

ARRAIL 瑞尔®

Fabulous Smile . Confident You

Arrail Group Limited 瑞爾集團有限公司

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

股份代號 Stock Code: 6639



2022/23

ANNUAL REPORT · 年度報告

Company Profile

公司簡介

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

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

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

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

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

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



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

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

Independent Non-executive Directors

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

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

AUTHORISED REPRESENTATIVES

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

COMPANY SECRETARY

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

董事會

執行董事

鄒其芳先生 (主席)
辛勤女士
章錦才先生
鄒劍龍先生

獨立非執行董事

劉笑梅女士
孫健先生
張磅先生

審計委員會

張磅先生 (主席)
劉笑梅女士
孫健先生

薪酬委員會

孫健先生 (主席)
劉笑梅女士
張磅先生

提名委員會

孫健先生 (主席)
劉笑梅女士
張磅先生

授權代表

辛勤女士
區慧晶女士

公司秘書

區慧晶女士
(香港公司治理公會及特許公司治理公會的會員)

Corporate Information

公司資料

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

6F, Building 11
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Chaolai Science Park
Chaoyang District
Beijing, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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248 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR

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

註冊辦事處

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

總部及中國主要營業地點

中國北京市
朝陽區
朝來高科技產業園
紫月路18號院
11號樓6層

香港主要營業地點

香港灣仔
皇后大道東248號
大新金融中心40樓

股份過戶登記總處

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

香港股份過戶登記分處

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

Corporate Information

公司資料

HONG KONG LEGAL ADVISOR

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

AUDITOR

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

COMPLIANCE ADVISOR

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

STOCK CODE

6639

COMPANY'S WEBSITE

www.arrailgroup.com

LISTING DATE

March 22, 2022

PRINCIPAL BANKS

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

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

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

審計師

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

合規顧問

第一上海融資有限公司
香港中環
德輔道中71號
永安集團大廈19樓

股份代號

6639

公司網站

www.arrailgroup.com

上市日期

2022年3月22日

主要往來銀行

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

上海浦東發展銀行(靜安支行)
中國
上海市
靜安區
石門二路88號

Chairman's Statement

主席報告



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

為每位患者帶來健康、自信的微笑

Dear Shareholders,

Thank you for your attention and support in the development of Arrail. I hereby take this opportunity to report to you the information on our operations for the year ended March 31, 2023 and the outlook for the business development for the year ending March 31, 2024.

PERFORMANCE REPORT

The 2022/2023 financial year is the Company's first full financial year after the Listing. During the financial year, although the Company's business experienced significant impact twice from the COVID-19 pandemic, it still achieved satisfactory operating results throughout the year. For the financial year, the Company recorded a revenue of RMB1.47 billion, representing a slight year-on-year decrease of 9.2%. The Company optimized its cost and expense structure through operational measures, and finally recorded an Adjusted Net Loss of RMB29.2 million.

尊敬的各位股東：

感謝各位在瑞爾發展中所給的關注和支持。本人借此機會向大家匯報截止2023年3月31日止年度的經營情況，和對截至2024年3月31日止年度經營發展的展望。

業績報告

2022/2023財年是本公司上市後第一個完整財年，本財年本公司的業務受到新冠疫情兩次較大的衝擊，但全年仍然取得了良好的經營業績。本財年本公司錄得收入人民幣14.7億元，同比略微下降9.2%。本公司通過運營措施優化成本和費用結構，最終錄得經調整淨虧損人民幣29.2百萬元。

Chairman's Statement

主席報告

The Company firmly promoted the development strategy of steady expansion during the financial year. We newly added 14 stores through construction and acquisitions in the year, with a net addition of 228 dental chairs, increasing by 18.8% as compared with last year. As of March 31, 2023, the Company has established 9 dental hospitals and 114 dental clinics in 15 cities, with annual patient visits amounting to 1.5 million.

OPERATIONS REVIEW

Steady expansion

During the pandemic, the Company continued to adhere to the development strategy of steady expansion and achieved good results.

During the financial year, the Company constructed four dental clinics and a dental hospital, which are located in Beijing, Guangzhou and Chongqing respectively. Among which, the "Samsung Tower" store in Beijing is the flagship store of the "Arrail Plus (瑞爾臻選)" brand and is the first store to promote the membership model. The target consumer group is family-based customers, which is an effective complement to the existing business model.

