NVK002的小型CHAMP臨床試驗。假如取得正面結果並得到藥品審評中心支持，我們計劃結合全球CHAMP和中國的小型CHAMP研究，從而提交新藥申請。在Vyluma將於短期內提交美國新藥申請的計劃下，NVK002仍然最大機會成為全球首個經臨床驗證可治療近視加深的認可藥品。
- **青光眼：**我們的青光眼產品組合目前包括合共七種藥物及一款家用眼壓測量儀器，正在迅速發展。我們預料於2023年提交5至6份新的簡化新藥申請。
- **依匹斯汀：**我們預計完成依匹斯汀（以過敏性結膜炎為目標、具有抗敏及穩定肥大細胞功能的抗組胺藥）第III期臨床試驗，然後提交簡化新藥申請。
- **TAB014：**我們計劃完成TAB014（中國首款處於臨床階段用於治療wAMD基於貝伐單抗的抗體）第III期臨床試驗的患者入組。
- **Brimochol：**我們計劃於年底提交在中國進行第Ib/II期研究的新藥試驗申請，倘若成功，將接續進行第III期研究。
- **ZKY001：**我們正積極審視最近完成的三項第II期研究（CED、翼狀胬肉及TPRK）結果，致力為此一自主創新的資產落實進行第III期的研究計劃。

於2022年，兆科眼科繼續以審慎現金管理為重心。於報告期末，我們的現金及現金等價物以及定期存款為人民幣1,716.4百萬元，兆科眼科具備強健的狀況，可繼續推進我們的創新及仿製候選藥物的臨床項目，並為準備推出更多藥物深化商業化模式的投資。

Management Discussion and Analysis

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Moving into 2023, we are encouraged by positive sentiment particularly in Hong Kong and the PRC. As indicated by the National Eye Health Plan included as part of the “Fourteenth Five-Year Plan for National Economic and Social Development of the PRC and the Outline of Vision Goals for 2035 (中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要)”, we are encouraged to see ophthalmology as a key focus area for the Chinese government as part of the overall development of the healthcare sector. At the same time, we are pleased to see that the Chinese government has designated three geographic areas as future centers of excellence for healthcare, including the Greater Bay Area, home to Zhaoke Ophthalmology’s state-of-art manufacturing facility.

2023 marks the beginning of a new chapter for Zhaoke Ophthalmology. Through our team’s continued hard work and dedication, we will see our product pipeline, commercial infrastructure, ophthalmologic community engagement and key partnerships coming together to deliver a truly transformative year. These efforts are continually inspired by the pursuit of our goal to address significant unmet medical needs across different eye diseases to improve public visual health through scientific research as quickly as possible.

踏入2023年，市道向好(尤其是香港和中國)令我們感到鼓舞。基於「中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要」中全國眼健康規劃，我們樂見眼科成為中國政府總體保健行業發展的重點範疇之一。與此同時，我們欣喜兆科眼科尖端生產設施所在的大灣區，獲中國政府指定為三個地區未來重點保健中心之一。

2023年標誌着兆科眼科揭開新一頁。我們的團隊將一如既往，努力不懈，竭盡所能，務求本年內在產品管線、商業基建、眼科社區參與及主要夥伴關係方面成功蛻變。這些工作的初衷一直源於我們所追求的目標：針對不同眼疾的巨大醫療需求缺口，利用科研盡快改善公眾的視力健康。

FINANCIAL REVIEW

財務回顧

		Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Other income	其他收入	38,041	21,133
Other net (loss)/gain	其他(虧損)/收益淨額	(29,731)	13,409
R&D expenses	研發開支	(296,430)	(220,058)
General and administrative expenses	一般及行政費用	(86,109)	(162,080)
Selling and distribution expenses	銷售及分銷開支	(29,946)	(16,736)
Interest expenses	利息開支	(3,142)	(1,949)
Changes in the carrying amount of preferred shares liability	優先股負債的賬面金額變動	-	(1,763,499)
Loss for the year	年內虧損	(407,317)	(2,129,780)
Other comprehensive income for the year	年內其他全面收益		
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：		
Exchange differences on translation of financial statements of entities with functional currencies other than RMB	換算功能貨幣並非人民幣的實體財務報表的匯兌差額	210,902	(51,191)
Total comprehensive income for the year	年內全面收益總額	(196,415)	(2,180,971)
Non-HKFRS Measures	非香港財務報告準則計量方式		
Adjusted loss for the year	經調整年內虧損	(360,633)	(228,311)

Management Discussion and Analysis

管理層討論及分析

Overview

For the year ended December 31, 2022, we recorded total loss of approximately RMB407.3 million, as compared with approximately RMB2,129.8 million for the year ended December 31, 2021, mainly due to the changes in the carrying amount of preferred shares liability in relation to the redemption amount and conversion features for the Series A Preferred Shares and Series B Preferred Shares, before they were converted into ordinary Shares on the Listing Date being no longer recognized in 2022. Our R&D expenses for the year ended December 31, 2022 were approximately RMB296.4 million, representing an increase of approximately 34.7% from approximately RMB220.1 million for the year ended December 31, 2021, primarily due to the increased expenses incurred for clinical trials and R&D activities for our key innovative products, including Phase III clinical trial for NVK002 and three Phase II clinical trials of ZKY001 for CED, TPRK and Pterygium and an investigator initiated trial for NK, a rare degenerative corneal disease, during the Reporting Period.

Other Income

The Group's other income primarily consists of bank interest income and government grants received from government authorities. For the year ended December 31, 2022, the Group's other income increased to approximately RMB38.0 million, compared to approximately RMB21.1 million for the year ended December 31, 2021. The increase was primarily attributable to the increase of bank interest income received from fixed deposits of approximately RMB30.4 million in 2022, which was partially offset by the effect of the decrease in one-off government subsidies received from government authorities for our on-going R&D activities in 2022.

概覽

截至2022年12月31日止年度，我們錄得虧損總額約人民幣407.3百萬元，而截至2021年12月31日止年度則約為人民幣2,129.8百萬元，主要由於在A系列優先股及B系列優先股於上市日期轉換為普通股前就A系列優先股及B系列優先股的贖回金額及轉換特性確認優先股負債賬面金額的變動於2022年不再確認所致。截至2022年12月31日止年度，我們的研發開支約為人民幣296.4百萬元，較截至2021年12月31日止年度約人民幣220.1百萬元增加約34.7%，主要由於我們的重點創新產品於報告期內進行臨床試驗及研發活動(包括NVK002的第三期臨床試驗及ZKY001(有關CED、TPRK及翼狀胬肉)的三項第二期臨床試驗以及NK(一種罕見角膜退化疾病)的研究者發起試驗)產生的開支增加所致。

其他收入

本集團的其他收入主要包括銀行利息收入及自政府機關獲得的政府補助。截至2022年12月31日止年度，本集團的其他收入由截至2021年12月31日止年度約人民幣21.1百萬元增加至約人民幣38.0百萬元，主要源於2022年收取定期存款的銀行利息收入增加約人民幣30.4百萬元，部分被我們於2022年就持續研發活動自政府機關獲得的一次性政府補貼減少的影响抵銷。

Year ended December 31, 截至12月31日止年度

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Government grants	政府補貼	7,479	16,090
Bank interest income	銀行利息收入	30,415	5,036
Others	其他	147	7
Total	總計	38,041	21,133

Management Discussion and Analysis

管理層討論及分析

Other Net (Loss)/Gain

For the year ended December 31, 2022, we recorded approximately RMB29.7 million of other net loss, compared to approximately RMB13.4 million of other net gain for the year ended December 31, 2021. Such net (loss)/gain primarily consists of net foreign exchange gain or loss in connection with fund transfers among bank accounts in different currencies and bank balances that are denominated in U.S. dollars.

R&D Expenses

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

For the year ended December 31, 2022, our R&D expenses increased by approximately RMB76.4 million, or 34.7%, to approximately RMB296.4 million from approximately RMB220.1 million for the year ended December 31, 2021. The increase was mainly due to (i) the continuous advancement of our clinical trials and increased investments in the ongoing R&D projects (i.e. Phase III clinical trial for NVK002 and three Phase II clinical trials of ZKY001 for CED, TPRK and Pterygium and an investigator initiated trial for NK, a rare degenerative corneal disease during the Reporting Period); and (ii) increase in headcount of R&D personnel.

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

		Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Clinical trial professional service fee	臨床試驗專業服務費用	155,631	113,207
Staff costs	員工成本	49,391	29,992
Depreciation and amortization	折舊及攤銷	31,625	23,928
Cost of raw materials and consumables used	所用原材料及消耗品的成本	21,662	10,362
Equity-settled share-based payment	以權益結算以股份為基礎的付款	10,697	21,972
Utilities	水電費	5,668	4,018
Other ⁽¹⁾	其他 ⁽¹⁾	21,756	16,579
Total	總計	296,430	220,058

Note:

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

其他(虧損)/收益淨額

截至2022年12月31日止年度，我們錄得其他虧損淨額約人民幣29.7百萬元，而截至2021年12月31日止年度則錄得其他收益淨額約人民幣13.4百萬元。有關(虧損)/收益淨額主要包括不同貨幣的銀行賬戶進行資金轉賬及以美元計值的銀行結餘造成的匯兌收益或虧損淨額。

研發開支

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

截至2022年12月31日止年度，我們的研發開支由截至2021年12月31日止年度約人民幣220.1百萬元增加約人民幣76.4百萬元或34.7%至約人民幣296.4百萬元，主要由於(i)我們的臨床試驗持續取得進展及進行中的研發項目投資額增加(即報告期內NVK002的第III期臨床試驗及ZKY001(有關CED、TPRK及翼狀胬肉)的三項第II期臨床試驗以及NK(一種罕見角膜退化疾病)研究者發起試驗)；及(ii)研發人員的人數增加所致。

下表載列本集團於所示年度的研發開支組成部分：

附註：

⁽¹⁾ 指差旅及住宿費用、維修及維護費用以及有關我們研發活動的其他雜項開支。

Management Discussion and Analysis

管理層討論及分析



General and Administrative Expenses

Our general and administrative expenses consist of: (i) staff costs; (ii) professional service fees for legal, consulting and auditing services; (iii) general operating expenses; (iv) depreciation in relation to our office equipment; and (v) equity-settled share-based payment for those other than R&D personnel and commercialization team.

For the year ended December 31, 2022, our general and administrative expenses were approximately RMB86.1 million, representing a decrease of approximately RMB76.0 million from approximately RMB162.1 million for the year ended December 31, 2021, which is primarily attributable to (i) the decrease in equity-settled share-based payment; and (ii) the Listing expenses in connection with the IPO only incurred in the year of 2021.

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

一般及行政費用

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

截至2022年12月31日止年度，我們的一般及行政費用約為人民幣86.1百萬元，較截至2021年12月31日止年度約人民幣162.1百萬元減少約人民幣76.0百萬元，主要源於(i)以權益結算以股份為基礎的付款減少；及(ii)僅於2021年度就首次公開發售產生上市開支。

下表載列我們於所示年度的一般及行政費用組成部分：

		Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Equity-settled share-based payment	以權益結算以股份為基礎的付款	33,317	81,532
Staff costs (include directors' fee)	員工成本(包括董事袍金)	31,931	27,583
Professional service fees	專業服務費用	13,994	14,961
Depreciation	折舊	2,717	1,769
General operating expenses	一般經營開支	2,429	3,385
Listing expenses	上市開支	-	28,112
Donation	捐款	-	2,486
Other ⁽¹⁾	其他 ⁽¹⁾	1,721	2,252
Total	總計	86,109	162,080

Note:

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

附註：

⁽¹⁾ 指若干稅項開支及其他雜項開支。

Management Discussion and Analysis

管理層討論及分析

Selling and Distribution Expenses

Our selling and marketing expenses mainly consist of staff costs for our commercialization team and marketing & conference expenses. Our selling and distribution expenses increased from RMB16.7 million for the year ended December 31, 2021 to approximately RMB29.9 million for the year ended December 31, 2022, primarily attributable to an increase in the headcount of our commercialization team and building-up of omnichannel marketing platform, together with pre-launch marketing activities for upcoming commercialization during the year.

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

		Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Staff costs	員工成本	20,835	7,632
Equity-settled share-based payment	以權益結算以股份為基礎的付款	2,670	6,354
Marketing & Conference expenses	營銷及會議開支	2,074	1,604
Depreciation	折舊	731	288
Other	其他	3,636	858
Total	總計	29,946	16,736

Finance Cost

Our finance costs primarily consist of (i) interest on lease liabilities related to our leases of office premises and manufacturing and R&D facilities; and (ii) interest on bank loan.

The following table sets forth the components of our finance costs for the years indicated:

		Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Changes in the carrying amount of preferred shares liability	優先股負債的賬面金額變動	-	1,763,499
Interest on lease liabilities	租賃負債利息	1,783	1,352
Interest on bank loan	銀行貸款利息	1,359	597
Total	總計	3,142	1,765,448

銷售及分銷開支

我們的銷售及營銷開支主要包括我們商業化團隊的員工成本以及營銷及會議開支。截至2022年12月31日止年度，我們的銷售及分銷開支由截至2021年12月31日止年度的人民幣16.7百萬元增加至約人民幣29.9百萬元，主要由於我們商業化團隊的人數增加及建立全渠道營銷平台，以及年內即將商業化的面市前營銷活動所致。

下表載列我們於所示年度的銷售及分銷開支組成部分：

		Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Staff costs	員工成本	20,835	7,632
Equity-settled share-based payment	以權益結算以股份為基礎的付款	2,670	6,354
Marketing & Conference expenses	營銷及會議開支	2,074	1,604
Depreciation	折舊	731	288
Other	其他	3,636	858
Total	總計	29,946	16,736

財務成本

我們的財務成本主要包括(i)與我們租賃辦公室物業以及生產及研發設施相關的租賃負債利息；及(ii)銀行貸款利息所致。

下表載列我們於所示年度的財務成本組成部分：

		Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Changes in the carrying amount of preferred shares liability	優先股負債的賬面金額變動	-	1,763,499
Interest on lease liabilities	租賃負債利息	1,783	1,352
Interest on bank loan	銀行貸款利息	1,359	597
Total	總計	3,142	1,765,448

Management Discussion and Analysis

管理層討論及分析



Income Tax

We did not incur any income tax during the years ended December 31, 2021 and 2022.

BVI and Cayman Islands

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

Hong Kong

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

The PRC

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

Loss for the Year

As a result of the above factors, for the year ended December 31, 2022, we recorded a loss of approximately RMB407.3 million, as compared to a loss of approximately RMB2,129.8 million for the year ended December 31, 2021.

所得稅

截至2021年及2022年12月31日止年度，我們並無產生任何所得稅。

英屬處女群島及開曼群島

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

香港

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

中國

由於我們的中國附屬公司兆科廣州於報告期內於中國並無應課稅利潤，故根據相關中國法律及法規，我們並無按25%的稅率計提中國所得稅撥備。

年內虧損

基於上述因素，截至2022年12月31日止年度，我們錄得虧損約人民幣407.3百萬元，而截至2021年12月31日止年度則錄得虧損約人民幣2,129.8百萬元。

Management Discussion and Analysis

管理層討論及分析

Non-HKFRS Measure

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

Adjusted total loss for the year represents the total loss for the year excluding the effect of equity-settled share-based payment expenses, listing expenses and certain non-cash items and one-time events, namely changes in the carrying amount of preferred shares liability. The term adjusted total loss for the year is not defined under the HKFRS. However, the Company believes that this and other non-HKFRS measures are reflections of the Group's normal operating results by eliminating the potential impact of items that the management do not consider to be indicative of the Group's operating performance. The adjusted total loss for the year, as the management of the Group believes, is adopted in the industry where the Group is operating. However, the presentation of the adjusted total loss for the year is not intended to be (and should not be) considered in isolation or as a substitute for the financial information prepared and presented in accordance with the HKFRS. Shareholders and potential investors of the Company should not view the non-HKFRS measures (i.e. the adjusted total comprehensive loss for the year) on a stand-alone basis or as a substitute for results under the HKFRS, or as being comparable to results reported or forecasted by other companies.

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

非香港財務報告準則計量方式

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

經調整年內虧損總額指年內虧損總額撇除以權益結算以股份為基礎的付款開支、上市開支及若干非現金項目及一次性項目(即優先股負債賬面金額變動)的影響。香港財務報告準則並無就經調整年內虧損總額一詞界定定義。然而，本公司相信，此一及其他非香港財務報告準則計量方式可反映本集團的正常營運業績，消除管理層認為並非本集團營運表現指標的項目可能造成的影響。本集團管理層相信，經調整年內虧損總額獲本集團經營的行業採用。然而，經調整年內虧損總額不擬亦不應被獨立考慮或代替根據香港財務報告準則編製及呈列的財務資料。本公司股東及潛在投資者不應獨立審視非香港財務報告準則計量方式(即經調整年內全面虧損總額)，或代替根據香港財務報告準則編製的業績，或將此視為可與其他公司呈報或預測的業績作比較。

下表載列於所示年度的年內全面虧損總額與經調整年內全面虧損總額的對賬：

		Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Loss for the year	年內虧損	(407,317)	(2,129,780)
<i>Add:</i>	<i>加：</i>		
Changes in the carrying amount of preferred shares liability	優先股負債賬面金額的變動	-	1,763,499
Listing expenses	上市開支	-	28,112
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	46,684	109,858
Non-HKFRS adjusted loss for the year ⁽¹⁾	非香港財務報告準則經調整年內虧損 ⁽¹⁾	(360,633)	(228,311)

Management Discussion and Analysis

管理層討論及分析

Note:

(1) Non-HKFRS Measures

Non-HKFRS adjusted net loss for the year is defined as loss and total comprehensive income for the year adjusted by adding back non-cash adjustments and one-time events of (i) changes in the carrying amount of preferred shares liability in relation to the redemption amount and conversion features for our Series A Preferred Shares and Series B Preferred Shares; (ii) Listing expenses; and (iii) equity-settled share-based payment expenses. The above table reconciles our non-HKFRS adjusted net loss for the year with our loss for the year.

附註：

(1) 非香港財務報告準則計量方式

非香港財務報告準則經調整年內虧損淨額的定義為經調整年內虧損及全面收益總額，當中加回非現金調整及以下一次性項目：(i)與A系列優先股及B系列優先股的贖回金額及轉換特性有關的優先股負債賬面金額的變動；(ii)上市開支；及(iii)以權益結算以股份為基礎的付款開支。上表為非香港財務報告準則經調整年內虧損淨額與年內虧損的對賬。

Selected Data from Statement of Financial Position

財務狀況表的選定數據

		As at December 31, 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Total current assets	流動資產總值	1,972,747	2,208,894
Total non-current assets	非流動資產總值	597,876	396,513
Total assets	資產總值	2,570,623	2,605,407
Total current liabilities	流動負債總額	194,540	89,008
Total non-current liabilities	非流動負債總額	27,710	20,912
Total liabilities	負債總額	222,250	109,920
Current assets	流動資產		
Other receivables and prepayments	其他應收款項及預付款項	75,457	46,800
Pledged bank balances	已抵押銀行結餘	172,066	25,508
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	8,873	8,157
Cash and cash equivalents	現金及現金等價物	1,716,351	2,128,429
Total current assets	流動資產總值	1,972,747	2,208,894
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計費用	83,418	59,153
Amounts due to related companies	應付關聯公司款項	6,897	13,684
Bank loans	銀行貸款	94,500	10,289
Lease liabilities	租賃負債	9,725	5,882
Total current liabilities	流動負債總額	194,540	89,008
Net current assets	流動資產淨值	1,778,207	2,119,886



Management Discussion and Analysis

管理層討論及分析

Liquidity and Source of Funding and Borrowing

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

As at December 31, 2022, the current assets of the Group were approximately RMB1,972.7 million, including cash and cash equivalents of approximately RMB1,716.4 million, time deposits with an original maturity over three months of approximately RMB8.9 million, pledged bank balance of approximately RMB172.1 million and other current assets of approximately RMB75.5 million. As at December 31, 2022, the current liabilities of the Group were approximately RMB194.5 million, including other payables and accruals of approximately RMB83.4 million, amounts due to related companies of approximately RMB6.9 million, bank borrowings of approximately RMB94.5 million and other current liabilities of approximately RMB9.7 million.

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

As of December 31, 2022, the Group had secured bank loan of RMB94.5 million which was repayable within one year or on demand.

The Group adopts conservative treasury policies in cash and financial management. To achieve better risk control and minimize the cost of funds, the Group's treasury is centralized. Cash is generally placed in deposits mostly denominated in U.S. Dollars, Hong Kong dollars and RMB. The Group's liquidity and financing requirements are reviewed regularly.

Pledge of Bank Balance

Our pledged bank balance was approximately RMB172.1 million as of December 31, 2022 (2021: RMB25.5 million), representing bank balances we pledged with a bank required for the issue of a letter of credit for importing certain machines and equipment, and banking facility.

流動資金及資金來源以及借款

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

於2022年12月31日，本集團的流動資產約為人民幣1,972.7百萬元，包括現金及現金等價物約人民幣1,716.4百萬元、原到期日超過三個月的定期存款約人民幣8.9百萬元、已抵押銀行結餘約人民幣172.1百萬元及其他流動資產約人民幣75.5百萬元。於2022年12月31日，本集團的流動負債約為人民幣194.5百萬元，包括其他應付款項及應計費用約人民幣83.4百萬元、應付關聯公司款項約人民幣6.9百萬元、銀行借款約人民幣94.5百萬元及其他流動負債約人民幣9.7百萬元。

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

於2022年12月31日，本集團的有抵押銀行貸款為人民幣94.5百萬元，須於一年內或應要求償還。

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

銀行結餘抵押

於2022年12月31日，我們的已抵押銀行結餘約為人民幣172.1百萬元(2021年：人民幣25.5百萬元)，指我們因開具信用證用於進口若干機器及設備以及因銀行融資額度而須質押予銀行的銀行結餘。

Management Discussion and Analysis

管理層討論及分析



Key Financial Ratios

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

		As at December 31, 於12月31日	
		2022 2022年	2021 2021年
Current ratio ⁽¹⁾	流動比率 ⁽¹⁾	10.1	24.8
Gearing ratio ⁽²⁾	資產負債比率 ⁽²⁾	N/A不適用 ⁽³⁾	N/A不適用 ⁽³⁾

Notes:

- (1) Current ratio represents current assets divided by current liabilities as of the same date.
- (2) Gearing ratio represents interest-bearing borrowings less cash and cash equivalents and time deposits with original maturity over three months, divided by total equity and multiplied by 100% as of the same date.
- (3) As of December 31, 2021 and 2022, we were in a net cash position and thus gearing ratio is not applicable.

主要財務比率

下表載列於所示日期我們的主要財務比率的組成部分：

		As at December 31, 於12月31日	
		2022 2022年	2021 2021年
Current ratio ⁽¹⁾	流動比率 ⁽¹⁾	10.1	24.8
Gearing ratio ⁽²⁾	資產負債比率 ⁽²⁾	N/A不適用 ⁽³⁾	N/A不適用 ⁽³⁾

附註：

- (1) 流動比率乃按於同日的流動資產除以流動負債計算。
- (2) 資產負債比率指同日的計息借款減現金及現金等價物及原到期日超過三個月的定期存款，除以權益總額，再乘以100%。
- (3) 於2021年及2022年12月31日，我們處於淨現金狀況，因此資產負債比率並不適用。

Contingent Liabilities

As at December 31, 2022, the Group did not have any significant contingent liabilities.

或然負債

於2022年12月31日，本集團並無任何重大或然負債。

Capital Commitment

The capital commitment of the Group as at December 31, 2022 was approximately RMB277.2 million, representing an increase of approximately RMB82.5 million as compared with that of approximately RMB194.7 million as at December 31, 2021, primarily attributable to progress made in the construction of manufacturing facilities and R&D activities.

資本承擔

於2022年12月31日，本集團的資本承擔約為人民幣277.2百萬元，較2021年12月31日約人民幣194.7百萬元增加約人民幣82.5百萬元，主要源於興建生產設施及研發活動取得進展。

Significant Investments

For the year ended December 31, 2022, we did not have any significant investment.

重大投資

截至2022年12月31日止年度，我們並無任何重大投資。

Future Plans for Material Investments or Capital Assets

As of December 31, 2022, we did not have any plans for material investments and capital assets.

重大投資或資本資產的未來計劃

於2022年12月31日，我們並無任何有關重大投資或資本資產的計劃。

Management Discussion and Analysis

管理層討論及分析

Material Acquisitions and Disposals

We did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures for the year ended December 31, 2022.

Employees and Remuneration

As at December 31, 2022, the Group had a total of 293 employees. The following table sets forth the total number of employees by function as of December 31, 2022:

		Number of employees 僱員數目	% of the total 佔總數百分比
Management	管理	6	2.0
R&D	研發	100	34.1
Manufacturing	生產	67	22.9
Quality control	質量控制	43	14.7
Sales and marketing	銷售及營銷	45	15.4
Environmental, health and safety	環境、健康與安全	1	0.3
Administrative	行政	31	10.6
Total	總計	293	100.0

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

The total remuneration cost incurred by the Group for the year ended December 31, 2022 was approximately RMB132.1 million, as compared to approximately RMB150.2 million for the year ended December 31, 2021. The decrease was primarily attributable to the decrease of equity-settled share-based payment of approximately RMB54.8 million which was net off by an increase of approximately RMB36.7 million in employee salaries and benefits in line with the expansion in headcount.

Foreign Exchange Exposure

During the year ended December 31, 2022, the Group mainly operated in China and a majority of its transactions were settled in RMB, the functional currency of the Company's primary subsidiaries. As at December 31, 2022, a significant amount of the Group's cash and cash equivalents was denominated in Hong Kong dollars. Except for certain cash and cash equivalents, prepayments on purchases of property, plant and equipment and other payables denominated in foreign currencies, the Group did not have significant foreign currency exposure from its operations as at December 31, 2022. Our Group manages its foreign exchange risk by performing regular reviews of our net foreign exchange exposures and seeks to minimize these exposures whenever possible. We currently do not adopt any long-term contracts, currency borrowings or other means to hedge our foreign currency exposure.

重大收購及出售

截至2022年12月31日止年度，我們並無進行有關附屬公司、聯營公司或合營企業的任何重大收購或出售。

僱員及薪酬

於2022年12月31日，本集團擁有合共293名僱員。下表載列於2022年12月31日按職能劃分的僱員總數：

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

截至2022年12月31日止年度，本集團產生的薪酬成本總額約為人民幣132.1百萬元，而截至2021年12月31日止年度則約為人民幣150.2百萬元。減少主要源於以權益結算以股份為基礎的付款減少約人民幣54.8百萬元，惟有關影響被僱員薪金及福利隨着人手增加而上升約人民幣36.7百萬元抵銷。

外匯風險

於截至2022年12月31日止年度，本集團主要於中國營運，其大部分交易以人民幣結算，而人民幣為本公司主要附屬公司的功能貨幣。於2022年12月31日，本集團的現金及現金等價物大部分以港元計值。於2022年12月31日，除若干現金及現金等價物、購買物業、廠房及設備的預付款項以及其他應付款項以外幣計值外，本集團並無來自其營運的重大外幣風險。本集團透過定期檢討淨外匯風險管理外匯風險，從而盡量降低有關風險。我們目前並無採納任何長期合約、貨幣借款或其他途徑對沖外幣風險。

Profiles of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS

Executive Directors

Dr. Li Xiaoyi, aged 60, was appointed as the chairman of the Board, an executive Director and the CEO on January 20, 2017. He is mainly responsible for the formulation of the corporate development strategies and direction for our Group as well as overall day-to-day management of our business and operations. Dr. Li Xiaoyi also holds directorship at each subsidiary of our Group since its establishment.

Dr. Li has over 25 years of experience in pharmaceutical R&D as well as management and strategic planning for pharmaceutical companies. Dr. Li founded Lee's Pharm in 1994 and has been the chief technical officer since then. Dr. Li was appointed as an executive director and the chief executive officer of Lee's Pharm in September 2003, where he is responsible for the overall operations and management and R&D of Lee's Pharm and Dr. Li resigned as the chief executive officer and the chief technical officer and has been re-designed from an executive director to a non-executive director of Lee's Pharm since April 29, 2021.

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

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

* For identification purposes only

董事

執行董事

李小羿博士，60歲，於2017年1月20日獲委任為董事會主席、執行董事兼行政總裁。彼主要負責為本集團制定公司發展策略及方針以及我們的業務及營運的整體日常管理。李小羿博士亦自本集團各附屬公司成立起擔任其董事。

李博士於藥物研發及製藥公司管理及策略規劃方面擁有逾25年經驗。李博士於1994年創辦李氏大藥廠並自彼時起一直擔任技術總監。李博士於2003年9月獲委任為李氏大藥廠執行董事兼行政總裁，負責李氏大藥廠的整體運營及管理以及研發工作。李博士由2021年4月29日起辭任李氏大藥廠行政總裁及技術總監職務，並由執行董事調任非執行董事。

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

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

Profiles of Directors and Senior Management

董事及高級管理層履歷

Mr. Dai Xiangrong, aged 43, joined our Group in June 2016 and was appointed as an executive Director on October 23, 2020. He is mainly responsible for overseeing R&D and daily operation of our Group.

As a licensed pharmacist, Mr. Dai has over 14 years of extensive experience in preclinical studies, clinical research and registration of new drugs. Prior to joining our Group, Mr. Dai had worked in Lee's Pharm since July 2007, where he was responsible for various new drug development programs and succeeded in bringing the programs to the clinical trial stage, and was further promoted to senior director of the R&D centre in February 2016. Prior to the Listing Date, Mr. Dai resigned as the senior director of the R&D center and ceased to hold any management position in the Retained Lee's Pharm Group.

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

Non-executive Directors

Ms. Leelalertsuphakun Wanee, aged 69, was appointed as a non-executive Director on February 20, 2017 and is primarily responsible for providing guidance and advice on the corporate and business strategies of our Group.

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

Ms. Tiantian Zhang, aged 40, was appointed as a non-executive Director on February 5, 2021 and is primarily responsible for providing guidance and advice on the corporate and business strategies of our Group.

戴向榮先生，43歲，於2016年6月加入本集團並於2020年10月23日獲委任為執行董事。彼主要負責監督本集團的研發及日常營運。

作為一名執業藥師，戴先生於臨床前研究、臨床研究及新藥註冊方面擁有逾14年的豐富經驗。於加入本集團前，戴先生自2007年7月起一直於李氏大藥廠任職，先負責多項新藥研究計劃並成功將該等計劃帶進臨床試驗階段，及於2016年2月進一步晉升為研發中心高級總監。於上市日期前，戴先生辭任研發中心高級總監一職，且不再於保留李氏大藥廠集團出任任何管理職位。

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

非執行董事

李燁妮女士，69歲，於2017年2月20日獲委任為非執行董事，主要負責就本集團的公司及業務策略提供指引及建議。

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

張甜甜女士，40歲，於2021年2月5日獲委任為非執行董事，主要負責就本集團的公司及業務策略提供指引及建議。

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



Ms. Zhang has over 10 years of management and investment experience in healthcare industry. From January 2009 to April 2012, Ms. Zhang worked as a manager of business development at Hutchison MediPharma Limited, which is a subsidiary of Hutchison China MediTech Limited, a company whose shares are traded on the NASDAQ (ticker symbol: HCM), where she was responsible for drug out-licensing and project management. From July 2014 to December 2015, Ms. Zhang worked as an associate manager at Zimmer Biomet Holdings, Inc., a company whose shares are traded on the New York Stock Exchange (ticker symbol: ZBH), where she was responsible for management of strategic initiatives. In January 2016, Ms. Zhang joined Kleiner Perkins Caufield & Byers China (凱鵬華盈中國基金) as a vice president, focusing on the firm's life science investment practice and portfolio management. Ms. Zhang joined Panacea Venture since January 2018 and is now a partner; Panacea Venture is a venture capital firm focusing on investments in innovative and transformative early and growth stage healthcare and life sciences companies worldwide, where she involves in the firm's life science practice, portfolio management and fund-raising.

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

Ms. Cai Li, aged 39, was appointed as a non-executive Director on October 23, 2020 and is primarily responsible for providing guidance and advice on the corporate and business strategies of our Group.

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

張女士擁有逾10年醫療行業管理及投資經驗。自2009年1月至2012年4月，張女士擔任和黃中國醫藥科技有限公司(一間股份於納斯達克上市的公司，股票代碼：HCM)的一間附屬公司和和記黃埔醫藥(上海)有限公司的商務開發經理，負責藥物對外授權及項目管理工作。於2014年7月至2015年12月，張女士擔任Zimmer Biomet Holdings, Inc.(一間股份於紐約證券交易所上市的公司，股票代碼：ZBH)副經理，負責戰略計劃管理。於2016年1月，張女士加入凱鵬華盈中國基金出任副總裁，專注於該公司的生命科學投資事業及投資組合管理。張女士自2018年1月起加入Panacea Venture(一間風險投資基金，專注於全球具有創新性及開創性的初期及成長期醫療及生命科學公司的投資)，現為合夥人，負責該公司的生命科學事業、投資組合管理及融資。

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

蔡俐女士，39歲，於2020年10月23日獲委任為非執行董事，主要負責就本集團的公司及業務策略提供指引及建議。

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

Profiles of Directors and Senior Management

董事及高級管理層履歷

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

- a supervisor at Shanghai Deyu Deqi Enterprise Management Consulting Co., Ltd. (上海德虞得起企業管理諮詢有限公司) since November 2016;
- a non-executive director at Kangji Medical Holdings Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 9997), since March 2020;
- a non-executive director at Dingdang Health Technology Group Ltd., a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 9886), since May 2021.

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

Mr. Chen Yu, aged 41, was appointed as a non-executive Director on October 23, 2020 and is primarily responsible for providing guidance and advice on the corporate and business strategies of our Group.

Mr. Chen has over 14 years of experience in investment. From June 2007 to September 2007 and from January 2008 to September 2010, he was an analyst in the investment banking department of Bank of America Merrill Lynch. From September 2010 to June 2011, he served as an associate of the China investment banking department at Citigroup Global Markets Asia Limited. From January 2012 to July 2015, he was a senior investment manager of Shanghai Panxin Equity Investment Management Co., Ltd. (上海磐信股權投資管理有限公司). Since August 2015, he has been an executive director, and currently managing director, of Hillhouse.

Mr. Chen has been serving as a director of JHBP (CY) Holdings Limited, a pharmaceutical company whose shares are listed on the Main Board of the Stock Exchange (stock code: 6998), since December 2018.

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

除本集團職務外，蔡女士亦兼任以下職位：

- 自2016年11月起擔任上海德虞得起企業管理諮詢有限公司的監事；
- 自2020年3月起擔任康基醫療控股有限公司(一間股份於聯交所主板上市的公司(股份代號：9997))的非執行董事；
- 自2021年5月起擔任叮嚀健康科技集團有限公司(一間股份於聯交所主板上市的公司(股份代號：9886))的非執行董事。

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

陳宇先生，41歲，於2020年10月23日獲委任為非執行董事，主要負責就本集團的公司及業務策略提供指引及建議。

陳先生有逾14年的投資經驗。於2007年6月至2007年9月及於2008年1月至2010年9月，彼於Bank of America Merrill Lynch投資銀行部擔任分析師。於2010年9月至2011年6月，彼於花旗環球金融亞洲有限公司中國投資銀行部擔任經理。於2012年1月至2015年7月，彼於上海磐信股權投資管理有限公司擔任高級投資經理。自2015年8月起，彼一直擔任高領的執行董事，現任董事總經理。

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

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

Profiles of Directors and Senior Management

董事及高級管理層履歷



Independent Non-executive Directors

Mr. Wong Hin Wing, aged 60, was appointed as an independent non-executive Director on April 1, 2021 and is primarily responsible for supervising and providing independent judgment to our Board.

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

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

Mr. Wong is a member of the Anhui Provincial Committee of the Chinese People's Political Consultative Conference, a panel member of Accounting and Financial Reporting Review Tribunal, a member of the Construction Industry Council, the Betting and Lotteries Commission, the Medical Council of Hong Kong and the board member of Ocean Park Corporation.

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

獨立非執行董事

黃顯榮先生，60歲，於2021年4月1日獲委任為獨立非執行董事，主要負責監督董事會並向其提供獨立判斷。

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

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

黃先生為中國人民政治協商會議安徽省委員會委員、會計及財務匯報覆核審裁處委員團委員、建造業議會成員、博彩及獎券事務委員會成員、香港醫務委員會委員及海洋公園公司董事局成員。

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

Profiles of Directors and Senior Management

董事及高級管理層履歷

Prof. Lo Yuk Lam, aged 74, was appointed as an independent non-executive Director on April 1, 2021 and is primarily responsible for supervising and providing independent judgment to our Board.

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

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

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

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

盧毓琳教授，74歲，於2021年4月1日獲委任為獨立非執行董事，主要負責監督董事會並向其提供獨立判斷。

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

除本集團職務外，盧教授亦兼任或曾兼任以下職位：

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

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

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



Mr. Liew Fui Kiang, aged 56, was appointed as an independent non-executive Director on June 6, 2022 and is primarily responsible for supervising and providing independent judgment to our Board.

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

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

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

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

SENIOR MANAGEMENT

Dr. Lau Lit Fui, aged 60, joined our Group in June 2016 and was appointed as president and chief operating officer of our Group on April 1, 2019 and reassigned as CSO on January 18, 2022. He is primarily responsible for overseeing the overall scientific functions of our Group, including basic and applied research projects, as well as the development of new processes, technologies or projects. He is also responsible for promoting the efficiency, profitability and competitive position of our Group.

劉懷鏡先生，56歲，於2022年6月6日獲委任為獨立非執行董事，主要負責監督董事會並向其提供獨立判斷。

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

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

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

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

高級管理層

柳烈奎博士，60歲，於2016年6月加入本集團並於2019年4月1日獲委任為本集團的總裁兼首席運營官，其後於2022年1月18日調任首席科學官。彼主要負責監督本集團的整體科學職能，包括基本及應用研究項目，以及開發新程序、技術或項目。彼亦負責提高本集團的效率、盈利能力及競爭力。



Profiles of Directors and Senior Management

董事及高級管理層履歷

Dr. Lau has 24 years of extensive experience in operation management and R&D of new drugs. From August 1998 to January 2008, he worked in the global R&D department of Pfizer Inc., a worldwide leading pharmaceutical company, where his last position was senior principal scientist heading a biology laboratory and supervising technicians in testing drug candidates. From January 2008 to August 2012, Dr. Lau worked as the associate director of the new product and alliance development department of GlaxoSmithKline (China) R&D Co., Ltd., a science-led global healthcare company, where he was responsible for department management and R&D of new drugs treating neurodegenerative diseases. Dr. Lau joined Lee's Pharm in October 2012 and had been managing the operation and R&D of Lee's Pharm until April 2016.

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

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

Ms. Feng Xinyan, aged 45, was appointed as the CFO of our Group on December 7, 2020 and appointed for another dual role as the CBO on January 18, 2022. She is primarily responsible for financial planning and initiatives and investor relations management, and also oversees the overall operation of our Group.

柳博士於營運管理及新藥研發方面擁有24年的豐富經驗。於1998年8月至2008年1月，彼就職於全球領先的製藥公司輝瑞公司全球研發部，最終職位為高級首席科學家，領導生物實驗室並監督技術人員檢測候選藥物。於2008年1月至2012年8月，柳博士擔任GlaxoSmithKline (China) R&D Co., Ltd. (一間以科學為導向的全球醫藥保健公司) 新產品及聯盟發展部的副總監，負責部門管理及治療神經退行性疾病的新藥研發。柳博士於2012年10月加入李氏大藥廠，直至2016年4月，一直管理李氏大藥廠的營運及研發工作。

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

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

馮新彥女士，45歲，於2020年12月7日獲委任為本集團的首席財務官，其後於2022年1月18日獲委兼任首席業務官。彼主要負責本集團的財務規劃及舉措以及投資者關係管理，同時監督整體運作。

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



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

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

Dr. Albert Tsai Jr., aged 49, was appointed as the CMO of our Group on June 1, 2021. He is primarily responsible for leading the Group to advance its assets through the clinical development process as well as supporting the post-approval medical affairs for the Group's commercial products (e.g. safety, risk management, thought leader relationships).

Dr. Tsai has 20 years of healthcare experience across the spectrum of pharmaceuticals, biotech, medical devices and healthcare consulting, as well as in various country markets including China, U.S., Japan and Southeast Asia. From 2019 to 2021, he served as the vice president, regional medical officer of the Asia-Pacific region at PPD Inc., a leading global CRO, responsible for business development and providing medical/scientific product development advisory to biotech companies in Asia. Prior to that, he served as the vice president, Asia Pacific at The Medicines Company Hong Kong, a company listed on the NASDAQ (stock code: MDCO) from 2014 to 2019, where he developed and implemented the Asia expansion strategy for The Medicines Company Hong Kong with a primary focus on establishing their presence in China and Japan. From 1997 to 2014, he worked in various leading global pharmaceutical companies including Bayer Schering Pharma AG, Merck Sharp & Dohme (Asia) Ltd., Amgen Inc. and GE Healthcare Inc. in senior medical positions.

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

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

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

蔡建明醫生，49歲，於2021年6月1日獲委任為本集團的首席醫學官。彼主要負責領導本集團推進旗下商業產品的臨床開發工作，以及支援產品獲審批後的醫學事務(例如安全、風險管理及與意見領袖的關係)。

蔡醫生擁有20年的醫療保健經驗，涵蓋中國、美國、日本及東南亞等多國市場的醫藥、生物科技、醫療儀器及醫療保健諮詢等領域。於2019年至2021年間，彼出任全球領先的CRO—PPD Inc.的亞太區副總裁及醫學總監，負責業務發展，以及為亞洲地區的生物科技公司提供醫療/科學產品開發顧問服務。此前，彼於2014年至2019年間出任The Medicines Company Hong Kong(一間於納斯達克上市的公司，股份代號：MDCO)的亞太區副總裁，任內為The Medicines Company Hong Kong制訂並推行其亞洲擴展策略，主力於中國及日本建立據點。於1997年至2014年間，彼曾任職於多間全球領先的藥業公司，包括Bayer Schering Pharma AG、美國默沙東藥廠有限公司、Amgen Inc.及GE Healthcare Inc.，擔任高級醫學職位。

蔡醫生取得西北大學的醫學博士及南加州大學的工商管理(策略及金融)碩士學位。

Profiles of Directors and Senior Management

董事及高級管理層履歷

Mr. Zhang Guohui, aged 48, joined our Group in June 2016 and was appointed as deputy general manager of our Group on July 1, 2016. He is mainly responsible for overseeing manufacturing and logistics function of our Group.

Mr. Zhang has over 23 years of experience in pharmaceutical industry. Since his graduation in July 1997 and until June 2016, Mr. Zhang had been working in Lee's Pharm for more than 18 years. He was first responsible for the R&D of new drugs, quality control and GMP management and further promoted as the head of R&D of the company, where he accumulated extensive experience in the R&D and registration of new drugs, as well as project management.

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

Mr. Jiang Su, aged 42, joined our Group in January 2018 and was appointed as the clinical operations director of our Group on June 1, 2019. He is mainly responsible for conducting and organizing clinical trials.

Mr. Jiang has over 18 years of experience in pharmaceutical industry. Since his graduation in July 2003 and until January 2018, Mr. Jiang had been working in Lee's Pharm for almost 15 years. He was first responsible for carrying out clinical trials and further promoted to the head of clinical quality in charge of quality control of clinical trials.

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

Mr. Ma Jian, aged 36, joined our Group in January 2017. He was appointed as assistant manager of quality assurance and quality control on September 1, 2018, and was further promoted as the vice president of quality control of our Group in 2021. He is mainly responsible for devising procedures to inspect and report quality assurance issues, identifying critical control points and preventive measures.

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

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

張國輝先生，48歲，於2016年6月加入本集團並於2016年7月1日獲委任為本集團的副總經理。彼主要負責監督本集團的製造及物流職能。

張先生於製藥行業擁有逾23年經驗。自1997年7月畢業直至2016年6月，張先生於李氏大藥廠任職逾18年。彼最初負責新藥研發、質量控制及GMP管理，其後晉升為該公司的研發部負責人，在新藥研發、註冊及項目管理方面積累了豐富經驗。

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

江蘇先生，42歲，於2018年1月加入本集團並於2019年6月1日獲委任為本集團臨床運營總監。彼主要負責指導及組織臨床試驗。

江先生於製藥行業擁有逾18年經驗。於2003年7月畢業直至2018年1月，江先生於李氏大藥廠任職近15年。彼最初負責開展臨床試驗，其後晉升為負責臨床試驗質量控制的臨床質量部負責人。

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

馬鍵先生，36歲，於2017年1月加入本集團並於2018年9月1日獲委任為質量保證及控制部助理經理，其後於2021年晉升為本集團質量控制部副總裁。彼主要負責設計檢查及匯報質量保證問題的程序、確定關鍵控制點及預防措施。

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

馬先生於2007年6月在中國安徽省安徽醫科大學取得醫學學士學位。

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



Mr. Mauro Bove, aged 67, was appointed as the business development director of our Group on January 1, 2019. He is mainly responsible for overseeing business development activities and identifying new business opportunities and finalizing the relevant negotiations on a global basis.

Mr. Bove has almost 40 years of business and management experience within the pharmaceutical industry working in Europe, North America and Asia. Mr. Bove led for many years until March 2014 the corporate and business development of Sigma-Tau Finanziaria S.p.A.. From May 2005 to December 2014, he served as a non-executive director of Lee's Pharm. From December 2014 to December 2018, he served as the senior vice president of corporate and business development department of Lee's Pharm, overseeing the business development activities and identifying new business opportunities for the group.

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

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

Mr. Feng Jiang, aged 47, was appointed as sales and marketing director of our Group on October 1, 2020. He is primarily responsible for overseeing the branding, sales and marketing activities of our Group.

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

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

Mauro Bove先生，67歲，於2019年1月1日獲委任為本集團的業務發展總監，主要負責監督業務發展活動及物色新商機以及於全球範圍內完成相關談判。

Bove先生於歐洲、北美及亞洲擁有近40年製藥行業業務及管理經驗。多年以來，Bove先生一直領導Sigma-Tau Finanziaria S.p.A.的企業與業務發展，直至2014年3月。於2005年5月至2014年12月，彼擔任李氏大藥廠的非執行董事。於2014年12月至2018年12月，彼擔任李氏大藥廠企業與業務發展部高級副總裁，負責監督業務發展活動並為該集團物色新商機。

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

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

馮江先生，47歲，於2020年10月1日獲委任為本集團的銷售及營銷總監。彼主要負責監督本集團的品牌推廣、銷售及營銷活動。

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

馮先生於1999年7月自中國廣東省華南農業大學取得生物技術學士學位。

Profiles of Directors and Senior Management

董事及高級管理層履歷

Ms. Yau Suk Yan, aged 40, was appointed as the financial controller and the company secretary of our Company on September 9, 2019. She is responsible for management and supervision of auditing, report analysis and budget control of our Group.

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

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

Dr. Jin Yixuan, aged 41, joined our Group as the associate medical director on October 8, 2019, mainly responsible for overseeing clinical trial development in terms of protocol development and providing medical insight for clinical trial strategy and model design.

Dr. Jin started her career as an attending physician of ophthalmology in Nanhai People's Hospital of Foshan City* (佛山市南海區人民醫院) from 2011 to 2014. She worked at Beijing Novartis Pharma Co., Ltd. (北京諾華製藥有限公司), a global healthcare company from June 2018 to September 2019, where her last position was medical science liaison manager.

Dr. Jin obtained her master's degree in clinical medicine from Harbin Medical University (哈爾濱醫科大學) in Heilongjiang Province, China, in July 2008. She then obtained her doctor's degree in ophthalmology from Sun Yat-sen University (中山大學) in Guangdong Province, China in June 2011.

邱淑欣女士，40歲，於2019年9月9日獲委任為本公司的財務總監兼公司秘書。彼負責本集團審計、報告分析及預算控制的管理與監督。

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

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

金怡軒博士，41歲，於2019年10月8日加入本集團任職醫學副總監，主要負責監督制定醫療方案的臨床試驗開發及為臨床試驗策略及模型設計提供醫學觀察。

金博士於佛山市南海區人民醫院開始其職業生涯，於2011年至2014年期間擔任該醫院眼科主治醫師。彼於2018年6月至2019年9月於北京諾華製藥有限公司(一間全球醫藥健康公司)任職，其最後職位是醫學聯絡官經理。

於2008年7月，金博士取得中國黑龍江省哈爾濱醫科大學臨床醫學碩士學位。其後於2011年6月，彼取得中國廣東省中山大學眼科學博士學位。

* For identification purposes only

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



Ms. Carol Liu, aged 39, joined our Group as head of regulatory affairs on January 4, 2021. She is responsible for overseeing industry specific practices and ensuring all government and regulations are being met throughout drug registration of the Group.

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

Ms. Yang Lei, aged 42, joined our Group as general counsel on October 11, 2021. She is responsible for overseeing legal and compliance functions of our Group.

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

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

劉鑾女士，39歲，於2021年1月4日加入本集團任法規事務部主管。彼負責監督行業特定實務，確保本集團於藥品註冊過程中符合所有政府及監管規定。

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

楊蕾女士，42歲，於2021年10月11日加入本集團任法律總顧問。彼負責監督本集團的法律及合規職能。

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

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

Profiles of Directors and Senior Management

董事及高級管理層履歷

EXTERNAL CONSULTANT

Dr. Samir Chandrakant Patel, aged 62, was engaged by our Company as strategy consultant of our Group on April 9, 2020, to provide our Group with consulting services in relation to, among others, planning business strategies, sourcing business development opportunities, and providing protocol inputs and clinical development integration inputs.

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

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

COMPANY SECRETARY

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

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.

外聘顧問

Samir Chandrakant Patel 博士，62歲，於2020年4月9日獲本公司委任為本集團策略顧問，就(其中包括)規劃業務策略、物色業務發展機會、提供醫療方案輸入數據及臨床發展整合輸入數據向本集團提供諮詢服務。

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

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

公司秘書

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

董事資料變動

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

Corporate Governance Report

企業管治報告

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

CORPORATE CULTURE AND VALUE

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

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

董事會欣然呈列本公司於報告期內的本企業管治報告。

企業文化及價值

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

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

CORPORATE GOVERNANCE PRACTICES

We are committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. Our Company has adopted the CG Code. During the Reporting Period, two Audit Committee meetings, four Remuneration Committee meetings and three Nomination Committee meetings were held. Pursuant to code provision C.2.1 in Part 2 of the CG Code, the roles of chairman and chief executive should be separated and not be performed by the same individual. Dr. Li Xiaoyi currently serves as both the chairman of the Board and the CEO. Dr. Li Xiaoyi has been operating and managing our Group since its establishment, and the Directors consider that the present arrangement is beneficial to and in the interests of our Company and our Shareholders as a whole and the deviation from code provision C.2.1 in Part 2 of the CG Code is appropriate in such circumstance. For details, see “– The Board – (6) Chairman and CEO”. Save as disclosed above, the Directors consider that our Company has complied with applicable code provisions of the CG Code as set out in Appendix 14 to the Listing Rules during the Reporting Period.

THE BOARD

(1) Responsibilities

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

企業管治常規

本集團致力於維持高水平的企業管治，以保障股東權益並持高企業價值和問責性。本公司已採納企業管治守則。於報告期內，本公司曾舉行兩次審核委員會會議、四次薪酬委員會會議及三次提名委員會會議。根據企業管治守則第二部分的守則條文C.2.1，主席與行政總裁的角色應有區分，並不應由一人同時兼任。李小羿博士目前同時兼任董事會主席與行政總裁。李小羿博士自本集團成立以來一直經營及管理本集團，董事相信現有安排對本公司及股東整體而言有利，並符合彼等的整體利益，而在此情況下偏離企業管治守則第二部分的守則條文C.2.1誠屬恰當。有關詳情請參閱「–董事會–(6)主席及行政總裁」。除上文所披露者外，於報告期內，董事認為本公司已遵守上市規則附錄十四所載企業管治守則的適用守則條文。

董事會

(1) 職責

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

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

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

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

(3) Board Composition

During the year ended December 31, 2022, the Board comprised two executive Directors, four non-executive Directors and three independent non-executive Directors. The Directors who held office during the Reporting Period were:

Executive Directors

Dr. Li Xiaoyi
Mr. Dai Xiangrong

Non-executive Directors

Ms. Leelalertsuphakun Wanee
Ms. Tiantian Zhang
Ms. Cai Li
Mr. Chen Yu

Independent non-executive Directors

Mr. Wong Hin Wing
Prof. Lo Yuk Lam
Mr. Liew Fui Kiang (appointed on June 6, 2022)
Dr. Tam Lai Fan Gloria (resigned on April 11, 2022)

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

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

(2) 董事及高級管理人員的責任保險及彌償保證

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

(3) 董事會組成

截至2022年12月31日止年度，董事會由兩名執行董事、四名非執行董事及三名獨立非執行董事組成。於報告期內的在任董事為：

執行董事

李小羿博士
戴向榮先生

非執行董事

李燁妮女士
張甜甜女士
蔡俐女士
陳宇先生

獨立非執行董事

黃顯榮先生
盧毓琳教授
劉懷鏡先生(於2022年6月6日獲委任)
譚麗芬醫生(於2022年4月11日辭任)

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



Corporate Governance Report

企業管治報告

Due to the resignation of Dr. Tam Lai Fan Gloria on April 11, 2022, our Company had only two independent non-executive Directors and two members of the Audit Committee from April 11, 2022 to June 6, 2022. It resulted in (i) the total number of independent non-executive Directors accounted for less than one-third of Board members, and hence our Company failed to meet the requirement of Rule 3.10A of the Listing Rules during the same period; and (ii) the number of independent non-executive Directors and the number of members of the Audit Committee fell below the minimum number required under Rules 3.10(1) and 3.21 of the Listing Rules, respectively, during the same period. Following the appointment of Mr. Liew Fui Kiang on June 6, 2022, our Company has fully complied with the requirements as set out in Rules 3.10A, 3.10(1) and 3.21 of the Listing Rules.

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

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

The Company has received from each of the independent non-executive Directors an annual confirmation in writing of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that, during the Reporting Period and up to the Latest Practicable Date, all of the independent non-executive Directors are independent.

(5) Induction and Continuous Professional Development

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

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

由於譚麗芬醫生於2022年4月11日辭任，故本公司於2022年4月11日至2022年6月6日僅有兩名獨立非執行董事及兩名審核委員會成員。因此，(i)獨立非執行董事總數佔董事會成員人數少於三分之一，故本公司於同一段期間內不符合上市規則第3.10A條的規定；及(ii)獨立非執行董事人數及審核委員會成員人數於同一段期間內分別少於上市規則第3.10(1)條及第3.21條的最低人數規定。於2022年6月6日委任劉懷鏡先生後，本公司已全面遵守上市規則第3.10A條、第3.10(1)條及第3.21條所載的規定。

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

(4) 獨立非執行董事的確立性確認

本公司已接獲各獨立非執行董事根據上市規則第3.13條作出的年度獨立性書面確認。本公司認為，於報告期內及直至最後實際可行日期，全體獨立非執行董事屬獨立人士。

(5) 入職培訓與持續專業發展

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

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

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

Note:

- (1) On April 11, 2022, Dr. Tam Lai Fan Gloria resigned as an independent non-executive Director.

(6) Chairman and CEO

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

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

The Company is committed to maintaining a high standard of corporate governance (which is of critical importance to our development) to protect the interest of the Shareholders. Save as disclosed above, our Directors consider that the Company has complied with all applicable code provisions of the CG Code as set out in Appendix 14 to the Listing Rules from the Listing Date and up to the Latest Practicable Date.

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

附註：

- (1) 於2022年4月11日，譚麗芬醫生辭任獨立非執行董事。

(6) 主席及行政總裁

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

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

本公司致力於維持高水平的企業管治(對我們的發展極其重要)，以保障股東利益。除上文所披露者外，董事認為本公司自上市日期起直至最後實際可行日期為止已遵守上市規則附錄十四所載企業管治守則的所有適用守則條文。

(7) Appointment and Re-Election of Directors

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

Each of the non-executive Directors, Mr. Wong Hin Wing and Prof. Lo Yuk Lam entered into an appointment letter with our Company. The initial term for their appointment letters shall commence from the Listing Date and continue for a period of three years until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing.

Following the resignation of Dr. Tam Lai Fan Gloria on April 11, 2022, the Board appointed Mr. Liew Fui Kiang as an independent non-executive Director with effect from June 6, 2022. Mr. Liew Fui Kiang also entered into an appointment letter with our Company as an independent non-executive Director for an initial term of three years commencing from June 6, 2022 subject to termination by either party with three months' prior notice in writing. Mr. Liew will hold office until the close of the AGM and shall be eligible for re-election in accordance with the Articles of Association.

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

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

(7) 董事委任及重選

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

非執行董事黃顯榮先生及盧毓琳教授已各自與本公司訂立委任函。彼等的委任函的初始年期自上市日期起生效，為期三年，直至按照委任函的條款及條件或由任何一方向另一方發出不少於三個月的事先書面通知終止為止。

於譚麗芬醫生於2022年4月11日辭任後，董事會已委任劉懷鏡先生為獨立非執行董事，自2022年6月6日起生效。劉懷鏡先生亦與本公司訂立獨立非執行董事委任函，初始年期自2022年6月6日起為期三年，直至由任何一方發出三個月的事先書面通知終止為止。按照組織章程細則，劉先生將任職至股東週年大會結束為止，並符合資格接受重選。

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

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



(8) Board Meetings, Committee Meetings and General Meeting

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

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

During the Reporting Period, nine Board meetings, two Audit Committee meetings, four Remuneration Committee meetings, three Nomination Committee meetings, four Investment Committee meetings and 12 Executive Committee meetings were held. A summary of the attendance record of the Directors at Board meetings, committee meetings and general meeting is set out in the following table below:

Name of Director	董事姓名	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Investment Committee 投資委員會	Executive Committee 執行委員會	General Meeting 股東大會
Executive Directors:								
Dr. Li Xiaoyi	李小平博士	9	-	-	3	4	12	1
Mr. Dai Xiangrong	戴向榮先生	9	-	-	-	-	12	1
Non-executive Directors:								
Ms. Leelalertsuphakun Wanee	李焯妮女士	9	-	-	-	-	-	1
Ms. Tiantian Zhang	張甜甜女士	9	-	4	-	-	-	1
Ms. Cai Li	蔡俐女士	9	2	-	-	-	-	1
Mr. Chen Yu	陳宇先生	9	-	-	-	-	-	1
Independent Non-executive Directors:								
Mr. Wong Hin Wing	黃顯榮先生	9	2	4	3	4	-	1
Prof. Lo Yuk Lam	盧毓琳教授	9	-	4	3	4	-	1
Dr. Tam Lai Fan Gloria (resigned on April 11, 2022)	譚麗芬醫生 (於2022年 4月11日辭任)	3	1	-	-	-	-	-
Mr. Liew Fui Kiang (appointed on June 6, 2022)	劉懷鏡先生 (於2022年 6月6日獲委任)	4	1	-	-	-	-	-

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

(8) 董事會會議、委員會會議及股東大會

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

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

於報告期內，本公司曾舉行九次董事會會議、兩次審核委員會會議、四次薪酬委員會會議、三次提名委員會會議、四次投資委員會會議及12次執行委員會會議。下表載列董事於董事會會議、委員會會議及股東大會的出席紀錄概要：

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



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企業管治報告

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

(9) Model Code for Securities Transactions

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its securities code to regulate the dealing by the Directors in securities of the Company.

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

(10) Delegation by the Board

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

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

(11) Corporate Governance Function

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

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of Directors and senior management of the Company;

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

(9) 進行證券交易的標準守則

本公司已採納上市規則附錄十所載的標準守則，作為其自身有關規管董事進行本公司證券交易的證券守則。

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

(10) 董事會授權

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

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

(11) 企業管治職能

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

- (a) 制訂及檢討本公司的企業管治政策及常規，向董事會提出建議；
- (b) 檢討及監察董事及本公司高級管理人員的培訓及持續專業發展；

- (c) 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 applicable to employees and directors of the Company; and
- (e) to review the Company's compliance with the code and disclosure in the Corporate Governance Report of the Company.

- (c) 檢討及監察本公司就遵守法律及監管要求的政策及常規；
- (d) 制定、檢討及監察本公司僱員及董事的操守準則及合規手冊；及
- (e) 檢討本公司遵守守則的情況及在本公司企業管治報告內的披露。

BOARD COMMITTEES

(1) Nomination Committee

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

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

During the Reporting Period, the Nomination Committee meetings were held on March 23, 2022, June 3, 2022 and August 24, 2022. The attendance record of the committee members is set out in the section headed “– The Board – (8) Board Meetings, Committee Meetings and General Meeting” of this corporate governance report. The following is a summary of key work performed by the Nomination Committee during the Reporting Period:

- assessed the independence of the independent non-executive Directors;
- reviewed the structure, size and composition of the Board;
- reviewed the revised board diversity policy of our Company (the “**Board Diversity Policy**”) and Directors nomination policy (the “**Nomination Policy**”) and made recommendations to the Board for approval;
- made recommendations to the Board on the re-election of Directors at the annual general meeting held in 2022; and
- made recommendations to the Board on nomination of Mr. Liew Fui Kiang as an independent non-executive Director.

董事委員會

(1) 提名委員會

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

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

於報告期內，提名委員會曾於2022年3月23日、2022年6月3日及2022年8月24日舉行會議。委員會成員的出席記錄載於本企業管治報告「– 董事會 – (8) 董事會會議、委員會會議及股東大會」一節。以下為提名委員會於報告期內的主要工作概要：

- 評估獨立非執行董事的獨立性；
- 檢討董事會的架構、人數及組成；
- 檢討本公司的經修訂董事會多元化政策（「**董事會多元化政策**」）及董事提名政策（「**提名政策**」），並向董事會提出建議供審批；
- 向董事會提出於2022年舉行的股東週年大會上重選董事的建議；及
- 向董事會提出提名劉懷鏡先生為獨立非執行董事的建議。



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

(2) Nomination Policy

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

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

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

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

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

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

(2) 提名政策

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

目的 提名政策載列指導提名委員會遴選、委任及重新委任董事的方針。

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

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

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



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



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In recommending candidates for appointment to the Board, the Nomination Committee will consider candidates on merit against objective criteria and with due regard to the benefits of diversity on the Board. During the Reporting Period, the Nomination Committee made recommendation to the Board on nomination of Mr. Liew Fui Kiang as an independent non-executive Director to fill the casual vacancy created by the resignation of Dr. Tam Lai Fan Gloria in accordance with the Nomination Policy abovementioned.

Board Diversity Policy

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

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

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

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

於向董事會提出委任候選人的建議時，提名委員會將用人唯才的客觀準則及對董事會多元化的裨益，考慮候選人的條件。於報告期內，提名委員會按照上述提名政策向董事會提出建議，提名劉懷鏡先生為獨立非執行董事，以填補因譚麗芬醫生辭任而產生的臨時空缺。

董事會多元化政策

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

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

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

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

Progress on Achieving the Objectives

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

The Nomination Committee and the Board have reviewed the diversity of the Board and the Board Diversity Policy for the Reporting Period. As of December 31, 2022, the diversity profile of the Board is analyzed as follows:

- the Directors have a balanced mix of experiences, including overall management, business development, R&D, quality control, public relationships, regulatory affairs and corporate finance;
- the Board members also consist of six males and three females, with two executive Directors, four non-executive Directors and three independent non-executive Directors, of ages ranging from 39 to 74; and
- the education background of the Directors includes pharmacology, biochemistry, business administration, management science and engineering, finance and accountancy, with degrees awarded by education institutions in the PRC, Hong Kong and the United States.

實踐目標的進程

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

提名委員會及董事會已於本報告期檢討董事會多元化情況及董事會多元化政策。於2022年12月31日，董事會多元化的情況分析如下：

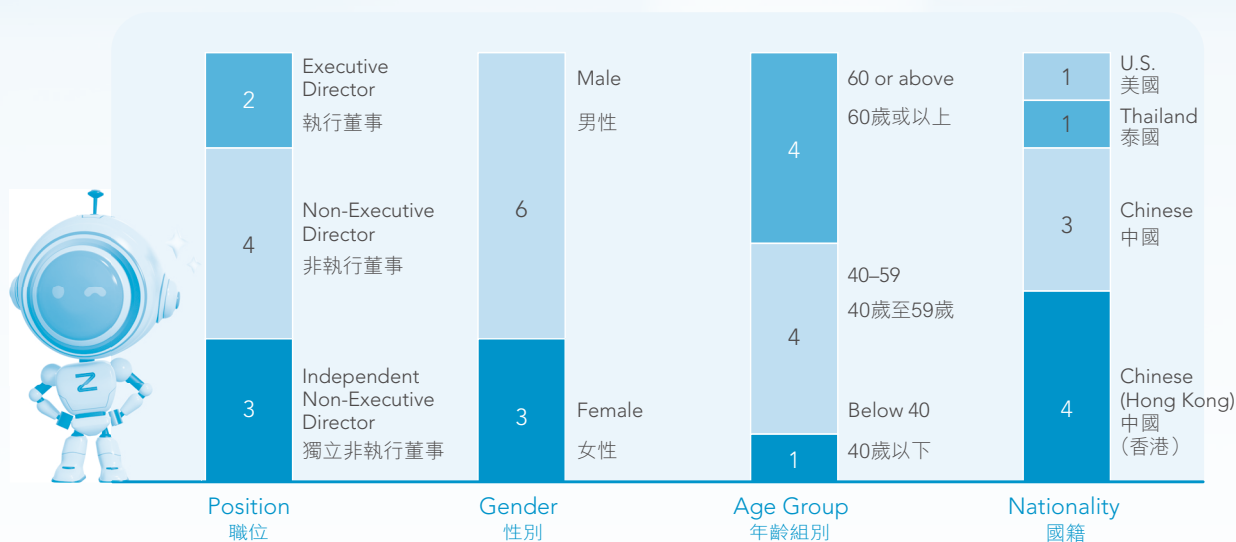
- 董事的經驗組合平衡，包括整體管理、業務發展、研發、品質控制、公共關係、監管事務及企業融資；
- 董事會成員同時包括六名男性及三名女性，當中兩名為執行董事，四名為非執行董事，三名為獨立非執行董事，年齡介乎39歲至74歲；及
- 董事的教育背景包括藥理學、生物化學、工商管理、管理科學及工程、金融及會計學，持有中國、香港及美國教育機構頒授的學位。

Corporate Governance Report

企業管治報告

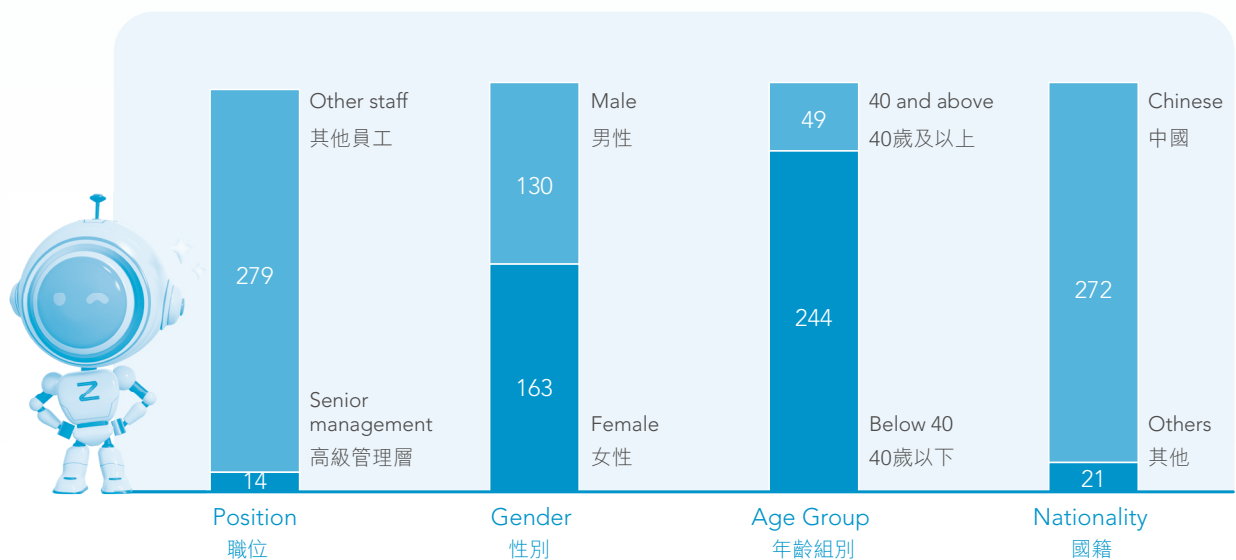
As of the Latest Practicable Date, the composition of the Board is six males and three females (namely Ms. Leelalertsuphakun Wanee, Ms. Tiantian Zhang and Ms. Cai Li). The diversity of the Board is illustrated as below. Further details on the bios and experience of the Directors are set out on pages 41 to 47 of this annual report.

於最後實際可行日期，董事會的組成有六名男性及三名女性（分別為李焯妮女士、張甜甜女士及蔡俐女士）。董事會的多元化闡述如下。董事履歷及經驗的進一步詳情載於本年報第41至47頁。



As of December 31, 2022, the gender ratio of the workforce (including executive Directors and senior management) of the Group is approximately 163 female per 130 male, and the gender ratio of the senior management (including executive Directors) of the Group is approximately five female per nine male. The diversity of workforce of our Company is illustrated as below.

於2022年12月31日，本集團人員（包括執行董事及高級管理層）的性別比例約為163名女性對130名男性，而本集團高級管理層（包括執行董事）的性別比例則約為5名女性對9名男性。本公司人員的多元化情況闡述如下。



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

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

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

(3) Remuneration Committee

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

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

On December 22, 2022, the Company made amendments to the terms of reference of the Remuneration Committee regarding reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules as to comply with the Listing Rules as amended. For details, please refer to the amended terms of reference of the Remuneration Committee published at the websites of the Stock Exchange and the Company.

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

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

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

(3) 薪酬委員會

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

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

於2022年12月22日，本公司已就根據上市規則第十七章審閱及／或批准有關股份計劃的事宜修訂薪酬委員會的職權範圍，以符合經修訂的上市規則。有關詳情請參閱於聯交所網站及本公司網站登載的經修訂薪酬委員會職權範圍書。



Corporate Governance Report

企業管治報告

During the Reporting Period, the Remuneration Committee meetings were held on March 23, 2022, June 3, 2022, August 24, 2022 and December 1, 2022. The attendance record of the committee members is set out in the section headed “- The Board - (8) Board Meetings, Committee Meetings and General Meeting” of this corporate governance report. The following is a summary of key work performed by the Remuneration Committee during the Reporting Period:

- made recommendations to the Board on the remuneration package of the individual executive Directors and senior management;
- reviewed and made recommendations to the Board on the Company’s policy and structure for the remuneration of all Directors and senior management;
- reviewed and revised the terms of reference of Remuneration Committee and made recommendation to the Board for approval;
- reviewed and approved the grant and/or conditionally grant (as the case maybe) of a total of 7,820,000 options to certain Directors, senior management and employees in respective of their service for our Company under the Listing Rules and the terms of the Post-IPO Share Option Scheme; and
- reviewed the performance of duties of Directors and senior management of our Company and conducted annual performance appraisals on them.

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

The aggregate remuneration (including fees, salaries and allowances, performance-based bonuses, share-based payments and retirement benefit scheme contributions of the relevant Directors) payable to the Directors for the year ended December 31, 2022 was approximately RMB25.6 million. The remuneration of the Directors is determined with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group. Details of the remuneration of the Directors and the senior management of our Company are set out in Note 9 to the Financial Statements.

於報告期內，薪酬委員會曾於2022年3月23日、2022年6月3日、2022年8月24日及2022年12月1日舉行會議。委員會成員的出席記錄載於本企業管治報告「- 董事會 - (8) 董事會會議、委員會會議及股東大會」一節。以下為薪酬委員會於報告期內的主要工作概要：

- 向董事會建議個別執行董事及高級管理人員的薪酬待遇；
- 檢討本公司的全體董事及高級管理人員的薪酬政策及架構，並就有關政策及架構向董事會提出建議；
- 檢討及修訂薪酬委員會的職權範圍，並向董事會提出建議以供審批；
- 根據上市規則及首次公開發售後購股權計劃的條款，審閱及批准就若干董事、高級管理層及僱員在本公司的服務向彼等授出及／或有條件地授出（視情況而定）合共7,820,000份購股權；及
- 審視董事及本公司高級管理人員履行職務的情況，並對彼等進行年度表現評估。

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

截至2022年12月31日止年度，應付董事的薪酬總額（包括相關董事的袍金、薪金及津貼、表現花紅、以股份為基礎的付款及退休福利計劃供款）約為人民幣25.6百萬元。董事薪酬乃參照可資比較公司支付的薪金、董事投放的時間及承擔的責任以及本集團的表現釐定。董事及本公司高級管理層的薪酬詳情載於財務報表附註9。

Remuneration by band of the senior management (including two Directors) of the Group for the year ended December 31, 2022 are set out below:

Remuneration band (HK\$)

薪酬範圍(港元)

0-5,000,000

5,000,001-10,000,000

Number of senior management

高級管理人員人數

11

3

截至2022年12月31日止年度按薪酬範圍劃分的本集團高級管理人員(包括兩名董事)薪酬載列如下:

(4) Audit Committee

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

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

During the Reporting Period, the Audit Committee met twice with the auditors to review, among others, the annual results for the year ended December 31, 2021 and the interim results for the six months ended June 30, 2022 in accordance to code provisions of the CG Code and the terms of reference of the Audit Committee.

(4) 審核委員會

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

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

於報告期內，審核委員會曾與核數師會面兩次，以按照企業管治守則的守則條文及審核委員會的職權範圍審閱(其中包括)截至2021年12月31日止年度的全年業績及截至2022年6月30日止六個月的中期業績。



Corporate Governance Report

企業管治報告

During the Reporting Period, the Audit Committee meetings were held on March 23, 2022 and August 24, 2022. The attendance record of the committee members is set out in “– The Board – (8) Board Meetings, Committee Meetings and General Meeting.” The following is a summary of key work performed by the Audit Committee during the Reporting Period:

- reviewed together with the management the accounting principles and policies adopted by us, and the accuracy and fairness of the consolidated financial statements for the financial year ended December 31, 2021 and for the six months ended June 30, 2022, respectively;
- reviewed the risk management and internal control systems and the effectiveness of internal audit function and discussed with the management and internal audit on their findings. For details, please refer to the section headed “– Risk Management and Internal Control” of this corporate governance report;
- performed annual review of the non-exempt continuing connected transactions of our Group for the year ended December 31, 2021;
- recommended to the Board on the re-appointment of external auditor at the annual general meeting held in 2022; and
- approved the audit plan for the financial year ended December 31, 2022, reviewed the independence of external auditor and approved its engagement.

(5) Investment Committee

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

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

於報告期內，審核委員會曾於2022年3月23日及2022年8月24日舉行會議。委員會成員的出席記錄載於「– 董事會 – (8) 董事會會議、委員會會議及股東大會」。以下為審核委員會於報告期內的重點工作概要：

- 會同管理層檢討我們採納的會計原則及政策，以及審閱截至2021年12月31日止財政年度及截至2022年6月30日止六個月的綜合財務報表的準確性及公平性；
- 檢討風險管理及內部監控系統以及內部審核職能的成效，以及與管理層及內部審核人員討論彼等的發現結果。詳情請參閱本企業管治報告「– 風險管理及內部監控」一節；
- 截至2021年12月31日止年度進行本集團不獲豁免持續關連交易的年度審核；
- 向董事會建議於2022年舉行的股東週年大會上續聘外聘核數師；及
- 批准截至2022年12月31日止財政年度的審核計劃、檢討外聘核數師的獨立性及批准其委聘。

(5) 投資委員會

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

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

During the Reporting Period, the Investment Committee meetings were held on April 28, 2022, April 29, 2022, May 3, 2022 and November 1, 2022. The attendance record of the committee members is set out in “- The Board - (8) Board Meetings, Committee Meetings and General Meeting.” The following is a summary of key work performed by the Investment Committee during the Reporting Period:

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

(6) Executive Committee

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

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

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

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

於報告期內，投資委員會曾於2022年4月28日、2022年4月29日、2022年5月3日及2022年11月1日舉行會議。委員會成員的出席記錄載於「- 董事會-(8)董事會會議、委員會會議及股東大會」。以下為投資委員會於報告期內的重點工作概要：

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

(6) 執行委員會

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

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

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

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

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the Financial Statements for the year ended December 31, 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 of the Company has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Financial Statements, which are put to the Board for approval. The Company provides all members of the Board with monthly updates on Company's performance, positions and prospects.

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

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

RISK MANAGEMENT AND INTERNAL CONTROL

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

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

董事有關財務報表的財務申報責任

董事知悉其有責任編製截至2022年12月31日止年度的財務報表，以真實公允地反映本公司及本集團的事務以及本集團的業績及現金流量。

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

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

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

風險管理及內部監控

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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



Corporate Governance Report

企業管治報告

Our Company reviews risk management and internal control systems once a year. Our Group's internal control and risk management reports for the year ended December 31, 2022 were submitted to the Audit Committee and the Board of Directors for review in March 2023. The Board, as supported by the Audit Committee as well as the management, reviewed the effectiveness of risk management and internal control systems, including the financial, operational and compliance controls, for the year ended December 31, 2022, and considered that such systems are effective and adequate. The annual review also covered the financial reporting and internal audit function, qualifications, experiences, training programmes and relevant resources.

Also, the Board engaged KPMG to assess the effectiveness of our Group's risk management and internal control systems once a year, which covered all material controls, including financial, operational and compliance controls as well as risk management functions during the year ended December 31, 2022. The assessment report was reviewed by the Audit Committee and the Board. No major issue was raised for improvement. The Board is satisfied with the effectiveness of the internal control and risk management systems of our Group.

AUDITOR'S REMUNERATION

Audit fees of the Group for the year ended December 31, 2022 payable to the external auditors were approximately RMB2.2 million and the Group incurred approximately RMB1.0 million in 2022 for non-audit services related to review of interim financial information and other advisory services.

COMPANY SECRETARY

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

GENERAL MEETING

The AGM is scheduled to be held on May 25, 2023. A notice convening the AGM will be published and dispatched to the Shareholders of our Company in the manner required by the Listing Rules in due course.

本公司每年檢討風險管理及內部監控系統一次。本集團截至2022年12月31日止年度的內部監控及風險管理報告已於2023年3月提呈審核委員會及董事會審閱。董事會在審核委員會及管理層支持下，已檢討截至2022年12月31日止年度風險管理及內部監控系統(包括財務監控、運作監控及合規監控)成效，並認為該等系統有效及足夠。此外，年度檢討涵蓋財務匯報及內部審核職能、員工資歷及經驗、培訓計劃及有關資源。

此外，於截至2022年12月31日止年度，董事會已委聘畢馬威會計師事務所每年一次評估本集團的風險管理及內部監控系統的成效，涵蓋所有主要監控，包括財務監控、運作監控及合規監控以及風險管理職能。該評估報告已由審核委員會及董事會審閱。報告並無提出任何重大改進事項。董事會滿意本集團的內部監控及風險管理系統成效。

核數師酬金

截至2022年12月31日止年度，本集團應付外聘核數師的審核費用約為人民幣2.2百萬元，而本集團於2022年就審閱中期財務資料及其他顧問服務的非審核服務產生費用約人民幣1.0百萬元。

公司秘書

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

股東大會

股東週年大會謹定於2023年5月25日舉行。召開股東週年大會的通告將於適當時候按上市規則規定的方式發表並寄發予本公司股東。



COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

與股東的溝通及投資者關係

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

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

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

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

- corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the Stock Exchange's website at www.hkexnews.hk and our Company's website at zkoph.com;
- periodic announcements are made through the Stock Exchange and published on the respective website of the Stock Exchange and our Company, where up-to-date information on our Company's business operations and developments, financial information, corporate governance practices and other information are available for public access;
- corporate information is made available on our Company's website;
- annual and extraordinary general meetings provide a forum for the Shareholders to make comments and exchange views with the Directors and senior management. The chairman of the Board will attend the AGM to answer Shareholders' questions; and
- the Hong Kong branch share registrar of our Company serves the Shareholders in respect of share registration, dividend payment and related matters.
- 企業通訊，例如以印刷形式及於聯交所網站 (www.hkexnews.hk) 及本公司網站 (zkoph.com) 發表的年報、中期報告及通函；
- 透過聯交所作出並於聯交所及本公司各自網站登載的定期公告，當中載列有關本公司業務營運及發展的最新資料、財務資料、企業管治常規及其他資料，以供公眾人士查閱；
- 可於本公司網站取得的企業資料；
- 股東週年大會及股東特別大會，為股東提供一個發表意見及與董事及高級管理人員交流意見的論壇。董事會主席將會出席股東週年大會解答股東提問；及
- 本公司的香港股份登記分處為股東處理股份登記、派息及相關事項。

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

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

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

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

SHAREHOLDERS' RIGHTS

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

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

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

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

(2) Procedures for putting forward proposals at general meeting

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

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

股東權利

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

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

(1) 股東召開股東特別大會的程序

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

(2) 於股東大會提呈議案的程序

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

有關推舉他人參選董事的程序可於本公司網站查閱。



(3) Enquires to the Board

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

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

Email: info@zkoph.com

DIVIDEND POLICY

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

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

(3) 向董事會提出查詢

股東及投資者可按下列途徑向本公司提出書面查詢或要求：

地址：香港沙田香港科學園
3期12W座7樓716室

電郵：info@zkoph.com

股息政策

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

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



Corporate Governance Report

企業管治報告

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

CHANGE IN CONSTITUTIONAL DOCUMENTS

On March 23, 2022, the Board has resolved to propose the adoption of the amended and restated Articles of Association to conform to the amended Appendix 3 to the Listing Rules under the new listing regime for overseas issuers which took effect on January 1, 2022, which streamlines and standardizes a uniform set of 14 core standards for shareholder protections for all issuers regardless of their place of incorporation. The proposed adoption of the amended and restated Articles of Association is subject to the approval by the Shareholders by way of a special resolution at the annual general meeting held on May 31, 2022. The amended and restated Articles of Association has become effective since May 31, 2022.

Save as disclosed above, there is no other change in constitutional documents of the Company during the Reporting Period.

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

憲章文件變動

於2022年3月23日，董事會已議決建議採納本公司的經修訂及重列組織章程細則，以符合於2022年1月1日生效的海外發行人新上市機制下，上市規則的經修訂附錄三，當中精簡及標準化適用於所有發行人的一整套共14項核心的股東保障水平，而不論有關發行人的註冊成立地點。建議採納經修訂及重列組織章程細則有待股東於2022年5月31日舉行的股東週年大會上以考慮並酌情通過特別決議案方式批准。經修訂及重列組織章程細則已由2022年5月31日起生效。

除上文所披露者外，本公司於報告期內並無其他憲章文件變動。

Report of Directors

董事會報告

The Board of the Company is pleased to present this report of Directors together with the Financial Statements for the year ended December 31, 2022.

BOARD OF DIRECTORS

During the year ended December 31, 2022, the Board comprised two executive Directors, four non-executive Directors and three independent non-executive Directors. The director who held office during the Reporting Period were:

Executive Directors

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

Non-executive Directors

Ms. Leelalertsuphakun
Ms. Tiantian Zhang
Ms. Cai Li
Mr. Chen Yu

Independent Non-executive Directors

Mr. Wong Hin Wing
Prof. Lo Yuk Lam
Mr. Liew Fui Kiang (*appointed on June 6, 2022*)
Dr. Tam Lai Fan Gloria (*resigned on April 11, 2022*)

Save for the resignation of Dr. Tam Lai Fan Gloria as an independent non-executive Director which took effect from April 11, 2022, all the abovenamed Directors remained as Directors of the Company up to the Latest Practicable Date.

GENERAL INFORMATION

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

本公司董事會欣然提呈截至2022年12月31日止年度的本董事會報告連同財務報表。

董事會

於截至2022年12月31日止年度，董事會由兩名執行董事、四名非執行董事及三名獨立非執行董事組成。於報告期內的在任董事為：

執行董事

李小羿博士(董事會主席)
戴向榮先生

非執行董事

李熒妮女士
張甜甜女士
蔡俐女士
陳宇先生

獨立非執行董事

黃顯榮先生
盧毓琳教授
劉懷鏡先生(於2022年6月6日獲委任)
譚麗芬醫生(於2022年4月11日辭任)

除譚麗芬醫生辭任獨立非執行董事(自2022年4月11日起生效)外，直至最後實際可行日期，上述所有董事仍然為本公司董事。

一般資料

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

PRINCIPAL ACTIVITIES

We are an ophthalmic pharmaceutical company dedicated to the research, development and commercialization of therapies that address significant unmet medical needs in China. Leveraging our deep domain expertise, we have built a comprehensive ophthalmic drug pipeline of 26 candidates that covers most major ocular indications affecting the front and the back of the eye, through either in-house development or in-licensing. We have also established an advanced ophthalmic manufacturing facility and are assembling an experienced marketing team in anticipation of near-term product launch.

BUSINESS REVIEW

A review of the business of the Group during the year as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including a discussion and analysis on the Group's future business development and the financial and operational key performance indicators employed by the Directors in measuring the performance of the Group's business is set out in the sections headed "Management Discussion and Analysis" on page 14 of this annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

主要業務

我們是一間眼科製藥公司，致力於療法的研究、開發及商業化，以滿足中國國內巨大醫療需求缺口。憑藉深厚的領域內專業知識，我們已通過自主開發或許可引進建立起包含26種候選藥物的全面眼科藥物管線，涵蓋影響眼前節及眼後節的多數主要眼科適應症。為準備近期的產品推出，我們亦已建立一座先進眼藥製造設施並正在組建一支經驗豐富的營銷團隊。

業務回顧

香港法例第622章《公司條例》附表5所要求的本集團於年內業務的審視(包括本集團的未來業務發展的討論及分析，以及董事於計量本集團業務表現時採用的關鍵財務及營運表現指標)載於本年報第14頁的「管理層討論及分析」各章節。

主要風險及不明朗因素

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

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

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

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

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

ENVIRONMENTAL POLICIES AND PERFORMANCE

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

環境政策及績效

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

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

本公司的環境、社會及管治報告將與本年報一同編製。

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

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

遵守相關法律及法規

就董事會及管理層所知，本集團一直在各重要方面遵守對本集團業務及營運有重大影響的相關法律及法規。於截至2022年12月31日止年度，本集團並無嚴重違反或不遵守適用法律及法規。

EMPLOYEES AND REMUNERATION POLICIES

A review of the employees and remuneration policies of the Group for the Reporting Period are set out in the section headed "Management Discussion and Analysis" on page 40 of this annual report.

僱員及薪酬政策

本集團於報告期的僱員及薪酬政策回顧載於本年報第40頁的「管理層討論及分析」一節。

RETIREMENT BENEFITS SCHEME

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

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

During the year ended December 31, 2022, there were no forfeited contributions under the RBS Schemes. Accordingly, no forfeited contribution was utilized during the year, and there was no forfeited contribution available as of December 31, 2022, to reduce the level of contributions.

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

MAJOR SUPPLIERS

For the year ended December 31, 2022, the Group’s suppliers primarily consisted of (i) CROs, who provided contracting services for R&D; and (ii) suppliers of raw materials, reference drugs, machinery and equipment used in the R&D and manufacturing activities.

For the year ended December 31, 2022, purchases from the Group’s five largest suppliers in the aggregate amounted to RMB33.8 million, accounted for 20.1% of the Group’s total purchases for the same year.

Lee’s Pharm Hefei was an indirect wholly owned subsidiary of Lee’s Pharm, our Substantial Shareholder, and the Group’s largest supplier during the Reporting Period. Purchases from Lee’s Pharm Hefei for the year ended December 31, 2022 amounted to RMB15.1 million, accounting for approximately 9.0% of the Group’s total purchase amount for the same year.

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

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

退休福利計劃

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

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

於截至2022年12月31日止年度，退休福利計劃下並無已沒收的供款。因此，年內並無動用已收收供款，於2022年12月31日亦無已沒收供款可供減低供款水平。

本公司的退休金供款詳情載於本年報財務報表附註7。

主要供應商

截至2022年12月31日止年度，本集團的供應商主要包括(i) CRO，其為研發提供合約服務；及(ii)研發及製造活動使用的原材料、參照藥、機器及設備的供應商。

截至2022年12月31日止年度，本集團來自五大供應商的採購額合共為人民幣33.8百萬元，佔本集團同年總採購額的20.1%。

於報告期內，李氏大藥廠(合肥)為我們主要股東李氏大藥廠的間接全資附屬公司，並為本集團的最大供應商。截至2022年12月31日止年度，本集團來自李氏大藥廠(合肥)的採購額為人民幣15.1百萬元，佔本集團同年總採購額約9.0%。

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

於截至2022年12月31日止年度，本集團與其供應商並無經歷任何重大糾紛。

MAJOR CUSTOMERS

During the Reporting Period, the Group had not commenced any commercialization. We did not generate any revenue during the Reporting Period and thus we did not have any major customer during the same period.

KEY RELATIONSHIP WITH STAKEHOLDERS

The Group recognizes that various stakeholders including suppliers, 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 Suppliers

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

Relationship with Our Employees

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

Relationship with Our Licensing Partners and Business Partners

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

主要客戶

於報告期內，本集團並未開展任何商業化。於報告期內，我們並無產生任何收入，因而於同一期間並無任何主要客戶。

與持份者的關鍵關係

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

與我們供應商的關係

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

與我們僱員的關係

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

與許可夥伴及業務夥伴的關係

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

Relationship with Shareholders

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

BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and the senior management of the Company are set out in the section headed "Profiles of Directors and Senior Management" on pages 41 to 53 of this annual report.

SERVICE CONTRACTS OF THE DIRECTORS

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

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

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

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

與股東的關係

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

董事及高級管理層履歷

本公司董事及高級管理層的履歷詳情載於本年報第41至53頁「董事及高級管理層履歷」一節。

董事服務合約

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

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

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

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

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time during the year ended December 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.

REMUNERATION OF THE DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

In compliance with Rule 3.25 of the Listing Rules and the CG 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 and seniority. As for the independent non-executive Directors, their remuneration is determined by the Board upon recommendation from the Remuneration Committee. The Directors and the senior management personnel are eligible participants of the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme.

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

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACT OF SIGNIFICANCE

Save as disclosed in this annual report, none of the Directors nor any entity connected with the Directors had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance, whether for the provision of services or otherwise, to the Group 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 December 31, 2022.

董事收購股份或債權證的權利

除本年報所披露者外，於截至2022年12月31日止年度任何時間，本公司或其任何附屬公司概無訂立任何安排，使董事可藉收購本公司或任何其他法人團體的股份或債權證而獲益；亦無董事或任何彼等的配偶或18歲以下子女擁有任何權利認購本公司或任何其他法人團體的股權或債務證券，亦無行使任何有關權利。

董事及五名最高薪酬人士的薪酬

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

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

董事於重要交易、安排或合約的權益

除本年報所披露者外，概無董事或與董事有關連的任何實體直接或間接於本公司、其控股公司或其任何附屬公司或同系附屬公司所訂立於截至2022年12月31日止年度內或結束時存續，對本集團而言屬重大(不論關於提供服務或其他原因)的任何交易、安排或合約中擁有重大權益。

INTERESTS IN CONTRACT OF SIGNIFICANCE

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

DIRECTORS INTERESTS IN COMPETING BUSINESS

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

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

Save as disclosed in the Prospectus and save for their respective interests in the Group, none of the Directors was interested in any business which competes or is likely to compete, directly or indirectly, with the businesses of the Group pursuant to Rule 8.10 of the Listing Rules for the year ended December 31, 2022.

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

於重大合約的權益

自上市日期起直至最後實際可行日期，本公司並無控股股東。

董事於競爭性業務的權益

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

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

除招股章程所披露者及彼等各自於本集團的權益外，截至2022年12月31日止年度，根據上市規則第8.10條，概無董事於直接或間接與或可能與本集團業務競爭的任何業務中擁有權益。

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

MANAGEMENT CONTRACTS

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

CONNECTED TRANSACTIONS

Among the related party transactions disclosed in Note 26 to the Financial Statements, the following transactions constitute connected transactions for the Company under Rule 14A.23 of the Listing Rules and are required to be disclosed in this annual report in accordance with Rule 14A.71 of the Listing Rules. The Company confirmed that the other related party transactions do not fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) under Chapter 14A of the Listing Rules and complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules. Please see below the information required to be disclosed in compliance with Chapter 14A of the Listing Rules.

One-off Connected Transaction

Lease Agreement

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

The total rental fee under the Lease Agreement amount to approximately RMB657,987 per month (inclusive of maintenance fee) to be paid monthly. The transaction amount incurred under the Lease Agreement during the Reporting Period was RMB6.6 million.

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

管理合約

於截至2022年12月31日止年度，概無訂立或存在關於本集團全部或任何大部分業務的管理及行政合約。

關連交易

於財務報表附註26所披露的關聯方交易中，以下交易根據上市規則第14A.23條構成本公司的關連交易，按照上市規則第14A.71條須於本年報內披露。本公司已確認，其他關聯方交易並不符合上市規則第十四A章的「關連交易」或「持續關連交易」(視情況而定)的定義，且已符合上市規則第十四A章的披露規定。有關遵照上市規則第十四A章須披露的資料，請參閱下文。

一次性關連交易

租賃協議

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

租賃協議下的租賃總額每月約為人民幣657,987元(包括維修費)，將每月支付。於報告期內根據租賃協議產生的交易額為人民幣6.6百萬元。

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

Continuing Connected Transactions

(1) Procurement of CRO Services

Lee's Pharm Hefei is an indirect wholly owned subsidiary of Lee's Pharm, our Substantial Shareholder. Under the Listing Rules, Lee's Pharm Hefei is regarded as our connected person. Pursuant to the master CRO service agreement entered into between Zhaoke Guangzhou and Lee's Pharm Hefei on April 1, 2021 (the "Master CRO Service Agreement"), our Group agreed to engage Lee's Pharm Hefei as a CRO service provider to provide relevant CRO services for developing our CsA ophthalmic gel, ZKY001 and levobetaxolol HCl. The Master CRO Service Agreement has a term commencing from the date of the agreement, and continue to be in force until the completion of the clinical trial projects contemplated thereunder. Based on our independent assessment and commercial judgement, and considering the overall commercial terms, the R&D capabilities and dedication proposed by Lee's Pharm Hefei and its relevant industry knowledge and experience, we believe engaging Lee's Pharm Hefei as our CRO service provider to provide the service contemplated under the Master CRO Service Agreement is commercially beneficial to the business of our Group. For further details on the procurement of CRO services, please refer to the section headed "Connected Transactions – Non-Exempt Continuing Connected Transactions – Procurement of CRO Services" of the Prospectus.