In August 2022, we acquired Wuxi Tongshan Dental Hospital Co., Ltd. (無錫市通善口腔醫院有限公司) ("Tongshan Dental"), a well-known dental chain enterprise located in Wuxi, which comprises one dental hospital and 9 dental clinics, thereby the Company also officially entered the Wuxi dental market in Eastern parts of China. After the acquisition, we have integrated and empowered Tongshan Dental in terms of medical services, supply chain, digital operations, branding, finance and other areas, thus giving full play to economies of scale and improving operational efficiency. During the financial year, Tongshan Dental contributed a revenue of RMB47.7 million to the Group. As Wuxi is one of the fastest growing cities in China, we believe that Tongshan Dental will have a huge room for development in future.

Improving medical quality and ensuring medical safety

Adhering to the corporate mission of "giving each of our patients a healthy and confident smile", the Company is committed to providing high-quality medical services and pleasant medical experience. During the financial year, the Company continued to implement a series of medical quality control measures such as medical red line management, complex case consultation and multidisciplinary specialist cooperation, specialized case classification and dentist classification, so as to fully guarantee medical quality and provide patients with professional medical services.

本財年本公司堅定地推進穩步擴張的發展戰略，本年通過新建和收購新增門店14家，淨增牙科椅228張，牙科椅數同比增長18.8%。截止2023年3月31日，本公司在15個城市佈局了9家口腔醫院和114家口腔診所，總接診量達150萬人次。

經營回顧

穩步擴張

在疫情期間，本公司繼續秉持穩步擴張的發展戰略，取得了良好的成果。

本財年本公司自建了四家口腔診所和一家口腔醫院，分別位於北京、廣州及重慶三個城市。其中，位於北京的三星大廈診所為「瑞爾臻選」品牌旗艦店，首推會員制模式，目標消費群體是以家庭為單位的客戶，這是對現有經營模式的有效補充。

2022年8月，我們收購了位於無錫的知名口腔連鎖機構無錫市通善口腔醫院有限公司（「通善口腔」），包括1家口腔醫院和9家口腔診所，本公司也正式進入了華東無錫牙科市場。收購以後，我們對通善口腔從醫務、供應鏈、數字化運營、品牌、財務等各板塊進行了整合和賦能，發揮規模效應，提升運營效率。本財年通善口腔為本集團貢獻收入人民幣47.7百萬元。無錫是中國經濟發展最快的城市之一，我們相信通善口腔未來將有巨大的發展空間。

提升醫療質量，保障醫療安全

本公司秉承「給每位患者帶來健康、自信的微笑」的企業使命，致力於提供優質的醫療服務和良好的醫療體驗。本財年本公司繼續貫徹落實醫療紅線管理、複雜病例會診和多學科專科合作、專科病例分級和醫生分級等一系列醫療質量管控措施，充分保障醫療質量，為患者提供專業醫療服務。

Chairman's Statement 主席報告

During the financial year, on the basis of the medical red line, the Company has added a more stringent "medical quality factor" inspection system which comprises preoperative, medical and postoperative procedures, and the scoring of inspection results is included in the assessment content of dentists. Fully leveraging the advantages of chain enterprise, we adhere to the 100% consultation system for complex cases and organize multidisciplinary and multiregional discussions and consultations. According to the different seniority levels of dentists and the complexity of cases, the Company classifies the cases and dentists of various specialties, and assigns dentists of corresponding levels according to the complexity of different classes of cases, so as to ensure the medical quality and safety.

Leading the development of the industry

As a leading medical service organization in China, the Company is committed to the promotion and application of innovative technologies throughout the industry, and constantly improves industry standards to lead the development of the industry.

We extensively use digital technology in various fields of dental clinic, including laser scanning and digital orthodontics, digital guide plate and navigation technology for oral implantology, etc. We actively participate in industry exchanges and seminars, carry out online and offline public welfare live broadcasts and other activities, with a view to promoting and applying innovative technologies throughout the dental industry.

At the aspect of daily operation, the Company has independently developed its operation SaaS system, which can help dentists and employees handle daily operations and administrative affairs, such as arranging customer appointments, purchasing materials, monitoring inventory levels, filling out medical records and maintaining customer relations, in a more easy and swift manner. We have also completed the construction and launch of the electronic medical records system. By setting the standard template of the electronic medical records, we can improve the standardization level of diagnosis and treatment. As such, we can not only conveniently carry out quality control, but also greatly improve the efficiency of online remote consultation.

本財年本公司在醫療紅線的基礎上，增加了更為嚴格的「醫療質量系數」檢查制度，包含術前、術中、術後各個環節，將檢查結果的評分納入醫生的考核內容。我們充分發揮連鎖企業的優勢，堅持複雜病例100%的會診制度，組織多學科、多區域的討論和會診。本公司針對醫生的不同年資水平和病例的複雜程度，對各專科病例和醫生進行了分級，根據不同級別病例的複雜程度配備相應級別的醫生，從而確保醫療質量和醫療安全。

引領行業發展

本公司作為國內領先的醫療服務機構，致力於創新技術在全行業內推廣運用，並不斷完善行業規範，引領行業發展。

我們在口腔臨床的多個領域廣泛採用數字化技術，包括激光掃描和數字化正畸技術、口腔種植數字化導板和導航技術等。我們積極參與行業交流與研討、開展線上線下的公益直播等活動，將口腔行業的創新技術在全行業內推廣運用。

在日常運營方面，本公司自行研發了運營SaaS系統，該系統可以幫助牙醫及員工更輕鬆、快捷地處理日常運營及行政事務，例如安排客戶預約、採購物資、監控庫存水平、填寫整理病歷及維護客戶關係等。我們還完成了電子病歷系統的建設和上線，通過設定電子病歷規範模板以提高診療的規範化水平，便於開展質量控制，也大大提高了線上遠程會診的效率。

Chairman's Statement

主席報告

Actively responding to the pandemic

The Company's business in the financial year experienced significant impact twice from the COVID-19 pandemic. In April and May 2022, we temporarily closed all clinics in Shanghai due to the pandemic. From November 2022 to January 2023, almost all clinics and hospitals in Beijing were temporarily closed due to the pandemic. Clinics and hospitals in other cities also experienced temporary closure during the financial year due to sporadic outbreaks.

During the period of pandemic restriction and control, in order to meet the timely medical needs of patients, our medical and customer service teams always maintained active communication with customers, striving to accurately and timely identify the medical needs of patients. To the extent practicable under the condition, we have overcome difficulties and seized every opportunity to provide patients with high-quality healthcare services.

Following the weakening of the pandemic, our performance has been in a trend of strong rebound. As the vitality and potential of the dental services market will be fully released in future, we are full of confidence in the prospects of our future development.

Practicing social responsibility

As a pioneer in the domestic dental healthcare industry, the Company has always engaged in its own development and social welfare simultaneously.

For decades, we have joined hands with China Oral Health Foundation to actively organize charitable fundraising activities by leveraging our industry status and social influence, and have participated in public welfare projects as volunteers. Since 2011, the Company and China Oral Health Foundation have jointly launched the "Programme of Oral Disease Prevention and Treatment for Orphans and Disabled Children". By the end of 2022, the project has covered 52 cities in 23 provinces, benefiting more than 40,000 people. In 2023, we have launched the "Healthy Teeth Card for Children(兒童成長樂牙卡)" with public welfare attributes. We promise that for every Healthy Teeth Card sold, RMB10 will be donated to China Oral Health Foundation for utilization in the "Daisy in the Mountain" public welfare project to care for children's oral health.

積極應對疫情

本公司本財年的業務受到新冠疫情兩次較大的衝擊，2022年4至5月期間，我們因疫情暫時關閉了上海的所有診所。2022年11月至2023年1月，北京絕大部分的診所和醫院因疫情暫時關閉。其他城市的診所和醫院亦因零星偶發的疫情在本財年經歷了暫停營業。

在疫情管控期間，為滿足患者的及時就醫需求，我們的醫務和客服團隊始終與客戶保持積極溝通，力求精準、及時地識別患者的就醫需求，在條件允許的範圍內，克服困難、抓住每一個機會為患者提供高質量的醫療服務。