Historical transaction amounts

The transaction amount incurred under the Master CRO Service Agreement for the year ended December 31, 2022 was RMB4.9 million (for the year ended December 31, 2021: RMB50.3 million).

Caps on future transaction amounts

The proposed annual cap for the service fees under the Master CRO Service Agreement for the year ended December 31, 2022 is RMB31.0 million.

Termination of Continuing Connected Transactions

On January 26, 2022, the Group and Lee's Pharm Hefei mutually agreed to early terminate the Master CRO Service Agreement with effect from the date of completion of Phase II clinical trial of ZKY001 for the indication of CED. The reason for early termination is because patient enrollment related to the clinical trial of CsA ophthalmic gel and levobetaxolol HCl has been completed in 2021 and there would be further change over the design of ZKY001's ongoing clinical trial with additional indications newly explored. The Company decided to delegate the remaining clinical trial projects to another independent third party service providers after considering its suitability based on these new changes and requirement. Upon such termination, all rights and obligations of the parties to the Master CRO Service Agreement shall cease and no party shall have any claim against each other in connection with the Master CRO Service Agreement. For further details on the termination, please refer to our announcements published on the websites of the Stock Exchange and our Company dated January 26, 2022.

持續關連交易

(1) 購買CRO服務

李氏大藥廠(合肥)為我們主要股東李氏大藥廠的間接全資附屬公司。根據上市規則，李氏大藥廠(合肥)被視為我們的關連人士。根據兆科廣州與李氏大藥廠(合肥)於2021年4月1日訂立的主CRO服務協議(「主CRO服務協議」)，本集團同意委聘李氏大藥廠(合肥)為CRO服務提供商，以就開發環孢素A眼凝膠、ZKY001及鹽酸左倍他洛爾提供相關CRO服務。主CRO服務協議年期自訂立協議日期開始，有效期直至相關協議下擬進行的臨床試驗項目完成為止。基於我們的獨立評估及商業判斷，考慮到整體商業條款、李氏大藥廠(合肥)的研發實力及建議的投入以及其相關行業知識及經驗，我們認為委聘李氏大藥廠(合肥)為我們的CRO服務提供商提供根據主CRO服務協議擬提供服務於商業上對本集團的業務有益。有關購買CRO服務的進一步詳情，請參閱招股章程中「關連交易—非豁免持續關連交易—購買合約研究機構服務」一節。

歷史交易金額

截至2022年12月31日止年度，根據主CRO服務協議產生的交易金額為人民幣4.9百萬元(截至2021年12月31日止年度：人民幣50.3百萬元)。

未來交易金額上限

截至2022年12月31日止年度的主CRO服務協議的服務費建議年度上限為人民幣31.0百萬元。

終止持續關連交易

於2022年1月26日，本集團與李氏大藥廠(合肥)雙方同意提早終止主CRO服務協議，自為治療CED適應症的ZKY001第II期臨床試驗完成日期起生效。提早終止的原因乃環孢素A眼凝膠及鹽酸左倍他洛爾臨床試驗的患者入組已於2021年完成，而隨着ZKY001發掘額外新的適應症，應會進一步改變其進行中臨床試驗的設計。於考慮此等新轉變及要求的適切性後，本公司決定委派餘下臨床試驗項目予其他獨立第三方服務提供商。於終止後，主CRO服務協議訂約各方的所有權利及義務將告終結，且概不得向對方提出任何有關主CRO服務協議的申索。有關終止的進一步詳情，請參閱本公司於2022年1月26日在聯交所及本公司網站登載的公告。

(2) Procurement of CRO Services for NVK002

Pursuant to the CRO service agreements (the “**NVK002 Service Agreements**”) entered into between Zhaoke Guangzhou and Lee’s Pharm Hefei on April 8, 2022, our Group agreed to engage Lee’s Pharm Hefei as a CRO service provider to provide relevant CRO services for developing NVK002 for myopia. Each of the NVK002 Service Agreements has a term commencing from April 8, 2022 to December 31, 2024.

Based on our independent assessment and commercial judgement, and considering the overall commercial terms, the R&D capabilities and dedication proposed by Lee’s Pharm Hefei, its relevant industry knowledge and experience and its familiarity with our Company’s needs and requirements, we believe engaging Lee’s Pharm Hefei as our CRO service provider to provide the services contemplated under the NVK002 Service Agreements is commercially beneficial to the business of our Group. For further details, see our announcements published on the websites of the Stock Exchange and our Company dated April 8, 2022.

Historical transaction amounts

The transaction amount incurred under the NVK002 Service Agreements during the Reporting Period was RMB10.2 million.

Caps on future transaction amounts

The proposed annual caps for each of the nine months ended December 31, 2022 and the two years ending December 31, 2023 and 2024 is RMB18.7 million, RMB18.1 million and RMB18.1 million, respectively.

Our Company’s auditors were engaged to report on our Group’s continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter of Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditors have issued an unqualified letter containing their responsibilities and conclusions in respect of the abovementioned continuing connected transactions contemplated under the Master CRO Service Agreement and NVK002 Service Agreements as disclosed by our Group in this report in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor’s letter has been provided by our Company to the Stock Exchange.

(2) 就NVK002購買CRO服務

根據兆科廣州與李氏大藥廠(合肥)於2022年4月8日訂立的CRO服務協議(「**NVK002服務協議**」)，本集團同意委聘李氏大藥廠(合肥)為CRO服務提供商，以就開發治療近視的NVK002提供相關CRO服務。各份NVK002服務協議的年期自2022年4月8日開始，至2024年12月31日為止。

基於我們的獨立評估及商業判斷，考慮到整體商業條款、李氏大藥廠(合肥)的研發實力與付出的努力、李氏大藥廠(合肥)的相關行業知識及經驗以及對本公司需要及要求的熟知程度，我們相信委聘李氏大藥廠(合肥)為我們的CRO服務提供商提供根據NVK002服務協議擬提供的服務於商業上對本集團的業務有益。有關進一步詳情，請參閱聯交所網站及本公司網站所登載我們日期為2022年4月8日的公告。

歷史交易金額

於報告期內，根據NVK002服務協議產生的交易金額為人民幣10.2百萬元。

未來交易金額上限

截至2022年12月31日止九個月以及截至二零二三年及二零二四年十二月三十一日止兩個年度各年的建議年度上限分別為人民幣18.7百萬元、人民幣18.1百萬元及人民幣18.1百萬元。

本公司核數師已獲委聘按照香港會計師公會頒佈的香港鑒證業務準則第3000號(經修訂)「審核或審閱歷史財務資料以外的鑒證業務」及參照實務說明第740號「關於《香港上市規則》所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。核數師已按照上市規則第14A.56條的規定發出一封無保留意見函件，當中載有其有關本集團於本報告內披露上述根據主CRO服務協議及NVK002服務協議擬進行的持續關連交易的責任及結論。本公司已向聯交所提供該核數師函件的副本。

(3) Product Licensing

Lee's Pharm Guangzhou is an indirect wholly owned subsidiary of Lee's Pharm, our Substantial Shareholder. Lee's Pharm International is our Substantial Shareholder. Under the Listing Rules, Lee's Pharm Guangzhou and Lee's Pharm International are regarded as our connected persons. Our Company and Zhaoke Guangzhou, as licensors, entered into the license agreement with Lee's Pharm International and Lee's Pharm Guangzhou (together, the "Licensees") on October 2, 2020 (the "License Agreement"), pursuant to which we agreed to grant exclusive license rights to the Licensees to promote and commercialize the adapalene/clindamycin hydrochloride compound gel (the "Licensed Product") in the PRC, Hong Kong, Macau and Taiwan. In consideration, the Licensees agreed to pay an upfront payment of US\$10,000,000 within 30 days after the signing of the agreement and a milestone payment of US\$5,000,000 within 14 days after obtaining the relevant regulatory approval for the new drug registration of the Licensed Product in PRC, and to share with us the profit derived from the sale of Licensed Product (the "Profit Sharing"). In addition, pursuant to the License Agreement, we were engaged by the Licensees to exclusively manufacture the Licensed Product, and shall supply the Licensed Products to the Licensees in the PRC (the "Licensed Product Supply") at a determined supply price per unit. The License Agreement has an initial term commencing on the date of the agreement and continue to be in force and effect until the date of the tenth anniversary of the initial sale of the Licensed Product, and can be automatically extended for additional consecutive renewal terms of five years each, unless terminated earlier in accordance with the terms of the License Agreement. The License Agreement was entered into by our Group and the Retained Lee's Pharm Group out of independent commercial considerations since we expect to focus our resources on the R&D of ophthalmic pharmaceutical products, while the Retained Lee's Pharm Group has a developed business in dermatology field. It is natural and commercially beneficial for both groups to enter into the License Agreement so that both groups will be able to stick to their respective business plans and development paths. For further details on the procurement of CRO services, please refer to "Connected Transactions – Non-Exempt Continuing Connected Transactions – Product Licensing" of the Prospectus.

Historical transaction amount

We have not received any payment under the License Agreement for the year ended December 31, 2022 since the next payment milestone under the License Agreement has yet been achieved as of the end of the Reporting Period and there was no Licensed Products supplied or net sales revenue incurred for the year ended December 31, 2022 under the License Agreement.

(3) 產品許可

李氏大藥廠(廣州)為我們主要股東李氏大藥廠的間接全資附屬公司。李氏大藥廠國際為我們的主要股東。根據上市規則，李氏大藥廠(廣州)及李氏大藥廠國際均被視為我們的關連人士。本公司及兆科廣州(作為許可方)與李氏大藥廠國際及李氏大藥廠(廣州)(統稱「被許可方」)於2020年10月2日訂立許可協議(「許可協議」)，據此我們同意向被許可方授出獨家許可權，以於中國、香港、澳門及台灣推廣及商業化阿達帕林鹽酸克林黴素複方凝膠(「被許可產品」)。作為代價，被許可方同意於簽署協議後30日內支付預付款10,000,000美元及於被許可產品於中國的新藥登記取得相關監管批准後14日內支付里程碑付款5,000,000美元，並與我們分成銷售被許可產品產生的利潤(「利潤分成」)。此外，根據許可協議，我們獲被許可方委聘獨家製造被許可產品，並於中國按規定的供應單價向被許可方供應被許可產品(「被許可產品供應」)。許可協議初始年期自協議訂立日期開始，有效期直至被許可產品開始銷售起計滿10年之日，且將自動延期，每次額外續期5年，除非根據許可協議的條款提前終止。由於我們預期將集中資源於眼科藥物產品的研發，而保留李氏大藥廠集團於皮膚病學領域有成熟業務，故許可協議乃由本集團與保留李氏大藥廠集團基於獨立商業考慮因素訂立。訂立許可協議對兩方屬理所當然及可帶來商業利益，彼等可繼續恪守其各自的業務計劃及發展路徑。有關購買CRO服務的進一步詳情，請參閱招股章程中「關連交易—非豁免持續關連交易—產品許可」。

歷史交易金額

截至2022年12月31日止年度，由於許可協議下一個付款里程碑於報告期末尚未達成，故我們並無根據許可協議收取任何付款，而截至2022年12月31日止年度亦無根據許可協議供應被許可產品或產生淨銷售收入。

Caps on future transaction amounts

We have set the annual caps for the Licensed Product Supply and the Profit Sharing as formulas (the “**Formulas**”) below:

(i) *Licensed Product Supply*

The payment to be received by us from the Retained Lee’s Pharm Group for supplying the Licensed Products will be determined in accordance with the following formula:

Amount receivable by us under Licensed Product Supply = Unit supply price¹ amount of Licensed Product supplied

(ii) *Profit Sharing*

The payment receivable by us from the Retained Lee’s Pharm Group for Profit Sharing pursuant to the License Agreement will be determined in accordance with the following formula:

Amount of profit receivable by us under Profit Sharing² = (net sales revenue³ * 55%) – amount receivable by the Group under Licensed Product Supply (net of tax)

There was no Licensed Products supplied or net sales revenue incurred for the year ended December 31, 2022 under the License Agreement. Therefore, the auditor of the Company has not reported on the above continuing connected transactions contemplated under the License Agreement pursuant to Rule 14A.56 of the Listing Rules.

Notes:

- 1 The unit supply price is determined by taking into consideration the cost expected to be incurred by us for the manufacturing of Licensed Products and a gross profit margin of approximately 60% for such manufacturing.
- 2 Net sales revenue shall be net of value-added taxes and sales commissions paid to distributors.
- 3 If the formula produces negative results, we are not obligated to pay any amount to the Retained Lee’s Pharm Group.

For the year ended December 31, 2022, the Directors, including the independent non-executive Directors have reviewed the aforesaid continuing connected transactions and confirmed that: (i) the continuing connected transactions as set out above have been and will be entered into in the ordinary and usual course of business of our Group, on normal commercial terms or terms better to us, that are fair and reasonable and in the interest of us and our Shareholders as a whole; and (ii) the proposed annual caps and the alternative cap (as applicable) for the non-exempt continuing connected transactions described in this section are fair and reasonable and in the interest of our Company and the Shareholders as a whole.

未來交易金額上限

我們將被許可產品供應及利潤分成年度上限的公式(「公式」)設置如下：

(i) 被許可產品供應

我們將就供應被許可產品自保留李氏大藥廠集團收取的付款將根據以下公式釐定：

我們就被許可產品供應應收的款項 = 所供應被許可產品的供應單價¹

(ii) 利潤分成

我們就根據許可協議進行利潤分成應收保留李氏大藥廠集團的付款將根據以下公式釐定：

我們根據利潤分成應收利潤金額² = (銷售淨收益³ * 55%) – 本集團根據被許可產品供應應收款項(除稅後)

截至2022年12月31日止年度並無根據許可協議供應被許可產品或產生淨銷售收入。因此，本公司核數師並無根據上市規則第14A.56條就上述根據許可協議擬進行的持續關連交易作出報告。

附註：

- 1 供應單價乃按我們就生產被許可產品預期將產生的成本及有關生產的毛利率約60%釐定。
- 2 銷售淨收益應扣除增值稅及付予分銷商的銷售佣金。
- 3 倘公式產生負數結果，我們無義務向保留李氏大藥廠集團支付任何款項。

截至2022年12月31日止年度，董事(包括獨立非執行董事)已審核上述持續關連交易，並已確認：(i)上文所載的持續關連交易已在本集團的日常業務中訂立，按照一般商務條款或更佳條款進行，條款公平合理，並且符合我們及我們股東的整體利益；及(ii)本節所述非豁免持續關連交易的建議年度上限及替代上限(如適用)屬公平合理，並符合本公司及股東的整體利益。

DIRECTORS AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As of December 31, 2022, the interests and short positions of the Directors or chief executive of our Company in any of the Shares, underlying Shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO), which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of SFO (including any interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Long positions in the Shares or underlying Shares of the Company

董事及最高行政人員於本公司或其相聯法團股份、相關股份以及債權證的權益及淡倉

於2022年12月31日，本公司董事或最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份及債權證中擁有並已根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉(包括彼等根據證券及期貨條例相關條文被當作或視為擁有的任何權益或淡倉)，或已記錄於根據證券及期貨條例第352條本公司須存置的登記冊的權益及淡倉，或根據標準守則已知會本公司及聯交所的權益及淡倉如下：

於本公司股份或相關股份的好倉

Name of Director 董事姓名	Nature of interest 權益性質	Number of Shares 股份數目	Approximate percentage in shareholding ⁽⁷⁾ 佔股權概約百分比 ⁽⁷⁾
Dr. Li Xiaoyi ^{(1) (2) (3)} 李小羿博士 ⁽¹⁾⁽²⁾⁽³⁾	Beneficial owner 實益擁有人	14,702,800 ^(L)	2.70%
	Interest in controlled corporation 受控法團權益	2,187,600 ^(L)	0.40%
	Interest of spouse 配偶權益	166,666 ^(L)	0.03%
Mr. Dai Xiangrong ⁽⁴⁾ 戴向榮先生 ⁽⁴⁾	Beneficial owner 實益擁有人	1,461,200 ^(L)	0.27%
Ms. Leelalertsuphakun Wanee ⁽⁵⁾ 李煒妮女士 ⁽⁵⁾	Beneficial owner 實益擁有人	223,557 ^(L)	0.04%
Ms. Tiantian Zhang ⁽⁶⁾ 張甜甜女士 ⁽⁶⁾	Beneficial owner 實益擁有人	200,000 ^(L)	0.04%
Mr. Wong Hin Wing ⁽⁶⁾ 黃顯榮先生 ⁽⁶⁾	Beneficial owner 實益擁有人	200,000 ^(L)	0.04%
Prof. Lo Yuk Lam ⁽⁶⁾ 盧毓琳教授 ⁽⁶⁾	Beneficial owner 實益擁有人	200,000 ^(L)	0.04%
Mr. Liew Fui Kiang ⁽⁶⁾ 劉懷鏡先生 ⁽⁶⁾	Beneficial owner 實益擁有人	200,000 ^(L)	0.04%

Remark: The letter "L" denotes long position in such securities.

註：字母「L」指相關證券的好倉。

Notes:

附註：

(1) Referring to the (i) 14,022,800 Shares underlying the options granted to Dr. Li Xiaoyi under the Pre-IPO Share Option Scheme; and (ii) 680,000 Shares underlying the options granted to Dr. Li Xiaoyi under the Post-IPO Share Option Scheme on December 15, 2022.

(1) 指(i)與根據首次公開發售前購股權計劃向李小羿博士授出的購股權相關的14,022,800股股份；及(ii)與於2022年12月15日根據首次公開發售後購股權計劃向李小羿博士授出的購股權相關的680,000股股份。

- | | |
|---|---|
| <p>(2) Dr. Li Xiaoyi holds 65% of the equity interest of Lee's Healthcare Industry Investments Limited, which in turn is the general partner of Lee's Healthcare Industry Fund L.P. For the purpose of the SFO, Dr. Li is deemed to have an interest in the 2,187,600 Shares held by Lee's Healthcare Industry Fund L.P..</p> | <p>(2) 李小羿博士持有 Lee's Healthcare Industry Investments Limited 65% 的股權，而 Lee's Healthcare Industry Investments Limited 為 Lee's Healthcare Industry Fund L.P. 的普通合夥人。根據證券及期貨條例，李博士被視為於 Lee's Healthcare Industry Fund L.P. 持有的 2,187,600 股股份中擁有權益。</p> |
| <p>(3) Referring to the 166,666 Shares held by Dr. Li Xiaoyi's spouse.</p> | <p>(3) 指李小羿博士的配偶持有的 166,666 股股份。</p> |
| <p>(4) Referring to the (i) 1,261,200 Shares underlying the options granted to Mr. Dai Xiangrong under the Pre-IPO Share Option Scheme; and (ii) 200,000 Shares underlying the options granted to Mr. Dai Xiangrong under the Post-IPO Share Option Scheme on December 15, 2022.</p> | <p>(4) 指(i)與根據首次公開發售前購股權計劃向戴向榮先生授出的購股權相關的 1,261,200 股股份；及(ii)與於 2022 年 12 月 15 日根據首次公開發售後購股權計劃向戴向榮先生授出的購股權相關的 200,000 股股份。</p> |
| <p>(5) Referring to the (i) 23,557 Shares subscribed through preferential offering (as defined in the Prospectus); and (ii) 200,000 Shares underlying the options granted to Ms. Leelalertsuphakun Wanee under the Post-IPO Share Option Scheme on December 15, 2022.</p> | <p>(5) 指(i)透過優先發售(定義見招股章程)認購的 23,557 股股份；及(ii)與於 2022 年 12 月 15 日根據首次公開發售後購股權計劃向李燁妮女士授出的購股權相關的 200,000 股股份。</p> |
| <p>(6) Referring to the respective 200,000 Share underlying the options granted to Ms. Zhang Tiantian, Mr. Wong Hin Wing, Prof. Lo Yuk Lam and Mr. Liew Fui Kiang under the Post-IPO Share Option Scheme on December 15, 2022.</p> | <p>(6) 指與於 2022 年 12 月 15 日根據首次公開發售後購股權計劃向張甜甜女士、黃顯榮先生、盧毓琳教授及劉懷鏡先生各人授出的購股權相關的 200,000 股股份</p> |
| <p>(7) Calculated based on the number of the total issued share capital of our Company as of December 31, 2022, being 543,843,992.</p> | <p>(7) 按照 2022 年 12 月 31 日本公司已發行股本總數 543,843,992 股計算。</p> |

Save as disclosed above, as of the Latest Practicable Date, to the best knowledge of the Directors or chief executive of the Company, none of the Directors or chief executive of the Company had interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (with the meaning of Part XV of the SFO) as recorded in the register required to be kept, pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於最後實際可行日期，就本公司董事或最高行政人員所知，概無本公司董事或最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第 XV 部)的股份、相關股份及債權證中擁有已記錄於根據證券及期貨條例第 352 條須存置的登記冊的權益或淡倉，或根據標準守則已知會本公司及聯交所的權益或淡倉。

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

As of December 31, 2022, so far as the Directors are aware, the following persons (other than the Directors or chief executive of the Company) had or were deemed or taken to have interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in the Shares or underlying Shares of the Company

主要股東於股份及相關股份的權益及淡倉

於2022年12月31日，就董事所知，以下人士（本公司董事或最高行政人員除外）於本公司的股份或相關股份中擁有或被視為或當作擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露的權益或淡倉，或已記錄於根據證券及期貨條例第336條本公司須存置的登記冊的權益或淡倉：

於本公司股份或相關股份的好倉

Name of Shareholder 股東名稱	Nature of interest 權益性質	Total number of Shares/ underlying Shares 股份／相關股份總數	Approximate percentage in shareholding ⁽⁷⁾ 佔股權概約百分比 ⁽⁷⁾
Lee's Pharm ⁽¹⁾ 李氏大藥廠 ⁽¹⁾	Interest in controlled corporation 受控法團權益	140,379,600 ^(L)	25.81%
Lee's Pharm International ⁽¹⁾ 李氏大藥廠國際 ⁽¹⁾	Beneficial owner 實益擁有人	138,192,000 ^(L)	25.41%
GIC Private Limited ⁽²⁾ GIC Private Limited ⁽²⁾	Interest in controlled corporation 受控法團權益	37,803,200 ^(L)	6.95%
	Investment manager 投資經理	32,857,500 ^(L)	6.04%
GIC (Ventures) Pte. Ltd. ⁽²⁾ GIC (Ventures) Pte. Ltd. ⁽²⁾	Interest in controlled corporation 受控法團權益	37,803,200 ^(L)	6.95%
Apstar Investment Pte Ltd ⁽²⁾ Apstar Investment Pte Ltd ⁽²⁾	Interest in controlled corporation 受控法團權益	37,803,200 ^(L)	6.95%
Coyote Investment Pte Ltd ⁽²⁾ Coyote Investment Pte Ltd ⁽²⁾	Beneficial owner 實益擁有人	37,803,200 ^(L)	6.95%
Ms. Mak Siu Hang Viola ⁽³⁾ 麥少嫻女士 ⁽³⁾	Interest in controlled corporation 受控法團權益	40,341,100 ^(L)	7.42%
VMS Holdings Limited ⁽³⁾ VMS Holdings Limited ⁽³⁾	Interest in controlled corporation 受控法團權益	35,747,100 ^(L)	6.57%
Citigroup Inc. Citigroup Inc.	Interest in controlled corporation 受控法團權益	250,044 ^(L)	0.05%
	Approved lending agent 核准借出代理人	250,000 ^(S) 32,204,700 ^(L)	0.05% 5.92%
Hillhouse Capital Management, Ltd. ⁽⁴⁾ Hillhouse Capital Management, Ltd. ⁽⁴⁾	Investment manager 投資經理	30,627,200 ^(L)	5.63%
Hillhouse Venture Fund V, L.P. ⁽⁴⁾ Hillhouse Venture Fund V, L.P. ⁽⁴⁾	Interest in controlled corporation 受控法團權益	30,627,200 ^(L)	5.63%
COFL Holdings Limited ⁽⁴⁾ COFL Holdings Limited ⁽⁴⁾	Beneficial owner 實益擁有人	30,627,200 ^(L)	5.63%

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Name of Shareholder 股東名稱	Nature of interest 權益性質	Total number of Shares/ underlying Shares 股份／相關股份總數	Approximate percentage in shareholding ⁽⁷⁾ 佔股權概約百分比 ⁽⁷⁾
TPG Asia VII SF Pte. Ltd. ⁽⁵⁾	Beneficial owner	30,627,200 ^(L)	5.63%
TPG Asia VII SF Pte. Ltd. ⁽⁵⁾	實益擁有人		
Pandanus Associates Inc. ⁽⁶⁾	Interest in controlled corporation	27,530,000 ^(L)	5.06%
Pandanus Associates Inc. ⁽⁶⁾	受控法團權益		
Pandanus Partners L.P. ⁽⁶⁾	Interest in controlled corporation	27,530,000 ^(L)	5.06%
Pandanus Partners L.P. ⁽⁶⁾	受控法團權益		
FIL Limited ⁽⁶⁾	Interest in controlled corporation	17,500 ^(L)	0.00%*
FIL Limited ⁽⁶⁾	受控法團權益		
FLI Investment Services (UK) Limited ⁽⁶⁾	Beneficial owner	27,512,500 ^(L)	5.06%
FLI Investment Services (UK) Limited ⁽⁶⁾	實益擁有人		
FIDELITY CHINA SPECIAL SITUATIONS PLC ⁽⁶⁾	Beneficial owner	27,512,500 ^(L)	5.06%
FIDELITY CHINA SPECIAL SITUATIONS PLC ⁽⁶⁾	實益擁有人		

Remark: The Letter "L" denotes long position in such securities and "S" denotes short position in such securities. * refers the percentage less than 0.01%.

註：字母「L」指相關證券的好倉，而「S」指相關證券的淡倉。
*指百分比少於0.01%。

Notes:

附註：

- (1) Lee's Pharm International is wholly owned by Lee's Pharm. Therefore, Lee's Pharm is deemed to be interested in the 138,192,000 Shares held by Lee's Pharm International under the SFO. Approximately 43.16% of the partnership interest in Lee's Pharm Healthcare Fund L.P. is held by Lee's Pharm. Therefore, Lee's Pharm is deemed to be interested in the 2,187,600 Shares held by Lee's Pharm Healthcare Fund L.P. under the SFO.
- (2) Coyote Investment Pte. Ltd. is a wholly owned subsidiary of Apstar Investment Pte Ltd., which is in turn a wholly owned subsidiary of GIC (Ventures) Pte. Ltd. Coyote Investment Pte. Ltd. is managed by GIC Special Investments Pte. Ltd., which is wholly owned by GIC Private Limited. Therefore, each of Apstar Investment Pte Ltd., GIC (Ventures) Pte. Ltd., GIC Special Investments Pte. Ltd. and GIC Private Limited is deemed to be interested in the 37,803,200 Shares held by Coyote Investment Pte. Ltd. under the SFO.
- (3) Each of Smart Rocket Limited, VMS Zhaoke Investment Fund SP and Bio Success Investment Limited holds 26,742,400, 4,629,500 and 4,375,200 Shares, respectively. Smart Rocket Limited, VMS Zhaoke Investment Fund SP and Bio Success Investments Limited are all indirect subsidiaries of VMS Holdings Limited, the ultimate beneficial owner of which is by Ms. Mak Siu Hang Viola (麥少嫻). Therefore, each of Ms. Mak Siu Hang Viola and VMS Holdings Limited is deemed to be interested in the 26,742,400 Shares held by Smart Rocket Limited, the 4,629,500 Shares held by VMS Zhaoke Investment Fund SP and the 4,375,200 Shares held by Bio Success Investment Limited under the SFO. VMS Investment Group Limited is a company in turn controlled by Ms. Mak Siu Hang Viola. Therefore, Ms. Mak Siu Hang Viola is also deemed to be interested in the 4,594,000 Shares held by VMS Investment Group Limited under the SFO.
- (1) 李氏大藥廠國際由李氏大藥廠全資擁有。因此，根據證券及期貨條例，李氏大藥廠被視為於李氏大藥廠國際持有的138,192,000股股份中擁有權益。Lee's Pharm Healthcare Fund L.P.約43.16%的合夥權益由李氏大藥廠持有。因此，根據證券及期貨條例，李氏大藥廠被視為於Lee's Pharm Healthcare Fund L.P.持有的2,187,600股股份中擁有權益。
- (2) Coyote Investment Pte. Ltd.為Apstar Investment Pte Ltd.的全資附屬公司，而Apstar Investment Pte Ltd.為GIC (Ventures) Pte. Ltd.的全資附屬公司。Coyote Investment Pte. Ltd.由GIC Special Investments Pte. Ltd.管理，而GIC Special Investments Pte. Ltd.由GIC Private Limited全資擁有。因此，根據證券及期貨條例，Apstar Investment Pte Ltd.、GIC (Ventures) Pte. Ltd.、GIC Special Investments Pte. Ltd.及GIC Private Limited各自被視為於Coyote Investment Pte. Ltd.持有的37,803,200股股份中擁有權益。
- (3) Smart Rocket Limited、VMS Zhaoke Investment Fund SP及Bio Success Investment Limited各自分別持有26,742,400股、4,629,500股及4,375,200股股份。Smart Rocket Limited、VMS Zhaoke Investment Fund SP及Bio Success Investments Limited均為VMS Holdings Limited的間接附屬公司，而VMS Holdings Limited的最終實益擁有人為麥少嫻女士。因此，根據證券及期貨條例，麥少嫻女士及VMS Holdings Limited各自被視為於Smart Rocket Limited持有的26,742,400股股份、VMS Zhaoke Investment Fund SP持有的4,629,500股股份及Bio Success Investment Limited持有的4,375,200股股份中擁有權益。VMS Investment Group Limited乃由麥少嫻女士控制的公司。因此，根據證券及期貨條例，麥少嫻女士亦被視為於VMS Investment Group Limited持有的4,594,000股股份中擁有權益。



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- (4) COFL Holdings Limited is a wholly owned subsidiary of Hillhouse Venture Fund V, L.P. Hillhouse Capital Management, Ltd. acts as the sole management company of Hillhouse Venture Fund V, L.P. Therefore, each Hillhouse Capital Management, Ltd. and Hillhouse Venture Fund V, L.P. is deemed to be interested in the 30,627,200 Shares held by COFL Holdings Limited under the SFO.
- (5) Each of TPG Asia VII Finance, Limited Partnership (as sole ordinary shareholder of TPG Asia VII SF Pte. Ltd.), TPG Asia GenPar VII, L.P. (as a general partner of TPG Asia VII Finance, Limited Partnership), TPG Asia GenPar VII Advisors, Inc. (as a general partner of TPG Asia GenPar VII, L.P.), TPG Holdings III, L.P. (as the sole ordinary shareholder of TPG Asia GenPar VII Advisors, Inc.), TPG Holdings III-A, L.P. (as a general partner of TPG Holdings III, L.P.), TPG Holdings III-A, Inc. (as a general partner of TPG Holdings III-A, L.P.), TPG Group Holdings (SBS), L.P. (as the sole ordinary shareholder of TPG Holdings III-A, Inc.), TPG Group Holdings (SBS) Advisors, LLC (as a general partner of TPG Group Holdings (SBS), L.P.) and TPG Group Holdings (SBS) Advisors, Inc. (as the managing member of TPG Group Holdings (SBS) Advisors, LLC) is deemed to be interested in the Shares held by TPG Asia VII SF Pte. Ltd. under the SFO. TPG Group Holdings (SBS) Advisors, Inc. is controlled by Mr. David Bonderman and Mr. James G. Coulter, who disclaim beneficial ownership of the Shares held by TPG Asia VII SF Pte. Ltd. except to the extent of their pecuniary interest therein.
- (6) To the best knowledge of our Company, each of FIDELITY CHINA SPECIAL SITUATIONS PLC, FLI Investment Services (UK) Limited, FIL Limited and Pandanus Partners L.P. is ultimately controlled by Pandanus Associates Inc. through multiple intermediary shareholding entities.
- (7) Calculated based on the number of the total issued share capital of our Company as of December 31, 2022, being 543,843,992.
- (4) COFL Holdings Limited 為 Hillhouse Venture Fund V, L.P. 的全資附屬公司。高瓴資本管理有限公司作為 Hillhouse Venture Fund V, L.P. 的唯一管理公司行事。因此，根據證券及期貨條例，高瓴資本管理有限公司及 Hillhouse Venture Fund V, L.P. 各自被視為於 COFL Holdings Limited 持有的 30,627,200 股股份中擁有權益。
- (5) 根據證券及期貨條例，TPG Asia VII Finance, Limited Partnership (作為 TPG Asia VII SF Pte. Ltd. 的唯一普通股股東)、TPG Asia GenPar VII, L.P. (作為 TPG Asia VII Finance, Limited Partnership 的普通合夥人)、TPG Asia GenPar VII Advisors, Inc. (作為 TPG Asia GenPar VII, L.P. 的普通合夥人)、TPG Holdings III, L.P. (作為 TPG Asia GenPar VII Advisors, Inc. 的唯一普通股股東)、TPG Holdings III-A, L.P. (作為 TPG Holdings III, L.P. 的普通合夥人)、TPG Holdings III-A, Inc. (作為 TPG Holdings III-A, L.P. 的普通合夥人)、TPG Group Holdings (SBS), L.P. (作為 TPG Holdings III-A, Inc. 的唯一普通股股東)、TPG Group Holdings (SBS) Advisors, LLC (作為 TPG Group Holdings (SBS) Advisors, Inc. 的普通合夥人) 及 TPG Group Holdings (SBS) Advisors, Inc. (作為 TPG Group Holdings (SBS) Advisors, LLC 的管理成員) 各自被視為於 TPG Asia VII SF Pte. Ltd. 持有的股份中擁有權益。TPG Group Holdings (SBS) Advisors, Inc. 由 David Bonderman 先生及 James G. Coulter 先生控制，彼等放棄 TPG Asia VII SF Pte. Ltd. 所持股份的實益擁有權，惟彼等於其中的金錢利益除外。
- (6) 據本公司所知，FIDELITY CHINA SPECIAL SITUATIONS PLC、FIL Investment Services (UK) Limited、FIL Limited 及 Pandanus Partners L.P. 受 Pandanus Associates Inc. 最終控制 (透過多間中間持股實體)。
- (7) 按照 2022 年 12 月 31 日本公司已發行股本總數 543,843,992 股計算。

Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company, other than the Directors and chief executive of the Company, as of the Latest Practicable Date, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文所披露者外，於最後實際可行日期，除本公司董事及最高行政人員外，本公司並無獲知會於本公司已發行股本中有任何其他相關權益或淡倉根據證券及期貨條例第 XV 部第 2 及 3 分部規定須向本公司披露，或已記錄於根據證券及期貨條例第 336 條本公司須存置的登記冊。

EMPLOYEE STOCK OPTION PLAN

During the year ended December 31, 2022 and up to the Latest Practicable Date, we have adopted two share option schemes which was required to be disclosed as below under the requirements of Chapter 17 of the Listing Rules.

Pre-IPO Share Option Scheme

The Pre-IPO Share Option Scheme of the Company was approved and adopted pursuant to the written resolutions of all Shareholders of the Company dated November 17, 2020.

Purpose

The purpose of Pre-IPO Share Option Scheme is to reward, retain and motivate the eligible persons for their contribution to our Group.

Participants

The eligible persons under Pre-IPO Share Option include our Group's employees, Directors, consultants and any other person the Board may in its absolute discretion think fit.

Maximum number of Shares available for issue

The maximum number of Shares available for issue upon exercise of all options to be granted under the Pre-IPO Share Option Scheme is 37,043,508 Shares, representing approximately 6.81% of the total issued share capital of our Company as of December 31, 2022, being 543,843,992 Shares.

Maximum entitlement of each participant

The Pre-IPO Share Option Scheme contains no provisions on the maximum entitlement of each participant.

Option period

An option may be exercised in accordance with the rules under Pre-IPO Share Option Scheme at any time during the option period as specified by the Board in relation to each such option in its terms of grant. The Board may provide restrictions on how and when an option during the period for which an option must be held or a performance target, if any, which must be achieved before an option can be exercised.

Vesting period

All of the options granted under the Pre-IPO Share Option Scheme are exercisable upon vesting until the tenth anniversary of the date of grant.

僱員購股權計劃

於截至2022年12月31日止年度及直至最後實際可行日期，我們已採納兩項購股權計劃，須根據上市規則第十七章的規定披露如下。

首次公開發售前購股權計劃

本公司首次公開發售前購股權計劃乃根據本公司全體股東於2020年11月17日通過的書面決議案批准及採納。

目的

首次公開發售前購股權計劃旨在就合資格人士對本集團所作貢獻而回報、挽留及激勵合資格人士。

參與者

首次公開發售前購股權計劃的合資格人士包括本集團僱員、董事、顧問及任何董事會可能絕對酌情認為合適的其他人士。

可發行的股份數目上限

因根據首次公開發售前購股權計劃授出的所有購股權獲行使而可發行的股份數目上限為37,043,508股股份，相當於2022年12月31日本公司已發行股本總數(即543,843,992股股份)約6.81%。

每名參與者的權益上限

首次公開發售前購股權計劃並無載有關於每名參與者權益上限的條文。

購股權期間

購股權可於董事會於授出條款中就各相關購股權訂明的購股權期限內隨時根據首次公開發售前購股權計劃的規則行使。董事會可就購股權可行使前須持有相關購股權的期限或須達成的表現目標(如有)的方式及時間作出限制。

歸屬期

根據首次公開發售前購股權計劃授出的所有購股權於歸屬後可予行使，直至授出日期的第十週年為止。



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Acceptance of offers of options

Subject to the rules under Pre-IPO Option Scheme and such other conditions as the Board may in its absolute and sole discretion sees fit, offers of options shall be made by us to the eligible person within the scheme period and shall be open for acceptance in writing and such notice of acceptance must be duly received by the secretary of our Company on or before 5:00 p.m. on the expiry date for acceptance of the offer specified in the offer provided that an offer shall not be open for acceptance after the expiry of 14 days from the date upon which the offer is made. Upon acceptance of the option, the grantee shall pay HK\$1 to our Company as consideration for the grant, and on the date of grant option certificate(s) under the common seal of our Company shall be issued. Offers of options not accepted within the option period shall lapse.

Basis of determining the consideration

The exercise price is determined by the Board on a fair and reasonable basis with reference to the performance of our Company and the past or potential contribution of the eligible persons to the business and operation of our Company, and notified to each grantee but in any event will be no less than the nominal value of the shares (if any) or (where applicable) such price as from time to time adjusted pursuant to the Pre-IPO Share Option Scheme.

Remaining life

The Pre-IPO Share Option Scheme became valid and effective for a period of 10 years commencing from November 17, 2020 to November 17, 2030. The remaining life of the Pre-IPO Share Option Scheme is over seven years. No additional options shall be granted thereunder after the Listing Date, but in all other respects the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to the exercise of any options granted.

Before Listing, our Company had conditionally granted 45,732,000 options to 116 grantees under the Pre-IPO Share Option Scheme. No further option has been granted under the Pre-IPO Share Option Scheme subsequent to the Listing Date. The exercise price of all the options granted under the Pre-IPO Share Option Scheme is between US\$0.09 to US\$1.14 per Share. The principal terms of the Pre-IPO Share Option Scheme is set out in "Appendix IV – Statutory and General Information – D. Share Option Schemes – 1. Pre-IPO Share Option Scheme" of the Prospectus.

接納購股權要約

受限於首次公開發售前購股權計劃規則及董事會可能絕對全權酌情認為適當的其他條件，購股權要約將由我們在計劃期限內向合資格人士發出並可供書面接納，接納通告須在要約中訂明的接納要約截止日期下午五時正或之前妥為送交本公司秘書，惟在作出要約當日後14日期限屆滿後，要約將不可供接納。接納購股權時，承授人須向本公司支付1港元作為授出購股權的代價，而於授出當日，本公司將發出加蓋本公司公章的購股權證書。在購股權期限內未獲接納的購股權要約將失效。

釐定代價的基準

行使價將由董事會按公平合理基準參考本公司的表現以及合資格人士對本公司業務及經營的過往或潛在的貢獻釐定，並告知各承授人(無論如何不會低於股份的面值(如有)或(如適用)根據首次公開發售前購股權計劃不時調整的價格)。

剩餘年期

首次公開發售前購股權計劃於2020年11月17日至2030年11月17日的十年期有效及生效。首次公開發售前購股權計劃的剩餘年期超過七年。於上市日期後概無據此授出新增購股權，惟首次公開發售前購股權計劃條文在所有其他方面對行使任何已授出購股權仍具十足效力及作用。

於上市前，本公司已根據首次公開發售前購股權計劃有條件授出45,732,000份購股權予116名承授人。於上市日期後，概無根據首次公開發售前購股權計劃進一步授出購股權。根據首次公開發售前購股權計劃授出的所有購股權的行使價介乎每股股份0.09美元至1.14美元。首次公開發售前購股權計劃的主要條款載於招股章程中「附錄四—法定及一般資料—D.購股權計劃—1.首次公開發售前購股權計劃」。

Report of Directors

董事會報告

The following table discloses movements in the outstanding options granted to all grantees under the Pre-IPO Share Option Scheme during the year ended December 31, 2022.

下表披露於截至2022年12月31日止年度，根據首次公開發售前購股權計劃授予所有承授人的尚未行使購股權的變動：

Name of category of grantee	Date of grant	Option period	Exercise price	Vesting period	Number of options granted between January 1, 2022 to December 31, 2022	Number of Shares underlying options as of January 1, 2022	Number of options exercised between January 1, 2022 to December 31, 2022	Number of options cancelled/lapsed between January 1, 2022 to December 31, 2022	Number of Shares underlying options as of December 31, 2022	Weighted average closing price per Share ⁽²⁾
承授人姓名及類別	授出日期	購股權期限	行使價 US\$ per share 每股美元	歸屬期	於2022年 1月1日至 2022年 12月31日期間 授出的購股權數目	於2022年 1月1日 尚未行使購股權 涉及的相關 股份數目	於2022年 1月1日至 2022年 12月31日 期間行使的 購股權數目	於2022年 1月1日至 2022年 12月31日期間 註銷/失效的 購股權數目	於2022年 12月31日 尚未行使 購股權涉及的 相關股份數目	每股股份 加權平均 收市價 ⁽²⁾
Directors										
董事										
Li Xiaoyi 李小羿	November 17, 2020 2020年11月17日	10 years commencing on December 9, 2020 自採納日期起計10年	0.09 1.14	Note 1 附註1	-	3,152,800	-	-	3,152,800	-
Dai Xiangrong	November 17, 2020	10 years commencing on the adoption date	0.09	Note 1	-	1,261,200	-	-	1,261,200	-
戴向榮	2020年11月17日	自採納日期起計10年		附註1						
Other 107 grantees in aggregate	Between November 17, 2020 to March 2, 2021	10 years commencing on the adoption date	Between 0.09 to 1.14	Note 1	-	23,656,572	(1,897,064)	-	21,759,508	2.49
其他107名承授人 (合計)	2020年11月17日至 2021年3月2日	自採納日期起計10年	0.09至1.14	附註1						
					-	38,940,572	(1,897,064)	-	37,043,508	-

Notes:

附註：

- (1) 20% of the options shall vest upon the completion of the Global Offering, 20% of the options shall vest on the first anniversary of the date of grant, 20% of the options shall vest on the second anniversary of the date of grant, 20% of the options shall vest on the third anniversary of the date of grant, and the remaining 20% of the options shall vest on the fourth anniversary of the date of grant.
- (1) 20%購股權應於全球發售完成時歸屬；以及各20%購股權應分別於授出日期的首個、第二個、第三個及第四個週年日歸屬。
- (2) Representing the weighted average closing price of the Shares immediately before the dates on which the options were exercised.
- (2) 指緊接購股權獲行使日期前的股份加權平均收市價。

Post-IPO Share Option Scheme

Purpose

The purpose of the Post-IPO Option Scheme is to provide incentive or reward to “Eligible Persons” (as defined below) for their contribution to, and continuing efforts to promote the interests of our Group and to incentivize them to remain within our Group, as well as for other purposes as the Board may approve from time to time.

Participants

Subject to the terms of the Post-IPO Share Option Scheme, the Board may, at its discretion, specify any conditions which must be satisfied before the option(s) under the Post-IPO Option Scheme may be exercised.

Eligible persons (“**Eligible Persons**”) include:

- any employee (whether full-time or part-time) of our Company or any of its subsidiaries who has contributed to our innovative projects, including but not limited to innovation committee member, project leader, engineer and technician;
- before January 1, 2023, any staff, advisor (professional or otherwise), consultant, agent or business partner that we deem important to provide support to our Group; starting from January 1, 2023, any person who, in the sole opinion of the Board, provides services to any member of our Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of our Group, excluding placing agents, financial advisors and professional service providers who are required to perform their services with impartiality and objectivity;
- any Director; and
- before January 1, 2023, any Shareholder or any member of our Group or any holder of any securities issued by any member of our Group.

Maximum number of Shares available for issue

The maximum number of Shares which may be issued upon exercise of all outstanding options granted under the Post-IPO Share Option Scheme, all schemes existing at such time and any new share option scheme of our Company must not in aggregate exceed 10% of the total number of Shares in issue as of the Listing Date, being 53,515,550 Shares, representing approximately 9.84% of the total issued share capital of our Company as at December 31, 2022.

首次公開發售後購股權計劃

目的

首次公開發售後購股權計劃旨在就「合資格人士」(定義見下文)對本集團的貢獻及為推動本集團利益不懈努力向彼等提供激勵或獎勵，以及激勵彼等留任本集團，以及用於董事會可能不時批准的其他目的。

參與者

在首次公開發售後購股權計劃條款的規限下，董事會可酌情訂明首次公開發售後購股權計劃下的購股權可以行使前必須達成的任何條件。

合資格人士包括：

- 曾對我們的創新項目作出貢獻的本公司或其任何附屬公司的任何僱員(不論全職或兼職，包括但不限於創新委員會成員、項目負責人、工程師及技術人員)；
- 於2023年1月1日前，我們視為對本集團提供支援的任何員工、顧問(專業或其他方面)、諮詢人、代理或業務夥伴；由2023年1月1日起，董事會全權認為於本集團任何成員公司的日常及正常業務過程中持續或循環向其提供符合本集團長遠增長利益的服務的任何人士，不包括配售代理、財務顧問及須公正客觀地履行服務的專業服務提供者；
- 任何董事；及
- 於2023年1月1日前，本集團的任何股東或任何成員公司或本集團任何成員公司所發行任何證券的任何持有人。

可發行的股份數目上限

於根據首次公開發售後購股權計劃、當時所有現存計劃及本公司任何新購股權計劃授出的所有尚未行使購股權獲行使後可能發行的股份數目上限合共不得超過上市日期已發行股份總數的10%，即53,515,550股股份，相當於2022年12月31日本公司已發行股本總數約9.84%。

Maximum entitlement of each participant

No option shall be granted to any Eligible Person if, at the relevant time of grant, the total number of Shares issued and to be issued upon exercise of all options and options under any other share option schemes of our Company to the relevant Eligible Person in the 12-month period up to and including the date of such grant would exceed 1% of the total number of Shares in issue at such time, within any 12-month period unless certain conditions are satisfied.