隨着疫情減弱，我們業績已出現強力反彈的態勢。日後口腔醫療服務市場的活力和潛力將會更加充分地釋放，我們對未來的發展前景充滿信心。

踐行社會責任

作為國內口腔醫療行業的先驅者，本公司始終踐行自身發展與社會公益併舉。

數十年間，我們攜手中國牙病防治基金會，利用自身的行業地位和社會影響力，積極組織慈善募捐活動，並以志願者的身份參與公益項目之中。自2011年起，本公司與中國牙病防治基金會聯合發起了「孤殘兒童口腔疾病綜合防治項目」，截至2022年底，項目已覆蓋23個省市52個城市，公益覆蓋人數4萬餘人。2023年，我們更是推出了帶有公益屬性的兒童成長樂牙卡，承諾每銷售一張樂牙卡，將有人民幣10元捐贈給牙防基金會，用於「山中雛菊」關愛兒童口腔健康公益項目。

Chairman's Statement

主席報告

The Company will continue to actively participate in public welfare by using our professional technology and services to benefit more people, and continuously rising public awareness of dental health and let more people have a healthy and confident smile.

Enhancing Shareholders' value

This financial year is the Company's first full financial year after the Listing. The Company has actively taken various measures to enhance Shareholders' value.

In September 2022, the Company issued an announcement in relation to adoption of the 2022 RSU Scheme to repurchase Shares. The Company would repurchase the Shares for the 2022 RSU Scheme. It is expected that the 2022 RSU Scheme can better improve the retention rate of excellent dentists and operation managers, so that the Company and the core team can maintain longer-term cooperation, which is conducive to enhancing the cohesion and competitiveness of the Company. In the same month, the Company was enlisted in the Hang Seng Composite Index and officially admitted into the Hong Kong Stock Connect. In November 2022, the Company was included in the constituent stocks of MSCI Mingsheng China Small Cap Index, thus acquiring capital inflows from index funds. The Company's liquidity will be continuously improved due to the above two milestones. In March 2023, the Company's management voluntarily undertook to extend the lock-up period for the vested restricted Shares, demonstrating the confidence of the Company's management in the long-term development of the Company.

BUSINESS OUTLOOK

Centralized procurement of dental implants

With the improvement of living standards and the intensifying of the extent of aging population, patients in China gradually became aware that "oral implantology" is one of the most effective treatments for missing teeth. During the year, the domestic oral implantology policy was fully implemented, and more patients will be benefited by affordable prices. Meanwhile, the policy will also promote the private healthcare development environment in China to continuously improve in a standardized, healthy and sustainable manner.

本公司將持續做公益事業的行動者，用我們專業的技術，服務和惠及更多群眾，不斷提升國民口腔健康意識，讓更多群眾擁有健康、自信的微笑。

提升股東價值

本財年是公司上市後第一個完整的財年，本公司積極採取各項舉措提升股東價值。

2022年9月，本公司發佈有關採納2022年受限制股份單位計劃公告進行股份回購，就2022年受限制股份單位計劃回購股份，預計能更好地提升優秀醫生和運營管理者的留存率，使本公司與核心團隊保持更長久的合作，有利於增強本公司的凝聚力和競爭力。同月，本公司被納入恒生綜合指數，正式進入港股通。同年11月，本公司被納入MSCI明晟中國小型股指數成分股，獲得指數基金的資金流入。這兩個里程碑事件，將持續改善本公司的流動性。2023年3月，本公司管理層自願承諾延長已經歸屬的受限制股份禁售期，彰顯了本公司管理層對本公司長期發展的信心。

業務展望

種植牙集採

隨着生活水平的提高和人口老齡化程度的加深，國內越來越多的患者清楚的了解到口腔種植是有效治療缺失牙的方式之一。今年國內種植牙政策已全面落地，惠民的價格會讓更多患者受益，同時也會推動我國民營醫療發展環境會向着規範、健康及可持續發展的方向不斷前進。

Chairman's Statement

主席報告

In this regard, we have adopted a series of targeted measures. First of all, we have actively responded to the government's centralized procurement policy and lower our prices to benefit more patients. We have formulated customized and exclusive treatment plans for patients, and promoted the application of dental digitalization projects, so as to enhance the digitalization level and patient experience and increase the number of patients receiving implant treatment. Arrail Group currently has approximately 300 dentists who can engage in dental implants, thus fully covering the growing demand for dental implants. We anticipated that the impact of lower prices on revenues can be offset by the increasing number of dental implants. In addition, before providing oral implantology treatment, the dentist will have a comprehensive assessment of the patient's dental health, judging whether the patient is suitable for treatment and enabling the patient to complete the basic treatment required in the early stage, which will in turn further increase patient visits for basic treatments of general dental and periodontal ailments, thereby increasing the revenue level of complex treatments such as periodontal treatment and restoration.