Option period

The period during which the option may be exercised is determined by the Board at its discretion but shall expire in any event not later than the last day of the 10-year period after the date of grant of the option.

Vesting period

The Board may specify any conditions which must be satisfied before the option may be exercised, including without limitation, the purchase price, performance targets (if any) and minimum periods for which an option must be held before it can be exercised and any other terms in relation to the exercise of the option, including without limitation such percentages of the options that can be exercised during a certain period of time, as the Board may determine from time to time.

Acceptance of offers of options

The Board shall specify a date by which the grantee must accept the offer of option or be deemed to have declined it, being a date no later than 14 days after (i) the date on which the option is offered (the "Offer Date"), or (ii) the date on which the conditions for the offer are satisfied, if any, whichever is earlier.

Basis of determining the exercise price

The price at which each Share subject to an option may be subscribed for shall be a price solely determined by the Board and shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day; (ii) the average of the closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the Offer Date; and (iii) the nominal value of the Shares.

每名參與者的權益上限

倘若於授出的相關時間，截至相關授出日期(包括當日)止12個月期間內因所有購股權及本公司任何其他購股權計劃下的購股權獲行使而已經及將會發行予任何合資格人士的股份總數超過當時已發行股份總數的1%，則不得於該12個月期間內向相關合資格人士授出購股權，除非若干條件已經達成，則作別論。

購股權期間

購股權可行使的期間由董事會酌量釐定，惟無論如何不得遲於授出購股權日期後10年期間最後一日屆滿。

歸屬期

董事會可列明行使購股權前須達成的任何條件，包括但不限於購買價、表現目標(如有)及購股權於可行使前須持有的最短期限以及有關行使購股權的任何其他條款，包括但不限於董事會所不時釐定在某一期間內可行使購股權的百分比。

接納購股權要約

董事會應指明承授人必須接納購股權要約或被視為拒絕要約的日期，而該日期不得遲於(i)提出購股權要約日期(「要約日期」)或(ii)要約條件(如有)達成日期(以較早者為準)後14日。

行使價的釐定基準

購股權可認購所涉及股份的每股股份價格應為董事會全權釐定的價格，該價格至少為以下各項的最高者：(i)股份於要約日期(必須為營業日)在聯交所每日報價表所列的收市價；(ii)股份於緊接要約日期前五個營業日在聯交所每日報價表所列的平均收市價；及(iii)股份面值。

Remaining life

The Post-IPO Share Option Scheme became valid and effective for a period of 10 years commencing on April 1, 2021. The remaining life of the Post-IPO Share Option Scheme is approximately seven years.

During the Reporting Period, a total of 7,820,000 options were granted and/or conditionally granted (as the case may be) by our Company on December 15, 2022, among which, (i) 5,940,000 options were granted to 110 grantees who are employees of our Group and are not connected persons of our Company; and (ii) 1,880,000 options were granted and/or conditionally granted (as the case may be) to seven grantees who are either the Directors and/or chief executive of our Company. As of December 31, 2022, the total number of Shares in respect of which options had been granted and remained outstanding under the Post-IPO Share Option Scheme was 7,820,000 (representing approximately 1.44% of our Company's Shares in issue as at the same period). The principal terms of the Post-IPO Share Option Scheme and details of grant of options are set out in "Appendix IV – Statutory and General Information – D. Share Option Schemes – 2. Post-IPO Share Option Scheme" of the Prospectus and the announcement of our Company dated December 15, 2022.

剩餘年期

首次公開發售後購股權計劃的有效期為自2021年4月1日起計10年。首次公開發售後購股權計劃的剩餘年期約為7年。

於報告期內，本公司已於2022年12月15日授出及／或有條件授出(視情況而定)合共7,820,000份購股權，其中(i) 5,940,000份購股權授予110名承授人(並非本公司關連人士的本集團僱員)；及(ii) 1,880,000份購股權授予及／或有條件授予(視情況而定)7名承授人(本公司董事及／或最高行政人員)。於2022年12月31日，根據首次公開發售後購股權計劃已授出及尚未行使的購股權所涉的股份總數為7,820,000股，相當於同一期間本公司已發行股份約1.44%。首次公開發售後購股權計劃的主要條款及授出購股權的詳情載於招股章程中「附錄四—法定及一般資料—D.購股權計劃—2.首次公開發售後購股權計劃」及本公司日期為2022年12月15日的公告。

Report of Directors

董事會報告

The following table discloses movements in the outstanding options granted to all grantees under the Post-IPO Share Option Scheme during Reporting Period.

下表披露於報告期內，根據首次公開發售後購股權計劃授予所有承授人的尚未行使購股權的變動：

Category and name of grantee	Date of grant	Option period	Exercise price per share	Vesting Period	Number of Shares under the outstanding options 尚未行使購股權涉及的股份數目				As of December 31, 2022	As a percent of Shares in issue as of December 31, 2022	Closing price per Share ⁽⁵⁾	Weighted average closing price per Share ⁽⁶⁾	
					As of January 1, 2022	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period					Lapsed during the Reporting Period
承授人類別及姓名	授出日期	購股權期間	每股行使價 (HK\$) (港元)	歸屬期	於2022年1月1日	於報告期內授出	於報告期內行使	於報告期內註銷	於報告期內失效	於2022年12月31日	已發行股份百分比	每股股份收市價 ⁽⁵⁾ (HK\$) (港元)	每股股份加權平均收市價 ⁽⁶⁾
Directors													
董事													
Dr. Li Xiaoyi 李小羿博士	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2 附註2	-	200,000	-	-	-	200,000	0.04%	3.35	-
	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 3 附註3	-	480,000	-	-	-	480,000	0.09%	3.35	-
Mr. Dai Xiangrong 戴向榮先生	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2 附註2	-	200,000	-	-	-	200,000	0.04%	3.35	-
Ms. Leelalertsuphakun Wanee 李婁妮女士	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2 附註2	-	200,000	-	-	-	200,000	0.04%	3.35	-
Ms. Tiantian Zhang 張甜甜女士	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2 附註2	-	200,000	-	-	-	200,000	0.04%	3.35	-
Mr. Wong Hin Wing 黃顯榮先生	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2 附註2	-	200,000	-	-	-	200,000	0.04%	3.35	-
Prof. Lo Yuk Lam 盧毓琳教授	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2 附註2	-	200,000	-	-	-	200,000	0.04%	3.35	-
Mr. Liew Fui Kiang 劉懷鏡先生	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 2 附註2	-	200,000	-	-	-	200,000	0.04%	3.35	-
Employees													
僱員													
110 employees in aggregate 110名僱員(合計)	December 15, 2022 2022年12月15日	Note 1 附註1	3.26	Note 3/ Note 4 附註3/ 附註4	-	5,940,000	-	-	-	5,940,000	1.09%	3.35	-
Total 總計					-	7,820,000	-	-	-	7,820,000	1.44%		

Notes:

- 10 years commencing on their respective date of grant.
- 50% of the options shall vest on the date of grant; and 50% of the options shall vest on the first anniversary of the date of grant.

附註：

- 由其各自的授出日期起計十年。
- 50%購股權於授出日期歸屬；以及50%購股權於自授出日期起首個週年日歸屬。



Report of Directors

董事會報告

- (3) 10% of the options shall vest on each of the first, second, third and fourth anniversaries of the date of grant, respectively; 20% of the options shall vest upon achieving an R&D milestone for CsA ophthalmic gel milestones and certain financial performance targets of our Group; 20% of the options shall vest upon achieving an R&D milestone for NVK002 and certain financial performance targets of our Group; and 10% of the options shall respectively vest at the date when our market capitalization reaching certain targets, respectively.
- (4) The options granted will vest upon the achievement of various vesting conditions as specified in the offer letter to each grantee, including certain anniversaries of the date of grant, R&D milestones for our Group's key products as well as certain financial performance and market capitalization targets of our Group.
- (5) Representing the closing price of the Shares immediately before the date on which the options were granted.
- (6) Representing the weighted average closing price of the Shares immediately before the dates on which the options were exercised.

Save for the foregoing, we did not grant any options to any Eligible Persons for the year ended December 31, 2022 according to Post-IPO Share Option Scheme.

As of December 31, 2022, the number of options available for future grant under the mandate of Post-IPO Share Option Scheme was 45,695,550. The number of Shares that may be issued in respect of options granted under all schemes during the Reporting Period was 7,820,000, and the weighted average number of Shares in issue during the Reporting Period was 542,172,689. As such, the ratio calculated based on the number of Shares that may be granted divided by the weighted average number of Shares in issue is equal to approximately 1.44%.

Details of the fair value of the options granted by our Company during the Reporting Period, and the accounting policy adopted for the options are set out in Note 22 to the Financial Statements.

EQUITY-LINKED AGREEMENTS

Save for the Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme as set out in this annual report, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Group, or existed from the Listing Date till and up to December 31, 2022.

LAND AND PROPERTIES

As of the Latest Practicable Date, the Company did not own any properties.

- (3) 各10%購股權於自授出日期起首個、第二個、第三個及第四個週年日歸屬；20%購股權於達成環孢素A眼凝膠的研發里程碑及本集團的若干財務表現目標時歸屬；20%購股權於達成NVK002的研發里程碑及本集團的若干財務表現目標時歸屬；而各10%購股權於市值達至若干目標的日期歸屬。
- (4) 已授出購股權將於達成承授人各自的要約函件內指明的不同歸屬條件時歸屬，包括授出日期的多個週年日、本集團主要產品的研發里程碑以及本集團的若干財務表現及市值目標。
- (5) 指緊接購股權授出日期前的股份收市價。
- (6) 指緊接購股權獲行使日期前的股份加權平均收市價。

除上述者外，截至2022年12月31日止年度，我們並無根據首次公開發售後購股權計劃向任何合資格人士授出任何購股權。

於2022年12月31日，根據首次公開發售後購股權計劃授權可於未來授出的購股權數目為45,695,550份。於報告期內根據所有計劃已授出購股權所涉可能發行的股份數目為7,820,000股，而於報告期內的已發行股份加權平均數為542,172,689股。因此，按可能授出的股份數目除以已發行股份加權平均數計算的比率相等於約1.44%。

本公司於報告期所授出購股權的公平值詳情及就購股權採納的會計政策載於財務報表附註22。

股票掛鈎協議

除本年報所載的首次公開發售前購股權計劃及首次公開發售後購股權計劃外，自上市日期起直至2022年12月31日，本集團並無訂立亦無存在任何股票掛鈎協議，將會或可能導致本公司發行股份或要求本公司訂立任何將會或可能導致本公司發行股份的協議。

土地及物業

於最後實際可行日期，本公司並無擁有任何物業。

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the year ended December 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 December 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 of the Company's listed securities during the Reporting Period.

SHARE CAPITAL AND SHARES ISSUED

Details of movements in the share capital of the Company for the year ended December 31, 2022 and details of the Shares issued during the year ended December 31, 2022 are set out in Note 23(b) to the Financial Statements.

DEBENTURE ISSUED

The Group did not issue any debenture during the year ended December 31, 2022.

BANK LOANS AND OTHER BORROWINGS

As of December 31, 2022, the Group had a secured bank loan of RMB94.5 million which was repayable within one year or on demand, and details of the bank loan is set out in Note 19 to the Financial Statements.

CONVERTIBLE BONDS

As of the Latest Practicable Date, the Company has not issued any convertible bonds.

重大訴訟

本公司於截至2022年12月31日止年度並無涉及任何重大訴訟或仲裁。董事亦不知悉於截至2022年12月31日止年度有任何待決或威脅向本集團提出的重大訴訟或申索。

購買、出售或贖回本公司上市證券

於報告期內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

股本及已發行股份

本公司截至2022年12月31日止年度的股本變動詳情及截至2022年12月31日止年度的已發行股份詳情載於財務報表附註23(b)。

已發行的債權證

於截至2022年12月31日止年度，本集團並無發行任何債權證。

銀行貸款及其他借款

於2022年12月31日，本集團的有抵押銀行貸款為人民幣94.5百萬元，須於一年內或按要求償還，銀行貸款詳情載於財務報表附註19。

可換股債券

於最後實際可行日期，本公司並無發行任何可換股債券。

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

During the Reporting Period and up to the Latest Practicable Date, the Company did not have a Controlling Shareholder.

DIVIDENDS

The Board does not recommend any payment of a final dividend for the year ended December 31, 2022.

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.

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

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 December 31, 2022, the Company did not have any distributable reserves.

Details of movements in the reserves of the Group and the Company during the year ended December 31, 2022 are set out in the consolidated statement of changes in equity on page 124.

CHARITABLE DONATIONS

During the year ended December 31, 2022, the Group did not make any charitable donations.

載有規定控股股東須履行特定 責任的契諾的貸款協議

於報告期內及直至最後實際可行日期，本公司並無控股股東。

股息

董事會不建議就截至2022年12月31日止年度派付任何末期股息。

獲准許彌償條文

根據組織章程細則及在適用法律法規的規限下，每名董事就彼等或彼等當中任何人於執行職務時或就此可能招致或蒙受的一切訴訟、成本、收費、損失、損害賠償及開支，應獲得以本公司資產及利潤作出的彌償及保障以免受傷害。

本公司已安排適當的責任保險，以就本公司董事及高級管理層因企業活動所產生的責任向彼等作出彌償。保險保障範圍會每年檢討。

可供分派儲備

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。

於2022年12月31日，本公司並無任何可供分派儲備。

本集團及本公司儲備於截至2022年12月31日止年度的變動詳情載於第124頁的綜合權益變動表。

慈善捐款

於截至2022年12月31日止年度，本集團並無作出任何慈善捐款。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the Reporting Period are set out in Note 12 to the Financial Statements.

Use of Proceeds from the Global Offering

The Company's Shares were listed on the Stock Exchange on April 29, 2021 with a total of 123,567,500 offer Shares issued. The net proceeds from the Global Offering amounted to approximately HK\$1,932.3 million, after deducting the underwriting fees, commissions and related Listing expenses. As of December 31, 2022, such net proceeds were utilized as follows:

Use of proceeds from Listing	Amount of net proceeds for planned applications	Percentage of total net proceeds	Utilized net proceeds as of December 31, 2022	Unutilized net proceeds as of December 31, 2022	Expected time frame for unutilized amount
上市所得款項用途	作計劃用途的所得款項淨額 (HK\$ million) (百萬港元)	佔所得款項淨額總數百分比 (%) (%)	於2022年12月31日已動用所得款項淨額 (HK\$ million) (百萬港元)	於2022年12月31日未動用所得款項淨額 (HK\$ million) (百萬港元)	預期動用未動用款項的時間
For the clinical development and commercialization of our two Core Products	618.34	32.00%	233.57	384.77	
我們兩項核心產品的臨床開發及商業化					
1. Allocated to CsA Ophthalmic Gel	438.64	22.70%	161.17	277.47	By the end of 2025
分配予環孢素A眼凝膠					2025年底或之前
2. Allocated to ZKY001	179.70	9.30%	72.40	107.30	By the end of 2025
分配予ZKY001					2025年底或之前
The continuing R&D activities as well as commercialization of the other drug candidates in our pipeline	888.86	46.00%	305.02	583.84	
我們的管線中其他候選藥物的持續研發活動及商業化					
1. The continuing R&D activities of other key drug candidates	579.69	30.00%	158.35	421.34	By the end of 2025
其他主要候選藥物的持續研發活動					2025年底或之前
2. The continuing R&D activities of other innovative and generic drug candidates	57.97	3.00%	57.97	-	-
其他創新及仿製候選藥物的持續研發活動					
3. The milestone payments of our other in-licensed drug candidate	96.62	5.00%	56.97	39.65	By the end of 2025
我們其他引進候選藥物的里程碑付款					2025年底或之前
4. The further expansion of our sales and marketing team in anticipation of new product launches in the coming year	154.58	8.00%	31.73	122.85	By the end of 2025
預計來年將推出新產品，因而進一步擴張銷售及營銷團隊					2025年底或之前
Carrying out the production line expansion of our advanced Nansha manufacturing facility in anticipation of our product launches in the coming years	135.27	7.00%	135.27	-	-
為我們位於南沙的先進生產設施進行生產線擴張，以籌備未來年度的產品上市					-

物業、廠房及設備

本集團物業、廠房及設備於報告期內的變動詳情載於財務報表附註12。

全球發售所得款項用途

本公司股份於2021年4月29日在聯交所上市，合共發行123,567,500股發售股份。全球發售的所得款項淨額約為1,932.3百萬港元，當中已扣除包銷費用、佣金及相關上市開支。於2022年12月31日，該等所得款項淨額已動用如下：

Report of Directors

董事會報告

Use of proceeds from Listing	Amount of net proceeds for planned applications	Percentage of total net proceeds	Utilized net proceeds as of December 31, 2022	Unutilized net proceeds as of December 31, 2022	Expected time frame for unutilized amount
上市所得款項用途	作計劃用途的所得款項淨額 (HK\$ million) (百萬港元)	佔所得款項淨額總數百分比 (%) (%)	於2022年12月31日已動用所得款項淨額 (HK\$ million) (百萬港元)	於2022年12月31日未動用所得款項淨額 (HK\$ million) (百萬港元)	預期動用未動用款項的時間
Our business development activities and the expansion of drug pipelines 業務發展活動及藥品管線的擴展	96.62	5.00%	96.62	-	-
Working capital and other general corporate purposes 營運資金及其他一般企業用途	193.23	10.00%	103.78	89.45	- By the end of 2023 2023年底或之前
	1,932.32		874.26	1,058.06	

As at December 31, 2022, all the unused net proceeds were held by the Company in short-term deposits with licensed banks or authorized financial institutions in Hong Kong and the PRC.

The expected timeline for utilizing the net proceeds from the Global Offering is based on the best estimation of future market conditions made by the Company and subject to changes in accordance with our actual business operation. Going forward, the net proceeds will be applied in the manner as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus and there is no change in the intended use of net proceeds as previously disclosed in the Prospectus.

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in Note 14 to the Financial Statements.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report, there are no material subsequent events undertaken by the Group after December 31, 2022 and up to the Latest Practicable Date.

AGM AND CLOSURE OF REGISTER OF MEMBERS

The AGM is scheduled to be held on May 25, 2023. A notice convening the AGM will be published and dispatched to the Shareholders in the manner required by the Listing Rules in due course.

The register of members of the Company will be closed from May 22, 2023 to May 25, 2023, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the AGM, during which period no share transfers will be registered. To be eligible to attend the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on May 19, 2023.

於2022年12月31日，所有未動用所得款項淨額已由本公司以短期存款方式存置於香港及中國持牌銀行或認可金融機構。

動用全球發售所得款項淨額的預期時間表乃根據本公司對未來市況作出的最佳估計制訂，可能會按我們實際業務營運狀況作出更改。展望未來，所得款項淨額將按招股章程「未來計劃及所得款項用途」一節所載方式應用，而先前於招股章程披露的所得款項淨額擬定用途並無變動。

附屬公司

本公司附屬公司的詳情載於財務報表附註14。

報告期後事項

除本年報所披露者外，於2022年12月31日後及直至最後實際可行日期止，本集團並無進行重大期後事項。

股東週年大會及暫停辦理股份過戶登記手續

股東週年大會謹訂於2023年5月25日舉行。召開股東週年大會的通告將於適當時候按上市規則規定的方式發表並寄發予股東。

本公司將於2023年5月22日至2023年5月25日(包括首尾兩日)暫停辦理股份過戶登記手續，以釐定有權出席股東週年大會的股東的身份，期間將不會辦理任何股份過戶登記手續。為符合資格出席股東週年大會，所有已填妥的過戶表格連同有關股票必須於2023年5月19日下午四時三十分或之前，送交本公司的香港股份登記分處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712-1716舖)，以辦理登記手續。

CORPORATE GOVERNANCE

A report on the principle corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 55 to 80 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available and within the knowledge of the Directors, the Company maintained the prescribed public float as required under the Listing Rules since the Listing Date and up to the Latest Practicable Date.

TAX RELIEF AND EXEMPTION

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

PRE-EMPTIVE RIGHTS

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

AUDITORS

The Company has no change in auditors during the Reporting Period. The Financial Statements for the year ended December 31, 2022 have been prepared by KPMG, the auditor of the Company, who will retire at the conclusion of the AGM and being eligible, offer themselves for reappointment. A resolution for the re-appointment of by KPMG as auditor of the Company will be proposed at the AGM.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

All references above to other sections, reports or notes in this report of Directors form part of this annual report.

By Order of the Board
Zhaoke Ophthalmology Limited
Dr. Li Xiaoyi
Chairman of the Board and executive Director

Hong Kong, March 27, 2023

企業管治

有關本公司所採納主要企業管治常規的報告載於本年報第55至80頁的企業管治報告。

足夠公眾持股量

基於可公開取得的資料及就董事所知，本公司自上市日期起直至最後實際可行日期維持上市規則所規定的指定公眾持股量。

稅務寬免及豁免

董事並不知悉股東因持有本公司上市證券而可享有的任何稅務寬免及豁免。

優先購買權

組織章程細則或開曼群島(本公司註冊成立之地)相關法律下並無優先購買權條文，規定本公司須按比例向現有股東發售新股份。

核數師

本公司於報告期內並無更換核數師。截至2022年12月31日止年度的財務報表由本公司核數師畢馬威會計師事務所編製。畢馬威會計師事務所將於股東週年大會結束時退任，並符合資格及願意接受重新委任。股東週年大會上將提呈有關重新委任畢馬威會計師事務所為本公司核數師的決議案。

根據上市規則須履行的持續披露責任

根據上市規則第13.20、13.21及13.22條，本公司並無任何其他披露責任。

本董事會報告上文所有關於其他章節、報告或附註的提述構成本年報的一部分。

承董事會命
兆科眼科有限公司
董事會主席兼執行董事
李小羿博士

香港，2023年3月27日

Independent Auditor's Report

獨立核數師報告



Independent auditor's report to the shareholders of Zhaoke Ophthalmology Limited

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Zhaoke Ophthalmology Limited (the "Company") and its subsidiaries (the "Group") set out on pages 121 to 221, which comprise the consolidated statement of financial position as at December 31, 2022, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

獨立核數師報告

致兆科眼科有限公司股東

(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第121至221頁的兆科眼科有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於2022年12月31日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2022年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)連同有關我們審計開曼群島公司綜合財務報表的道德要求，我們獨立於貴集團，並已履行該等要求及守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。



Assessment of impairment of in-licensed rights in intangible assets

Refer to notes 3 and 13 to the consolidated financial statements and the accounting policies in notes 2(f) and 2(h)(ii).

評估無形資產中引進特許權的減值

請參閱綜合財務報表附註3及13以及附註2(f)及2(h)(ii)中的會計政策。

The Key Audit Matter	How the matter was addressed in our audit	關鍵審計事項	我們的審計如何處理該事項
<p>As at December 31, 2022, the Group's in-licensed rights in intangible assets, which were not ready for use, amounted to RMB277.1 million.</p> <p>These intangible assets are subject to impairment assessment annually even if there is no indicator of impairment. The impairment assessment is performed at the product level by comparing its carrying value with its recoverable amounts, which is the higher of fair value less costs of disposal and value in use based on discounted cash flow forecasts.</p> <p>We identified the assessment of impairment of in-licensed rights in intangible assets as a key audit matter because of the significance of the carrying value of such assets to the consolidated financial statements and because the preparation of discounted cash flow forecasts for the purpose of impairment assessments involves estimating future revenue, future operating cost, growth rates for income and expenses and discount rates, which are subject to a significant degree of judgement and could be subject to management bias.</p>	<p>Our audit procedures to assess impairment of in-licensed rights in intangible assets included the following:</p> <ul style="list-style-type: none"> understanding and evaluating the design and implementation of key internal controls over the impairment assessment; with the assistance of our internal valuation specialists, assessing the methodology adopted by management in its preparation of the discounted cash flow forecasts with reference to the requirements of the prevailing accounting standards; evaluating the key assumptions adopted in the preparation of the discounted cash flow forecasts, including future revenue, future operating cost and growth rates for income and expenses with reference to our understanding of the business, historical trends and available industry information and market data; with the assistance of our internal valuation specialists, assessing the discount rates used in the discounted cash flow forecasts by benchmarking against other companies in the same industry; 	<p>於2022年12月31日，貴集團無形資產中未可使用的引進特許權為人民幣277,100,000元。</p> <p>該等無形資產即使並無減值跡象，仍須每年接受減值評估。減值評估在產品層面比較其賬面值與可收回金額（即公平值減出售成本與基於貼現現金流量預測計算的使用價值兩者的較高者）。</p> <p>我們將無形資產中引進特許權的減值評估確定為關鍵審計事項，因為這些資產的賬面值對綜合財務報表具有一定重要性，以及就減值評估目的而編製的貼現現金流量預測涉及估計未來收益、未來營運成本、收支增長率以及貼現率，這些都存在很大程度的判斷成份及可能出現管理層偏頗的情況。</p>	<p>我們就評估無形資產中引進特許權的減值的審計程序包括：</p> <ul style="list-style-type: none"> 了解和評估對減值評估的關鍵內部控制的設計和實施； 在內部估值專家的協助下，評估管理層參考現行會計準則的要求編製貼現現金流量預測所採用的方法； 參考我們對業務的了解、歷史趨勢以及可獲得的行業資訊和市場資料，評估在編製貼現現金流量預測時採用的關鍵假設，包括未來收益、未來營運成本以及收支增長率； 在內部估值專家的協助下，通過與其他同業公司進行比較，評估貼現現金流量預測中使用的貼現率；

Independent Auditor's Report

獨立核數師報告

Assessment of impairment of in-licensed rights in intangible assets

Refer to notes 3 and 13 to the consolidated financial statements and the accounting policies in notes 2(f) and 2(h)(ii).

評估無形資產中引進特許權的減值

請參閱綜合財務報表附註3及13以及附註2(f)及2(h)(ii)中的會計政策。

The Key Audit Matter	How the matter was addressed in our audit	關鍵審計事項	我們的審計如何處理該事項
	<ul style="list-style-type: none"> • comparing the key assumptions included in the discounted cash flows forecasts prepared by management in the prior year with the current year's performance to assess the accuracy of the prior year's forecast, making enquiries of management as to the reasons for any significant variations identified and whether these had been considered in the current year discounted cash flow forecasts and considering if there was any indication of management bias; • performing a sensitivity analysis of key assumptions in the discounted cash flow forecasts and considering the resulting impact on the impairment charge for the year and whether there were any indicators of management bias; and • assessing the reasonableness of the disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards. 		<ul style="list-style-type: none"> • 將管理層在去年編製的貼現現金流量預測中包含的關鍵假設與本年度的業績進行比較，以評估去年預測是否準確；向管理層詢問所識別的任何重大變動的原因，以及這些變動是否在本年度的貼現現金流量預測中被考慮；並考慮是否存在任何跡象顯示管理層有所偏頗； • 對貼現現金流量預測中的關鍵假設進行敏感性分析，並考慮由此對本年度減值費用產生的影響，以及是否存在任何跡象顯示管理層有所偏頗；及 • 參考現行會計準則的要求評估綜合財務報表中的披露是否合理。



Accruals for services fees to outsourced service providers

Refer to note 7(c) to the consolidated financial statements and the accounting policies in note 2(f)(ii).

臨床研究機構服務費用的應計款項

請參閱綜合財務報表附註7(c)以及附註2(f)(ii)中的會計政策。

The Key Audit Matter	How the matter was addressed in our audit	關鍵審計事項	我們的審計如何處理該事項
<p>During the year ended December 31, 2022, the Group incurred significant research and development ("R&D") expenses of RMB296.4 million, of which service fees paid to contract research organizations ("CROs") and clinical site management operators ("SMOs") (collectively the "outsourced service providers") amounted to RMB155.6 million.</p>	<p>Our audit procedures to assess accruals for service fees to outsourced service providers included the following:</p>	<p>截至2022年12月31日止年度，貴集團產生人民幣296,400,000元的龐大研究及開發(「研發」)開支，其中向合約研究機構(「CRO」)及臨床實地管理營運商(「實地管理營運商」)(以下統稱「臨床研究機構」)支付的服務費用為人民幣155,600,000元。</p>	<p>我們就臨床研究機構服務費用的應計款項的審計程序包括：</p>
<p>We identified accruals for service fees for the outsourced service providers as a key audit matter because clinical trials are core part of the Group's R&D activities and there is a risk of under/over accruals of R&D expenses at the end of the reporting period given the significance of the Group's R&D expenses to the consolidated financial statements.</p>	<ul style="list-style-type: none"> • understanding and evaluating the design and implementation of key internal controls over: <ul style="list-style-type: none"> ▪ the engagement of CROs and SMOs; ▪ the oversight and management of the progress of the underlying clinical trials; ▪ the accounting for related expenses; • inquiring management and project managers about the progress of clinical trials; • examining, on a sample basis, the service fees to outsourced service providers recorded during the year, agreeing them to the relevant service agreements, outsourced service providers' acknowledgement of milestones achieved, invoices and bank payment advices for settled balances and assessing whether the related service fees have been recognized in accordance with the requirements of the prevailing accounting standards; • re-calculating the accruals for service fees to the outsourced service providers and comparing the recalculated amount with the recorded amount, on a sample basis, based on the progress of related clinical trial activities/milestones achieved and the terms stated in the underlying service agreements; 	<p>我們將臨床研究機構服務費用的應計款項確定為關鍵審計事項，因為臨床試驗是貴集團研發活動的核心部分及貴集團的研發開支對綜合財務報表而言屬重大，因此會增加報告期末研發開支計提不足／超額計提的風險。</p>	<ul style="list-style-type: none"> • 了解和評估以下關鍵內部控制的設計和實施： <ul style="list-style-type: none"> ▪ 委聘CRO和實地管理營運商； ▪ 監督和管理相關臨床試驗的進展； ▪ 相關費用的會計處理； • 向管理層和項目經理查詢臨床試驗的進展情況； • 抽樣檢查本年度記錄的臨床研究機構的服務費用；對照相關服務協定、臨床研究機構確認已達到的里程碑、結算餘額的發票和銀行付款通知；並評估相關服務費用是否已按照現行會計準則的要求確認； • 根據相關臨床試驗活動的進展／已達到的里程碑，以及相關服務協定中規定的條款，重新計算臨床研究機構服務費用的應計費用，並將重新計算的金額與記錄金額進行抽樣比較；

Independent Auditor's Report

獨立核數師報告

Accruals for services fees to outsourced service providers

Refer to note 7(c) to the consolidated financial statements and the accounting policies in note 2(f)(ii).

臨床研究機構服務費用的應計款項

請參閱綜合財務報表附註7(c)以及附註2(f)(ii)中的會計政策。

The Key Audit Matter	How the matter was addressed in our audit	關鍵審計事項	我們的審計如何處理該事項
	<ul style="list-style-type: none"> • sending confirmations to major outsourced service providers to confirm the service fees, progress/milestones achieved, on a sample basis. For unreturned confirmations, comparing service fees paid and payable to outsourced service providers with the underlying service agreements, outsourced service providers' acknowledgement of milestones achieved and invoices; • comparing actual payments during the current year with the accrued fees to outsourced service providers at the last reporting date to assess the accuracy of accruals of R&D expenses; and • comparing actual service fee payments made subsequent to the reporting date with the accrued service fees to outsourced service providers at the reporting date to assess whether there were any significant under/over-accrued balances. 		<ul style="list-style-type: none"> • 向主要臨床研究機構發出確認書，以抽樣確認服務費用、進度／已達到的里程碑。如未能收回確認書，則將已經和應支付給臨床研究機構的服務費用與相關服務協定、臨床研究機構所確認已達到的里程碑和發票進行比較； • 將本年度的實際付款與上一個報告日期臨床研究機構的應計費用進行比較，以評估研發開支應計款項計提是否準確；及 • 將報告日後的實際付款與報告日臨床研究機構的應計服務費用進行比較，以評估是否存在任何重大結餘的計提不足／超額計提。



INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

董事須在審核委員會的協助下負責監督貴集團的財務報告過程。



Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。本報告僅向整體股東發出，除此之外別無其他用途。我們不會就本報告的內容向任何其他人士負責或承擔責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report

獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及為消除對獨立性的威脅所採取的行動或防範措施（若適用）。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。



Independent Auditor's Report

獨立核數師報告

The engagement partner on the audit resulting in this independent auditor's report is Lau Tai Cheong.

出具本獨立核數師報告的審計項目合夥人是劉大昌。

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

March 27, 2023

畢馬威會計師事務所
執業會計師

香港中環
遮打道10號
太子大廈8樓

2023年3月27日

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended December 31, 2022

截至2022年12月31日止年度

		Notes	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
		附註		
Revenue	收益	4	-	-
Other income	其他收入	5	38,041	21,133
Other net (loss)/gain	其他(虧損)/收益淨額	6	(29,731)	13,409
Research and development expenses	研發開支	7(c)	(296,430)	(220,058)
General and administrative expenses	一般及行政費用		(86,109)	(162,080)
Selling and distribution expenses	銷售及分銷開支		(29,946)	(16,736)
Loss from operations	經營虧損		(404,175)	(364,332)
Interest expenses	利息開支	7(a)	(3,142)	(1,949)
Changes in the carrying amount of preferred shares liability	優先股負債賬面金額變動	7(a)	-	(1,763,499)
Loss before taxation	除稅前虧損	7	(407,317)	(2,129,780)
Income tax	所得稅	8	-	-
Loss for the year	年內虧損		(407,317)	(2,129,780)
Loss per share (RMB)	每股虧損(人民幣元)	11		
Basic	基本		(0.75)	(5.16)
Diluted	攤薄		(0.75)	(5.16)

The notes on pages 127 to 221 form part of these financial statements.

第127至221頁的附註構成財務報表的一部分。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended December 31, 2022

截至2022年12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
Loss for the year	年內虧損	(407,317)	(2,129,780)
Other comprehensive income for the year	年內其他全面收益		
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：		
Exchange differences on translation of financial statements of entities with functional currencies other than Renminbi ("RMB")	換算功能貨幣並非人民幣的實體財務報表的匯兌差額	210,902	(51,191)
Total comprehensive income for the year	年內全面收益總額	(196,415)	(2,180,971)

The notes on pages 127 to 221 form part of these financial statements.

第127至221頁的附註構成財務報表的一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At December 31, 2022

於2022年12月31日

		Notes	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	12(a)	233,743	184,318
Intangible assets	無形資產	13	334,623	162,383
Prepayments on purchases of property, plant and equipment	購買物業、廠房及設備的預付款項	12(c)	29,510	49,812
			597,876	396,513
Current assets	流動資產			
Other receivables and prepayments	其他應收款項及預付款項	15	75,457	46,800
Pledged bank balances	已抵押銀行結餘	16(a)	172,066	25,508
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	16(a)	8,873	8,157
Cash and cash equivalents	現金及現金等價物	16(a)	1,716,351	2,128,429
			1,972,747	2,208,894
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用	17	83,418	59,153
Amounts due to related companies	應付關聯公司款項	18	6,897	13,684
Bank loans	銀行貸款	19	94,500	10,289
Lease liabilities	租賃負債	20	9,725	5,882
			194,540	89,008
Net current assets	流動資產淨值		1,778,207	2,119,886
Total assets less current liabilities	資產總值減流動負債		2,376,083	2,516,399
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	20	27,703	20,861
Deferred income	遞延收入	21	7	51
			27,710	20,912
Net assets	資產淨值		2,348,373	2,495,487
Capital and reserves	資本及儲備			
Share capital	股本	23(b)	—*	—*
Reserves	儲備		2,348,373	2,495,487
Total equity	權益總額		2,348,373	2,495,487

* The balance represents amount less than RMB1,000.

* 結餘金額少於人民幣1,000元。

Approved and authorised for issue by the board of directors on March 27, 2023.

於2023年3月27日經董事會批准及授權刊發。

Dr. Li Xiaoyi
李小羿博士
Director
董事

Mr. Dai Xiangrong
戴向榮先生
Director
董事

The notes on pages 127 to 221 form part of these financial statements.

第127至221頁的附註構成財務報表的一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended December 31, 2022

截至2022年12月31日止年度

Attributable to equity shareholders of the Company

本公司權益股東應佔

	Notes 附註	Share capital	Share premium	Other reserve	Capital reserve	Merger reserve	Exchange reserve	Accumulated losses	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at January 1, 2021	於2021年1月1日的結餘	-*	64,129	4,358	14,168	2,411	61,144	(892,178)	(745,968)
Changes in equity for 2021:	2021年的權益變動：								
Loss for the year	年內虧損	-	-	-	-	-	-	(2,129,780)	(2,129,780)
Other comprehensive income	其他全面收益	-	-	-	-	-	(51,191)	-	(51,191)
Total comprehensive income	全面收益總額	-	-	-	-	-	(51,191)	(2,129,780)	(2,180,971)
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	-	-	-	108,155	-	-	-	108,155
Conversion of convertible redeemable preferred shares upon initial public offering ("IPO")	於進行首次公開發售時轉換可轉換可贖回優先股	23(c)(ii)	-*	3,649,949	-	-	-	-	3,649,949
Shares issued upon IPO	於進行首次公開發售時發行股份	23(c)(iii)	-*	1,730,707	-	-	-	-	1,730,707
Shares issuance expenses	股份發行開支	23(c)(iii)	-	(79,012)	-	-	-	-	(79,012)
Shares issued under pre-IPO share option scheme	根據首次公開發售前購股權計劃發行股份		-*	48,191	-	(35,564)	-	-	12,627
Balance at December 31, 2021 and January 1, 2022	於2021年12月31日及2022年1月1日的結餘	-*	5,413,964	4,358	86,759	2,411	9,953	(3,021,958)	2,495,487
Changes in equity for 2022:	2022年的權益變動：								
Loss for the year	年內虧損	-	-	-	-	-	-	(407,317)	(407,317)
Other comprehensive income	其他全面收益	-	-	-	-	-	210,902	-	210,902
Total comprehensive income	全面收益總額	-	-	-	-	-	210,902	(407,317)	(196,415)
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	-	-	-	48,051	-	-	-	48,051
Shares issued under pre-IPO share option scheme	根據首次公開發售前購股權計劃發行股份		-*	13,547	-	(12,297)	-	-	1,250
Balance at December 31, 2022	於2022年12月31日的結餘	-*	5,427,511	4,358	122,513	2,411	220,855	(3,429,275)	2,348,373

* The balance represents amount less than RMB1,000.

* 結餘金額少於人民幣1,000元。

The notes on pages 127 to 221 form part of these financial statements.

第127至221頁的附註構成財務報表的一部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended December 31, 2022

截至2022年12月31日止年度

		Notes	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
		附註		
Operating activities	經營活動			
Loss before taxation	除稅前虧損		(407,317)	(2,129,780)
Adjustments for:	就以下各項作調整：			
Depreciation	折舊	7(c)	32,825	23,725
Amortization of intangible assets	無形資產攤銷	7(c)	2,249	2,106
Finance costs	財務成本	7(a)	3,142	1,765,448
Equity-settled share-based payment expenses	以權益結算以股份為基礎的 付款開支	22	46,684	109,858
Bank interest income	銀行利息收入	5	(30,415)	(5,036)
Net foreign exchange loss/(gain)	外匯虧損/(收益)淨額		21,136	(14,373)
<i>Changes in working capital:</i>	<i>營運資金變動：</i>			
Increase in other receivables and prepayments	其他應收款項及預付款項增加		(27,661)	(28,824)
Decrease in amount due from a related company	應收一間關聯公司款項減少		-	13,051
Increase in other payables and accruals	其他應付款項及應計費用增加		35,138	5,227
(Decrease)/increase in amounts due to related companies	應付關聯公司款項(減少)/增加		(6,787)	13,498
Decrease in deferred income	遞延收入減少		(44)	(43)
Net cash used in operating activities	經營活動所用現金淨額		(331,050)	(245,143)
Investing activities	投資活動			
Increase in pledged deposits	已抵押存款增加		(140,212)	(14,965)
Decrease in time deposits with original maturity over three months	原到期日超過三個月的定期存款 減少		-	787,942
Decrease/(increase) in prepayment on purchase of property, plant and equipment	購買物業、廠房及設備的預付款項 減少/(增加)		23,781	(15,121)
Payment for purchase of property, plant and equipment	購買物業、廠房及設備的付款		(78,652)	(50,408)
Payment for purchase of intangible assets	購買無形資產的付款		(159,900)	(28,963)
Interest received	已收利息		30,415	5,036
Net cash (used in)/generated from investing activities	投資活動(所用)/所得現金淨額		(324,568)	683,521
Financing activities	融資活動			
Payments of listing expenses	上市開支付款		-	(79,012)
Proceeds from bank loans	銀行貸款的所得款項	16(b)	93,811	689
Repayment of bank loans	償還銀行貸款	16(b)	(9,600)	(400)
Proceeds from the issue of ordinary shares under IPO	根據首次公開發售發行 普通股的所得款項		-	1,730,707
Proceeds from shares issued under pre-IPO share option scheme	根據首次公開發售前購股權計劃 發行股份的所得款項		1,250	12,627
Capital element of lease rentals paid	已付租金的本金部分	16(b)	(6,089)	(4,147)
Interest element of lease rentals paid	已付租金的利息部分	16(b)	(1,783)	(1,352)
Interest paid	已付利息	16(b)	(1,359)	(597)
Net cash generated from financing activities	融資活動所得現金淨額		76,230	1,658,515

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended December 31, 2022

截至2022年12月31日止年度

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
	Notes 附註		
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(579,388)	2,096,893
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物	2,128,429	65,096
Effect of foreign exchange rate changes	外幣匯率變動影響	167,310	(33,560)
Cash and cash equivalents at the end of the year	年末現金及現金等價物	1,716,351	2,128,429
	16(a)		

The notes on pages 127 to 221 form part of these financial statements.

第127至221頁的附註構成財務報表的一部分。

Notes to the Financial Statements

財務報表附註



1. GENERAL INFORMATION

Zhaoke Ophthalmology Limited (the “**Company**”) was incorporated in the British Virgin Islands (the “**BVI**”) on January 20, 2017. On April 29, 2020, the Company was redomiciled to the Cayman Islands with its registered office at Vistra (Cayman) Limited, Grand Pavilion, Hibiscus Way, 802 West Bay Road, George Town, Grand Cayman as an exempted company with limited liability under the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (the “**Cayman Companies Act**”).

The Company is an investment holding company. The Company and its subsidiaries (together, “**the Group**”) are principally engaged in the development, manufacturing and marketing of ophthalmic drugs.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The Group’s consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. The Group’s consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

1. 一般資料

兆科眼科有限公司(「**本公司**」)於2017年1月20日在英屬處女群島註冊成立。於2020年4月29日，本公司遷冊至開曼群島，根據開曼群島法律第22章公司法(1961年法例3，經綜合及修訂)(「**開曼公司法**」)成為獲豁免有限公司，註冊辦事處為Vistra (Cayman) Limited, Grand Pavilion, Hibiscus Way, 802 West Bay Road, George Town, Grand Cayman。

本公司為一間投資控股公司。本公司及其附屬公司(統稱「**本集團**」)主要從事眼科藥物的開發、生產及營銷。

2. 重大會計政策

(a) 遵例聲明

本集團的綜合財務報表已根據所有適用香港財務報告準則(香港會計師公會頒佈的所有適用個別香港財務報告準則、香港會計準則及詮釋的統稱)、香港公認會計原則及香港公司條例的披露規定編製。此外，本集團的綜合財務報表遵守聯交所證券上市規則的適用披露條文。

香港會計師公會已頒佈若干於本集團本會計期間首次生效或可供提早採納的香港財務報告準則修訂本。附註2(c)提供初始應用與本集團於本財務報表反映的本會計期間有關的發展所產生的任何會計政策變動的資料。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended December 31, 2022 comprise the company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

(c) Changes in accounting policies

The HKICPA has issued certain amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2. 重大會計政策(續)

(b) 財務報表的編製基準

截至2022年12月31日止年度的綜合財務報表涵蓋本公司及其附屬公司。

編製財務報表所採用的計量基準為歷史成本基準。

編製符合香港財務報告準則的財務報表需要管理層作出影響政策的應用及所呈報的資產與負債、收入及開支金額的判斷、估計及假設。估計及相關假設建基於歷史經驗及被認為在相關情況下屬合理的多種其他因素，有關結果構成判斷沒有其他現成資料來源可供參考的資產與負債賬面值的基礎。實際結果可能有別於該等估計。

估計及相關假設會持續予以審閱。對會計估計的修訂於修訂估計的期間(倘修訂僅影響該期間)或修訂期間及未來期間(倘修訂影響當前及未來期間)確認。

管理層於應用香港財務報告準則時所作出對財務報表有重大影響的判斷及估計不明朗因素的主要來源在附註3論述。

(c) 會計政策變動

香港會計師公會已頒佈若干於本集團本會計期間首次生效的香港財務報告準則修訂本。有關發展並無對本集團本期間或過往期間業績及財務狀況的編製或呈列方式造成重大影響。

本集團並無應用任何於本會計期間尚未生效的新訂準則或詮釋。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and cash flows and any unrealized profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interest within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognized.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with the resulting gain or loss being recognized in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognized at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(h)(ii)).

2. 重大會計政策(續)

(d) 附屬公司

附屬公司為受本集團控制的實體。本集團在承擔參與實體所產生的可變回報的風險或享有參與實體所產生的可變回報的權利並有能力通過對該實體所擁有的權力影響該等回報時控制該實體。在評估本集團是否擁有該權力時，僅考慮本集團及其他方所持有的實質權利。

於附屬公司的投資自控制開始日期直至控制結束日期止於綜合財務報表中綜合入賬。集團內公司間結餘、交易及現金流量以及集團內公司間交易所產生的任何未變現利潤在編製綜合財務報表時悉數抵銷。集團內公司間交易所產生的未變現虧損按與未變現收益相同的方式抵銷，但僅以未出現減值證據為限。

本集團於附屬公司權益的變動如並不導致失去控制權，則作為權益交易入賬，並在綜合權益內對控股及非控股權益金額作出調整，以反映相對權益變動，但不會對商譽作出調整亦不確認收益或虧損。

當本集團失去對附屬公司的控制權時，其按出售於該附屬公司的全部權益入賬，因此產生的收益或虧損於損益確認。於失去控制權當日在該前附屬公司保留的任何權益按公平值確認，該金額被視作初步確認金融資產的公平值，或(如適當)初步確認於聯營公司或合營企業的投資的成本。

於本公司的財務狀況表中，於附屬公司的投資按成本減減值虧損列賬(見附註2(h)(ii))。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(h)(ii)).

Cost includes expenditures that are directly attributable to the acquisition of an asset.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

	Estimated useful life
Properties leased for own use	Over the unexpired periods of the leases and their estimated useful lives
Leasehold improvements	Shorter of useful life or remaining lease term
Machinery and equipment	3-10 years
Furniture, fixture and office equipment	3-10 years
Motor vehicle	4 years

Where parts of an item of property, plant and equipment have different useful lives, the cost is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Construction in progress represents machinery and equipment pending installation and is stated at cost less impairment losses (see note 2(h)(ii)). Cost comprises the purchase costs of the asset and the related construction and installation costs.

Construction in progress is transferred to property, plant and equipment when the asset is substantially ready for its intended use and depreciation will be provided at the appropriate rates in accordance with the depreciation policies specified above.

No depreciation is provided in respect of construction in progress.

2. 重大會計政策(續)

(e) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損列賬(見附註2(h)(ii))。

成本包括收購資產的直接應佔支出。

物業、廠房及設備報廢或出售所產生的收益或虧損按估計出售所得款項淨額與相關項目的賬面金額之間的差額釐定，並於報廢或出售日期於損益確認。

折舊按於下列物業、廠房及設備估計可使用年期使用直線法撇銷其成本減估計殘值(如有)計算：

	估計可使用年期
自用租賃物業	未屆滿的租期及估計可使用年期
租賃物業裝修	可使用年期或剩餘租期(以較短者為準)
機器及設備	3-10年
傢具、固定裝置及辦公設備	3-10年
汽車	4年

倘物業、廠房及設備項目有部分存在不同的可使用年期，則成本按合理基準在各部分間分配，各部分獨立折舊。資產的可使用年期及殘值(如有)均每年予以檢討。

在建工程指待安裝的機器及設備，按成本減減值虧損列賬(見附註2(h)(ii))。成本包括資產的購買成本及相關的建造及安裝成本。

在建工程於資產實質可用作其擬定用途時轉撥至物業、廠房及設備，折舊按照上文所述折舊政策按適當比率計提撥備。

在建工程不計提折舊撥備。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets

(i) Patents

Patents are capitalized on the basis of the cost incurred to acquire and bring to use the specific patent. These costs are amortized over the estimated useful life of 10 to 17 years. The Group should assess whether there is any indication that patent is impaired at the end of each reporting period.

The patents relate to therapeutic technologies developed by the Group. The useful lives of the patents were estimated by the Group based on the respective periods over which economic benefits are expected to be derived from the underlying technologies. The estimation of the useful lives has taken into account the expected period required for the development of an innovative biopharmaceutical drug from its discovery to commercialization, the patent protection period, the historical life of similar products, the characteristics of such technologies, their update frequency and market requirement and competition. Based on the different commercialization commencement dates and the expected lifespan of economic benefits of individual technologies, the useful lives of the Group's patents have been assessed to range from 10 to 17 years.

2. 重大會計政策(續)

(f) 無形資產

(i) 專利

專利乃基於獲取和使用特定專利所產生的成本予以資本化。該等成本在10至17年的估計可使用年內攤銷。本集團應在各報告期末評估是否有跡象表明專利已減值。

專利與本集團開發的治療技術有關。本集團基於預期可自相關技術產生經濟利益的相應時間估計專利的可使用年期。可使用年期的估計考慮了開發創新生物藥物(從發現到商業化)預期所需的時間、專利保護期、類似產品的歷史年期、有關技術的特徵及更新頻率以及市場要求及競爭。基於各技術不同的開始商業化日期及經濟利益的預期期限，本集團專利的可使用年期被評估為介乎10至17年。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets (Continued)

(ii) Research and development expenditures

The Group incurs significant costs and efforts on research and development activities, which include expenditures on drug products. Research expenditures are charged to the profit or loss as an expense in the period the expenditures are incurred. Development costs are recognized as assets if they can be directly attributable to a newly developed drug products and all the following can be demonstrated:

- (i) the technical feasibility of completing the development project so that it will be available for use or sale;
- (ii) the Group's intention to complete the development project to use or sell it;
- (iii) the Group's ability to use or sell the development project;
- (iv) how the development project will generate probable future economic benefits for the Group;
- (v) the Group's availability of adequate technical, financial and other resources to complete the development and to use or sell the development project; and
- (vi) the ability to measure reliably the expenditures attributable to the development project.

The cost of an internally generated intangible asset is the sum of the expenditures incurred from the date the asset meets the recognition criteria above to the date when it is available for use. The costs capitalized in connection with the intangible asset include costs of materials and services used or consumed, employee costs incurred in the creation of the asset and an appropriate portion of relevant overheads. The Group generally considers capitalization criteria for internally generated intangible assets are met when obtaining regulatory approval of new drug license.

2. 重大會計政策(續)

(f) 無形資產(續)

(ii) 研發支出

本集團在研發活動上付出大量成本和精力，其中包括藥品支出。研究支出於產生支出期間作為開支從損益扣除。倘開發成本可直接歸屬於一種新開發藥品，並且可證實以下所有情況，則將確認為資產：

- (i) 完成該開發項目使其可供使用或出售在技術上可行；
- (ii) 本集團有意完成該開發項目以供使用或出售；
- (iii) 本集團有能力使用或出售開發項目；
- (iv) 開發項目為本集團產生潛在未來經濟利益的方式；
- (v) 本集團具備足夠技術、財務及其他資源可完成開發並使用或出售開發項目；及
- (vi) 有能力可靠計量開發項目應佔支出。

內部產生的無形資產的成本乃自該資產符合上述確認條件日期起至其可供使用日期止產生的支出總和。有關無形資產資本化的成本包括創造該資產所用或所耗的材料及服務成本以及所產生的員工成本及適當比例的相關經常性開支。本集團通常認為，於獲得新藥許可的監管批准時即滿足內部產生無形資產的資本化條件。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets (Continued)

(ii) Research and development expenditures (Continued)

Capitalized development expenditures are amortized using the straight-line method over the life of the related drug products. Amortization shall begin when the asset is available for use. Subsequent to initial recognition, internally generated intangible assets are reported as cost less accumulated amortization and accumulated impairment losses (see note 2(h)(ii)) (if any).

Development expenditures not satisfying the above criteria are recognized in the profit or loss as incurred and development expenditures previously recognized as an expense are not recognized as an asset in a subsequent period.

(iii) In-licenses

Intangible assets acquired separately are measured on initial recognition at cost.

Certain intangible assets are for licenses of intellectual properties in development, with non-refundable upfront payment, milestone payment and royalty payment. Upfront payment is capitalized when paid. The milestone payment is capitalized as intangible assets when incurred, unless the payment is for outsourced research and development work which would follow the capitalization policy in note 2(f)(ii). Royalty payment would be accrued for in line with the underlying sales and recognized as a cost of sales.

2. 重大會計政策(續)

(f) 無形資產(續)

(ii) 研發支出(續)

資本化開發支出於有關藥物產品的年期內以直線法攤銷。攤銷須於資產可供使用時開始進行。於初步確認後，內部產生的無形資產按成本減累計攤銷及累計減值虧損(如有)列賬(見附註2(h)(ii))。

不符合上述條件的開發支出於產生時在損益中確認，而過往確認為開支的開發支出不會於其後期間確認為資產。

(iii) 引進許可

單獨購入的無形資產於初步確認時按成本計量。

若干無形資產為開發中知識產權的許可，附帶不可退還預付款、里程碑付款及特許權使用費。預付款於支付時資本化。里程碑付款於產生時作為無形資產資本化，除非該付款用於外包研發工作，則採用附註2(f)(ii)所載的資本化政策。特許權使用費將按相關銷售進行累計並確認為銷售成本。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets (Continued)

(iii) In-licenses (Continued)

The intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortized when ready for use and over the economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Intangible assets with indefinite useful lives or not ready for use will not be amortized but tested for impairment annually either individually or at the cash generating unit level. The impairment test would compare the recoverable amount of the in-licenses asset to its carrying value. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

In-licenses with finite useful life are amortized using the straight-line basis over the commercial lives of the underlying products, commencing from the date when the products are put into commercial production.

In-licensed technologies acquired from third parties. The useful lives of the in-licensed technologies were estimated by the Group based on the respective periods over which economic benefits are expected to be derived from the underlying technologies. The estimation of the useful lives has taken into account the expected period required for the development of an innovative biopharmaceutical drug from its discovery to commercialization, the exclusive rights period of in-licensed technologies, the historical life of similar products, the characteristics of such technologies, their update frequency and market requirement and competition. Based on the different commercialization commencement dates and the expected lifespan of economic benefits of individual technologies, the useful lives of the Group's in-licensed technologies have been assessed to range from 5 to 15 years.

Both the period and method of amortization are reviewed annually.

2. 重大會計政策(續)

(f) 無形資產(續)

(iii) 引進許可(續)

無形資產的可使用年期分為有限期或無限期。有限期的無形資產隨後於可供使用時按可使用經濟年期攤銷，並於有跡象顯示無形資產可能減值時評估減值。具有有限可使用年期的無形資產的攤銷期及攤銷方法至少於各報告期末審查一次。具無限可使用年期或尚未可供使用的無形資產將不會攤銷，惟每年單獨或於現金產生單位層面進行減值測試。該減值測試將比較引進許可資產的可收回金額與賬面值。具無限年期的無形資產的可使用年期每年進行審查，以釐定無限年期的評估是否繼續得到支持。如否，則將可使用年期評估由無限改為有限的變動按前瞻性基準入賬。

具有有限可使用年期的引進許可於有關產品自產品投入商業生產日期起計的商業年期內以直線法攤銷。

引進許可技術乃向第三方購買。本集團基於預期可自相關技術產生經濟利益的相應時間估計引進許可技術的可使用年期。可使用年期的估計考慮了開發創新生物藥物(從發現到商業化)預期所需的時間、引進許可技術的專有權期限、類似產品的歷史年期、有關技術的特徵及更新頻率以及市場要求及競爭。基於各技術不同的開始商業化日期及經濟利益的預期期限，本集團引進許可技術的可使用年期被評估為介乎5至15年。

攤銷期及攤銷方法均每年予以檢討。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets (Continued)

(iv) Software

Computer software which is recognized at historical cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses (see note 2(h)(ii)). The Group amortized on a straight-line basis over their estimated useful lives of 5 years based on the current functionalities and the daily operation needs of the software.

IT applications development in progress represents IT applications pending execution and is stated at cost less impairment losses (see note 2(h)). Cost comprises the purchase costs of the asset and the related set up and installation costs.

Both the period and method of amortization are reviewed annually.

(v) Distribution rights

Distribution rights are capitalized on the basis of the cost incurred to acquire and bring to use the specific rights. These costs are amortized over the estimated useful life of 10 years. The Group should assess whether there is any indication that the rights are impaired at the end of each reporting period.

The rights relate to exclusive rights to register, import, promote, distribute, market and sell certain medical devices. The useful lives of the rights were estimated by the Group based on the respective periods over which economic benefits are expected to be derived from the underlying rights.

2. 重大會計政策(續)

(f) 無形資產(續)

(iv) 軟件

按歷史成本確認的電腦軟件其後按成本減去累計攤銷及累計減值虧損列賬(見附註2(h)(ii))。本集團根據該等軟件的現有功能及日常運作需要，於其估計可使用年期5年內以直線法攤銷。

開發中資訊科技應用程式指有待執行的資訊科技應用程式，按成本減去減值虧損列賬(見附註2(h))。成本包括資產購買成本以及相關設定及安裝成本。

攤銷期及攤銷方法均每年予以檢討。

(v) 分銷權

分銷權按收購指定權利及使指定權利可供使用所產生的成本資本化。該等成本按10年的估計可使用年期攤銷。本集團應於各報告期末評估權利有否任何減值跡象。

權利涉及註冊、進口、宣傳、分銷、營銷及銷售若干醫療器械的獨家權利。本集團基於預期從相關權利取得的經濟利益的相關期間估計權利的使用年期。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

At the lease commencement date, the Group recognizes a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalize the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalized are recognized as an expense on a systematic basis over the lease term.

Where the lease is capitalized, the lease liability is initially recognized at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortized cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

2. 重大會計政策(續)

(g) 租賃資產

本集團於合約開始時評估有關合約是否屬租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬租賃或包含租賃。當客戶同時有權操縱可識別資產的用途及自有關用途獲得絕大部分經濟利益時，即已轉移控制權。

作為承租人

於租賃開始日期，本集團確認使用權資產和租賃負債(不包括租期為12個月或以下的短期租賃及低價值資產租賃)。當本集團就低價值資產訂立租約時，本集團會按逐項租賃決定是否將租賃資本化。與未資本化租賃相關的租賃付款在租期內系統性地確認為開支。

當租賃被資本化時，租賃負債按租期內應付租賃付款的現值初步確認，當中使用租賃所隱含的利率貼現，或如利率不易釐定，則使用相關增量借貸利率。於初步確認後，租賃負債按攤銷成本計量及使用實際利率法計算利息開支。不取決於指數或利率的可變租賃付款並未包括於租賃負債的計量中，因此於產生的會計期間自損益扣除。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Leased assets (Continued)

As a lessee (Continued)

The right-of-use asset recognized when a lease is capitalized is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2(e) and 2(h)(ii)).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets and measured at amortised cost (see notes 2(p)(i) and 2(h)(i)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2. 重大會計政策(續)

(g) 租賃資產(續)

作為承租人(續)

於租賃被資本化時確認的使用權資產初步按成本計量，包括租賃負債的初步金額加上於開始日期或之前作出的任何租賃付款，以及所產生的任何初步直接成本。如適用，使用權資產的成本亦包括拆除及移除相關資產或恢復相關資產或該資產所在工地所產生的估計成本，貼現至其現值，並扣除任何已收取的租賃優惠。使用權資產其後按成本減累計折舊及減值虧損列賬（見附註2(e)及2(h)(ii)）。

可退還租金按金的初步公平值與使用權資產分開入賬，並按攤銷成本計量（見附註2(p)(i)及2(h)(i)）。初步公平值與按金面值之間的差額入賬列作支付額外租賃付款，並計入使用權資產成本。

倘指數或利率的變動導致未來租賃付款出現變動；或倘本集團預期根據殘值擔保應付的估計金額出現變動；或倘本集團重新評估是否合理確定將行使購買、續期或終止選擇權導致出現變動，則將重新計量租賃負債。於按此方式重新計量租賃負債時，會對使用權資產的賬面金額作出相應調整，或如使用權資產的賬面金額已減至零，則調整將計入損益。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Leased assets (Continued)

As a lessee (Continued)

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract (“**lease modification**”) that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

The Group presents right-of-use assets in “property, plant and equipment” and presents “lease liabilities” separately in the consolidated statement of financial position.

(h) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognizes a loss allowance for expected credit losses (“**ECLs**”) on financial assets measured at amortized cost (including cash and bank balances, as well as other receivables).

Financial assets measured at fair value are not subject to the ECLs assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

2. 重大會計政策(續)

(g) 租賃資產(續)

作為承租人(續)

倘租賃範圍或代價出現並非單獨入賬列作租賃的原有租賃合約所規定的變動(「**租賃修改**」)，亦會重新計量租賃負債。在此情況下，租賃負債基於經修訂租賃付款及租期，使用修改生效日期的經修訂貼現率重新計量。

於綜合財務狀況表內，長期租賃負債的流動部分按於報告期後十二個月內到期償付的合約付款現值釐定。

於綜合財務狀況表內，本集團在「物業、廠房及設備」項下呈列使用權資產，並單獨呈列「租賃負債」。

(h) 信貸虧損及資產減值

(i) 金融工具的信貸虧損

本集團就按攤銷成本計量的金融資產(包括現金及銀行結餘以及其他應收款項)的預期信貸虧損確認虧損撥備。

按公平值計量的金融資產毋須進行預期信貸虧損評估。

預期信貸虧損的計量

預期信貸虧損為對信貸虧損的概率加權估計。信貸虧損以所有預期現金不足額(即本集團按照合約應收的現金流量與本集團預期可收取的現金流量之間的差額)的現值計量。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Measurement of ECLs (Continued)

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and other receivables: effective interest rate determined at initial recognition or an approximation thereof; and
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the end of reporting period; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECLs model applies.

Loss allowances for receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具的信貸虧損(續)

預期信貸虧損的計量(續)

倘貼現影響重大，則預期現金不足額將採用以下貼現率貼現：

- 固定利率的金融資產及其他應收款項：於初步確認時釐定的實際利率或其近似值；及
- 浮息金融資產：即期實際利率。

估計預期信貸虧損時所考慮的最長期間是以本集團承受信貸風險的最長合約期間為準。

於計量預期信貸虧損時，本集團會考慮在無需付出過多成本或努力下即可獲得的合理可靠資料，包括有關過往事件、現時狀況及未來經濟環境預測的資料。

預期信貸虧損將採用以下基準計量：

- 12個月預期信貸虧損：指報告期末後12個月內可能發生的違約事件所導致的預期虧損；及
- 整個存續期預期信貸虧損：指預期信貸虧損模型項下項目在整個存續期內所有可能違約事件所導致的預期虧損。

應收款項的虧損撥備一般按等同於整個存續期預期信貸虧損的金額計量。該等金融資產的預期信貸虧損是利用建基於本集團過往信貸虧損經驗的撥備矩陣估算，並按在報告日期債務人的特定因素及對當前和預測整體經濟狀況的評估作出調整。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Measurement of ECLs (Continued)

For all other financial instruments, the Group recognizes a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the end of reporting period with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具的信貸虧損(續)

預期信貸虧損的計量(續)

至於所有其他金融工具，本集團會以相等於12個月預期信貸虧損的金額確認虧損撥備，除非自初步確認以來該金融工具的信貸風險大幅上升，在此情況下，虧損撥備會以相等於整個存續期預期信貸虧損的金額計量。

信貸風險大幅上升

評估金融工具的信貸風險自初步確認以來有否大幅上升時，本集團會比較於報告期末及於初步確認日期評估的金融工具發生違約的風險。作出重新評估時，本集團認為，倘(i)債務人不大可能在本集團無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸債務；或(ii)金融資產已逾期90日，則發生違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Significant increases in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at end of each reporting period to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECLs amount is recognized as an impairment gain or loss in profit or loss. The Group recognizes an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具的信貸虧損(續)

信貸風險大幅上升(續)

具體而言，評估信貸風險自初步確認以來有否大幅上升時會考慮以下資料：

- 未能按合約到期日期支付本金或利息；
- 金融工具外部或內部信貸評級(如有)實際或預期顯著惡化；
- 債務人經營業績實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人向本集團履行其責任的能力有重大不利影響。

信貸風險大幅上升的評估視乎金融工具的性質按個別基準或共同基準進行。倘評估按共同基準進行，則金融工具按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

本集團於各報告期末重新計量預期信貸虧損，以反映金融工具的信貸風險自初步確認以來發生的變動。預期信貸虧損金額的任何變動均會於損益中確認為減值收益或虧損。本集團確認所有金融工具的減值收益或虧損，並通過虧損撥備賬對其賬面金額作出相應調整。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Basis of calculation of interest income

Interest income recognized in accordance with note 2(p) (i) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortized cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganization;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具的信貸虧損(續)

利息收入的計算基準

按照附註2(p)(i)確認的利息收入乃基於金融資產的賬面總額計算，除非該金融資產出現信貸減值，在此情況下，利息收入按該金融資產的攤銷成本(即賬面總額減虧損撥備)計算。

於各報告日期，本集團會評估金融資產是否出現信貸減值。當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，即表示金融資產出現信貸減值。

金融資產信貸減值的證據包括以下可觀察事件：

- 債務人出現嚴重財政困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 借款人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；或
- 由於發行人的財務困難，證券的活躍市場消失。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Write-off policy

The gross carrying amount of a financial asset or other receivables is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the asset becomes 90 days past due or when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognized no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets;
- intangible assets;
- other non-current assets; and
- investment in a subsidiary in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(i) 金融工具的信貸虧損(續)

撇銷政策

倘日後實際上收回款項無望，本集團則會撇銷(部分或全部)金融資產或其他應收款項的賬面總額。該情況通常出現在資產已逾期90日或本集團確定債務人沒有資產或可產生足夠現金流量的收入來源來償還所撇銷的金額。

隨後收回過往已撇銷的資產於收回期間在損益內確認為減值撥回。

(ii) 非流動資產減值

本集團於各報告期末審閱內部及外部資料來源，以識別下列資產是否出現減值跡象，或過往已確認的減值虧損是否已不再存在或可能減少：

- 物業、廠房及設備(包括使用權資產)；
- 無形資產；
- 其他非流動資產；及
- 本公司財務狀況表中於一間附屬公司的投資。

如有上述任何跡象出現，則會估計有關資產的可收回金額。此外，對於尚未可供使用的無形資產及具有無限可使用年期的無形資產，無論是否存在減值跡象，均每年估計可收回金額。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(ii) Impairment of non-current assets (Continued)

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit). A portion of the carrying amount of a corporate asset (for example, head office building) is allocated to an individual cash-generating unit if the allocation can be done on a reasonable and consistent basis, or to the smallest group of cash-generating units if otherwise.

– Recognition of impairment losses

An impairment loss is recognized in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use (if determinable).

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(ii) 非流動資產減值(續)

– 計算可收回金額

資產的可收回金額為其公平價值減出售成本與使用價值兩者的較高者。在評估使用價值時，估計未來現金流量會按照可以反映當時市場對貨幣時間值的評估及該項資產的特定風險的稅前貼現率，貼現至其現值。倘資產所產生現金流入基本上並非獨立於其他資產所產生的現金流入，則於能獨立產生現金流入的最小資產組別(即現金產生單位)層面釐定可收回金額。如企業資產(如總部樓宇)賬面金額的一部分可按合理一致的基準分配，則亦分配至個別現金產生單位，否則分配至最少的現金產生單位組別。

– 確認減值虧損

倘資產或其所屬現金產生單位的賬面金額超過可收回金額，則於損益確認減值虧損。就現金產生單位確認的減值虧損會首先分配以減少分配至現金產生單位(或單位組別)的任何商譽的賬面金額，然後按比例分配以減少該單位(或單位組別)中其他資產的賬面金額，惟資產的賬面值不會減至低於其個別公平價值減出售成本或使用價值(如可釐定)。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Credit losses and impairment of assets (Continued)

(ii) Impairment of non-current assets (Continued)

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognized.

(i) Receivables

A receivable is recognized when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Receivables are subsequently stated at amortized cost, using the effective interest method and including an allowance for credit losses (see note 2(h)(i)).

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 2(h)(i).

2. 重大會計政策(續)

(h) 信貸虧損及資產減值(續)

(ii) 非流動資產減值(續)

– 撥回減值虧損

就除商譽以外的資產而言，倘用於釐定可收回金額的估計出現有利變化，則撥回減值虧損。商譽的減值虧損不會撥回。

所撥回的減值虧損僅限於過往年度並未確認減值虧損而應釐定的資產賬面金額。所撥回減值虧損在確認撥回的年度計入損益。

(i) 應收款項

應收款項於本集團有無條件權利收取代價時確認。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。

應收款項其後以實際利率法按攤銷成本列賬，並包括信貸虧損撥備(見附註2(h)(i))。

(j) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、於銀行及其他財務機構的活期存款，以及短期、流通性高、可隨時兌換成已知金額的現金且無重大價值變動風險且於購入後三個月內到期的投資。現金及現金等價物須按照附註2(h)(i)所載的政策評估預期信貸虧損。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Payables

Payables are initially recognized at fair value and are subsequently stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(l) Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between the amount initially recognized and redemption value being recognized in the consolidated statement of profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(m) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Contributions to local retirement schemes pursuant to the relevant labor rules and regulations in the jurisdictions in which the Group's subsidiaries located are recognized as an expense in profit or loss as incurred, except to the extent that they are included in the cost of inventories not yet recognized as an expense.

2. 重大會計政策(續)

(k) 應付款項

應付款項初步按公平值確認，其後則按攤銷成本列賬，惟倘貼現影響不大，則按發票金額列賬。

(l) 計息借款

計息借款初步按公平值減應佔交易成本確認。於初步確認後，計息借款按攤銷成本列賬，初步確認金額與贖回價值之間的任何差額連同任何應付利息和費用使用實際利率法於借款期內於綜合損益表中確認。

(m) 僱員福利

(i) 短期僱員福利及界定供款退休計劃供款

薪金、年終花紅、有薪年假、界定供款退休計劃供款及非金錢福利成本均於僱員提供有關服務的年度累計。凡有關付款或結算被延遲及其具重大影響，則該等款項按現值列賬。

根據本集團附屬公司所在司法管轄區的相關勞動規則及法規向當地退休計劃作出的供款，於作出供款時在損益確認為開支，但有關供款計入尚未確認為開支的存貨成本則除外。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Employee benefits (Continued)

(ii) Share-based payments

The fair value of share options granted to employees, directors or consultants is recognized as an expense with a corresponding increase in a capital reserve within equity over the period that the individuals become unconditionally entitled to the options. Share options granted to employees, directors or consultants, are measured at grant date using the binomial model, taking into account the terms and conditions upon which the options were granted.

The amount recognized as an expense is adjusted to reflect the number of share options for which the related service and non-market vesting conditions are expected to be met, such that amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognized in prior years is charged/credited to the profit or loss for the year of the review, unless the original expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. The equity amount is recognized in the capital reserve until either the option is exercised (when it is included in the amount recognized in share capital for the shares issued) or the option expires (when it is released directly to equity).

(n) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognized in profit or loss except to the extent that they relate to items recognized in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognized in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

2. 重大會計政策(續)

(m) 僱員福利(續)

(ii) 以股份為基礎的付款

向僱員、董事或顧問授出的購股權的公平值在個人無條件享有購股權期間確認為開支，並相應增加權益內的資本儲備。向僱員、董事或顧問授出的購股權於授出日期採用二項式模型計量，當中考慮授出購股權的條款及條件。

確認為開支的金額經調整以反映預期符合相關服務及非市場歸屬條件的購股權數目，使最終確認為開支的金額基於歸屬日期確實符合相關服務及非市場表現條件的獎勵數目。

於歸屬期內，本集團會檢討預期將歸屬的購股權數目。據此對過往年度已確認累計公平值所作的任何調整，均在檢討年度內扣除自／計入損益，除非原開支符合資格確認為資產，並對資本儲備作出相應調整，則屬例外。權益金額於資本儲備確認，直至購股權獲行使(屆時會計入就所發行股份於股本確認的金額)或購股權屆滿(屆時會直接撥入權益)為止。

(n) 所得稅

本年度的所得稅包括即期稅項及遞延稅項資產與負債的變動。即期稅項及遞延稅項資產與負債的變動均在損益中確認，惟如涉及於其他全面收益或直接於權益中確認的項目，則相關稅項金額亦分別在其他全面收益或直接於權益中確認。

即期稅項乃根據年內應課稅收入，採用於報告期末已制定或實質性制定的稅率，並就過往年度的應付稅項調整計算的預期應付稅項。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Income tax (Continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilized, are recognized. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilized.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognized is measured based on the expected manner of realization or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

2. 重大會計政策(續)

(n) 所得稅(續)

遞延稅項資產與負債分別來自資產與負債於財務報告內的賬面金額與稅基之間的差額所產生的可扣減及應課稅暫時差額。遞延稅項資產亦可因尚未動用的稅項虧損及尚未動用的稅項抵免而產生。

除若干有限的例外情況外，所有遞延稅項負債及遞延稅項資產(以有可能用於抵銷未來應課稅利潤的資產為限)均會予以確認。可支持確認因可扣減暫時差額而產生的遞延稅項資產的未來應課稅利潤，包括因撥回現有應課稅暫時差額而產生的可扣減暫時差額，惟該等差額須與同一稅務機關及相同應課稅實體有關，且預期於預期撥回可扣減暫時差額的同一期間撥回，或於可轉回或結轉遞延稅項資產所產生稅項虧損的多個期間內撥回。於釐定現時應課稅暫時差額可否支持確認未動用稅項虧損及抵免所產生的遞延稅項資產時亦採用相同準則，即該等差額與同一稅務機關及相同應課稅實體有關，且預期於可動用稅項虧損或抵免的一個或多個期間內撥回，方會入賬。

確認遞延稅項資產與負債的少數例外情況，為與從初步確認但並不影響會計及應課稅利潤的資產或負債(前提是並非業務合併的一部分)產生的暫時性差額，及與於附屬公司的投資有關的暫時性差額，惟就應課稅差額而言，僅以本集團可控制撥回時間且不大可能在可預見未來撥回的差額為限，或就可扣減差額而言，則以可能在未來撥回的差額為限。

已確認的遞延稅項金額乃按資產與負債賬面金額的預期實現或結算方式，使用於報告期末已制定或實質性制定的稅率計量。遞延稅項資產與負債並不貼現。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Income tax (Continued)

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Additional income taxes that arise from the distribution of dividends are recognized when the liability to pay the related dividends is recognized.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realize the current tax assets and settle the current tax liabilities on a net basis or realize and settle simultaneously.

2. 重大會計政策(續)

(n) 所得稅(續)

遞延稅項資產的賬面金額於各報告期末檢討，而倘不再可能有足夠的應課稅利潤可供動用相關稅項利益，則遞延稅項資產會減少。所減少金額可在有足夠應課稅利潤可能出現時撥回。

分派股息所產生的額外所得稅於支付相關股息的責任確認時確認。

即期稅項結餘及遞延稅項結餘和其變動額會分開列示，並且不予抵銷。即期稅項資產及遞延稅項資產只會在本集團有合法可執行權利以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件的情況下，方可分別抵銷即期稅項負債和遞延稅項負債：

- 即期稅項資產與負債：本公司或本集團擬按淨額基準結算，或同時變現該資產和結算該負債；或
- 遞延稅項資產與負債：該等資產與負債須與同一稅務機關就以下其中一項徵收的所得稅項有關；
 - 同一應課稅實體；或
 - 不同的應課稅實體，而該等實體計劃在預期有大額遞延稅項負債或資產需要清償或可以收回的各未來期間，按淨額基準變現即期稅項資產和清償即期稅項負債，或同時變現該資產和清償該負債。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Provisions and contingent liabilities

Provisions are recognized when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(p) Other income

Details of the Group's other income recognition policies are as follows:

(i) Interest income

Interest income is recognized as it accrues using the effective interest method.

(ii) Government grants

Government grants are recognized in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognized as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognized initially as deferred income and amortized to profit or loss on a straight-line basis over the useful life of the asset by way of being recognized in other income.

2. 重大會計政策(續)

(o) 撥備及或然負債

如果本集團須就已發生的事件承擔法定或推定責任，可能需要流出經濟利益以履行有關責任，則在可以作出可靠的估計時，本集團便會確認撥備。如果貨幣時間值屬重大，則撥備按預期履行有關責任所需支出的現值入賬。

倘經濟利益流出的可能性較低，或是無法對有關金額作出可靠的估計，則會將該責任披露為或然負債，除非流出經濟利益的可能性極低則除外。倘本集團的可能責任須視乎某宗或多宗未來事件是否發生方能確定是否存在，則亦會披露為或然負債，除非流出經濟利益的可能性極低則除外。

(p) 其他收入

本集團其他收入的確認政策的詳情如下：

(i) 利息收入

利息收入採用實際利率法於應計時確認。

(ii) 政府補助

政府補助於有合理保證會收到及本集團將符合其附帶條件時，於財務狀況表內初步確認。補償本集團已產生開支的補助於與產生開支相同的期間內按有系統基準於損益中確認為收入。補償本集團資產成本的補助初步確認為遞延收入，並透過於其他收入中確認，在資產的可使用年內以直線法從損益攤銷。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognized in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognizes such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. The resulting exchange differences are recognized in other comprehensive income and accumulated separately in equity in the exchange reserve.

(r) Borrowing costs

Borrowing costs are expensed in the period in which they are incurred.

(s) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.

2. 重大會計政策(續)

(q) 外幣換算

於年內的外幣交易按於交易日適用的外幣匯率換算。以外幣計值的貨幣資產及負債，按於報告期末適用的外幣匯率換算。匯兌收益及虧損於損益中確認。

以外幣按歷史成本計量的非貨幣資產及負債使用於交易日適用的外幣匯率換算。交易日為本公司初步確認該等非貨幣資產或負債之日。按公平值列賬並以外幣計值的非貨幣資產及負債乃使用於計量公平值當日適用的外幣匯率換算。

國外經營業績按與於交易日適用的外幣匯率相近的匯率換算為人民幣。由此產生的匯兌差額於其他全面收益確認並於匯兌儲備的權益中獨立累計。

(r) 借款成本

借款成本在產生期間列作開支。

(s) 關聯方

- (a) 倘屬以下人士，則該人士或該人士的近親與本集團有關聯：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司主要管理層人員的成員。

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or a joint venture of the other entity (or an associate or a joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2. 重大會計政策(續)

(s) 關聯方(續)

- (b) 倘符合下列任何條件，則該實體與本集團有關聯：
- (i) 該實體和本集團為同一集團的成員公司(即各自的母公司、附屬公司及同系附屬公司彼此間有關聯)。
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或為另一實體所屬集團的成員公司的聯營公司或合營企業)。
 - (iii) 兩間實體均為同一第三方的合營企業。
 - (iv) 一間實體是某一第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 該實體為本集團或與本集團有關聯的實體為僱員利益而設立的離職福利計劃。
 - (vi) 該實體受(a)所識別人士控制或共同控制。
 - (vii) (a)(i)所識別人士對該實體有重大影響力或為該實體(或該實體的母公司)主要管理層人員的成員。
 - (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供主要管理層人員服務。

某一名人士的近親指在與實體交易時預期會影響該名人士或被該名人士影響的家屬。



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2. 重大會計政策(續)

(t) 分部報告

經營分部及於財務報表內呈報的各分部項目金額乃根據定期提供予本集團最高行政管理人員以向本集團各業務及地理位置分部分配資源及評估該等分部的表現的財務資料確定。

就財務呈報而言，除非分部具備相似的經濟特徵及在產品及服務性質、生產工序性質、客戶類型或類別、分配產品或提供服務所使用的方法以及監管環境的性質方面相似，否則個別重大經營分部不會合併計算。個別非重大的經營分部倘符合上述大部分標準，則可合併計算。

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

Key sources of estimation uncertainty

Note 24 contains information about the assumptions and their risk factors relating to financial instruments.

Other key sources of estimation uncertainty is as follows:

Impairment assessment of intangible assets not ready for use

Intangible assets not ready for use are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired. In-licensed rights acquired by the Group that are subject to continuing research and development work prior to commercialisation of products are classified as intangible assets not ready for use.

An impairment loss is recognised for the amount by which the intangible asset's carrying amount exceeds its recoverable amount, which is the higher of the asset's fair value less costs of disposal and value in use. Depending on the Group's assessment of the overall materiality of the asset under review and complexity of deriving reasonable estimates of the recoverable amount, the Group may perform such assessments utilizing internal resources or the Group may engage external advisors to counsel the Group. Regardless of the resources utilized, the Group is required to make many assumptions to make these assessments, including the utilization of such asset, the cash flows to be generated, appropriate market discount rates and the projected market and regulatory conditions. Changes in any of these assumptions could result in a material change to future estimates of the recoverable amount of any asset. Details of the impairment assessment are disclosed in note 13.

3. 重大會計判斷及估計

估計不明朗因素的主要來源

附註24載有與金融工具有關的假設及其風險因素的資料。

其他估計不明朗因素的主要來源載列如下：

未可供使用的無形資產減值評估

未可供使用的無形資產每年進行減值測試，或出現有跡象顯示可能減值的事件或情況變化時更頻繁地進行減值測試。本集團所收購於產品商業化前須持續進行研發工作的引進特許權分類為未可供使用的無形資產。

減值虧損按無形資產的賬面金額高於其可收回金額的金額確認。可收回金額即有關資產的公平值減出售成本或使用價值兩者的較高者。視乎本集團對所審查資產的整體重要性的評估及合理估計可收回金額的複雜性，本集團可能會利用內部資源進行有關評估，亦可能委聘外部顧問向本集團提供意見。不論利用何種資源，本集團於評估時均須作出眾多假設，包括有關資產的使用情況、所產生的現金流量、適當的市場貼現率及預計市場及規管情況。該等假設如出現任何變動，可能會導致日後對任何資產可收回金額的估計出現重大變動。減值評估的詳情於附註13披露。



4. REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are development, manufacturing and marketing of ophthalmic drugs. No revenue was derived from these activities during the current and prior years.

(b) Segment reporting

Operating segments are identified on the basis of internal reports that the Group's most senior executive management reviews regularly in allocating resources to segments and in assessing their performances.

The Group's most senior executive management makes resources allocation decisions based on internal management functions and assess the Group's business performance as one integrated business instead of by separate business lines or geographical regions. Accordingly, the Group has only one operating segment and therefore, no segment information is presented.

5. OTHER INCOME

Bank interest income	銀行利息收入
Government grants	政府補助
– Employment support grants (note (i))	– 就業支援補助(附註(i))
– Other government grants (note (ii))	– 其他政府補助(附註(ii))
Others	其他

Notes:

- (i) The amount represents government grants received from various PRC government authorities in connection with the fiscal subsidies for providing financial support to enterprises and paying wages to the employees.
- (ii) The amount represents subsidies received from government for encouragement of technology research and development and compensation on the capital expenditure of production lines.

4. 收益及分部報告

(a) 收益

本集團的主要業務為眼科藥物的開發、生產及營銷。於本年度及過往年度，該等活動並無產生收益。

(b) 分部報告

經營分部乃根據本集團最高行政管理層定期審閱以向分部分配資源及評估分部表現的內部報告確定。

本集團的最高行政管理層根據內部管理職能作出資源分配決策，並將本集團視為一項綜合業務(而非按獨立業務線或地理區域)評估業務表現。因此，本集團只有一個經營分部，亦因此並無呈列任何分部資料。

5. 其他收入

	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Bank interest income	30,415	5,036
Government grants		
– Employment support grants (note (i))	544	–
– Other government grants (note (ii))	6,935	16,090
Others	147	7
	38,041	21,133

附註：

- (i) 該金額指從各中國政府機關收到的政府補助，與用於向企業提供財務支持及向僱員支付工資的財政補貼有關。
- (ii) 該金額指從政府收到的補貼，以鼓勵技術研發以及補償生產線資本支出。

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財務報表附註

6. OTHER NET (LOSS)/GAIN

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Net foreign exchange (loss)/gain	外匯(虧損)/收益淨額	(29,731)	13,409

7. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

(a) Finance costs

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Interest on bank loans	銀行貸款利息	1,359	597
Interest on lease liabilities	租賃負債利息	1,783	1,352
		3,142	1,949
Changes in the carrying amount of preferred shares liability:	優先股負債賬面金額變動：		
- Changes in present value of redemption amount	- 贖回金額現值變動	-	58,208
- Changes in fair value of conversion features	- 轉換特徵公平值變動	-	1,705,291
		-	1,763,499
		3,142	1,765,448

6. 其他(虧損)/收益淨額

7. 除稅前虧損

除稅前虧損乃經扣除以下各項後達致：

(a) 財務成本

7. LOSS BEFORE TAXATION (CONTINUED)

(b) Staff costs

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Salaries, wages and other benefits	薪金、工資及其他福利	85,163	50,982
Contribution to defined benefit retirement plans	向界定福利退休計劃作出的供款	5,590	3,001
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	41,362	96,168
		132,115	150,151

Notes:

- (i) The Group operates a Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.
- (ii) Pursuant to the relevant labor rules and regulations in the PRC, the Group in the PRC participates in defined contribution retirement benefit schemes (the "Schemes") organized by the local government authorities whereby the Company and its subsidiaries in the PRC are required to make contributions to the Schemes based on certain percentages of the eligible employee's salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees.
- (iii) Staff costs includes remuneration of directors and senior management (notes 9 and 10).

7. 除稅前虧損(續)

(b) 員工成本

附註：

- (i) 本集團根據香港強制性公積金計劃條例為於香港僱傭條例司法管轄權範圍內受僱而之前未獲界定福利退休計劃保障的僱員營辦強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立受託人管理的界定供款退休計劃。根據強積金計劃，僱主及其僱員須各自按僱員相關收入的5%向計劃作出供款，每月相關收入上限為30,000港元。計劃的供款即時歸屬。
- (ii) 根據中國的相關勞動規章制度，本集團在中國參與由地方政府部門組織的界定供款退休福利計劃(「計劃」)，據此，本公司及其於中國的附屬公司須按合資格僱員薪金的若干百分比向計劃供款。地方政府部門負責履行支付退休員工的全部養老金義務。
- (iii) 員工成本包括董事及高級管理層的薪酬(附註9及10)。

Notes to the Financial Statements

財務報表附註

7. LOSS BEFORE TAXATION (CONTINUED)

(c) Other items

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Amortization of intangible assets	無形資產攤銷	2,249	2,106
Depreciation charge	折舊費用		
– owned property, plant and equipment	– 自有物業、廠房及設備	25,740	19,296
– right-of-use assets	– 使用權資產	7,085	4,429
Auditors' remuneration	核數師酬金		
– audit services	– 審核服務	2,180	1,837
– audit related services	– 審核相關服務	700	735
– other services	– 其他服務	347	120
Research and development expenses	研發開支	296,430	220,058
Listing expenses	上市開支	–	28,112

8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

(a) Cayman Islands income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Cayman Companies Act.

There is no income tax in the Cayman Islands and accordingly, the operating results reported by the Company, is not subject to any income tax in the Cayman Islands.

(b) Hong Kong income tax

No provision for Hong Kong profits tax has been provided for at the rate of 16.5% as the Company has no estimated assessable profits.

(c) The PRC corporate income tax

No provision for Mainland China income tax has been provided for at a rate of 25% pursuant to the Corporate Income Tax Law of the PRC and the respective regulations, as the Group's PRC entity has no estimated assessable profits.

7. 除稅前虧損(續)

(c) 其他項目

8. 綜合損益表中的所得稅

本集團須就其成員公司註冊及經營所在司法管轄區所產生或所得利潤按實體基準繳納所得稅。

(a) 開曼群島所得稅

本公司根據開曼公司法於開曼群島註冊成立為獲豁免有限公司。

開曼群島並無所得稅，因此，本公司報告的經營業績在開曼群島毋須繳納任何所得稅。

(b) 香港所得稅

由於本公司並無估計應課稅利潤，故並無按16.5%的稅率計提香港利得稅撥備。

(c) 中國企業所得稅

由於本集團的中國實體並無估計應課稅利潤，故根據中國企業所得稅法及有關法規，並無按25%的稅率計提中國內地所得稅撥備。

8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

8. 綜合損益表中的所得稅(續)

(d) Reconciliation between tax expense and accounting loss at applicable tax rates:

(d) 稅項開支與會計虧損按適用稅率計算的對賬：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Loss before taxation	除稅前虧損	(407,317)	(2,129,780)
Notional tax on loss before taxation, calculated at the rates applicable to losses in jurisdictions concerned	除稅前虧損的名義稅項(按相關司法管轄區虧損的適用稅率計算)	(90,000)	(60,763)
Tax effect of non-deductible expenses	不可扣減開支的稅務影響	19,342	17,086
Tax effect of non-taxable income	非應課稅收入的稅務影響	(1,392)	(861)
Tax effect of tax losses not recognized	未確認稅項虧損的稅務影響	100,066	73,674
Tax effect of deductible temporary differences not recognized	未確認之可扣減暫時性差額的稅務影響	(123)	(8)
Tax effect of super deduction for research and development expenses (note)	研發開支加計扣除的稅務影響(附註)	(27,893)	(29,128)
		-	-

Note: According to the CIT Law, an additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income effective from January 1, 2021.

附註：根據企業所得稅法，由2021年1月1日起，應課稅收入可額外扣除100%的符合條件所產生研發開支。

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8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

(e) Deferred tax assets not recognized

In accordance with the accounting policy set out in note 2(n), the Group has not recognized any deferred tax assets in respect of the following items:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Tax losses	稅項虧損	813,960	413,697
Deductible temporary differences	可扣減暫時性差額	3,578	4,069
		817,538	417,766

It is not probable that future taxable profits against which the losses and deductible temporary differences can be utilized will be available in the relevant tax jurisdiction and entity.

(f) Deductible losses that are not recognized as deferred tax assets will be expired as follows:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
2023	2023年	-	-
2024	2024年	-	-
2025	2025年	119,002	119,002
2026	2026年	294,695	294,695
2027	2027年	400,263	-
		813,960	413,697

8. 綜合損益表中的所得稅(續)

(e) 未確認的遞延稅項資產

按照附註2(n)所載會計政策，本集團並未就以下項目確認任何遞延稅項資產：

相關稅務司法管轄區及實體不大可能產生未來應課稅利潤以供動用虧損及可扣減暫時性差額。

(f) 未確認為遞延稅項資產的可扣減虧損將到期如下：



9. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

9. 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例披露的董事酬金如下：

		2022 2022年					
		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Share-based payments	Total
		董事袍金	薪金、津貼及實物福利	酌情花紅	退休計劃供款	為基礎的付款	總計
Executive directors	執行董事						
- Dr. Li Xiaoyi	- 李小羿博士	-	6,491	2,933	541	11,260	21,225
- Mr. Dai Xiangrong	- 戴向榮先生	-	621	103	-	1,597	2,321
Non-executive Directors	非執行董事						
- Ms. Leelalertsuphakun Wanee	- 李焯妮女士	259	-	-	-	155	414
- Ms. Cai Li	- 蔡俐女士	-	-	-	-	-	-
- Mr. Chen Yu	- 陳宇先生	-	-	-	-	-	-
- Ms. Tiantian Zhang	- 張甜甜女士	259	-	-	-	155	414
Independent Non-executive Directors	獨立非執行董事						
- Mr. Wong Hin Wing	- 黃顯榮先生	259	-	-	-	155	414
- Prof. Lo Yuk Lam	- 盧毓琳教授	259	-	-	-	155	414
- Dr. Tam Lai Fan Gloria (resigned on April 11, 2022)	- 譚麗芬醫生 (於2022年4月11日辭任)	73	-	-	-	-	73
- Mr. Liew Fui Kiang (appointed on June 6, 2022)	- 劉懷鏡先生 (於2022年6月6日獲委任)	147	-	-	-	155	302
		1,256	7,112	3,036	541	13,632	25,577

Notes to the Financial Statements

財務報表附註

9. DIRECTORS' EMOLUMENTS (CONTINUED)

9. 董事酬金(續)

		2021 2021年					
		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Share-based payments	Total
		董事袍金	薪金、津貼及實物福利	酌情花紅	退休計劃供款	以股份為基礎的付款	總計
Executive directors	執行董事						
- Dr. Li Xiaoyi	- 李小羿博士	-	6,205	3,082	471	29,215	38,973
- Mr. Dai Xiangrong	- 戴向榮先生	-	514	-	-	4,087	4,601
Non-executive Directors	非執行董事						
- Ms. Leelalertsuphakun Wanee	- 李燁妮女士	167	-	-	-	-	167
- Ms. Cai Li	- 蔡俐女士	-	-	-	-	-	-
- Mr. Chen Yu	- 陳宇先生	-	-	-	-	-	-
- Ms. Tiantian Zhang (appointed on February 5, 2021)	- 張甜甜女士 (於2021年2月5日獲委任)	167	-	-	-	-	167
Independent Non-executive Directors	獨立非執行董事						
- Mr. Wong Hin Wing (appointed on April 1, 2021)	- 黃顯榮先生 (於2021年4月1日獲委任)	167	-	-	-	-	167
- Prof. Lo Yuk Lam (appointed on April 1, 2021)	- 盧毓琳教授 (於2021年4月1日獲委任)	167	-	-	-	-	167
- Dr. Tam Lai Fan Gloria (appointed on April 1, 2021 and resigned on April 11, 2022)	- 譚麗芬醫生 (於2021年4月1日獲委任，並於2022年4月11日辭任)	167	-	-	-	-	167
		835	6,719	3,082	471	33,302	44,409

10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, one (2021: one) of them is a director whose emoluments are disclosed in note 9. The aggregate of the emoluments in respect of the other four (2021: four) individuals are as follows:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他酬金	8,000	6,811
Discretionary bonuses	酌情花紅	1,665	1,585
Share-based payments	以股份為基礎的付款	12,842	28,415
Retirement scheme contributions	退休計劃供款	64	45
		22,571	36,856

The emoluments of the four (2021: four) individuals with the highest emoluments are within the following bands:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
HK\$4,000,001 – HK\$4,500,000	4,000,001港元至4,500,000港元	1	–
HK\$5,000,001 – HK\$5,500,000	5,000,001港元至5,500,000港元	1	–
HK\$7,000,001 – HK\$7,500,000	7,000,001港元至7,500,000港元	1	1
HK\$7,500,001 – HK\$8,000,000	7,500,001港元至8,000,000港元	–	1
HK\$9,500,001 – HK\$10,000,000	9,500,001港元至10,000,000港元	1	–
HK\$14,000,001 – HK\$14,500,000	14,000,001港元至14,500,000港元	–	1
HK\$14,500,001 – HK\$15,000,000	14,500,001港元至15,000,000港元	–	1

10. 最高酬金人士

在五名最高酬金人士中，一名(2021年：一名)為董事，其酬金於附註9披露。其餘四名(2021年：四名)人士的酬金總額如下：

四名(2021年：四名)最高酬金人士的酬金處於以下範圍：

Notes to the Financial Statements

財務報表附註

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB407,317,000 (2021: RMB2,129,780,000) and the weighted average of 542,172,689 ordinary shares (2021: 412,383,886 ordinary shares) in issue during the year after taking into account the effect of Capitalization issue (note 23 (c)(i)), calculated as follows:

		2022 2022年 Number of shares 股份數目	2021 2021年 Number of shares 股份數目
Issued ordinary shares at the beginning of the year	年初已發行普通股	541,946,928	377,480
Effect of Capitalization issue (note 23(c)(i))	資本化發行的影響 (附註23(c)(i))	-	150,614,520
Effect of conversion of convertible redeemable preferred shares to ordinary shares upon IPO	於進行首次公開發售時將可轉換可贖回 優先股轉換為普通股的影響	-	175,634,564
Effect of shares issued upon IPO	於進行首次公開發售時發行股份的影響	-	83,281,110
Effect of shares issued related to equity-settled share-based transactions	就以權益結算以股份為基礎的交易發行 股份的影響	225,761	2,476,212
Weighted average number of ordinary shares at the end of the year	年末普通股加權平均數	542,172,689	412,383,886

(b) Diluted loss per share

Diluted loss per share is the same as basic loss per share for the years ended December 31, 2022 and 2021, as all of the potential ordinary shares are anti-dilutive.