As a leading dental chain enterprise in China, we will pay close attention and actively respond to relevant national policies and constantly adjust our business strategies, with a view to achieving performance growth.

Rapid development in good condition

The Company adheres to the principle of steady operation, pursuant to which the Company promotes store expansion in an orderly manner while continuously improving the operational efficiency of existing stores. In the past year, despite the impact of the pandemic, we still added 14 stores through construction and acquisitions. In future, we plan to continuously increase market share through original site expansion and continuous intra-city encryption. Meanwhile, we will also actively explore new markets to maintain our business expansion opportunities.

就此，我們採取了一系列應對措施。首先積極響應政府的集採政策，降低價格，讓更多患者享受實惠。我們為患者制定定制化的專屬治療方案，推動口腔數字化項目的應用，以提升數字化水平和患者就診體驗，增加接受種植治療的人數。瑞爾集團目前擁有約300名能夠從事種植牙的醫生，完全能覆蓋種植牙需求的增長。我們預測種植數量的增加可以對沖價格下降對收入的影響。此外，在接受種植牙治療之前，口腔醫生會對患者的口腔健康情況有着全面的評估，判斷患者是否適合接受該項治療，並使口腔患者完成前期所需的基礎治療，這勢必將帶動全科、牙周等基礎治療的就診量的提升，從而提高牙周、修復等複雜治療的營收水平。

作為國內領先的口腔連鎖企業，我們將密切關注和積極響應國家相關政策，不斷調整經營策略，實現業績增長。

健康快速發展

本公司堅持穩健經營，在不斷提升現有門店運營效能的同時，有序推進門店拓展步伐。在過去一年，儘管有疫情的影響，我們仍然通過新建和收購新增加了14家門店。未來我們計劃通過原址擴建和同城持續加密來不斷提高市場佔有率，同時也積極尋找新的市場機會，以保持業務的外延增長。

Chairman's Statement 主席報告

At present, nearly 60% of the Company's stores have been operating for more than 6 years, and nearly 30% of the stores have been operating for more than 3 years. According to our estimation, under the current aging structure of stores, the capital flow generated by old stores can support the development of new stores, and the dentist resources, customer resources and management experience of old stores can help driving the rapid operation of new stores, thus effectively promoting the healthy and rapid growth of the Company. At the same time, as the number of the Company's stores continues to increase, our management costs will be continuously diminished, hence the operational efficiency will be released to a greater extent.

Improving efficiency

The Company continues to pay attention to the improvement of operational efficiency and fully capitalize on the advantage of its brand and chain enterprise, so as to improve operational efficiency while achieving large-scale growth.

At the group level, we have set up four working groups for complex case management, customer acquisition, customer complaint evaluation and medical management. After refining and summarizing the best management practices in 123 stores across the country, we promoted and applied the practices in our stores, which will in turn improve the rates of initial visits, follow-up visits and the turnover of complex cases, thus improving the operation and management efficiency of our stores. We continue to improve operational efficiency through informatization construction, and use digital platforms to summarize the operational indicators of various stores and dentists in real time. Such measures can assist our operational analysis and support our operational decision-making.

Strengthening personnel training

The Company has a rich reserve of dentists, of which 914 dentists are practicing full-time. The team of dentists have on average 11.2 years of experience in the industry, and over 46.4% of the dentists have master's degrees or above.