11. 每股虧損

(a) 每股基本虧損

每股基本虧損乃按年內的本公司普通權益股東應佔虧損人民幣407,317,000元(2021年: 人民幣2,129,780,000元)及已發行普通股加權平均數542,172,689股(2021年: 412,383,886股)(已計及資本化發行的影響(附註23(c)(i)))計算如下:

(b) 每股攤薄虧損

由於所有潛在普通股均具有反攤薄影響，故截至2022年及2021年12月31日止年度的每股攤薄虧損與每股基本虧損相同。

12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

(a) Reconciliation of carrying amount

(a) 賬面金額的對賬

		Properties leased for own use	Leasehold improvements	Machinery and equipment	Furniture, fixture and office equipment 傢具、固定裝置	Motor vehicle	Construction in progress	Total
		自用租賃物業 RMB'000 人民幣千元	租賃物業裝修 RMB'000 人民幣千元	機器及設備 RMB'000 人民幣千元	及辦公室設備 RMB'000 人民幣千元	機動車輛 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost:	成本：							
At January 1, 2021	於2021年1月1日	35,267	4,359	126,674	3,840	398	10,292	180,830
Exchange adjustments	匯兌調整	(40)	(43)	-	(23)	(6)	-	(112)
Additions	添置	3,396	2,802	4,044	2,804	586	56,049	69,681
Transfer from construction in progress	轉撥自在建工程	-	-	48,010	-	-	(48,010)	-
At December 31, 2021 and January 1, 2022	於2021年12月31日及 2022年1月1日	38,623	7,118	178,728	6,621	978	18,331	250,399
Exchange adjustments	匯兌調整	214	242	-	129	33	-	618
Additions	添置	16,999	17	341	833	-	63,976	82,166
Transfer from construction in progress	轉撥自在建工程	-	-	20,890	-	-	(20,890)	-
Lease modification	租賃修改	(383)	-	-	-	-	-	(383)
Disposals	出售	(77)	-	-	-	-	-	(77)
At December 31, 2022	於2022年12月31日	55,376	7,377	199,959	7,583	1,011	61,417	332,723
Accumulated depreciation:	累計折舊：							
At January 1, 2021	於2021年1月1日	11,914	1,126	27,465	1,792	75	-	42,372
Exchange adjustments	匯兌調整	(12)	(4)	-	-*	-*	-	(16)
Charge for the year	年內支出	4,412	712	17,496	970	135	-	23,725
At December 31, 2021 and January 1, 2022	於2021年12月31日及 2022年1月1日	16,314	1,834	44,961	2,762	210	-	66,081
Exchange adjustments	匯兌調整	81	41	-	23	6	-	151
Charge for the year	年內支出	7,068	1,027	23,091	1,389	250	-	32,825
Written back on disposals	於出售時撥回	(77)	-	-	-	-	-	(77)
At December 31, 2022	於2022年12月31日	23,386	2,902	68,052	4,174	466	-	98,980
Net book value:	賬面淨值：							
At December 31, 2022	於2022年12月31日	31,990	4,475	131,907	3,409	545	61,417	233,743
At December 31, 2021	於2021年12月31日	22,309	5,284	133,767	3,859	768	18,331	184,318

* The balance represents amount less than RMB1,000.

* 結餘金額少於人民幣1,000元。

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Notes 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Properties leased for own use, carried at depreciated cost	(i)	31,990	22,309
Furniture, fixture and office equipment, carried at depreciated cost	(ii)	5	22
		31,995	22,331

Notes:

(i) Properties leased for own use

The Group has obtained the right to use properties as its buildings for its research and development, offices and staff quarters through tenancy agreements. The leases typically run for an initial period of two to ten years.

(ii) Furniture, fixture and office equipment

The Group leases furniture, fixture and office equipment for an initial period of five years. None of the leases includes variable lease payments.

The analysis of expense items in relation to leases recognized in profit or loss is as follows:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Depreciation charge of right-of-use assets by class of underlying asset (note 7(c)):	按相關資產類別劃分的使用權資產折舊費用(附註7(c)):		
Properties leased for own use	自用租賃物業	7,068	4,412
Furniture, fixture and office equipment	傢具、固定裝置及辦公室設備	17	17
		7,085	4,429
Interest on lease liabilities (note 7(a))	租賃負債利息(附註7(a))	1,783	1,352

During the year, additions to right-of-use assets were RMB16,999,000 (2021: RMB3,396,000). This amount primarily related to the capitalized lease payments payable under new tenancy agreements.

12. 物業、廠房及設備(續)

(b) 使用權資產

按相關資產類別劃分的使用權資產賬面淨值分析如下:

	Notes 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Properties leased for own use, carried at depreciated cost	(i)	31,990	22,309
Furniture, fixture and office equipment, carried at depreciated cost	(ii)	5	22
		31,995	22,331

附註:

(i) 自用租賃物業

本集團透過租賃協議取得將有關物業用作其研發、辦公室及員工宿舍樓宇的權利。租賃的初步租期通常為2至10年。

(ii) 傢具、固定裝置及辦公室設備

本集團租賃傢具、固定裝置及辦公室設備的初步期限為5年。租賃概不包含可變租賃付款。

就租賃於損益確認的支出項目分析如下:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Depreciation charge of right-of-use assets by class of underlying asset (note 7(c)):	按相關資產類別劃分的使用權資產折舊費用(附註7(c)):		
Properties leased for own use	自用租賃物業	7,068	4,412
Furniture, fixture and office equipment	傢具、固定裝置及辦公室設備	17	17
		7,085	4,429
Interest on lease liabilities (note 7(a))	租賃負債利息(附註7(a))	1,783	1,352

年內添置使用權資產人民幣16,999,000元(2021年:人民幣3,396,000元)。此金額主要與根據新租賃協議應付的資本化租賃付款有關。

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Right-of-use assets (Continued)

During the year ended December 31, 2022, the total cash outflow for leases were RMB7,872,000 (2021: RMB5,499,000).

Details of the maturity analysis of lease liabilities are set out in note 20.

Depreciation of property, plant and equipment including right-of-use assets has been charged to the consolidated statement of profit or loss as follow:

	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Research and development expenses 研發開支	29,581	21,884

(c) Prepayments on purchases of property, plant and equipment

As at December 31, 2022, the amount of prepayment of property, plant and equipment expected to be transferred to property, plant and equipment after more than one year was RMB29,510,000 (2021: RMB49,812,000).

12. 物業、廠房及設備(續)

(b) 使用權資產(續)

截至2022年12月31日止年度，租賃現金流出總額為人民幣7,872,000元(2021年：人民幣5,499,000元)。

租賃負債的到期日分析詳情載於附註20。

包括使用權資產在內的物業、廠房及設備折舊已於綜合損益表扣除如下：

(c) 購買物業、廠房及設備的 預付款項

於2022年12月31日，預計於超過一年後轉撥至物業、廠房及設備的物業、廠房及設備預付款項金額為人民幣29,510,000元(2021年：人民幣49,812,000元)。

Notes to the Financial Statements

財務報表附註

13. INTANGIBLE ASSETS

13. 無形資產

		Patents 專利	In-licensed rights 引進特許權	Software 軟件	Distribution rights 分銷權	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
		(Note (b)) (附註(b))	(Note (c)) (附註(c))	(Note (d)) (附註(d))	(Note (e)) (附註(e))	
Cost:	成本:					
At January 1, 2021	於2021年1月1日	25,652	119,391	314	-	145,357
Exchange adjustments	匯兌調整	-	(2,966)	(201)	-	(3,167)
Additions	添置	-	16,529	12,434	-	28,963
At December 31, 2021 and January 1, 2022	於2021年12月31日及 2022年1月1日	25,652	132,954	12,547	-	171,153
Exchange adjustments	匯兌調整	-	12,718	1,841	39	14,598
Additions	添置	-	131,428	27,127	1,345	159,900
At December 31, 2022	於2022年12月31日	25,652	277,100	41,515	1,384	345,651
Accumulated amortization:	累計攤銷:					
At January 1, 2021	於2021年1月1日	6,644	-	22	-	6,666
Exchange adjustments	匯兌調整	-	-	(2)	-	(2)
Charge for the year	年內支出	2,044	-	62	-	2,106
At December 31, 2021 and January 1, 2022	於2021年12月31日及 2022年1月1日	8,688	-	82	-	8,770
Exchange adjustments	匯兌調整	-	-	9	-	9
Charge for the year	年內支出	2,044	-	205	-	2,249
At December 31, 2022	於2022年12月31日	10,732	-	296	-	11,028
Net book value:	賬面淨值:					
At December 31, 2022	於2022年12月31日	14,920	277,100	41,219	1,384	334,623
At December 31, 2021	於2021年12月31日	16,964	132,954	12,465	-	162,383

(a) Amortization of intangible assets has been charged to the consolidated statement of profit or loss as follows:

(a) 無形資產攤銷已於綜合損益表扣除如下:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Research and development expenses	研發開支	2,044	2,044

(b) Patents

On June 16, 2016, Zhaoke Pharmaceutical (HK) Limited ("Zhaoke PHK"), the then fellow subsidiary of the Company, established Zhaoke (Guangzhou) Ophthalmology Pharmaceutical Limited ("Zhaoke Guangzhou") and injected capital of US\$2,907,000 (equivalents to RMB19,974,000). During the year ended December 31, 2017, Zhaoke PHK further injected capital of US\$3,865,000 (equivalents to RMB25,652,000) to Zhaoke Guangzhou in kind of certain patents for research and development of ophthalmic drugs based on the fair value. On October 18, 2018, Zhaoke PHK transferred the entire equity interests in Zhaoke Guangzhou to Zhaoke (Hong Kong) Ophthalmology Pharmaceutical Limited ("Zhaoke Hong Kong") pursuant to a group's reorganization.

(b) 專利

於2016年6月16日，本公司當時的同系附屬公司兆科藥業(香港)有限公司(「兆科藥業香港」)成立兆科(廣州)眼科藥物有限公司(「兆科廣州」)，並注資2,907,000美元(相當於人民幣19,974,000元)。截至2017年12月31日止年度，兆科藥業香港按公平值以若干專利形式進一步向兆科廣州注資3,865,000美元(相當於人民幣25,652,000元)，用於供眼科藥物研發。於2018年10月18日，兆科藥業香港根據集團重組將兆科廣州的全部股權轉讓予兆科(香港)眼科藥物有限公司(「兆科香港」)。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights

The balance of in-licensed rights represent payments made to acquire development and commercialization rights of ophthalmic products from third parties and are not available for use. Due to the inherent uncertainties in the research and development processes, these assets are particularly at risk of impairment if the project is not expected to result in a commercialize product. Key terms of these licenses are set out below:

(i) License agreements with TOT BIOPHARM International Company Limited (“TOT BIOPHARM”)

On January 5, 2017, Zhaoke Guangzhou entered into a license agreement with TOT BIOPHARM, a China-based biopharmaceutical company dedicated to developing and commercializing innovative biological drugs and therapies and listed on the Stock Exchange, for licensing TAB014 bio-pharmaceutical know-how for development and commercialization for a period of 10 years in Mainland China, Hong Kong and Macau. TAB014 is an ophthalmic formulation of bevacizumab for the treatment of retinal neovascularisation, such as wet age-related macular degeneration (“wAMD”).

Zhaoke Guangzhou made the non-refundable upfront payment of RMB8,400,000 and the first milestone payment of RMB8,400,000 upon signing of the license agreement and obtaining Investigational New Drug approval respectively during the year ended December 31, 2017. Zhaoke Guangzhou made the second milestone payment of RMB6,300,000 for execution of Phase II clinical trial during the year ended December 31, 2020. Zhaoke Guangzhou made the first development milestone payment of RMB8,400,000 upon first patient enrollment of Phase III clinical trial and the first and second commercial milestone payment of RMB16,000,000 and RMB8,000,000 upon signing of the supplemental license agreement and obtaining the National Medical Products Administration approval respectively during the year ended December 31, 2022. Zhaoke Guangzhou is also obliged to make certain payments upon the achievement of certain development milestones, certain commercial milestones and royalty payments at the applicable royalty rates based on net sales of the products in Mainland China, Hong Kong and Macau.

13. 無形資產(續)

(c) 引進特許權

引進特許權的結餘指為從第三方獲得眼科產品的開發及商業化權利所作付款，尚未可供使用。由於研發過程中固有的不確定性，如該項目預計不會產生商業化產品，則該等資產尤其易受減值風險影響。該等許可的主要條款載列如下：

(i) 與東曜藥業股份有限公司(「東曜藥業」)訂立的許可協議

於2017年1月5日，兆科廣州與東曜藥業(一間致力於開發創新生物藥物及療法並將其商業化及已於聯交所上市的中國生物製藥公司)訂立許可協議，以授權在中國內地、香港及澳門開發及商業化TAB014生物製藥專有技術，為期10年。TAB014是貝伐單抗的眼科製劑，用於治療視網膜血管新生，例如濕性老年黃斑部病變(「wAMD」)。

截至2017年12月31日止年度，兆科廣州分別在簽訂許可協議及獲得新藥臨床試驗申請批准後支付不可退還預付款人民幣8,400,000元及首筆里程碑付款人民幣8,400,000元。截至2020年12月31日止年度，兆科廣州為進行第II期臨床試驗支付第二筆里程碑付款人民幣6,300,000元。截至2022年12月31日止年度，兆科廣州於第III期臨床試驗的首名患者入組後支付第一筆開發里程碑付款人民幣8,400,000元，以及分別在簽訂補充許可協議及獲得國家藥品監督管理局批准後支付首筆及第二筆商業里程碑付款人民幣16,000,000元及人民幣8,000,000元。兆科廣州亦有義務在實現若干開發里程碑及商業里程碑後支付若干款項，以及根據有關產品在中國內地、香港及澳門的淨銷售額按照適用的特許權使用費率支付特許權使用費。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(i) License agreements with TOT BIOPHARM International Company Limited ("TOT BIOPHARM") (Continued)

On March 1, 2022, Zhaoke Guangzhou finalized a supplemental license agreement with TOT BIOPHARM, pursuant to which Zhaoke Guangzhou will have full control and responsibility in the execution of clinical trials and the ultimate decision-making power in the development and commercialization of TAB014 in Mainland China, Hong Kong and Macau. Zhaoke Guangzhou is also given the right of developing TAB014 for other ophthalmic indications besides wAMD or novel formulations for ophthalmic indications. Pursuant to the supplemental agreement, in light of the adjustment to the mode of collaboration, the payment schedule of the commercialization milestone payments has also been adjusted accordingly such that it is primarily linked to the regulatory approval progress of TAB014, while the total milestone payment amount remains the same as that in the original agreement signed on January 5, 2017.

As at December 31, 2022 and 2021, TAB014 was not ready for use and the Group continues the underlying research and development activities. As such, it is subject to annual impairment test based on the recoverable amount of the cash generating unit ("CGU") to which the intangible asset is related to which is at the product level. Management determined the recoverable amount of the relevant CGU using the value in use calculations. These calculations use cash flow projections based on management's expectations of timing of commercialization, market penetration rate and success rate of commercialization over TAB014's license period. The valuation is considered to be level 3 in the fair value measurement hierarchy due to unobservable inputs used in the valuation.

13. 無形資產(續)

(c) 引進特許權(續)

(i) 與東曜藥業股份有限公司(「東曜藥業」)訂立的許可協議(續)

於2022年3月1日，兆科廣州與東曜藥業落實一份補充許可協議，據此，兆科廣州將對執行TAB014的臨床試驗擁有全面控制權及責任，並對TAB014的開發及在中港澳商業化擁有最終決策權。兆科廣州亦獲得就wAMD以外其他眼科適應症開發TAB014或就眼科適應症開發創新藥方的權利。根據補充協議，由於對合作模式作出調整，故商業化里程碑付款的付款時間表亦已相應調整，致使時間表主要與TAB014的監管審批進度掛鈎，而總里程碑付款額與於2017年1月5日簽訂的原協議所列者一致。

於2022年及2021年12月31日，TAB014尚未可供使用，本集團繼續開展相關研發活動。因此，其須根據與無形資產在產品層面相關的現金產生單位的可收回金額進行年度減值測試。管理層採用使用價值計算法釐定相關現金產生單位的可收回金額。本集團基於管理層對TAB014許可期內商業化時間表、市場滲透率及商業化成功率的預期，使用現金流量預測計算使用價值。由於估值使用不可觀察輸入數據，故該估值被視為公平值計量層級中的第三級。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(i) License agreements with TOT BIOPHARM International Company Limited ("TOT BIOPHARM") (Continued)

With the assistance of an external appraiser, management determined the recoverable amount of TAB014 based on the following approach and the key assumptions:

- TAB014 will generate net cash inflows based on the research and development process and experience of the approval process;
- The expected market penetration rate was based on the expected selling conditions considering the features of marketing and technology development;
- The discount rate used is pre-tax and reflects specific risks relating to the relevant products; and
- The expected success rate of commercialization by reference to practices of pharmaceutical industries, development of technologies and related regulations from administrations.

The key assumptions used for fair value calculation as at December 31, 2022 and 2021 are as follows:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Pre-tax discount rate	稅前貼現率	27%	25%
Expected revenue growth rate	預期收益增長率	0%~274%	10%~484%
Expected market penetration rate	預期市場滲透率	1%~12%	1%~12%
Expected success rate of commercialization	預期商業化成功率	51%	51%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	196,218	164,012
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	52,358	21,792

Based on the result of impairment assessment, there was no impairment as at December 31, 2022 and 2021.

13. 無形資產(續)

(c) 引進特許權(續)

(i) 與東曜藥業股份有限公司(「東曜藥業」)訂立的許可協議(續)

在外聘估值師的協助下，管理層按以下方法及主要假設釐定TAB014的可收回金額：

- 根據研發過程及審批過程的經驗，TAB014將可產生現金流入淨額；
- 預期市場滲透率乃根據預期銷售情況得出，當中考慮到營銷及技術開發的特點；
- 所使用的貼現率為稅前，並反映相關產品的特定風險；及
- 預期商業化成功率參考製藥行業的慣例、技術發展及行政管理部門的相關規定。

於2022年及2021年12月31日，用於計算公平值的主要假設如下：

根據減值評估的結果，於2022年及2021年12月31日，概無出現減值。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(i) License agreements with TOT BIOPHARM International Company Limited ("TOT BIOPHARM") (Continued)

Impairment test – sensitivity

The Group has performed sensitivity test by increasing 1% of pre-tax discount rate or decreasing 5% of expected revenue, which are the key assumptions for determining the recoverable amount of the intangible asset, with all other variables held constant. The impacts on the amount by which the intangible asset's recoverable amount above its carrying amount (headroom) are as below:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Headroom	緩衝	143,860	142,220
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(19,363)	(21,070)
Impact by decreasing expected revenue	降低預期收益的影響	(12,401)	(14,429)

Considering there was still sufficient headroom based on the assessment, management believes that a reasonably possible change in any of the key assumptions on which management has based its determination of the CGU's recoverable amount would not cause its carrying amount to exceed its recoverable amount.

13. 無形資產(續)

(c) 引進特許權(續)

(i) 與東曜藥業股份有限公司(「東曜藥業」)訂立的許可協議(續)

減值測試－敏感度

本集團通過在所有其他變數保持不變的情況下，分別將稅前貼現率提高1%或預期收益降低5%(兩者為釐定無形資產可收回金額的主要假設)進行敏感度測試。對無形資產可收回金額超出其賬面金額的數額(緩衝)的影響如下：

考慮到經評估後仍有充足的緩衝，管理層認為其釐定現金產生單位可收回金額所依據的任何主要假設的合理可能變更不會導致賬面金額超過可收回金額。



13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(ii) License agreement with IACTA Pharmaceuticals Inc. ("IACTA")

On July 24, 2020, Zhaoke Hong Kong entered into a license agreement with IACTA, a US-based ophthalmology-focused pharmaceutical company developing drugs with novel mechanisms of action that treat diseases in areas of significant unmet medical need, to acquire the exclusive rights to IC-265 for dry eye and IC-270 for allergic conjunctivitis (i.e. "Licensed know-how") for development and commercialization for a period of 10 years in Mainland China, Hong Kong, Macau, Taiwan and the South East Asian countries.

Zhaoke Hong Kong made a non-refundable upfront payment of US\$1,500,000 (equivalent to RMB10,391,000) during the year ended December 31, 2020. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of specific development milestones, commercial milestones and royalty payments based on net sales of the products in Mainland China, Hong Kong, Macau, Taiwan and the South East Asian countries.

As at December 31, 2022 and 2021, the Licensed know-how was not ready for use and the Group continues the underlying research and development activities. As such, it is subject to annual impairment test based on the recoverable amount of the CGU to which the intangible asset is related to which is at the product level. Management determined the recoverable amount of the relevant CGU using the value in use calculations. These calculations use cash flow projections based on management's expectations of timing of commercialization, market penetration rate and success rate of commercialization over the Licensed know-how's license period. The valuation is considered to be level 3 in the fair value measurement hierarchy due to unobservable inputs used in the valuation.

13. 無形資產(續)

(c) 引進特許權(續)

(ii) 與IACTA Pharmaceuticals Inc. (「IACTA」)訂立的許可協議

於2020年7月24日，兆科香港與IACTA(一間專注眼科藥物的美國製藥公司，為治療醫療需求缺口巨大的疾病開發具新型作用機制的藥物)訂立許可協議，以收購用於乾眼症的IC-265及用於過敏性結膜炎的IC-270的獨家權利(即「授權專有技術」)，以於中國內地、香港、澳門、台灣及東南亞國家開發及商業化，為期10年。

截至2020年12月31日止年度，兆科香港已支付不可退還預付款1,500,000美元(相當於人民幣10,391,000元)。兆科香港亦有義務在實現若干具體開發里程碑及商業里程碑後支付若干款項，以及根據有關產品在中國內地、香港、澳門、台灣及東南亞國家的淨銷售額支付特許權使用費。

於2022年及2021年12月31日，授權專有技術尚未可供使用，本集團繼續開展相關研發活動。因此，其須根據與無形資產在產品層面相關的現金產生單位的可收回金額進行年度減值測試。管理層採用使用價值計算法釐定相關現金產生單位的可收回金額。本集團基於管理層對授權專有技術許可期內商業化時間表、市場滲透率及商業化成功率之預期，使用現金流量預測計算使用價值。由於估值使用不可觀察輸入數據，故該估值被視為公平值計量層級中的第三級。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(ii) License agreement with IACTA Pharmaceuticals Inc. ("IACTA") (Continued)

With the assistance of an external appraiser, management determined the recoverable amount of the Licensed know-how based on the following approach and the key assumptions:

- The Licensed know-how will generate net cash inflows based on the research and development process and experience of the approval process;
- The expected market penetration rate was based on the expected selling conditions considering the features of marketing and technology development;
- The discount rate used is pre-tax and reflects specific risks relating to the relevant products; and
- The expected success rate of commercialization by reference to practices of pharmaceutical industries, development of technologies and related regulations from administrations.

The key assumptions used for fair value calculation as at December 31, 2022 and 2021 is as follows:

		2022 2022年	2021 2021年
Pre-tax discount rate	稅前貼現率	28%	27%
Expected revenue growth rate	預期收益增長率	0%~848%	1%~847%
Expected market penetration rate	預期市場滲透率	0%~4%	1%~4%
Expected success rate of commercialization	預期商業化成功率	29%	29%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	35,055	92,460
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	10,378	9,540

Based on the result of impairment assessment, there was no impairment as at December 31, 2022 and 2021.

13. 無形資產(續)

(c) 引進特許權(續)

(ii) 與IACTA Pharmaceuticals Inc. (「IACTA」)訂立的許可協議(續)

在外聘估值師的協助下，管理層按以下方法及主要假設釐定授權專有技術的可收回金額：

- 根據研發過程及審批過程的經驗，授權專有技術將可產生現金流入淨額；
- 預期市場滲透率乃根據預期銷售情況得出，當中考慮到營銷及技術開發的特點；
- 所使用的貼現率為稅前，並反映相關產品的特定風險；及
- 預期商業化成功率參考製藥行業的慣例、技術發展及行政管理部門的相關規定。

於2022年及2021年12月31日，用於計算公平值的主要假設如下：

根據減值評估的結果，於2022年及2021年12月31日，概無出現減值。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(ii) License agreement with IACTA Pharmaceuticals Inc. ("IACTA") (Continued)

Impairment test – sensitivity

The Group has performed sensitivity test by increasing 1% of pre-tax discount rate or decreasing 5% of expected revenue, which are the key assumptions for determining the recoverable amount of the intangible asset, with all other variables held constant. The impacts on the amount by which the intangible asset's recoverable amount above its carrying amount (headroom) are as below:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Headroom	緩衝	24,677	82,920
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(7,637)	(12,049)
Impact by decreasing expected revenue	降低預期收益的影響	(2,965)	(6,149)

Considering there was still sufficient headroom based on the assessment, management believes that a reasonably possible change in any of the key assumptions on which management has based its determination of the CGU's recoverable amount would not cause its carrying amount to exceed its recoverable amount.

13. 無形資產(續)

(c) 引進特許權(續)

(ii) 與IACTA Pharmaceuticals Inc. (「IACTA」)訂立的許可協議(續)

減值測試－敏感度

本集團通過在所有其他變數保持不變的情況下，分別將稅前貼現率提高1%或預期收益降低5%(兩者為釐定無形資產可收回金額的主要假設)進行敏感度測試。對無形資產可收回金額超出其賬面金額的數額(緩衝)的影響如下：

考慮到經評估後仍有充足的緩衝，管理層認為其釐定現金產生單位可收回金額所依據的任何主要假設的合理可能變更不會導致賬面金額超過可收回金額。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(iii) License agreement with Nevakar, Inc. ("Nevakar")

On October 19, 2020, Zhaoke Hong Kong entered into a license agreement with Nevakar, a US-based biopharmaceutical company developing multiple innovative medications in the ophthalmic and hospital injectable areas, for the exclusive rights to develop, manufacture and commercialize NVK002, a novel topical eye treatment for slowing the progression of myopia in children, for a period of 15 years in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

Zhaoke Hong Kong made a non-refundable upfront payment of US\$10,000,000 (equivalent to RMB68,828,000) during the year ended December 31, 2020. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of specific development milestones, commercial milestones and royalty payments based on net sales of the products in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

As at December 31, 2022 and 2021, NVK002 was not ready for use and the Group continues the underlying research and development activities. As such, it is subject to annual impairment test based on the recoverable amount of the CGU to which the intangible asset is related to which is at the product level. Management determined the recoverable amount of the relevant CGU using the value in use calculations. These calculations use cash flow projections based on management's expectations of timing of commercialization, market penetration rate and success rate of commercialization over NVK002's license period. The valuation is considered to be level 3 in the fair value measurement hierarchy due to unobservable inputs used in the valuation.

13. 無形資產(續)

(c) 引進特許權(續)

(iii) 與Nevakar, Inc. ("Nevakar")訂立的許可 協議

於2020年10月19日，兆科香港與Nevakar(一間總部設於美國、開發多種眼科及醫院可注射範圍創新藥的生物製藥公司)訂立許可協議，以取得於中國內地、香港、澳門、台灣、韓國及東南亞國家開發、製造及商業化NVK002(一種減慢兒童近視加深的新型外用眼部療法)的獨家權利，為期15年。

截至2020年12月31日止年度，兆科香港已支付不可退還預付款10,000,000美元(相當於人民幣68,828,000元)。兆科香港亦有義務在實現若干具體開發里程碑及商業里程碑後支付若干款項，以及根據有關產品在中國內地、香港、澳門、台灣、南韓及東南亞國家的淨銷售額支付特許權使用費。

於2022年及2021年12月31日，NVK002尚未可供使用，本集團繼續開展相關研發活動。因此，其須根據與無形資產在產品層面相關的現金產生單位的可收回金額進行年度減值測試。管理層採用使用價值計算法釐定相關現金產生單位的可收回金額。本集團基於管理層對NVK002許可期內商業化時間表、市場滲透率及商業化成功率的預期，使用現金流量預測計算使用價值。由於估值使用不可觀察輸入數據，故該估值被視為公平值計量層級中的第三級。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(iii) License agreement with Nevakar, Inc. ("Nevakar") (Continued)

With the assistance of an external appraiser, management determined the recoverable amount of NVK002 based on the following approach and the key assumptions:

- NVK002 will generate net cash inflows based on the research and development process and experience of the approval process;
- The expected market penetration rate was based on the expected selling conditions considering the features of marketing and technology development;
- The discount rate used is pre-tax and reflects specific risks relating to the relevant products; and
- The expected success rate of commercialization by reference to practices of pharmaceutical industries, development of technologies and related regulations from administrations.

The key assumptions used for fair value calculation as at December 31, 2022 and 2021 is as follows:

		2022 2022年	2021 2021年
Pre-tax discount rate	稅前貼現率	25%	24%
Expected revenue growth rate	預期收益增長率	-5%~84%	-5%~84%
Expected market penetration rate	預期市場滲透率	0%~2%	1%~2%
Expected success rate of commercialization	預期商業化成功率	72%	72%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	829,267	905,680
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	68,767	63,214

Based on the result of impairment assessment, there was no impairment as at December 31, 2022 and 2021.

13. 無形資產(續)

(c) 引進特許權(續)

(iii) 與Nevakar, Inc. ("Nevakar")訂立的許可 協議(續)

在外聘估值師的協助下，管理層按以下方法及主要假設釐定NVK002的可收回金額：

- 根據研發過程及審批過程的經驗，NVK002將可產生現金流入淨額；
- 預期市場滲透率乃根據預期銷售情況得出，當中考慮到營銷及技術開發的特點；
- 所使用的貼現率為稅前，並反映相關產品的特定風險；及
- 預期商業化成功率參考製藥行業的慣例、技術發展及行政管理部門的相關規定。

於2022年及2021年12月31日，用於計算公平值的主要假設如下：

根據減值評估的結果，於2022年及2021年12月31日，概無出現減值。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(iii) License agreement with Nevakar, Inc. ("Nevakar") (Continued)

Impairment test – sensitivity

The Group has performed sensitivity test by increasing 1% of pre-tax discount rate or decreasing 5% of expected revenue, which are the key assumptions for determining the recoverable amount of the intangible asset, with all other variables held constant. The impacts on the amount by which the intangible asset's recoverable amount above its carrying amount (headroom) are as below:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Headroom	緩衝	760,500	842,466
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(76,970)	(96,017)
Impact by decreasing expected revenue	降低預期收益的影響	(55,862)	(66,345)

Considering there was still sufficient headroom based on the assessment, management believes that a reasonably possible change in any of the key assumptions on which management has based its determination of the CGU's recoverable amount would not cause its carrying amount to exceed its recoverable amount.

13. 無形資產(續)

(c) 引進特許權(續)

(iii) 與Nevakar, Inc. ("Nevakar")訂立的許可 協議(續)

減值測試－敏感度

本集團通過在所有其他變數保持不變的情況下，分別將稅前貼現率提高1%或預期收益降低5%(兩者為釐定無形資產可收回金額的主要假設)進行敏感度測試。對無形資產可收回金額超出其賬面金額的數額(緩衝)的影響如下：

考慮到經評估後仍有充足的緩衝，管理層認為其釐定現金產生單位可收回金額所依據的任何主要假設的合理可能變更不會導致賬面金額超過可收回金額。



13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(iv) License agreement with PanOptica, Inc. ("PAN")

On December 15, 2020, Zhaoke Hong Kong entered into a license agreement with PAN, a US-based ophthalmology-focused pharmaceutical company developing a topical eye drop for the treatment of sight-threatening eye diseases caused by abnormal or leaky blood vessels, for the exclusive rights to develop, manufacture and commercialize PAN-90806, a wAMD solution, for a period of 10 years in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

Zhaoke Hong Kong made an upfront payment of US\$3,500,000 (equivalent to RMB24,101,000) during the year ended December 31, 2020. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of specific development milestones, commercial milestones and royalty payments based on net sales of the products in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

As at December 31, 2022 and 2021, PAN-90806 was not ready for use and the Group continues the underlying research and development activities. As such, it is subject to annual impairment test based on the recoverable amount of the CGU to which the intangible asset is related to which is at the product level. Management determined the recoverable amount of the relevant CGU using the value in use calculations. These calculations use cash flow projections based on management's expectations of timing of commercialization, market penetration rate and success rate of commercialization over PAN-90806's license period. The valuation is considered to be level 3 in the fair value measurement hierarchy due to unobservable inputs used in the valuation.

13. 無形資產(續)

(c) 引進特許權(續)

(iv) 與PanOptica, Inc. ("PAN")訂立的許可協議

於2020年12月15日，兆科香港與PAN(一間總部設於美國、專注眼科藥物的製藥公司，正為治療因血管異常或出血引致對視力構成威脅的眼部疾病而開發一種外用滴眼液)訂立許可協議，以獲取在中國內地、香港、澳門、台灣、韓國及東南亞國家開發、製造及商業化PAN-90806(一種wAMD解決方案)的獨家權利，為期10年。

截至2020年12月31日止年度，兆科香港已支付預付款3,500,000美元(相當於人民幣24,101,000元)。兆科香港亦有義務在實現若干具體開發里程碑及商業里程碑後支付若干款項，以及根據有關產品在中國內地、香港、澳門、台灣、南韓及東南亞國家的淨銷售額支付特許權使用費。

於2022年及2021年12月31日，PAN-90806尚未可供使用，本集團繼續開展相關研發活動。因此，其須根據與無形資產在產品層面相關的現金產生單位的可收回金額進行年度減值測試。管理層採用使用價值計算法釐定相關現金產生單位的可收回金額。本集團基於管理層對PAN-90806許可期內商業化時間表、市場滲透率及商業化成功率預期，使用現金流量預測計算使用價值。由於估值使用不可觀察輸入數據，故該估值被視為公平值計量層級中的第三級。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(iv) License agreement with PanOptica, Inc. (“PAN”) (Continued)

With the assistance of an external appraiser, management determined the recoverable amount of PAN-90806 based on the following approach and the key assumptions:

- PAN-90806 will generate net cash inflows based on the research and development process and experience of the approval process;
- The expected market penetration rate was based on the expected selling conditions considering the features of marketing and technology development;
- The discount rate used is pre-tax and reflects specific risks relating to the relevant products; and
- The expected success rate of commercialization by reference to practices of pharmaceutical industries, development of technologies and related regulations from administrations.

The key assumptions used for fair value calculation as at December 31, 2022 and 2021 is as follows:

		2022 2022年	2021 2021年
Pre-tax discount rate	稅前貼現率	29%	28%
Expected revenue growth rate	預期收益增長率	-5%~291%	-5%~291%
Expected market penetration rate	預期市場滲透率	1%~11%	1%~11%
Expected success rate of commercialization	預期商業化成功率	30%	30%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	413,496	387,421
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	24,079	22,135

Based on the result of impairment assessment, there was no impairment as at December 31, 2022 and 2021.

13. 無形資產(續)

(c) 引進特許權(續)

(iv) 與PanOptica, Inc. (「PAN」)訂立的許可協議(續)

在外聘估值師的協助下，管理層按以下方法及主要假設釐定PAN-90806的可收回金額：

- 根據研發過程及審批過程的經驗，PAN-90806將可產生現金流入淨額；
- 預期市場滲透率乃根據預期銷售情況得出，當中考慮到營銷及技術開發的特點；
- 所使用的貼現率為稅前，並反映相關產品的特定風險；及
- 預期商業化成功率參考製藥行業的慣例、技術發展及行政管理部門的相關規定。

於2022年及2021年12月31日，用於計算公平值的主要假設如下：

根據減值評估的結果，於2022年及2021年12月31日，概無出現減值。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(iv) License agreement with PanOptica, Inc. ("PAN") (Continued)

Impairment test – sensitivity

The Group has performed sensitivity test by increasing 1% of pre-tax discount rate or decreasing 5% of expected revenue, which are the key assumptions for determining the recoverable amount of the intangible asset, with all other variables held constant. The impacts on the amount by which the intangible asset's recoverable amount above its carrying amount (headroom) are as below:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Headroom	緩衝	389,417	365,286
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(45,723)	(44,447)
Impact by decreasing expected revenue	降低預期收益的影響	(27,959)	(25,444)

Considering there was still sufficient headroom based on the assessment, management believes that a reasonably possible change in any of the key assumptions on which management has based its determination of the CGU's recoverable amount would not cause its carrying amount to exceed its recoverable amount.

13. 無形資產(續)

(c) 引進特許權(續)

(iv) 與PanOptica, Inc. (「PAN」)訂立的許可協議(續)

減值測試－敏感度

本集團通過在所有其他變數保持不變的情況下，分別將稅前貼現率提高1%或預期收益降低5%(兩者為釐定無形資產可收回金額的主要假設)進行敏感度測試。對無形資產可收回金額超出其賬面金額的數額(緩衝)的影響如下：

考慮到經評估後仍有充足的緩衝，管理層認為其釐定現金產生單位可收回金額所依據的任何主要假設的合理可能變更不會導致賬面金額超過可收回金額。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(v) License agreements with NTC S.r.l. ("NTC")

Zhaoke Hong Kong entered into a license agreement with NTC, an Italy-based pharmaceutical company specialized in developing innovative therapeutic solutions in the areas of drugs, nutraceuticals and medical devices, to acquire the exclusive rights to NTC014 for the indication of moderate-to-severe bacterial conjunctivitis and NTC010 for the prevention and treatment of inflammation and inflection associated with cataract surgery for development and commercialization in Mainland China, Hong Kong, Macau, Taiwan and the South East Asian countries.

NTC014

On December 31, 2020, Zhaoke Hong Kong entered into a license agreement with NTC for licensing NTC014 for development and commercialization for a period of 12 years in Mainland China, Hong Kong, Macau, Taiwan and the South East Asian countries.

Zhaoke Hong Kong made a non-refundable upfront payment of EUR400,000 (equivalent to RMB3,109,000) during the year ended December 31, 2021. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of specific development milestones and commercial milestones.

As at December 31, 2022 and 2021, NTC014 was not ready for use and the Group continues the underlying research and development activities. As such, it is subject to annual impairment test based on the recoverable amount of the CGU to which the intangible asset is related to which is at the product level. Management determined the recoverable amount of the relevant CGU using the value in use calculations. These calculations use cash flow projections based on management's expectations of timing of commercialization, market penetration rate and success rate of commercialization over NTC014's license period of 12 years. The valuation is considered to be level 3 in the fair value measurement hierarchy due to unobservable inputs used in the valuation.

13. 無形資產(續)

(c) 引進特許權(續)

(v) 與NTC S.r.l. (「NTC」) 訂立的許可協議

兆科香港與NTC(一間總部位於意大利的製藥公司, 專門從事藥物、營養保健品及醫療器械範圍的創新療法方案開發)訂立許可協議, 以獲取在中國內地、香港、澳門、台灣及東南亞國家開發及商業化用於治療中重度細菌性結膜炎適應症的NTC014及用於預防及治療白內障手術相關炎症及感染的NTC010的獨家權利。

NTC014

於2020年12月31日, 兆科香港與NTC訂立許可協議, 以獲取在中國內地、香港、澳門、台灣及東南亞國家開發及商業化NTC014的許可權, 為期12年。

截至2021年12月31日止年度, 兆科香港已支付不可退還預付款400,000歐元(相當於人民幣3,109,000元)。兆科香港亦有義務在實現若干具體開發里程碑及商業里程碑後支付若干款項。

於2022年及2021年12月31日, NTC014尚未可供使用, 本集團繼續開展相關研發活動。因此, 其須根據與無形資產在產品層面相關的現金產生單位的可收回金額進行年度減值測試。管理層採用使用價值計算法釐定相關現金產生單位的可收回金額。本集團基於管理層對NTC014許可期12年內商業化時間表、市場滲透率及商業化成功率的預期, 使用現金流量預測計算使用價值。由於估值使用不可觀察輸入數據, 故該估值被視為公平值計量層級中的第三級。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(v) License agreements with NTC S.r.l. (“NTC”) (Continued)

NTC014 (Continued)

With the assistance of an external appraiser, management determined the recoverable amount of NTC014 based on the following approach and the key assumptions:

- NTC014 will generate net cash inflows based on the research and development process and experience of the approval process;
- The expected market penetration rate was based on the expected selling conditions considering the features of marketing and technology development;
- The discount rate used is pre-tax and reflects specific risks relating to the relevant products; and
- The expected success rate of commercialization by reference to practices of pharmaceutical industries, development of technologies and related regulations from administrations.

The key assumptions used for fair value calculation as at December 31, 2022 and 2021 is as follows:

		2022 2022年	2021 2021年
Pre-tax discount rate	稅前貼現率	27%	26%
Expected revenue growth rate	預期收益增長率	0%~82%	0%~82%
Expected market penetration rate	預期市場滲透率	6%~34%	6%~34%
Expected success rate of commercialization	預期商業化成功率	54%	54%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	27,808	17,883
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	3,330	3,061

Based on the result of impairment assessment, there was no impairment as at December 31, 2022 and 2021.

13. 無形資產(續)

(c) 引進特許權(續)

(v) 與NTC S.r.l.(「NTC」)訂立的許可協議(續)

NTC014(續)

在外聘估值師的協助下，管理層按以下方法及主要假設釐定NTC014的可收回金額：

- 根據研發過程及審批過程的經驗，NTC014將可產生現金流入淨額；
- 預期市場滲透率乃根據預期銷售情況得出，當中考慮到營銷及技術開發的特點；
- 所使用的貼現率為稅前，並反映相關產品的特定風險；及
- 預期商業化成功率參考製藥行業的慣例、技術發展及行政管理部門的相關規定。

於2022年及2021年12月31日，用於計算公平值的主要假設如下：

根據減值評估的結果，於2022年及2021年12月31日，概無出現減值。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(v) License agreements with NTC S.r.l. (“NTC”) (Continued)

Impairment test – sensitivity

The Group has performed sensitivity test by increasing 1% of pre-tax discount rate or decreasing 5% of expected revenue, which are the key assumptions for determining the recoverable amount of the intangible asset, with all other variables held constant. The impacts on the amount by which the intangible asset’s recoverable amount above its carrying amount (headroom) are as below:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Headroom	緩衝	24,478	14,822
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(4,214)	(4,059)
Impact by decreasing expected revenue	降低預期收益的影響	(3,238)	(2,827)

Considering there was still sufficient headroom based on the assessment, management believes that a reasonably possible change in any of the key assumptions on which management has based its determination of the CGU’s recoverable amount would not cause its carrying amount to exceed its recoverable amount.

13. 無形資產(續)

(c) 引進特許權(續)

(v) 與NTC S.r.l.(「NTC」) 訂立的許可協議(續)

減值測試－敏感度

本集團通過在所有其他變數保持不變的情況下，分別將稅前貼現率提高1%或預期收益降低5%(兩者為釐定無形資產可收回金額的主要假設)進行敏感度測試。對無形資產可收回金額超出其賬面金額的數額(緩衝)的影響如下：

考慮到經評估後仍有充足的緩衝，管理層認為其釐定現金產生單位可收回金額所依據的任何主要假設的合理可能變更不會導致賬面金額超過可收回金額。



13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(v) License agreements with NTC S.r.l. ("NTC") (Continued)

NTC010

On February 15, 2021, Zhaoke Hong Kong entered into a license agreement with NTC for licensing NTC010 for development and commercialization in Mainland China.

Zhaoke Hong Kong made the non-refundable upfront payment of EUR300,000 (equivalent to RMB2,333,000) and the first milestone payment of EUR600,000 (equivalent to RMB4,666,000) upon signing of the license agreement and obtaining Investigational New Drug approval respectively during the year ended December 31, 2021. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of specific development milestones and commercial milestones.

As at December 31, 2022 and 2021, NTC010 was not ready for use and the Group continues the underlying research and development activities. As such, it is subject to annual impairment test based on the recoverable amount of the CGU to which the intangible asset is related to which is at the product level. Management determined the recoverable amount of the relevant CGU using the value in use calculations. These calculations use cash flow projections based on management's expectations of timing of commercialization, market penetration rate and success rate of commercialization over NTC010's estimated useful life of 12 years. The valuation is considered to be level 3 in the fair value measurement hierarchy due to unobservable inputs used in the valuation.

13. 無形資產(續)

(c) 引進特許權(續)

(v) 與NTC S.r.l. (「NTC」) 訂立的許可協議(續)

NTC010

於2021年2月15日，兆科香港與NTC訂立許可協議，以獲取在中國內地開發及商業化NTC010的許可權。

截至2021年12月31日止年度，兆科香港分別在簽訂許可協議及獲得新藥臨床試驗申請批准後支付不可退還預付款300,000歐元(相當於人民幣2,333,000元)及首筆里程碑付款600,000歐元(相當於人民幣4,666,000元)。兆科香港亦有義務在實現若干具體開發里程碑及商業里程碑後支付若干款項。

於2022年及2021年12月31日，NTC010尚未可供使用，本集團繼續開展相關研發活動。因此，其須根據與無形資產在產品層面相關的現金產生單位的可收回金額進行年度減值測試。管理層採用使用價值計算法釐定相關現金產生單位的可收回金額。本集團基於管理層對NTC010估計可使用年期12年內商業化時間表、市場滲透率及商業化成功率的預期，使用現金流量預測計算使用價值。由於估值使用不可觀察輸入數據，故該估值被視為公平價值計量層級中的第三級。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(v) License agreements with NTC S.r.l. (“NTC”) (Continued)

NTC010 (Continued)

With the assistance of an external appraiser, management determined the recoverable amount of NTC010 based on the following approach and the key assumptions:

- NTC010 will generate net cash inflows based on the research and development process and experience of the approval process;
- The expected market penetration rate was based on the expected selling conditions considering the features of marketing and technology development;
- The discount rate used is pre-tax and reflects specific risks relating to the relevant products; and
- The expected success rate of commercialization by reference to practices of pharmaceutical industries, development of technologies and related regulations from administrations.

The key assumptions used for fair value calculation as at December 31, 2022 and 2021 is as follows:

		2022 2022年	2021 2021年
Pre-tax discount rate	稅前貼現率	26%	24%
Expected revenue growth rate	預期收益增長率	8%~140%	8%~140%
Expected market penetration rate	預期市場滲透率	5%~35%	5%~35%
Expected success rate of commercialization	預期商業化成功率	54%	54%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	54,436	96,819
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	7,496	6,891

Based on the result of impairment assessment, there was no impairment as at December 31, 2022 and 2021.

13. 無形資產(續)

(c) 引進特許權(續)

(v) 與NTC S.r.l.(「NTC」)訂立的許可協議(續)

NTC010(續)

在外聘估值師的協助下，管理層按以下方法及主要假設釐定NTC010的可收回金額：

- 根據研發過程及審批過程的經驗，NTC010將可產生現金流入淨額；
- 預期市場滲透率乃根據預期銷售情況得出，當中考慮到營銷及技術開發的特點；
- 所使用的貼現率為稅前，並反映相關產品的特定風險；及
- 預期商業化成功率參考製藥行業的慣例、技術發展及行政管理部門的相關規定。

於2022年及2021年12月31日，用於計算公平值的主要假設如下：

根據減值評估的結果，於2022年及2021年12月31日，概無出現減值。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(v) License agreements with NTC S.r.l. ("NTC") (Continued)

Impairment test – sensitivity

The Group has performed sensitivity test by increasing 1% of pre-tax discount rate or decreasing 5% of expected revenue, which are the key assumptions for determining the recoverable amount of the intangible asset, with all other variables held constant. The impacts on the amount by which the intangible asset's recoverable amount above its carrying amount (headroom) are as below:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Headroom	緩衝	46,940	89,928
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(5,558)	(8,756)
Impact by decreasing expected revenue	降低預期收益的影響	(4,415)	(6,746)

Considering there was still sufficient headroom based on the assessment, management believes that a reasonably possible change in any of the key assumptions on which management has based its determination of the CGU's recoverable amount would not cause its carrying amount to exceed its recoverable amount.

13. 無形資產(續)

(c) 引進特許權(續)

(v) 與NTC S.r.l. (「NTC」) 訂立的許可協議(續)

減值測試－敏感度

本集團通過在所有其他變數保持不變的情況下，分別將稅前貼現率提高1%或預期收益降低5%(兩者為釐定無形資產可收回金額的主要假設)進行敏感度測試。對無形資產可收回金額超出其賬面金額的數額(緩衝)的影響如下：

考慮到經評估後仍有充足的緩衝，管理層認為其釐定現金產生單位可收回金額所依據的任何主要假設的合理可能變更不會導致賬面金額超過可收回金額。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(vi) License agreement with KATO Pharmaceuticals, Inc. ("KATO")

On May 31, 2021, Zhaoke Hong Kong entered into a license agreement with KATO, a US-based clinical stage biopharmaceutical company dedicated to the development of novel therapies for pathologies of the eye with an emphasis on unmet medical needs, for licensing KATO patent rights for development and commercialization in Mainland China, Hong Kong, Macau and the South East Asian countries. KATO patent rights is an intravitreal injection of liposome-loaded urea for the treatment of vitreomacular traction.

Zhaoke Hong Kong made the non-refundable upfront payment of US\$1,000,000 (equivalent to RMB6,421,000) upon signing of the license agreement during the year ended December 31, 2021. Zhaoke Hong Kong is also obliged to make certain payments upon the achievement of certain development milestones, certain commercial milestones and royalty payments at the applicable royalty rates based on net sales of the products in Mainland China, Hong Kong, Macau and the South East Asian countries.

As at December 31, 2022 and 2021, KATO patent rights were not ready for use and the Group continues the underlying research and development activities. As such, it is subject to annual impairment test based on the recoverable amount of the CGU to which the intangible asset is related to which is at the product level. Management determined the recoverable amount of the relevant CGU using the value in use calculations. These calculations use cash flow projections based on management's expectations of timing of commercialization, market penetration rate and success rate of commercialization over KATO patent rights' estimated useful life of 15 years. The valuation is considered to be level 3 in the fair value measurement hierarchy due to unobservable inputs used in the valuation.

13. 無形資產(續)

(c) 引進特許權(續)

(vi) 與KATO Pharmaceuticals, Inc. (「KATO」)訂立的許可協議

於2021年5月31日，兆科香港與KATO(一間處於臨床階段的美國生物製藥公司，專注於重點開發存在醫療需求缺口的眼部病症新療法)訂立許可協議，以獲取在中國內地、香港、澳門及東南亞國家開發及商業化KATO專利權的許可權。KATO專利權為一種治療脂質體尿素的玻璃體腔內注射藥物，用於治療玻璃體黃斑黏連。

截至2021年12月31日止年度，兆科香港已於簽訂許可協議時支付不可退還預付款1,000,000美元(相當於人民幣6,421,000元)。兆科香港亦有義務在實現若干開發里程碑及商業里程碑後支付若干款項，以及根據有關產品在中國內地、香港、澳門及東南亞國家的淨銷售額按照適用的特許權使用費率支付特許權使用費。

於2022年及2021年12月31日，KATO專利權尚未可供使用，本集團繼續開展相關研發活動。因此，其須根據與無形資產在產品層面相關的現金產生單位的可收回金額進行年度減值測試。管理層採用使用價值計算法釐定相關現金產生單位的可收回金額。本集團基於管理層對KATO專利權估計可使用年期15年內商業化時間表、市場滲透率及商業化成功率的預期，使用現金流量預測計算使用價值。由於估值使用不可觀察輸入數據，故該估值被視為公平值計量層級中的第三級。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(vi) License agreement with KATO Pharmaceuticals, Inc. ("KATO") (Continued)

With the assistance of an external appraiser, management determined the recoverable amount of KATO patent rights based on the following approach and the key assumptions:

- KATO patent rights will generate net cash inflows based on the research and development process and experience of the approval process;
- The expected market penetration rate was based on the expected selling conditions considering the features of marketing and technology development;
- The discount rate used is pre-tax and reflects specific risks relating to the relevant products; and
- The expected success rate of commercialization by reference to practices of pharmaceutical industries, development of technologies and related regulations from administrations.

The key assumptions used for fair value calculation as at December 31, 2022 and 2021 is as follows:

		2022 2022年	2021 2021年
Pre-tax discount rate	稅前貼現率	28%	28%
Expected revenue growth rate	預期收益增長率	-4%~24%	-8%~19%
Expected market penetration rate	預期市場滲透率	23%~31%	23%~31%
Expected success rate of commercialization	預期商業化成功率	54%	54%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額 (人民幣千元)	23,442	9,926
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額 (人民幣千元)	6,877	6,321

Based on the result of impairment assessment, there was no impairment as at December 31, 2022 and 2021.

13. 無形資產(續)

(c) 引進特許權(續)

(vi) 與KATO Pharmaceuticals, Inc. (「KATO」)訂立的許可協議(續)

在外聘估值師的協助下，管理層按以下方法及主要假設釐定KATO專利權的可收回金額：

- 根據研發過程及審批過程的經驗，KATO專利權將可產生現金流入淨額；
- 預期市場滲透率乃根據預期銷售情況得出，當中考慮到營銷及技術開發的特點；
- 所使用的貼現率為稅前，並反映相關產品的特定風險；及
- 預期商業化成功率參考製藥行業的慣例、技術發展及行政管理部門的相關規定。

於2022年及2021年12月31日，用於計算公平值的主要假設如下：

根據減值評估的結果，於2022年及2021年12月31日，概無出現減值。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(vi) License agreement with KATO Pharmaceuticals, Inc. ("KATO") (Continued)

Impairment test – sensitivity

The Group has performed sensitivity test by increasing 1% of pre-tax discount rate or decreasing 5% of expected revenue, which are the key assumptions for determining the recoverable amount of the intangible asset, with all other variables held constant. The impacts on the amount by which the intangible asset's recoverable amount above its carrying amount (headroom) are as below:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Headroom	緩衝	16,565	3,605
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	(3,616)	(2,274)
Impact by decreasing expected revenue	降低預期收益的影響	(2,200)	(1,440)

Considering there was still sufficient headroom based on the assessment, management believes that a reasonably possible change in any of the key assumptions on which management has based its determination of the CGU's recoverable amount would not cause its carrying amount to exceed its recoverable amount.

13. 無形資產(續)

(c) 引進特許權(續)

(vi) 與KATO Pharmaceuticals, Inc. (「KATO」)訂立的許可協議(續)

減值測試－敏感度

本集團通過在所有其他變數保持不變的情況下，分別將稅前貼現率提高1%或預期收益降低5%(兩者為釐定無形資產可收回金額的主要假設)進行敏感度測試。對無形資產可收回金額超出其賬面金額的數額(緩衝)的影響如下：

考慮到經評估後仍有充足的緩衝，管理層認為其釐定現金產生單位可收回金額所依據的任何主要假設的合理可能變更不會導致賬面金額超過可收回金額。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(vii) License agreement with Visus Therapeutics, Inc. ("Visus")

On May 6, 2022, the Company entered into a license agreement with Visus, a US-based clinical-stage pharmaceutical company focused on developing innovative ophthalmic therapies to improve vision, to acquire the exclusive rights to BRIMOCHOL™ PF and Carbachol PF for correction of the loss of near vision associated with presbyopia for development and commercialization for a period of 10 years in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

The Company made a non-refundable upfront payment of US\$15,000,000 (equivalent to RMB100,862,000) during the year ended December 31, 2022. The Company is also obliged to make certain payments upon the achievement of specific regulatory milestones, commercial milestones, sales-driven milestones and royalty payments based on net sales of the products in Mainland China, Hong Kong, Macau, Taiwan, South Korea and the South East Asian countries.

As at December 31, 2022, BRIMOCHOL™ PF and Carbachol PF were not ready for use and the Group continues the underlying research and development activities. As such, it is subject to annual impairment test based on the recoverable amount of the CGU to which the intangible asset is related to which is at the product level. Management determined the recoverable amount of the relevant CGU using the value in use calculations. These calculations use cash flow projections based on management's expectations of timing of commercialization, market penetration rate and success rate of commercialization over BRIMOCHOL™ PF and Carbachol PF's license period. The valuation is considered to be level 3 in the fair value measurement hierarchy due to unobservable inputs used in the valuation.

13. 無形資產(續)

(c) 引進特許權(續)

(vii) 與Visus Therapeutics, Inc. (「Visus」)訂立的許可協議

於2022年5月6日，本公司與Visus（一間處於臨床階段的美國製藥公司，專注於開發改善視力的創新眼科療法）訂立許可協議，以獲取在中國內地、香港、澳門、台灣、南韓及東南亞國家開發及商業化用於矯正因老花眼而喪失的近距離視力的BRIMOCHOL™ PF及Carbachol PF的獨家權利，為期10年。

截至2022年12月31日止年度，本公司已支付不可退還預付款15,000,000美元（相當於人民幣100,862,000元）。本公司亦有義務在實現若干具體開發里程碑、商業里程碑及銷售里程碑後支付若干款項，以及根據有關產品在中國內地、香港、澳門、台灣、南韓及東南亞國家的淨銷售額支付特許權使用費。

於2022年12月31日，BRIMOCHOL™ PF及Carbachol PF尚未可供使用，本集團繼續開展相關研發活動。因此，其須根據與無形資產在產品層面相關的現金產生單位的可收回金額進行年度減值測試。管理層採用使用價值計算法釐定相關現金產生單位的可收回金額。本集團基於管理層對BRIMOCHOL™ PF及Carbachol PF許可期內商業化時間表、市場滲透率及商業化成功率的預期，使用現金流量預測計算使用價值。由於估值使用不可觀察輸入數據，故該估值被視為公平值計量層級中的第三級。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(vii) License agreement with Visus Therapeutics, Inc. ("Visus") (Continued)

With the assistance of an external appraiser, management determined the recoverable amount of BRIMOCHOL™ PF and Carbachol PF based on the following approach and the key assumptions:

- BRIMOCHOL™ PF and Carbachol PF will generate net cash inflows based on the research and development process and experience of the approval process;
- The expected market penetration rate was based on the expected selling conditions considering the features of marketing and technology development;
- The discount rate used is pre-tax and reflects specific risks relating to the relevant products; and
- The expected success rate of commercialization by reference to practices of pharmaceutical industries, development of technologies and related regulations from administrations.

The key assumptions used for fair value calculation as at December 31, 2022 is as follows:

		2022 2022年
Pre-tax discount rate	稅前貼現率	27%
Expected revenue growth rate	預期收益增長率	1%~234%
Expected market penetration rate	預期市場滲透率	3%~22%
Expected success rate of commercialization	預期商業化成功率	38%
Recoverable amount of CGU (in RMB'000)	現金產生單位的可收回金額(人民幣千元)	120,040
Carrying amount of CGU (in RMB'000)	現金產生單位的賬面金額(人民幣千元)	103,815

Based on the result of impairment assessment, there was no impairment as at December 31, 2022.

13. 無形資產(續)

(c) 引進特許權(續)

(vii) 與Visus Therapeutics, Inc. (「Visus」)訂立的許可協議(續)

在外聘估值師的協助下，管理層按以下方法及主要假設釐定BRIMOCHOL™ PF及Carbachol PF的可收回金額：

- 根據研發過程及審批過程的經驗，BRIMOCHOL™ PF及Carbachol PF將可產生現金流入淨額；
- 預期市場滲透率乃根據預期銷售情況得出，當中考慮到營銷及技術開發的特點；
- 所使用的貼現率為稅前，並反映相關產品的特定風險；及
- 預期商業化成功率參考製藥行業的慣例、技術發展及行政管理部門的相關規定。

於2022年12月31日，用於計算公平值的主要假設如下：

基於減值評估的結果，於2022年12月31日，概無出現減值。

13. INTANGIBLE ASSETS (CONTINUED)

(c) In-licensed rights (Continued)

(vii) License agreement with Visus Therapeutics, Inc. ("Visus") (Continued)

Impairment test – sensitivity

The Group has performed sensitivity test by increasing 1% of pre-tax discount rate or decreasing 5% of expected revenue, which are the key assumptions for determining the recoverable amount of the intangible asset, with all other variables held constant. The impacts on the amount by which the intangible asset's recoverable amount above its carrying amount (headroom) are as below:

		2022 2022年 RMB'000 人民幣千元
Headroom	緩衝	16,225
Impact by increasing pre-tax discount rate	提高稅前貼現率的影響	14,312
Impact by decreasing expected revenue	降低預期收益的影響	(15,348)

Considering there was still sufficient headroom based on the assessment, management believes that a reasonably possible change in any of the key assumptions on which management has based its determination of the CGU's recoverable amount would not cause its carrying amount to exceed its recoverable amount.

(d) Software

The balance of RMB39,128,000 (2021: RMB12,241,000) represents IT applications development in progress and is not available for use.

13. 無形資產(續)

(c) 引進特許權(續)

(vii) 與Visus Therapeutics, Inc. (「Visus」)訂立的許可協議(續)

減值測試－敏感度

本集團通過在所有其他變數保持不變的情況下，分別將稅前貼現率提高1%或預期收益降低5%(兩者為釐定無形資產可收回金額的主要假設)進行敏感度測試。對無形資產可收回金額超出其賬面金額的數額(緩衝)的影響如下：

考慮到經評估後仍有充足的緩衝，管理層認為其釐定現金產生單位可收回金額所依據的任何主要假設的合理可能變更不會導致賬面金額超過可收回金額。

(d) 軟件

人民幣39,128,000元(2021年：人民幣12,241,000元)的結餘指開發中且未可使用的資訊科技應用程式。

13. INTANGIBLE ASSETS (CONTINUED)

(e) Distribution rights

On October 4, 2022, Zhaoke Hong Kong entered into a distribution and supply agreement with C&V Tech, Inc., a Korea-based medical device manufacturer developing medical devices for the diagnosis, treatment, and prevention of glaucoma, to acquire the exclusive rights to TONO-i, an innovative tonometer designed to be contactless, portable and self-measuring, for registration, import, promotion, distribution, marketing and selling for a period of 10 years in Mainland China, Hong Kong, Macau and Taiwan.

Zhaoke Hong Kong made a non-refundable distribution fee of US\$200,000 (equivalent to RMB1,345,000) during the year ended December 31, 2022.

As at December 31, 2022, the distribution rights were still under preparation stage and were not ready for use.

13. 無形資產(續)

(e) 分銷權

於2022年10月4日，兆科香港與C&V Tech, Inc. (一間於開發診斷、治療及預防青光眼的韓國醫療器材製造商)訂立分銷及供應協議，以獲取在中國內地、香港、澳門及台灣登記、進口、推廣、分銷、營銷及出售TONO-i的獨家權利，為期10年。TONO-i是一款創新的眼壓計，設計特點為免觸式、便攜及可自行測量。

截至2022年12月31日止年度，兆科香港已支付不可退還分銷費200,000美元(相當於人民幣1,345,000元)。

於2022年12月31日，分銷權仍在準備階段，尚未可供使用。

14. INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

14. 於附屬公司的投資

下表僅列出對本集團業績、資產或負債造成主要影響的附屬公司詳情。除非另有列明，否則所持股份類別為普通股。

Name of company 公司名稱	Place of incorporation/ establishment and business 註冊成立/成立及 營業地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Zhaoke Hong Kong 兆科香港	Hong Kong 香港	Hong Kong dollar ("HK\$") 10,000 10,000港元	100%	-	Development of ophthalmology products 眼科產品開發
* Zhaoke Guangzhou [#] * 兆科廣州 [®]	The PRC 中國	US\$47,600,000 and RMB25,650,200 (note) 47,600,000美元及 人民幣25,650,200元(附註)	-	100%	Development and manufacturing of ophthalmology products 開發及製造眼科產品

Note: During the year ended 31 December 2022, Zhaoke Hong Kong injected capital of US\$20,000,000 for strengthening the capital base of Zhaoke Guangzhou.

附註：於截至2022年12月31日止年度，兆科香港已注資20,000,000美元以加強兆科廣州的資本基礎。

* KPMG are not the statutory auditors of this company.

* 該公司的法定核數師並非畢馬威會計師事務所。

[#] The company name in English is a direct translation of the registered Chinese name for the purpose of identification.

[#] 該公司的英文名稱為註冊中文名稱的直接翻譯，僅供識別。

[®] Registered under the laws of the PRC as a foreign investment enterprise.

[®] 根據中國法律註冊為外商投資企業。

15. OTHER RECEIVABLES AND PREPAYMENTS 15. 其他應收款項及預付款項

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Value added tax recoverable	可收回增值稅	31,140	9,017
Prepayments to suppliers	預付供應商款項	27,383	32,232
Other receivables	其他應收款項	16,934	5,551
		75,457	46,800

All other receivables and prepayments are expected to be recovered or recognized as expenses within one year.

所有其他應收款項及預付款項預期將於一年內收回或確認為開支。

16. CASH AND BANK BALANCES 16. 現金及銀行結餘

(a) Cash and bank balances comprise:

(a) 現金及銀行結餘包括：

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Cash at banks	銀行現金	1,716,351	2,128,429
Cash and cash equivalents in the consolidated cash flow statement	於綜合現金流量表的現金及現金等價物	1,716,351	2,128,429
Pledged bank balances (note)	已抵押銀行結餘(附註)	172,066	25,508
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	8,873	8,157
		1,897,290	2,162,094

Note: As at December 31, 2022 and 2021, these bank balances were pledged to banks for a banking facility and letter of credit facilities.

附註：於2022年及2021年12月31日，該等銀行結餘已抵押予銀行以取得銀行融資及信用證融資。

Notes to the Financial Statements

財務報表附註

16. CASH AND BANK BALANCES (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

16. 現金及銀行結餘(續)

(b) 融資活動所產生負債的對賬

下表詳述本集團融資活動所產生負債的變動，包括現金及非現金變動。融資活動所產生負債為現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動現金流量的負債。

		Bank loans 銀行貸款 RMB'000 人民幣千元 (note 19) (附註19)	Lease liabilities 租賃負債 RMB'000 人民幣千元 (note 20) (附註20)	Total 總計 RMB'000 人民幣千元
At January 1, 2021	於 2021年1月1日	10,000	27,527	37,527
Changes from financing cash flows:	融資現金流量變動：			
Proceeds from bank loans	銀行貸款的所得款項	689	-	689
Repayment from bank loans	償還銀行貸款	(400)	-	(400)
Capital element of lease rentals paid	已付租金的本金部分	-	(4,147)	(4,147)
Interest element of lease rentals paid	已付租金的利息部分	-	(1,352)	(1,352)
Finance costs paid	已付財務成本	(597)	-	(597)
Total changes from financing cash flows	融資現金流量變動總額	(308)	(5,499)	(5,807)
Exchange adjustments	匯兌調整	-	(33)	(33)
Other changes:	其他變動：			
Increase in lease liabilities from entering into new leases during the period	期內訂立新租賃所產生的租賃負債增加	-	3,396	3,396
Interest expenses (note 7(a))	利息開支(附註7(a))	597	1,352	1,949
Total other changes	其他變動總額	597	4,748	5,345
At December 31, 2021 and January 1, 2022	於 2021年12月31日及2022年1月1日	10,289	26,743	37,032
Changes from financing cash flows:	融資現金流量變動：			
Proceeds from bank loans	銀行貸款的所得款項	93,811	-	93,811
Repayment from bank loans	償還銀行貸款	(9,600)	-	(9,600)
Capital element of lease rentals paid	已付租金的本金部分	-	(6,089)	(6,089)
Interest element of lease rentals paid	已付租金的利息部分	-	(1,783)	(1,783)
Finance costs paid	已付財務成本	(1,359)	-	(1,359)
Total changes from financing cash flows	融資現金流量變動總額	93,141	18,871	112,012
Exchange adjustments	匯兌調整	-	158	158
Other changes:	其他變動：			
Increase in lease liabilities from entering into new leases during the period	期內訂立新租賃所產生的租賃負債增加	-	16,999	16,999
Decrease in lease liabilities from lease modification	租賃修改所產生的租賃負債減少	-	(383)	(383)
Interest expenses (note 7(a))	利息開支(附註7(a))	1,359	1,783	3,142
Total other changes	其他變動總額	1,359	18,399	19,758
At December 31, 2022	於 2022年12月31日	94,500	37,428	131,928

17. OTHER PAYABLES AND ACCRUALS

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Payables for purchase of property, plant and equipment	購買物業、廠房及設備的應付款項	16,252	28,394
Payroll payables	應付薪金	16,474	12,795
Accrued costs for research and development expenses	研發開支應計成本	36,921	6,830
Payables for purchase of materials (note (i))	採購材料的應付款項(附註(i))	4,154	1,001
Accrued office expenses and others	應計辦公室開支及其他	8,414	4,604
Other taxes payables (note (ii))	其他應付稅項(附註(ii))	1,203	5,529
		83,418	59,153

Notes:

- (i) As at December 31, 2022 and 2021, all payables for purchase of materials are aged within one year, based on invoice date.
- (ii) Accrued withholding taxes on the acquisitions of development and commercialization rights of ophthalmic products from third parties based on appropriate withholding tax rates applicable to the relevant jurisdictions.

All of the other payables and accruals are expected to be settled and expensed within one year or are repayable on demand.

附註：

- (i) 於2022年及2021年12月31日，所有採購材料的應付款項基於發票日期的賬齡為一年。
- (ii) 向第三方收購眼科產品開發及商業化權利的應計預扣稅乃按適用於相關司法管轄區的適當預扣稅稅率計算。

預期所有其他應付款項及應計費用將於一年內結清並支銷或應要求償還。

18. AMOUNTS DUE TO RELATED COMPANIES

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

19. BANK LOANS

The bank loans were obtained by the Group's subsidiary, Zhaoke Guangzhou.

18. 應付關聯公司款項

應付關聯公司款項為無抵押、免息、信貸期最長30天或應要求償還。

19. 銀行貸款

銀行貸款由本集團附屬公司兆科廣州取得。

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Unsecured and repayable within 1 year or on demand	無抵押及於1年內或應要求償還	94,500	10,289

Notes to the Financial Statements

財務報表附註

19. BANK LOANS (CONTINUED)

At December 31, 2022, Zhaoke Guangzhou had a banking facility of RMB130,000,000 (2021:RMB80,000,000) and utilized to an extent of a bank loan of RMB94,500,000 (2021:RMB689,000), and the respective bank loan was secured by the Group's pledged deposits (note 16(a)).

At December 31, 2021, the loan balance of RMB9,600,000 was subject to the fulfillment of covenant as is commonly found in lending arrangements with financial institutions, and Zhaoke Guangzhou did not fulfill a covenant imposed by bank in the respect of the loan of RMB9,200,000. As such, the entire bank loan of RMB9,200,000 which was long-term bank loan has been re-classified as current liabilities in the consolidated statement of financial position as at December 31, 2021, and the aforesaid bank loan was fully repaid during the year ended December 31, 2022.

20. LEASE LIABILITIES

At December 31, 2022 and 2021, the lease liabilities were repayable as follows:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Within 1 year or on demand	於一年內或應要求	9,725	5,882
After 1 year but within 2 years	一年後但於兩年內	7,591	5,268
After 2 year but within 5 years	兩年後但於五年內	18,480	11,220
After 5 years	五年後	1,632	4,373
		27,703	20,861
		37,428	26,743

21. DEFERRED INCOME

As at December 31, 2022 and 2021, deferred income of the Group represented grants received from the government to compensate the capital expenditure on production lines. Government grants are recognized as other income over the useful lives of relevant machinery.

The amount of government grants that is recognized in the consolidated statement of profit or loss is disclosed in note 5.

19. 銀行貸款(續)

於2022年12月31日，兆科廣州有一筆人民幣130,000,000元(2021年：人民幣80,000,000元)的銀行融資，並已動用一筆銀行貸款人民幣94,500,000元(2021年：人民幣689,000元)。相關銀行貸款由本集團的已抵押存款(附註16(a))抵押。

於2021年12月31日，人民幣9,600,000元的貸款結餘須履行常見於與金融機構訂立的貸款安排的契諾，而兆科廣州並無履行銀行就人民幣9,200,000元的貸款施加的一項契諾。因此，該筆原屬長期性質的銀行貸款人民幣9,200,000元已全數於2021年12月31日在綜合財務狀況表中重新分類為流動負債。於截至2022年12月31日止年度，上述銀行貸款已獲悉數償還。

20. 租賃負債

於2022年及2021年12月31日，租賃負債償還時間如下：

21. 遞延收入

於2022年及2021年12月31日，本集團的遞延收入指自政府收取以補償生產線資本支出的補助。政府補助於相關機器的可使用年期內確認為其他收入。

於綜合損益表確認的政府補助金額於附註5披露。

22. EQUITY SETTLED SHARE-BASED TRANSACTIONS

(i) Pre-IPO Scheme

On November 17, 2020, the shareholders of the Company approved the Pre-IPO Share Option Scheme (the "Pre-IPO Scheme") which is a share-based incentive plan to reward, retain and motivate the Group's employees, directors and consultants (collectively, "eligible persons"). Under the Pre-IPO Scheme, the directors of the Company are authorized, at their discretion, to grant share options to acquire ordinary shares of the Company to eligible persons on a fair and reasonable basis with reference to the performance of the Company and contribution of the individuals.

(a) The terms and conditions of the share options granted after Capitalization issue (note 23(c)(i)) are as follows:

		Number of options 購股權數目	Contractual life of options 購股權的合約期	Vesting conditions 歸屬條件
Options granted to directors:	向董事授出的購股權：			
- On November 17, 2020	- 於2020年11月17日	4,414,000	10 years 10年	Note a 附註a
- On December 9, 2020	- 於2020年12月9日	10,870,000	10 years 10年	Note a 附註a
Options granted to employees:	向僱員授出的購股權：			
- On November 17, 2020	- 於2020年11月17日	12,927,600	10 years 10年	Note a 附註a
- On December 9, 2020	- 於2020年12月9日	4,148,000	10 years 10年	Note a 附註a
- On December 9, 2020	- 於2020年12月9日	5,716,400	10 years 10年	Note b 附註b
- On March 2, 2021	- 於2021年3月2日	3,430,400	9.7 years 9.7年	Note a 附註a
Options granted to consultants:	向顧問授出的購股權：			
- On November 17, 2020	- 於2020年11月17日	4,225,600	10 years 10年	Note a 附註a
		45,732,000		

(a) 20% upon completion of the Company's IPO; 20% on the first anniversary from the date of grant; 20% on the second anniversary from the date of grant; 20% on the third anniversary from the date of grant; and 20% on the fourth anniversary from the date of grant.

(b) 20% upon completion of the Company's IPO; 15% on the first anniversary from the date of grant; 15% on the second anniversary from the date of grant; 15% on the third anniversary from the date of grant; 15% on the fourth anniversary from the date of grant; 10% upon meeting certain market conditions during the first and second year from the date of the Company's IPO; and 10% upon meeting certain market conditions during the third and fourth year from the date of the Company's IPO.

22. 以權益結算以股份為基礎的交易

(i) 首次公開發售前計劃

於2020年11月17日，本公司股東批准首次公開發售前購股權計劃（「首次公開發售前計劃」），作為獎勵、挽留及激勵本集團僱員、董事及顧問（統稱「合資格人士」）的股份激勵計劃。根據首次公開發售前計劃，本公司董事獲授權按公平合理的基準，參考本公司的表現及個人的貢獻，酌情向合資格人士授出購買本公司普通股的購股權。

(a) 已授出購股權於資本化發行（附註23(c)(i)）後的條款及條件如下：

(a) 20%於本公司的首次公開發售完成時歸屬；20%於授出日期起的首個週年日歸屬；20%於授出日期起的第二個週年日歸屬；20%於授出日期起的第三個週年日歸屬；及20%於授出日期起的第四個週年日歸屬。

(b) 20%於本公司的首次公開發售完成時歸屬；15%於授出日期起的首個週年日歸屬；15%於授出日期起的第二個週年日歸屬；15%於授出日期起的第三個週年日歸屬；15%於授出日期起的第四個週年日歸屬；10%於本公司首次公開發售日期起第一及第二年內達成若干市場條件時歸屬；及10%於本公司首次公開發售日期起第三及第四年內達成若干市場條件時歸屬。

22. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(i) Pre-IPO Scheme (Continued)

(a) (Continued)

The contractual life of the above options is ten years.

For accounting purposes, service condition is not considered in the grant date fair value measurement of the services received. The completion of the Company's IPO is considered a non-market performance vesting condition which is taken into consideration in estimating the number of options that are expected to vest. Market conditions are reflected in the grant date fair value.

- (b) The number and weighted average exercise prices of share options after Capitalization issue (note 23(c)(i)) are as follows:

		2022 2022年		2021 2021年	
		Weighted average exercise price 加權平均行使價	Number of options 購股權數目	Weighted average exercise price 加權平均行使價	Number of options 購股權數目
Outstanding at the beginning of the period	期初發行在外	US\$0.71 0.71美元	38,940,572	US\$0.61 0.61美元	42,301,600
Exercised during the period	期內行使	US\$0.09 0.09美元	(1,897,064)	US\$0.29 0.29美元	(6,791,428)
Granted during the period	期內授出	-	-	US\$1.14 1.14美元	3,430,400
Outstanding at the end of the period	期末發行在外	US\$0.74 0.74美元	37,043,508	US\$0.71 0.71美元	38,940,572
Exercisable at the end of the period	期末可行使	US\$0.80 0.80美元	16,943,382	US\$0.82 0.82美元	10,143,068

The weighted average share price after capitalization issue (note 23(c)(i)) at the date of exercise for shares options exercised during the year was US\$0.33 (2021: US\$1.01).

The options outstanding at December 31, 2022 had an exercise price of US\$0.09 or US\$1.14 (2021: US\$0.09 or US\$1.14) and a weighted average remaining contractual life of 7.88 years (2021: 8.88).

22. 以權益結算以股份為基礎的交易(續)

(i) 首次公開發售前計劃(續)

(a) (續)

上述購股權的合約期為10年。

就會計處理而言，計量所取得服務於授出日期的公平值時並未考慮服務條件。本公司首次公開發售完成被視為在估計預計將歸屬的購股權數目時考慮的非市場表現歸屬條件。於授出日期的公平值已反映市場條件。

- (b) 購股權於資本化發行(附註23(c)(i))後的數目及加權平均行使價如下：

於資本化發行(附註23(c)(i))後，年內已行使購股權於行使日期的加權平均股價為0.33美元(2021年：1.01美元)。

於2022年12月31日發行在外購股權的行使價為0.09美元或1.14美元(2021年：0.09美元或1.14美元)，加權平均剩餘合約期為7.88年(2021年：8.88年)。

22. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(i) Pre-IPO Scheme (Continued)

(c) Fair value of share options and assumptions after Capitalization issue

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial model.

Grant date		November 17, 2020 2020年 11月17日	December 9, 2020 2020年 12月9日	March 2, 2021 2021年 3月2日
Fair value at measurement date	於計量日期的公平值	US\$0.91-US\$0.92 0.91美元至0.92美元	US\$0.38-US\$0.48 0.38美元至0.48美元	US\$0.46-US\$0.54 0.46美元至0.54美元
Share price	股份價格	US\$1.00 1.00美元	US\$1.01 1.01美元	US\$1.14 1.14美元
Exercise price	行使價	US\$0.09 0.09美元	US\$1.14 1.14美元	US\$1.14 1.14美元
Expected volatility	預期波動	43.93%	43.23%	43.21%
Option life	購股權期限	10 years 10年	10 years 10年	9.7 years 9.7年
Expected dividend yield	預期股息率	0.00%	0.00%	0.00%
Risk-free interest rate	無風險利率	0.86%	0.94%	1.43%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

22. 以權益結算以股份為基礎的交易(續)

(i) 首次公開發售前計劃(續)

(c) 購股權於資本化發行後的公平值及假設

以已授出購股權換取的已取得服務的公平值乃參考所授出購股權的公平值計量。所授出購股權的公平值估計根據二項式模型計量。購股權的合約期用作該模型的輸入數據。提前行使的預期已計入二項式模型。

預期波動乃基於歷史波動(按購股權加權平均剩餘期限計算), 並就基於公開資料預期的任何未來波動變更作出調整。預期股息乃基於歷史股息得出。主觀輸入數據假設的變動可能對公平值估計產生重大影響。

22. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(i) Pre-IPO Scheme (Continued)

(d) Equity-settled share-based payment expenses recognized in the consolidated statement of profit or loss are as follows:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Research and development expenses	研發開支	10,609	21,972
General and administrative expenses	一般及行政費用	32,439	81,532
Selling and distribution expenses	銷售及分銷開支	2,633	6,354
		45,681	109,858

During the year, the expenses include equity-settled share-based payment to consultants of RMB5,322,000 (2021: RMB13,690,000).

(ii) Post-IPO Scheme

On April 1, 2021, the shareholders of the Company approved the Post-IPO Share Option Scheme (the "Post-IPO Scheme") which is a share-based incentive plan to reward, retain and motivate the eligible persons. Under the Post-IPO Scheme, the directors of the Company are authorized, at their discretion, to grant share options to acquire ordinary shares of the Company to eligible persons on a fair and reasonable basis with reference to the performance of the Company and contribution of the individuals.

22. 以權益結算以股份為基礎的交易(續)

(i) 首次公開發售前計劃(續)

(d) 在綜合損益表中確認的以權益結算以股份為基礎的付款開支如下：

	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Research and development expenses	10,609	21,972
General and administrative expenses	32,439	81,532
Selling and distribution expenses	2,633	6,354
	45,681	109,858

年內的開支包括向顧問支付的以權益結算以股份為基礎的付款人民幣5,322,000元(2021年：人民幣13,690,000元)。

(ii) 首次公開發售後計劃

於2021年4月1日，本公司股東批准首次公開發售後購股權計劃(「首次公開發售後計劃」)，作為獎勵、挽留及激勵合資格人士的股份激勵計劃。根據首次公開發售後計劃，本公司董事獲授權按公平合理的基準，參考本公司的表現及個人的貢獻，酌情向合資格人士授出購買本公司普通股的購股權。

22. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(ii) Post-IPO Scheme (Continued)

(a) The terms and conditions of the share options granted are as follows:

		Number of options 購股權數目	Contractual life of options 購股權的合約期	Vesting conditions 歸屬條件
Options granted to directors:	向董事授出的購股權：			
- On 15 December 2022	- 於2022年12月15日	1,000,000	10 years 10年	Note a 附註a
- On 15 December 2022	- 於2022年12月15日	880,000	10 years 10年	Note b 附註b
Options granted to employees:	向僱員授出的購股權：			
- On 15 December 2022	- 於2022年12月15日	1,440,000	10 years 10年	Note b 附註b
- On 15 December 2022	- 於2022年12月15日	840,000	10 years 10年	Note c 附註c
- On 15 December 2022	- 於2022年12月15日	3,660,000	10 years 10年	Note d 附註d
		7,820,000		

(a) 50% on the date of grant; and 50% on the first anniversary from the date of grant.

(b) 10% on the first anniversary from the date of grant; 10% on the second anniversary from the date of grant; 10% on the third anniversary from the date of grant; 10% on the fourth anniversary from the date of grant; 40% upon meeting certain research and development as well as financial performance milestones; and 20% upon meeting certain market conditions.

(c) 10% on the first anniversary from the date of grant; 10% on the second anniversary from the date of grant; 10% on the third anniversary from the date of grant; 10% on the fourth anniversary from the date of grant; and 60% upon meeting certain research and development as well as financial performance milestones.

22. 以權益結算以股份為基礎的交易(續)

(ii) 首次公開發售後計劃(續)

(a) 已授出購股權的條款及條件如下：

(a) 50%於授出日期歸屬；及50%於授出日期起的首個週年日歸屬。

(b) 10%於授出日期起的首個週年日歸屬；10%於授出日期起的第二個週年日歸屬；10%於授出日期起的第三個週年日歸屬；10%於授出日期起的第四個週年日歸屬；40%於達成若干研發及財務表現里程碑時歸屬；及20%於達成若干市場條件時歸屬。

(c) 10%於授出日期起的首個週年日歸屬；10%於授出日期起的第二個週年日歸屬；10%於授出日期起的第三個週年日歸屬；10%於授出日期起的第四個週年日歸屬；及60%於達成若干研發及財務表現里程碑時歸屬。

22. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(ii) Post-IPO Scheme (Continued)

(a) (Continued)

- (d) 25% on the first anniversary from the date of grant; 25% on the second anniversary from the date of grant; 25% on the third anniversary from the date of grant; and 25% on the fourth anniversary from the date of grant.

The contractual life of the above options is ten years.

For accounting purposes, service and performance conditions are not considered in the grant date fair value measurement of the services received and performance met. The completion of certain research and development as well as financial performance milestones are considered non-market performance vesting conditions which are taken into consideration in estimating the number of options that are expected to vest. Market conditions are reflected in the grant date fair value.

- (b) The number and weighted average exercise prices of share options are as follows:

		2022 2022年	
		Weighted average exercise price 加權平均行使價	Number of options 購股權數目
Outstanding at the beginning of the period	期初發行在外	-	-
Granted during the period	期內行使	HK\$3.26	7,820,000
Outstanding at the end of the period	期末發行在外	HK\$3.26	7,820,000
Exercisable at the end of the period	期末可行使	HK\$3.26	500,000

No share options were exercised for the year ended December 31, 2022.

The options outstanding at December 31, 2022 had an exercise price of HK\$3.26 and a weighted average remaining contractual life of 9.96 years.

22. 以權益結算以股份為基礎的交易(續)

(ii) 首次公開發售後計劃(續)

(a) (續)

- (d) 25%於授出日期起的首個週年日歸屬；25%於授出日期起的第二個週年日歸屬；25%於授出日期起的第三個週年日歸屬；及25%於授出日期起的第四個週年日歸屬。

上述購股權的合約期為10年。

就會計處理而言，計量所取得服務及所達成表現於授出日期的公平值時並未考慮服務及表現條件。完成若干研發及財務表現里程碑被視為在估計預計將歸屬的購股權數目時考慮的非市場表現歸屬條件。於授出日期的公平值已反映市場條件。

- (b) 購股權的數目及加權平均行使價如下：

截至2022年12月31日止年度概無購股權獲行使。

於2022年12月31日發行在外購股權的行使價為3.26港元，加權平均剩餘合約期為9.96年。

22. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(ii) Post-IPO Scheme (Continued)

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial model.

Grant date 授出日期		December 15, 2022 2022年12月15日
Fair value at measurement date	於計量日期的公平值	HK\$1.44 – HK\$1.84 1.44港元至1.84港元
Share price	股份價格	HK\$3.23 3.23港元
Exercise price	行使價	HK\$3.26 3.26港元
Expected volatility	預期波動	47.19%
Option life	購股權期限	10 years 10年
Expected dividend yield	預期股息率	0.00%
Risk-free interest rate	無風險利率	3.65%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

(d) Equity-settled share-based payment expenses recognized in the consolidated statement of profit or loss are as follows:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Research and development expenses	研發開支	88	–
General and administrative expenses	一般及行政費用	878	–
Selling and distribution expenses	銷售及分銷開支	37	–
		1,003	–

22. 以權益結算以股份為基礎的交易(續)

(ii) 首次公開發售後計劃(續)

(c) 購股權的公平值及假設

以已授出購股權換取的已取得服務的公平值乃參考所授出購股權的公平值計量。所授出購股權的公平值估計根據二項式模型計量。購股權的合約期用作該模型的輸入數據。提前行使的預期已計入二項式模型。

預期波動乃基於歷史波動(按購股權加權平均剩餘期限計算)，並就基於公開資料預期的任何未來波動變更作出調整。預期股息乃基於歷史股息得出。主觀輸入數據假設的變動可能對公平值估計產生重大影響。

(d) 在綜合損益表中確認的以權益結算以股份為基礎的付款開支：

Notes to the Financial Statements

財務報表附註

23. CAPITAL AND RESERVES

(a) Movement in components of the equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the reporting period are set out below:

Company

	Note	Share capital	Share premium	Other reserve	Capital reserve	Exchange reserve	Accumulated losses	Total
	附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at January 1, 2021	於2021年1月1日的結餘	-*	64,129	(129,033)	14,168	49,322	(707,604)	(709,018)
Changes in equity for 2021:	2021年的權益變動：							
Loss for the year	年內虧損	-	-	-	-	-	(1,835,024)	(1,835,024)
Other comprehensive income	其他全面收益	-	-	-	-	(58,220)	-	(58,220)
Equity-settled share-based payment expenses	以股權結算以股份為基礎的付款開支	-	-	-	108,155	-	-	108,155
Conversion of convertible redeemable preferred shares upon IPO	於進行首次公開發售時轉換可轉換可贖回優先股	23(c)(ii)	-*	3,649,949	-	-	-	3,649,949
Shares issued upon IPO	於進行首次公開發售時發行的股份	23(c)(iii)	-*	1,730,707	-	-	-	1,730,707
Shares issuance expenses	股份發行開支	23(c)(iii)	-	(79,012)	-	-	-	(79,012)
Shares issued under pre-IPO share option scheme	根據首次公開發售前購股權計劃發行的股份		-*	48,191	-	(35,564)	-	12,627
Balance at December 31, 2021 and January 1, 2022	於2021年12月31日及2022年1月1日的結餘	-*	5,413,964	(129,033)	86,759	(8,898)	(2,542,628)	2,820,164
Changes in equity for 2022:	2022年的權益變動：							
Loss for the year	年內虧損	-	-	-	-	-	(12,369)	(12,369)
Other comprehensive income	其他全面收益	-	-	-	-	247,341	-	247,341
Equity-settled share-based payment expenses	以股權結算以股份為基礎的付款開支	-	-	-	48,051	-	-	48,051
Shares issued under pre-IPO share option scheme	根據首次公開發售前購股權計劃發行的股份		-*	13,547	-	(12,297)	-	1,250
Balance at December 31, 2022	於2022年12月31日的結餘	-*	5,427,511	(129,033)	122,513	238,443	(2,554,997)	3,104,437

* The balance represents amount less than RMB1,000.

* 結餘金額少於人民幣1,000元。

23. 資本及儲備

(a) 權益組成部分變動

本集團綜合權益各組成部分年初及年末結餘的對賬載於綜合權益變動表。本公司權益個別組成部分於各報告期初及期末之間的變動詳情載於下文：

本公司

23. CAPITAL AND RESERVES
(CONTINUED)

23. 資本及儲備(續)

(b) Share capital

(b) 股本

Issued and fully paid

已發行及繳足

		2022 2022年		2021 2021年	
		Number of shares 股份數目	Amount 金額 RMB'000 人民幣千元	Number of shares 股份數目	Amount 金額 RMB'000 人民幣千元
Ordinary shares, issued and fully paid	已發行及繳足普通股				
At the beginning of the year	年初	541,946,928	—*	377,480	—*
Capitalization issue (note 23(c)(i))	資本化發行(附註23(c)(i))	—	—	150,614,520	—
Conversion of convertible redeemable preferred shares to ordinary shares upon IPO (note 23(c)(ii))	於進行首次公開發售時將可轉換可贖回優先股轉換為普通股(附註23(c)(ii))	—	—	260,596,000	—*
Shares issued upon IPO (note 23(c)(iii))	於進行首次公開發售時發行的股份(附註23(c)(iii))	—	—	123,567,500	—*
Shares issued under share option scheme	根據購股權計劃發行的股份	1,897,064	—*	6,791,428	—*
At the end of the year	年末	543,843,992	—*	541,946,928	—*
Series A convertible redeemable preferred shares	A系列可轉換可贖回優先股				
At the beginning of the year	年初	—	—	334,280	344,828
Capitalization issue (note 23(c)(i))	資本化發行(附註23(c)(i))	—	—	133,377,720	—
Conversion of convertible redeemable preferred shares to ordinary shares upon IPO (note 23(d))	於進行首次公開發售時將可轉換可贖回優先股轉換為普通股(附註23(d))	—	—	(133,712,000)	(344,828)
At the end of the year	年末	—	—	—	—
Series B convertible redeemable preferred shares	B系列可轉換可贖回優先股				
At the beginning of the year	年初	—	—	317,210	998,005
Capitalization issue (note 23(c)(i))	資本化發行(附註23(c)(i))	—	—	126,566,790	—
Conversion of convertible redeemable preferred shares to ordinary shares upon IPO (note 23(d))	於進行首次公開發售時將可轉換可贖回優先股轉換為普通股(附註23(d))	—	—	(126,884,000)	(998,005)
At the end of the year	年末	—	—	—	—

* The balance represents amount less than RMB1,000.