目前本公司經營年限超過6年以上的門店數量接近60%，經營年限超過3年的門店數量接近30%。經過我們測算，目前門店年齡結構下，老門店產生的資金流可以支持新門店的發展，老門店的醫生資源、客戶資源和管理經驗可以帶動新門店迅速開展運營，從而有效推進本公司健康快速的增長。同時，隨着本公司門店數量的不斷增加，我們的管理成本會被不斷的攤薄，經營的效率將得以更大的釋放。

提升效能

本公司持續關注運營效的提升，充分發揮品牌和連鎖企業的優勢，在實現規模化增長的同時提升經營效率。

我們在集團層面組建複雜病例管理、客戶獲取、客訴評估和醫務管理4個工作小組，提煉匯總全國123家門店中的最優管理做法後進行推廣和覆制，繼而提高初診、覆診率、複雜案例成交率，以改善我們門店的運營管理效能。我們不斷通過信息化建設提升運營效能，利用數字平台實時匯總各個門店和醫生的運營指標，協助經營分析，支持經營決策。

加大人才培養力度

本公司擁有豐富的醫生儲備，擁有914名全職牙醫，團隊平均擁有11.2年的行業經驗，超過46.4%的牙醫擁有碩士或以上學位。

Chairman's Statement 主席報告

We have a complete assessment, appraisal and coaching mechanism in the professional training of various specialties, providing each dentist with sufficient choices in different specialties, so that those dentists who have potential and ambition in specialized clinical technology can be timely identified and cultivated. Meanwhile, we will continue to build a high-quality talent team, and actively introduce dental and management talents in the industry through campus recruitment, website recruitment and other recruitment channels to reserve and cultivate new forces. We have achieved great success in the lately concluded campus recruitment for the 2023 graduation season. Our core calibers went to the recruitment sites of various colleges and universities and recruited more than 40 dental graduates with postgraduate degrees or above, thus introducing new forces for the development of the Group. We also have a sound training and coaching mechanism to ensure that these new forces will contribute to our future business development.

Becoming a leader in the application of digital technology in the field of dental care

After 24 years of practice and experience, we have established a relatively effective management system, independently developed an operation and management platform, accumulated a large number of excellent clinical cases, developed thousands of online training courseware, and established an online supply chain system. We plan to facilitate the digital upgrade of the dental industry by means of output management via an open platform. We have launched a digital and intelligent dental platform with peer companies. The platform can help entrepreneurial dentists solve the pain points and difficulties in the whole life cycle of dental clinics by one-stop solutions to achieve high-quality development.

We will continuously promote the application of dental digital technology in the field of clinical stomatology, and publicize and promote the technology through online and offline methods to lead the development of the industry.

我們在各專科的專業培養方面有完善的考核、考評和帶教機制，為每一位醫生在不同專科方向上提供充分的選擇，使那些在專科臨床技術上有潛力、有追求的醫生得到及時的發現和培養。同時，我們也將持續建設高質量的人才隊伍，通過校園招聘、網站招聘等多種招聘渠道，積極引進行業內口腔醫療和管理人才，儲備和培養新生力量。我們在剛剛結束的2023年畢業季的校園招聘中取得了圓滿成功，我們的業務骨幹奔赴各大院校的招聘現場，共計招聘了40餘名具備研究生以上學歷的口腔專業畢業生，為本集團的發展注入了新鮮的血液。我們也具備良好的培訓和帶教機制，確保這些新生力量為未來業務的發展添磚加瓦。

成為口腔醫療領域數字化技術應用的領先者

經過24年的實踐和積累，我們建立了相對有效的管理體系，自主研發了運營管理平台，積累了大量的優秀臨床案例，開發了上千個線上培訓課件，建立了線上供應鏈體系。我們計劃通過開放平台，輸出管理的方式，助力口腔醫療行業的數字化升級。我們與業內公司推出了口腔數智化醫療平台，該平台幫助創業醫生一站式解決口腔診所全生命周期的痛點難點，實現高質量的發展。

我們將持續不斷的推進口腔醫學數字化技術在口腔臨床醫學領域的運用，通過線上、線下的方式傳播推廣，引領行業發展。

Chairman's Statement 主席報告

In the wake of the pandemic, China's economy has resumed its vitality and the dental industry has also ushered in new development. Our successful listing on the Stock Exchange not only enables the Company to emerge on a larger platform, but also imposes more stringent requirements for us. This year marks the 24th anniversary of the Company's establishment. There is a proverb that embraces the meaning of "There is no way to reach a thousand miles without accumulating the journey step by step". We will further explore the dental sector, expand the scale of stores step by step, adapt to the market changes and improve our management level, so as to create greater value for Shareholders and society!