* 結餘金額少於人民幣1,000元。

23. CAPITAL AND RESERVES (CONTINUED)

(c) Issued ordinary shares

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

- (i) On April 1, 2021, the Company's shareholders resolved each issued and unissued ordinary share with par value of US\$0.0001 of the Company were subdivided into 400 shares with par value of US\$0.00000025 such that (i) the issued shares were US\$38 divided into 150,992,000 shares with par value of US\$0.00000025; (ii) the issued Series A convertible redeemable preferred shares were US\$33 divided into 133,712,000 shares with par value of US\$0.00000025; and (iii) the issued Series B convertible redeemable preferred shares were US\$32 divided into 126,884,000 shares with par value of US\$0.00000025 ("**Capitalization issue**").
- (ii) Upon completion of the IPO, each issued Series A preferred shares and Series B preferred shares (collectively, the "**Preferred Shares**") was converted into an ordinary share by re-designation and reclassification of every Preferred Shares in issue as ordinary share on a one for one basis and all the unissued and authorized Preferred Shares were re-designated and reclassified as ordinary shares. As a result, the Preferred Shares were derecognized and recorded as share capital and share premium respectively.

23. 資本及儲備(續)

(c) 已發行普通股

普通股持有人有權收取不時宣派的股息，並於本公司大會上就每股股份享有一票的投票權。所有普通股於本公司剩餘資產中享有均等的權益。

- (i) 於2021年4月1日，本公司的股東議決本公司每股面值0.0001美元的已發行及未發行普通股拆細為400股面值0.00000025美元的股份，以使(i) 38美元的已發行股份分為150,992,000股面值0.00000025美元的股份；(ii) 33美元的已發行A系列可轉換可贖回優先股分為133,712,000股面值0.00000025美元的股份；及(iii) 32美元的已發行B系列可轉換可贖回優先股分為126,884,000股面值0.00000025美元的股份(「資本化發行」)。
- (ii) 於首次公開發售完成時，透過將每股已發行A系列優先股及B系列優先股(統稱「優先股」)重新指定及分類，按一對一基準將每股已發行優先股轉換為普通股，而所有未發行法定優先股則重新指定及分類為普通股。因此，優先股已終止確認，並分別列為股本及股份溢價。

23. CAPITAL AND RESERVES (CONTINUED)

(c) Issued ordinary shares (Continued)

(iii) Upon completion of the IPO, the Company issued 123,567,500 new shares with par value of US\$0.00000025 for a cash consideration of HK\$16.80 each, and raised gross proceeds of approximately HK\$2,075,934,000 (equivalent to RMB1,730,707,000). The respective share capital amount was HK\$239 (equivalent to RMB200) and share premium arising from the issuance, net of the share issuance costs, was approximately HK\$1,981,206,000 (equivalent to RMB1,651,695,000). The share issuance costs paid and payable mainly include share underwriting commissions, lawyers' fees, reporting accountant's fee and other related costs, which were incremental costs directly attributable to the issuance of the new shares. These costs amounting to HK\$94,728,000 (equivalent to RMB79,012,000) were treated as a deduction against the share premium arising from the issuance.

(d) Issued preferred shares

On May 23, 2019, the Company entered into the Series A preferred share subscription agreement ("**Series A Agreement**") with four investors ("**Series A Preferred Shareholders**") pursuant to which these investors agreed to purchase an aggregate number of 334,280 Series A preferred shares ("**Series A Preferred Shares**") at US\$149.58 per share and at total consideration of US\$50,000,000 (equivalent to RMB344,828,000). Series A Preferred Shareholders fully paid the amounts and had their shares registered on June 13, 2019 and June 20, 2019.

On October 9, 2020, the Company entered into Series B preferred share subscription agreement ("**Series B Agreement**") with a group of investors ("**Series B Preferred Shareholders**") pursuant to which these investors agreed to subscribe a total of 317,210 Series B preferred shares ("**Series B Preferred Shares**") at US\$457.11 per share for an aggregate consideration of US\$145,000,000 (equivalent to RMB998,005,000). Series B Preferred Shareholders had their shares registered on October 23, 2020 and fully paid the amounts on November 17, 2020.

23. 資本及儲備(續)

(c) 已發行普通股(續)

(iii) 於首次公開發售完成時，本公司按每股16.80港元的現金代價發行123,567,500股面值0.00000025美元的新股份，所籌集所得款項總額約為2,075,934,000港元(相當於人民幣1,730,707,000元)。相應股本金額為239港元(相當於人民幣200元)，而發行產生的股份溢價約為1,981,206,000港元(相當於人民幣1,651,695,000元)(已扣除股份發行成本)。已付及應付股份發行成本主要包括股份包銷佣金、律師費用、申報會計師費用及其他相關成本(為發行新股份直接應佔的增量成本)。該等成本為94,728,000港元(相當於人民幣79,012,000元)，以因發行而扣除股份溢價的方式處理。

(d) 已發行優先股

於2019年5月23日，本公司與四名投資者(「**A系列優先股股東**」)訂立**A系列優先股認購協議**(「**A系列協議**」)，據此，該等投資者同意按每股149.58美元認購總計334,280股**A系列優先股**(「**A系列優先股**」)，總代價為50,000,000美元(相當於人民幣344,828,000元)。**A系列優先股股東**已於2019年6月13日及2019年6月20日悉數繳足股款及登記其股份。

於2020年10月9日，本公司與一組投資者(「**B系列優先股股東**」)訂立**B系列優先股認購協議**(「**B系列協議**」)，據此，該等投資者同意按每股457.11美元認購總計317,210股**B系列優先股**(「**B系列優先股**」)，總代價為145,000,000美元(相當於人民幣998,005,000元)。**B系列優先股股東**已於2020年10月23日登記其股份並於2020年11月17日悉數繳足股款。

23. CAPITAL AND RESERVES (CONTINUED)

(d) Issued preferred shares (Continued)

All Series A Preferred Shares and Series B Preferred Shares were automatically converted into 260,596,000 ordinary shares upon the successful IPO of the Company on April 29, 2021 (the "Conversion Date").

As of Conversion Date, the par value per Preferred Shares is US\$0.00000025 and the difference between the fair value of Preferred Shares and the par value is accounted for under share premium.

23. 資本及儲備(續)

(d) 已發行優先股(續)

於2021年4月29日(「轉換日期」)本公司成功進行首次公開發售時，所有A系列優先股及B系列優先股已自動轉換為260,596,000股普通股。

於轉換日期，優先股的面值為每股0.00000025美元，而優先股的公平值與面值之間的差額入賬列為股份溢價。

		Present value of redemption amount 贖回金額現值 RMB'000 人民幣千元	Conversion features 轉換特徵 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At January 1, 2021	於2021年1月1日	1,333,347	562,669	1,896,016
Changes in the carrying amount of preferred shares liability (note 7(a)):	優先股負債賬面金額變動(附註7(a)):			
- Changes in present value of redemption amount	- 贖回金額現值變動	58,208	-	58,208
- Changes in fair value of conversion features	- 轉換特徵公平值變動	-	1,705,291	1,705,291
Exchange differences	匯兌差額	(8,232)	(1,333)	(9,565)
Conversion of convertible redeemable preferred shares to ordinary shares upon IPO	於進行首次公開發售時將可轉換可贖回優先股轉換為普通股	(1,383,323)	(2,266,627)	(3,649,950)
At December 31, 2021, January 1, 2022 and December 31, 2022	於2021年12月31日、2022年1月1日及2022年12月31日	-	-	-

(e) Dividends

The directors do not recommend the payment of any dividend for the year ended December 31, 2022 (2021: Nil).

(e) 股息

董事不建議派付截至2022年12月31日止年度的任何股息(2021年：無)。



23. CAPITAL AND RESERVES (CONTINUED)

(f) Nature and purpose of reserves

(i) Share premium

The share premium represents the difference between the par value of the ordinary shares of the Company and proceeds received from the issue of the ordinary shares of the Company. Under the Cayman Companies Act, the share premium account of the Company is distributable to the ordinary shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debts as they fall due in the ordinary course of the business.

(ii) Other reserves

Other reserves represent (i) the waiver of the amount from a shareholder arising from the issue of the Company's ordinary shares to a shareholder as deemed distribution to a shareholder; and (ii) the waiver of the amounts due to fellow subsidiaries arising from research and development activities as capital contribution to the Group, pursuant to instructions from the then ultimate holding company in July 2020 and August 2020 respectively.

(iii) Capital reserve

The capital reserve comprises the portion of the grant date fair value of unexercised share options granted to employees, directors and consultants of the Company that has been recognized in accordance with the accounting policy adopted for share-based payments in note 2(m)(ii).

(iv) Merger reserve

Merger reserve represents the difference between the fair value of the consideration paid for the acquisition of Zhaoke Guangzhou from Zhaoke PHK and the investment cost as originally contributed by Zhaoke PHK.

23. 資本及儲備(續)

(f) 儲備性質及目的

(i) 股份溢價

股份溢價指本公司普通股面值與本公司發行普通股收取的所得款項之間的差額。根據開曼公司法，本公司的股份溢價賬可分派予本公司普通股股東，惟緊隨建議分派股息之日後，本公司須有能力於日常業務中清償到期債務。

(ii) 其他儲備

其他儲備指根據當時最終控股公司先後於2020年7月及2020年8月作出的指示，(i)放棄因本公司向一名股東發行普通股而應收一名股東的款項，作為視作向一名股東分派；(ii)豁免因研發活動而應付同系附屬公司的款項，作為對本集團的出資。

(iii) 資本儲備

資本儲備包括於授予本公司僱員、董事及顧問而未行使的購股權於授出日期的公平值中，按照附註2(m)(ii)中就以股份為基礎的付款採納的會計政策確認的部分。

(iv) 合併儲備

合併儲備指就向兆科藥業香港收購兆科廣州支付的代價之公平值與兆科藥業香港初步出資投資成本之間的差額。

23. CAPITAL AND RESERVES (CONTINUED)

(f) Nature and purpose of reserves (Continued)

(v) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations with functional currency other than RMB. The reserve is dealt with in accordance with the accounting policies set out in note 2(q).

(g) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders return, taking into consideration the future of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows and projected capital expenditures.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, new debt financing or the redemption of existing debt. The Group made no changes to its capital management objectives, policies or processes during the current and prior years.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

23. 資本及儲備(續)

(f) 儲備性質及目的(續)

(v) 匯兌儲備

匯兌儲備包括換算功能貨幣並非人民幣的業務的財務報表所產生的所有外匯差額。該儲備乃根據附註2(q)所載會計政策處理。

(g) 資本管理

本集團管理資本的首要任務乃保證本集團持續經營的能力，以繼續為股東提供回報及為其他持份者帶來利益。

本集團積極及定期檢討及管理資本架構，以確保最佳資本架構及股東回報，並考慮本集團的未來及資本效率、當時及預期盈利能力、預期經營現金流量及預期資本支出。

本集團管理資本架構以及根據經濟狀況轉變作出調整。本集團或會通過調整向股東派發的股息、向股東退還資本、發行新股、新債務融資或贖回現有債務以保持或調整資本架構。本集團本年度及過往年度的資本管理目標、政策或程序並無轉變。

本公司或其任何附屬公司均沒有外部施加的資本要求。

24. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below:

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to other receivables. The Group's exposure to credit risk arising from cash and bank balances is limited because the counterparties are reputable banks, for which the Group considered to have insignificant credit risk.

The Group does not provide any guarantees which would expose the Group to credit risk.

The Group has assessed that during the year, other receivables has not had a significant increase in credit risk since initial recognition. Thus, a 12-month expected credit loss approach that results from possible default event within 12 months of the end of the reporting period is adopted by the Group. The Group assesses the credit quality of the counterparties by taking into account their financial position, the past loss experience, existing market conditions as well as forward looking information at the end of the reporting period. Further quantitative disclosure in respect of the Group's exposure to credit risk arising from other receivables is set out in note 15.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the Company's shareholders when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

24. 金融風險管理及金融工具 公平值

本集團在日常業務中面臨信貸、流動資金、利率和貨幣風險。本集團面臨該等風險的敞口及本集團管理該等風險所用的金融風險管理政策和慣例描述如下：

(a) 信貸風險

信貸風險指交易對手違反合約責任而導致本集團蒙受財務損失的風險。本集團的信貸風險主要來自其他應收款項。本集團來自現金及銀行結餘的信貸風險有限，因為交易對手為信譽良好銀行，故本集團認為信貸風險並不重大。

本集團並無提供將令本集團面臨信貸風險的任何擔保。

本集團已評估，年內，其他應收款項的信貸風險自首次確認以來並無大幅上升。因此，本集團採用於報告期末12個月內可能違約事件產生的12個月預期信貸虧損方法。於報告期末，本集團透過考慮交易對手的財務狀況、過往虧損經驗、當時市場狀況以及前瞻性資料評估交易對手的信貸質素。有關本集團因其他應收款項而產生的信貸風險的進一步定量披露資料載於附註15。

(b) 流動資金風險

本集團內各營運實體負責各自的現金管理，包括就現金盈餘進行短期投資和貸款集資以應付預期現金需求，惟於借款超過若干預定授權水平時需經本公司的股東批准。本集團的政策是定期監察流動資金需求，以確保維持充足的現金儲備以及向主要金融機構取得充足的承諾信貸額度，應付短期及較長期流動資金需求。

24. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk (Continued)

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

		Contractual undiscounted cash outflow 合約未貼現現金流出					
		Within 1 year or on demand 於一年內或 應要求 RMB'000 人民幣千元	More than 1 year but less than 2 years 超過一年 但少於兩年 RMB'000 人民幣千元	More than 2 years but less than 5 years 超過兩年 但少於五年 RMB'000 人民幣千元	More than 5 years 超過五年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Carrying amount 賬面金額 RMB'000 人民幣千元
As at December 31, 2022	於2022年12月31日						
Other payables and accruals	其他應付款項及應計費用	83,418	-	-	-	83,418	83,418
Amounts due to related companies	應付關聯公司款項	6,897	-	-	-	6,897	6,897
Bank loans	銀行貸款	94,500	-	-	-	94,500	94,500
Lease liabilities	租賃負債	9,899	8,166	21,883	2,193	42,141	37,428
		194,714	8,166	21,883	2,193	226,956	222,243
As at December 31, 2021	於2021年12月31日						
Other payables and accruals	其他應付款項及應計費用	59,153	-	-	-	59,153	59,153
Amount due to a related company	應付一間關聯公司款項	13,684	-	-	-	13,684	13,684
Bank loans	銀行貸款	10,289	-	-	-	10,289	10,289
Lease liabilities	租賃負債	6,145	5,502	13,294	5,800	30,741	26,743
		89,271	5,502	13,294	5,800	113,867	109,869

(c) Interest rate risk

The Group's interest-bearing financial liabilities at variable rate at the end of the reporting period are bank loans, and the cash flow interest risk arising from the change of market interest rate on the balance of relatively short maturity is not considered significant. The Group's interest-bearing financial liabilities at fixed interest rates at the end of the reporting period are lease liabilities that are measured at amortized cost, and the change of market interest rate does not expose the Group to interest rate risk. Overall, the Group's exposure to interest rate risk is not significant.

24. 金融風險管理及金融工具 公平值(續)

(b) 流動資金風險(續)

下表列示本集團非衍生金融負債於報告期末的餘下合約期限，乃根據合約未貼現現金流量(包括使用合約利率計算的利息付款；或倘為浮動利率，則根據於報告期末的現行利率計算)以及本集團可能須付款的最早日期計算：

(c) 利率風險

本集團於報告期末以浮動利率計息的金融負債為銀行貸款，而該到期日較短的結餘因市場利率變動而產生的現金流量利率風險被視為不重大。本集團於報告期末以固定利率計息的金融負債為按攤銷成本計量的租賃負債，而市場利率變動不會令本集團面臨利率風險。整體而言，本集團面臨的利率風險並不重大。

24. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk

The Group is exposed to currency risk primarily through different functional currency in different subsidiaries which give rise to cash and bank balances and payables that are denominated in a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily RMB and US\$.

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognized assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Renminbi, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency is excluded.

24. 金融風險管理及金融工具公平值(續)

(d) 貨幣風險

本集團面臨的貨幣風險主要來自各附屬公司不同的功能貨幣，該等附屬公司產生以交易所涉業務的功能貨幣以外的貨幣計值的現金及銀行結餘以及應付款項。產生此風險的貨幣主要為人民幣及美元。

(i) 面臨貨幣風險

下表詳述本集團於報告期末因已確認資產或負債(以資產與負債所涉實體功能貨幣以外貨幣計值)而產生的貨幣風險。為呈報目的，有關風險金額乃以人民幣列示，使用年結日的即期匯率換算。因將外國業務的財務報表換算為本集團呈列貨幣而產生的差額並無計算在內。

Exposure to foreign currencies

外幣風險

		2022 2022年		2021 2021年	
		US\$ 美元 RMB'000 人民幣千元	EUR 歐元 RMB'000 人民幣千元	US\$ 美元 RMB'000 人民幣千元	EUR 歐元 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	5,145	689	12,692	643
Other payables and accruals	其他應付款項及應計費用	-	(1,733)	-	(23,052)
Net exposures arising from recognized assets and liabilities	已確認資產與負債產生的風險淨額	5,145	(1,044)	12,692	(22,409)

24. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk (Continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss after tax (and accumulated losses) and other components of consolidated equity that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

		2022 2022年		2021 2021年	
		Increase/ (decrease) in foreign exchanges rates	(Decrease)/ increase on loss after tax	Increase/ (decrease) in foreign exchanges rates	(Decrease)/ increase on loss after tax
		外幣匯率 上升/(下降)	除稅後虧損 (減少)/增加	外幣匯率 上升/(下降)	除稅後虧損 (減少)/增加
		RMB'000 人民幣千元		RMB'000 人民幣千元	
US\$	美元	5% (5%)	(193) 193	5% (5%)	(476) 476
EUR	歐元	5% (5%)	44 (44)	5% (5%)	936 (936)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' loss after tax and equity measured in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments which expose the Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis for 2021.

(e) Fair value measurements

All other financial instruments are carried at amounts not materially different from their fair values as at 31 December 2022 and 2021.

24. 金融風險管理及金融工具 公平值(續)

(d) 貨幣風險(續)

(ii) 敏感度分析

下表顯示在所有其他風險變數保持不變的情況下，倘於報告期末令本集團面臨重大風險的外幣匯率於該日出現變動，本集團除稅後虧損(及累計虧損)及綜合權益其他組成部分將出現的即時變動。

上表呈列的分析結果乃為呈報目的綜合按報告期末的適用匯率將各集團實體以其各自功能貨幣計量的除稅後虧損及權益換算為人民幣所造成的即時影響。

有關敏感度分析假設於報告期末令本集團面臨外幣風險的金融工具已應用外幣匯率變動重新計量。該分析乃按與2021年相同的基準進行。

(e) 公平值計量

於2022年及2021年12月31日，所有其他金融工具按與其公平值並無重大差異的金額列賬。

25. COMMITMENT

Commitments outstanding at December 31, 2022 not provided for in the financial statements were as follows:

		As at December 31, 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Contracted for research and development expenses	就研發開支訂約	239,027	117,019
Contracted for acquisition of machinery and equipment	就購買機器及設備訂約	13,441	72,846
Contracted for purchase of materials	就購買材料訂約	24,691	4,831
		277,159	194,696

26. MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 9 and certain of the highest paid employees as disclosed in note 10, is as follows:

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他酬金	25,430	19,775
Discretionary bonuses	酌情花紅	6,339	5,727
Share-based payments	以股份為基礎的付款	33,917	74,950
Retirement scheme contributions	退休計劃供款	1,243	726
		66,929	101,178

Total remuneration is included in "staff costs" (see note 7(b)).

25. 承擔

財務報表內於2022年12月31日尚未撥備的未履行承擔如下：

26. 重大關聯方交易

(a) 主要管理層人員薪酬

本集團主要管理層人員薪酬(包括已付附註9所披露本公司董事及附註10所披露若干最高薪僱員款項)如下：

薪酬總額計入「員工成本」(見附註7(b))。

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Financing arrangements

		Amounts owed by the Group to a related party 本集團結欠一名關聯方款項 As at December 31, 於12月31日		Related interest expense 相關利息開支 Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Lease liabilities due to Zhaoke Pharmaceutical (Guangzhou) Limited	應付兆科藥業(廣州)有限 公司的租賃負債	33,957	23,882	1,682	1,280

Note: The outstanding balances arising from the leasing arrangements with Zhaoke Pharmaceutical (Guangzhou) Limited are included in "Lease liabilities" (note 20). Further details of the lease arrangements are set out in note 12(b)(i).

On March 1, 2022, Zhaoke Guangzhou entered into renewed leasing arrangements in relation to the leased premises with Zhaoke Pharmaceutical (Guangzhou) Limited, an indirect wholly owned subsidiary of Lee's Pharmaceutical Holdings Limited ("Lee's Pharm"), a substantial shareholder of the Company. The terms of the arrangements commenced on March 1, 2022 and will expire on January 31, 2025.

附註：與兆科藥業(廣州)有限公司訂立租賃安排所產生的未支付結餘計入「租賃負債」(附註20)。有關該等租賃安排的進一步詳情載於附註12(b)(i)。

於2022年3月1日，兆科廣州與兆科藥業(廣州)有限公司(本公司主要股東李氏大藥廠控股有限公司(「李氏大藥廠」)的間接全資附屬公司)就租賃物業訂立經重續租賃安排。安排年期於2022年3月1日開始，於2025年1月31日屆滿。

26. 重大關聯方交易(續)

(b) 融資安排

26. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Other significant related party transactions

The Group had the following transactions with related parties:

		Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Purchase of goods	購買貨品		
Guangzhou Zhaoke Lian Fa Pharmaceutical Limited (note (i))	廣州兆科聯發醫藥有限公司 (附註(i))	162	114
Zhaoke Pharmaceutical (Guangzhou) Limited (note (ii))	兆科藥業(廣州)有限公司 (附註(ii))	735	-
Procurement of CRO services	購買CRO服務		
Zhaoke Pharmaceutical (Hefei) Co. Limited (note (iii))	兆科藥業(合肥)有限公司 (附註(iii))	15,124	70,159
Procurement of consultancy services	購買顧問服務		
Zhaoke Pharmaceutical (Guangzhou) Limited (note (iv))	兆科藥業(廣州)有限公司 (附註(iv))	153	-

Notes:

- (i) This represents purchase of goods from Guangzhou Zhaoke Lian Fa Pharmaceutical Limited, an indirect wholly owned subsidiary of Lee's Pharm, in respect of materials for research and development.
- (ii) This represents purchase of goods from Zhaoke Pharmaceutical (Guangzhou) Limited, an indirect wholly owned subsidiary of Lee's Pharm, in respect of equipment for research and development.
- (iii) This represents CRO service fee paid to Zhaoke Pharmaceutical (Hefei) Co. Limited, an indirect wholly owned subsidiary of Lee's Pharm, in relation to research and development.
- (iv) This represents consultancy service fee paid to Zhaoke Pharmaceutical (Guangzhou) Limited, an indirect wholly owned subsidiary of Lee's Pharm, in relation to research and development.

(d) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of procurement of CRO services constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in section headed "Continuing Connected Transactions" of the Report of the Directors.

26. 重大關聯方交易(續)

(c) 其他重大關聯方交易

本集團與關聯方訂有以下交易：

		Year ended December 31, 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Purchase of goods	購買貨品		
Guangzhou Zhaoke Lian Fa Pharmaceutical Limited (note (i))	廣州兆科聯發醫藥有限公司 (附註(i))	162	114
Zhaoke Pharmaceutical (Guangzhou) Limited (note (ii))	兆科藥業(廣州)有限公司 (附註(ii))	735	-
Procurement of CRO services	購買CRO服務		
Zhaoke Pharmaceutical (Hefei) Co. Limited (note (iii))	兆科藥業(合肥)有限公司 (附註(iii))	15,124	70,159
Procurement of consultancy services	購買顧問服務		
Zhaoke Pharmaceutical (Guangzhou) Limited (note (iv))	兆科藥業(廣州)有限公司 (附註(iv))	153	-

附註：

- (i) 指就研發材料向廣州兆科聯發醫藥有限公司(李氏大藥廠的間接全資附屬公司)購買貨品。
- (ii) 指就研發設備向兆科藥業(廣州)有限公司(李氏大藥廠的間接全資附屬公司)購買貨品。
- (iii) 指就研發向兆科藥業(合肥)有限公司(李氏大藥廠的間接全資附屬公司)支付的CRO服務費用。
- (iv) 指就研發向兆科藥業(廣州)有限公司(李氏大藥廠的間接全資附屬公司)支付的顧問服務費用。

(d) 就關連交易應用上市規則

購買CRO服務的關聯方交易構成上市規則第十四A章所界定的關連交易或持續關連交易。上市規則第十四A章所規定的披露載於董事會報告中「持續關連交易」一節。

Notes to the Financial Statements

財務報表附註

27. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

27. 公司層面的財務狀況表

		December 31, 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
		Notes 附註	
Non-current assets	非流動資產		
Intangible assets	無形資產		-
Investment in a subsidiary	於一間附屬公司的投資	14	85,383
			230,717
Current assets	流動資產		
Other receivables and prepayments	其他應收款項及預付款項		980
Amount due from a subsidiary	應收一間附屬公司款項		1,146,754
Pledged bank balances	已抵押銀行結餘		-
Time deposits with original maturity over three months	原到期日超過三個月的定期存款		8,157
Cash and cash equivalents	現金及現金等價物		1,584,141
			2,740,032
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計費用		5,251
			5,602
Net current assets	流動資產淨值		5,251
Net assets	資產淨值		2,734,781
Capital and reserves	資本及儲備		
Share capital	股本	23 23(b)	-*
Reserves	儲備		2,820,164
Total equity	權益總額		3,104,437

* The balance represents amount less than RMB1,000.

* 結餘金額少於人民幣1,000元。

Approved and authorised for issue by the board of directors on March 27, 2023.

於2023年3月27日經董事會批准及授權刊發

Dr. Li Xiaoyi
李小羿博士
Director
董事

Mr. Dai Xiangrong
戴向榮先生
Director
董事

28. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED DECEMBER 31, 2022

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended December 31, 2022 and which have not been adopted in these financial statements. These developments include the followings which may be relevant to the Group:

28. 於截至2022年12月31日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋可能產生的影響

截至本財務報表刊發日期，香港會計師公會已頒佈於截至2022年12月31日止年度尚未生效且並無於本財務報表中獲採納的多項新訂或經修訂準則。可能與本集團有關的變動包括以下各項：

	Effective for accounting periods beginning on or after 於以下日期或之後開始的會計期間生效
HKFRS 17, <i>Insurance contracts</i> 香港財務報告準則第17號保險合同	January 1, 2023 2023年1月1日
Amendments to HKAS 1, <i>Presentation of financial statements: Classification of liabilities as current or non-current</i> 香港會計準則第1號(修訂本)財務報表的呈列：將負債分類為流動或非流動	January 1, 2023 2023年1月1日
Amendments to HKAS 1, <i>Presentation of financial statements</i> and HKFRS Practice Statement 2, <i>Making materiality judgements: Disclosure of accounting policies</i> 香港會計準則第1號財務報表的呈列及香港財務報告準則實務聲明第2號作出重大判斷：會計政策的披露(修訂本)	January 1, 2023 2023年1月1日
Amendments to HKAS 8, <i>Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates</i> 香港會計準則第8號(修訂本)會計政策、會計估計及誤差的改變：會計估計的定義	January 1, 2023 2023年1月1日
Amendments to HKAS 12, <i>Income taxes: Deferred tax related to assets and liabilities arising from a single transaction</i> 香港會計準則第12號(修訂本)所得稅：與單一交易所產生資產與負債有關的遞延稅項	January 1, 2023 2023年1月1日

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正在評估該等變動於首次應用期間的預期影響。迄今之結論為，採納該等變動不大可能對綜合財務報表構成重大影響。

Definitions

釋義

“AGM” 「股東週年大會」	the annual general meeting of the Company 本公司股東週年大會
“ANDA” 「簡化新藥申請」	abbreviated new drug application, an application for a generic drug to an approved drug in China 簡化新藥申請，於中國對已獲批藥物的仿製藥申請
“Articles of Association” 「組織章程細則」	the articles of association of the Company conditionally adopted on April 1, 2021 and affective on the Listing Date, as amended from time to time 本公司於2021年4月1日有條件採納並於上市日期生效的組織章程細則，經不時修訂
“ASEAN” 「東盟」	the Association of Southeast Asian Nations 東南亞國家聯盟
“Audit Committee” 「審核委員會」	the audit committee of the Board 董事會轄下的審核委員會
“Board” or “Board of Directors” 「董事會」	the board of directors of the Company 本公司董事會
“Business Day” 「營業日」	a day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong 香港銀行通常向公眾開放辦理一般銀行業務的日子，且並非星期六、星期日或香港公眾假期
“BVI” 「英屬處女群島」	the British Virgin Islands 英屬處女群島
“CAGR” 「複合年增長率」	compound annual growth rate 複合年增長率
“Capitalization Issue” 「資本化發行」	the subdivision of each share in the Company’s issued and unissued share capital with par value of US\$0.0001 each into 400 Shares of the corresponding class with US\$0.0000025 each on April 1, 2021 本公司已發行及未發行股本中每股面值0.0001美元的股份於2021年4月1日拆細為400股每股面值0.0000025美元的相應類別股份
“CBO” 「首席業務官」	the chief business officer of the Company 本公司首席業務官
“CDE” 「藥品審評中心」	the Center for Drug Evaluation of NMPA (國家藥品監督管理局藥品審評中心), a division of the NMPA mainly responsible for review and approval of IND and NDA 國家藥品監督管理局藥品審評中心，國家藥監局的下屬部門，主要負責新藥試驗申請及新藥申請的審批
“CED” 「CED」	corneal epithelial defect 角膜上皮缺損
“CEO” 「行政總裁」	the chief executive officer of the Company 本公司行政總裁

<p>“CFO” 「首席財務官」</p>	<p>the chief financial officer of the Company 本公司首席財務官</p>
<p>“CG Code” 「企業管治守則」</p>	<p>the Corporate Governance Code as set out in Appendix 14 to the Listing Rules 上市規則第十四章所載企業管治守則</p>
<p>“China” or “the PRC” 「中國」</p>	<p>the People’s Republic of China excluding, for the purpose of this annual report and for geographical reference only and except where the context requires otherwise, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan 中華人民共和國，就本年報而言及僅供地理參考及除文義另有所指外，不包括香港、中國澳門特別行政區及台灣</p>
<p>“China Resources Pharmaceutical” 「華潤醫藥」</p>	<p>China Resources Pharmaceutical Commercial Group Limited (華潤醫藥商業集團有限公司), a limited liability company established in the PRC on December 27, 2000 and one of the pharmaceutical supply chain partner of the Company 華潤醫藥商業集團有限公司，於2000年12月27日在中國成立的有限責任公司，為本公司的藥品供應鏈夥伴之一</p>
<p>“CIC” 「灼識」</p>	<p>China Insights Industry Consultancy Limited, a market research and consulting company and an independent third party of the Company 灼識行業諮詢有限公司，一間市場研究及諮詢公司，為本公司的獨立第三方</p>
<p>“CMO” 「首席醫學官」</p>	<p>the chief medical officer of the Company 本公司首席醫學官</p>
<p>“Companies Act of the Cayman Islands” 「開曼群島公司法」</p>	<p>the Companies Act Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time 開曼群島法律第22章公司法(1961年法例3，經綜合及修訂)，經不時修訂、補充或以其他方式修改</p>
<p>“Company”, “our Company”, “the Company”, “we”, or “Zhaoke Ophthalmology” 「本公司」、「我們」或「兆科眼科」</p>	<p>Zhaoke Ophthalmology Limited 兆科眼科有限公司</p>
<p>“connected person(s)” 「關連人士」</p>	<p>has the meaning ascribed thereto under the Listing Rules 上市規則賦予該詞的涵義</p>
<p>“connected transaction(s)” 「關連交易」</p>	<p>has the meaning ascribed thereto under the Listing Rules 上市規則賦予該詞的涵義</p>
<p>“Controlling Shareholder(s)” 「控股股東」</p>	<p>has the meaning ascribed thereto under the Listing Rules 上市規則賦予該詞的涵義</p>
<p>“Core Product(s)” 「核心產品」</p>	<p>has the meaning ascribed to it in Chapter 18A of the Listing Rules; for purposes of this annual report, our Core Product refers to CsA ophthalmic gel and ZKY001 具有上市規則第十八A章賦予該詞的涵義；就年報告而言，我們的核心產品指環孢素A眼凝膠及ZKY001</p>
<p>“CRO” 「CRO」</p>	<p>contract research organization, a company that provides support to pharmaceutical companies by providing a range of professional research services on a contract basis 合約研究機構，以約聘形式提供各類專業研究服務，為製藥公司提供支援的公司</p>
<p>“CsA” 「環孢素A」</p>	<p>a selective immuno-suppressant that inhibits calcineurin, an activator of T cells 抑制鈣調磷酸酶(T細胞的激活素)的選擇性免疫抑制劑</p>

Definitions

釋義

“CSO” 「首席科學官」	the chief science officer of the Company 本公司首席科學官
“DED” 「乾眼症」	dry eye disease 乾眼症
“Director(s)” 「董事」	the director(s) of our Company, including all executive directors, non-executive directors and independent non-executive directors 本公司董事，包括全體執行董事、非執行董事及獨立非執行董事
“DME” 「DME」	diabetic macular edema 糖尿病黃斑水腫
“EMA” 「EMA」	European Medicines Agency 歐洲藥品管理局
“EU” 「歐盟」	the European Union 歐洲聯盟
“Executive Committee” 「執行委員會」	the executive committee of the Board 董事會轄下的執行委員會
“FDA” 「FDA」	the United States Food and Drug Administration 美國食品藥品監督管理局
“Financial Statement” 「財務報表」	the consolidated financial statements of the Group for the year ended December 31, 2022 as audited by KPMG 經畢馬威會計師事務所審核的本集團截至2022年12月31日止年度綜合財務報表
“Global Offering” 「全球發售」	the offer for subscription of the shares as described in the Prospectus 招股章程所述的股份認購要約
“GMP” 「GMP」	good manufacturing practice 藥品生產質量管理規範
“Group”, “our Group”, “the Group”, “we” 「本集團」或「我們」	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” or “Hong Kong dollars” 「港元」	Hong Kong dollars, the lawful currency of Hong Kong 香港法定貨幣港元
“HKFRS” 「香港財務報告準則」	Hong Kong Financial Reporting Standards 香港財務報告準則
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“IACTA” 「IACTA」	IACTA Pharmaceuticals, Inc., an ophthalmic pharmaceutical company incorporated under the laws of Delaware of the United States in 2016 and one of our licensing partners IACTA Pharmaceuticals, Inc.，於2016年根據美國特拉華州法律註冊成立的眼科醫藥公司，為我們的許可方夥伴之一

<p>“IND”</p> <p>「新藥試驗申請」</p>	<p>investigational new drug, the application for which is the first step in the drug review process by regulatory authorities to decide whether to permit clinical trials. Also known as clinical trial application, or CTA, in China</p> <p>新藥臨床試驗申請，其為監管機構確定是否允許進行臨床試驗的藥物審批過程的第一步。在中國亦被稱為臨床試驗申請</p>
<p>“Investment Committee”</p> <p>「投資委員會」</p>	<p>the investment committee of the Board</p> <p>董事會轄下的投資委員會</p>
<p>“KOLs”</p> <p>「KOL」</p>	<p>key opinion leaders, who are professionals that influence their peers’ medical practice, including but not limited to prescribing behavior</p> <p>關鍵意見領袖，對同儕的醫療實務(包括但不限於處方行為)有影響力的專業人士</p>
<p>“Latest Practicable Date”</p> <p>「最後實際可行日期」</p>	<p>April 18, 2023, being the latest practicable date prior to the printing of this annual report for the purpose of ascertaining the information contained herein</p> <p>2023年4月18日，即本年報付印前為確定其中所載資料的最後實際可行日期</p>
<p>“Lee’s Pharm”</p> <p>「李氏大藥廠」</p>	<p>Lee’s Pharmaceutical Holdings Limited (李氏大藥廠控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 950)</p> <p>李氏大藥廠控股有限公司，一間於開曼群島註冊成立的獲豁免有限公司，其股份於聯交所主板上市(股份代號：950)</p>
<p>“Lee’s Pharm Group”</p> <p>「李氏大藥廠集團」</p>	<p>Lee’s Pharm and all of its subsidiaries</p> <p>李氏大藥廠及其所有附屬公司</p>
<p>“Lee’s Pharm Guangzhou”</p> <p>「李氏大藥廠(廣州)」</p>	<p>Zhaoke Pharmaceutical (Guangzhou) Limited (兆科藥業(廣州)有限公司), a limited liability company established in the PRC on March 3, 2011 and a subsidiary of Lee’s Pharm</p> <p>兆科藥業(廣州)有限公司，於2011年3月3日在中國成立的有限責任公司，為李氏大藥廠的附屬公司</p>
<p>“Lee’s Pharm Hefei”</p> <p>「李氏大藥廠(合肥)」</p>	<p>Zhaoke Pharmaceutical (Hefei) Company Limited (兆科藥業(合肥)有限公司), a limited liability company established in the PRC on February 7, 1994 and a subsidiary of Lee’s Pharm</p> <p>兆科藥業(合肥)有限公司，於1994年2月7日在中國成立的有限責任公司，為李氏大藥廠的附屬公司</p>
<p>“Lee’s Pharm International”</p> <p>「李氏大藥廠國際」</p>	<p>Lee’s Pharmaceutical International Limited, a limited liability company incorporated in the BVI on August 1, 2001 and a subsidiary of Lee’s Pharm</p> <p>Lee’s Pharmaceutical International Limited，一間於2001年8月1日在英屬處女群島註冊成立的有限公司，為李氏大藥廠的附屬公司</p>
<p>“Listing” or “IPO”</p> <p>「上市」或「首次公開發售」</p>	<p>the listing of our Shares on the Main Board of the Stock Exchange</p> <p>股份於聯交所主板上市</p>
<p>“Listing Date”</p> <p>「上市日期」</p>	<p>April 29, 2021, being the date on which dealings in our Shares first commence on the Main Board of the Stock Exchange</p> <p>2021年4月29日，即股份於聯交所主板首次開始買賣的日期</p>
<p>“Listing Rules”</p> <p>「上市規則」</p>	<p>the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time</p> <p>聯交所證券上市規則，經不時修訂或補充</p>
<p>“Main Board”</p> <p>「主板」</p>	<p>the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange</p> <p>聯交所運作的證券交易所(不包括期權市場)，獨立於聯交所GEM並與之並行運作</p>

Definitions

釋義

“MOA” 「作用機制」	mechanism of action 作用機制
“Model Code” 「標準守則」	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules 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
“NDA” 「新藥申請」	new drug application, an application through which the drug sponsor formally proposes that the relevant regulatory authority approve a new drug for sales and marketing 新藥上市申請，新藥研發主辦人通過該申請正式建議相關監管機構批准新藥銷售及上市
“Nevakar” 「Nevakar」	Nevakar, Inc., a pharmaceutical company incorporated under the laws of Delaware of the United States in 2015 and one of our licensing partners Nevakar, Inc.，於2015年根據美國特拉華州法律註冊成立的製藥公司，為我們的許可方夥伴之一
“NMPA” 「國家藥監局」	National Medical Products Administration, the institution that performs the functions of China Food and Drug Administration instead according to the Institutional Reform Plan of the State Council of the PRC 國家藥品監督管理局，根據中國國務院的機構改革方案，代替國家食品藥品監督管理總局履行職能的機構
“Nomination Committee” 「提名委員會」	the nomination committee of the Board 董事會轄下的提名委員會
“NTC” 「NTC」	NTC S.r.l, a pharmaceutical company incorporated under the laws of Italy and one of our licensing partners NTC S.r.l，根據意大利法律註冊成立的製藥公司，為我們的許可方夥伴之一
“PanOptica” 「PanOptica」	PanOptica, Inc., a biopharmaceutical company incorporated under the laws of Delaware of the United States in 2009 and one of our licensing partners PanOptica, Inc.，於2009年根據美國特拉華州法律註冊成立的生物製藥公司，為我們的許可方夥伴之一
“Post-IPO Share Option Scheme” 「首次公開發售後購股權計劃」	the post-IPO share option scheme adopted by our Company on April 1, 2021, effective from the Listing Date, as amended from time to time, the principal terms of which are set out in “Appendix IV – Statutory and General Information – D. Share Option Schemes – 2. Post-IPO Share Option Scheme” in the Prospectus 本公司於2021年4月1日採納並自上市日期起生效的首次公開發售後購股權計劃，經不時修訂，其主要條款載於招股章程「附錄四—法定及一般資料—D.購股權計劃—2.首次公開發售後購股權計劃」
“Pre-IPO Share Option Scheme” 「首次公開發售前購股權計劃」	the pre-IPO share option scheme adopted by our Company on November 17, 2020, the principal terms of which are set out in “Appendix IV – Statutory and General Information – D. Share Option Schemes – 1. Pre-IPO Share Option Scheme” in the Prospectus 本公司於2020年11月17日採納的首次公開發售前購股權計劃，其主要條款載於招股章程「附錄四—法定及一般資料—D.購股權計劃—1.首次公開發售前購股權計劃」
“Prospectus” 「招股章程」	the prospectus issued by the Company dated April 16, 2021 本公司於2021年4月16日刊發的招股章程
“R&D” 「研發」	research and development 研究及開發
“Remuneration Committee” 「薪酬委員會」	the remuneration committee of the Board 董事會轄下的薪酬委員會

<p>“Reporting Period” 「報告期」</p>	<p>the year ended December 31, 2022 截至2022年12月31日止年度</p>
<p>“Retained Lee’s Pharm Group” 「保留李氏大藥廠集團」</p>	<p>Lee’s Pharm and its subsidiaries, for the avoidance of doubt, excluding our Group 李氏大藥廠及其附屬公司，為免生疑問，不包括本集團</p>
<p>“RMB” 「人民幣」</p>	<p>Renminbi 人民幣</p>
<p>“Series A Preferred Shares” 「A系列優先股」</p>	<p>the convertible series A preferred shares of our Company allotted and issued in the series A financing, which were subsequently converted to ordinary Shares on the Listing Date 本公司於A輪融資中配發及發行的可轉換A系列優先股，其後於上市日期轉換為普通股份</p>
<p>“Series B Preferred Shares” 「B系列優先股」</p>	<p>the convertible series B preferred shares of our Company allotted and issued in the series B financing, which were subsequently converted to ordinary Shares on the Listing Date 本公司於B輪融資中配發及發行的可轉換B系列優先股，其後於上市日期轉換為普通股份</p>
<p>“SFO” 「證券及期貨條例」</p>	<p>Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time 香港法例第571章《證券及期貨條例》，經不時修訂、補充或以其他方式修改</p>
<p>“Shanghai Pharmaceuticals” 「上藥」</p>	<p>Shanghai Pharmaceuticals Co., Ltd. (上藥控股有限公司), a limited liability company established in the PRC on April 26, 2010 and one of the pharmaceutical supply chain partner of the Company 上藥控股有限公司，於2010年4月26日在中國成立的有限責任公司，為本公司的藥品供應鏈夥伴之一</p>
<p>“Share(s)” 「股份」</p>	<p>ordinary shares in the share capital of our Company of US\$0.00000025 each 本公司股本中每股面值0.00000025美元的普通股</p>
<p>“Shareholder(s)” 「股東」</p>	<p>holder(s) of Shares 股份持有人</p>
<p>“Sinopharm” 「國藥」</p>	<p>Sinopharm Group Distribution Co., Ltd. (國藥控股分銷中心有限公司), a limited liability company established in the PRC on January 30, 2002 and one of the pharmaceutical supply chain partner of the Company 國藥控股分銷中心有限公司，於2002年1月30日在中國成立的有限責任公司，為本公司的藥品供應鏈夥伴之一</p>
<p>“SKU” 「SKU」</p>	<p>stock keeping unit 庫存量單位</p>
<p>“South Korea” 「南韓」</p>	<p>the Republic of Korea, its territories, its possessions and all areas subject to its jurisdiction 大韓民國、其領土、屬地及受其司法管轄的所有地區</p>
<p>“Stock Exchange” 「聯交所」</p>	<p>The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited 香港聯合交易所有限公司，為香港交易及結算所有限公司的全資附屬公司</p>
<p>“Substantial Shareholder(s)” 「主要股東」</p>	<p>has the meaning ascribed thereto under the Listing Rules 上市規則賦予該詞的涵義</p>

Definitions

釋義

“TOT BIOPHARM” 「東曜藥業」	TOT BIOPHARM International Company Limited (東曜藥業股份有限公司), formerly known as TOT BIOPHARM International Company Limited (東源國際醫藥股份有限公司), a limited liability company established under the laws of Hong Kong in 2009 and one of our licensing partners, whose shares are listed on the Stock Exchange (stock code: 1875) 東曜藥業股份有限公司，前稱東源國際醫藥股份有限公司，於2009年根據香港法例成立的有限公司，為我們的許可方夥伴之一，其股份於聯交所上市(股份代號：1875)
“United States”, “U.S.” or “US” 「美國」	the United States of America, its territories, its possessions and all areas subject to its jurisdiction 美利堅合眾國、其領土、其屬地及受其司法管轄的所有地區
“U.S. dollars” or “US\$” 「美元」	United States dollars, the lawful currency of the United States 美國法定貨幣美元
“VEGF” 「VEGF」	vascular endothelial growth factor, a signal protein produced by cells that stimulates the formation of blood vessels 血管內皮生長因子，細胞所產生可促進血管形成的一種信號蛋白質
“VEGFR2” 「VEGFR2」	vascular endothelial growth factor receptor 2, a type of VEGF that is a primary responder to vascular endothelial growth factor signal, and thereby regulates endothelial migration and proliferation 血管內皮生長因子受體2，一種VEGF，是對血管內皮生長因子信號的主要應答物，從而調節內皮遷移及增殖
“wAMD” 「wAMD」	wet age-related macular degeneration 濕性老年黃斑部病變
“Zhaoke Guangzhou” 「兆科廣州」	Zhaoke (Guangzhou) Ophthalmology Pharmaceutical Co., Ltd. (兆科(廣州)眼科藥物有限公司), a limited liability company established in the PRC on June 16, 2016 and an indirect wholly-owned subsidiary of our Company 兆科(廣州)眼科藥物有限公司，於2016年6月16日在中國成立的有限責任公司，為本公司的間接全資附屬公司
“Zhaoke HK” 「兆科香港」	Zhaoke (Hong Kong) Ophthalmology Pharmaceutical Limited (兆科(香港)眼科藥物有限公司), a limited liability company incorporated in Hong Kong on July 24, 2017 and a wholly-owned subsidiary of our Company 兆科(香港)眼科藥物有限公司，於2017年7月24日在香港註冊成立的有限公司，為本公司的全資附屬公司