ZOU Qifang

Chairman

Arrail Group Limited

疫情過後，中國經濟煥發了勃勃生機，口腔醫療行業也迎來新的發展。聯交所的成功上市使得本公司站在一個更大的平台，也對我們提出了更高的要求。今年是公司成立的第24周年，「騏驎一躍，不能十步；駑馬十駕，功在不舍」，我們將深耕口腔醫療領域，一步一腳印擴大門店規模，擁抱市場變化，提升管理水平，為股東和社會創造更大的價值！

鄒其芳

主席

瑞爾集團有限公司

Financial and Business Highlights

財務及業務摘要

Number of stores largely increased, EBITDA turned from loss to profit, embrace a new chapter of development

門店數量顯著增加，EBITDA 扭虧為盈，擁抱發展新篇章



Stable finance and moderate Net Adjusted Loss despite COVID-19

儘管受到疫情影響，財務穩健，經調整淨虧損可控

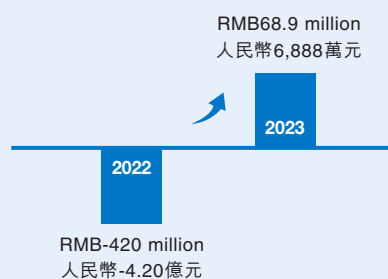
Total revenues were RMB**1,473.7** million, gross profit was RMB**247.1** million and Adjusted Net Loss was RMB**29.2** million

總收入人民幣**14.74**億元，毛利及經調整淨虧損分別為人民幣**247.1**百萬元及人民幣**29.2**百萬元



The efficiency has been improved significantly, and EBITDA turned from loss to profit in first year.

效能提升效果顯著，EBITDA 首年轉正



123
Scale of store
門店規模

14 stores increased, including **12** clinics and **2** hospitals
新增**14**家門店，包括**12**家診所和**2**家醫院



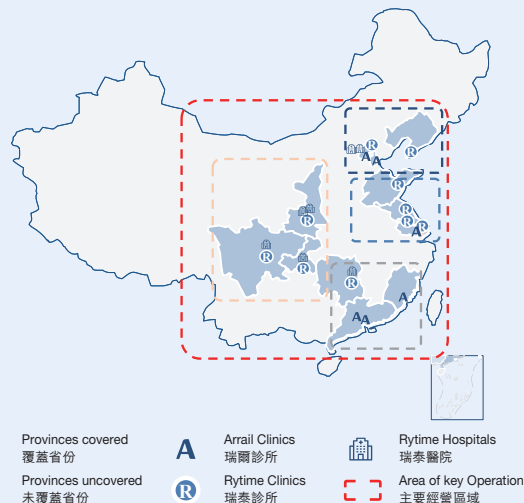
914
Dentists
醫生數量

31 dentists were added
新增**31**名牙醫



1,534 thousand
153.4 萬人次
patient visits
接診人次

repeat visit rates of **48%**, with **24%** of our new patients were referred by our existing patients
覆診率達**48%**，約**24%**的新患者由現有患者引薦



Our revenue was RMB1,473.7 million for the year ended March 31, 2023, representing a 9.2% decrease as compared to the revenue of RMB1,623.6 million for the year ended March 31, 2022, which was primarily because COVID-19 impacted our capacity to provide services. For the year ended March 31, 2023, our gross profit was RMB247.1 million, our Adjusted Operating Profit (as defined below) was RMB3.8 million and our Adjusted Net Loss (as defined below) was RMB29.2 million.

我們截至2023年3月31日止年度的收入為人民幣1,473.7百萬元，較截至2022年3月31日止年度的收入人民幣1,623.6百萬元減少9.2%，主要是由於COVID-19影響到我們提供服務的能力。截至2023年3月31日止年度，我們的毛利為人民幣247.1百萬元，我們的經調整經營利潤（定義見下文）為人民幣3.8百萬元及經調整淨虧損（定義見下文）為人民幣29.2百萬元。

Financial and Business Highlights

財務及業務摘要

Underpinned by our industrial experience and sufficient cash position, we continued to expand our footprint nationwide. During the Reporting Period, we acquired “Tongshan Dental”, a well-known dental group with one dental hospital and eight dental clinics in Wuxi and nearby areas, within Jiangsu province. We opened four dental clinics and one dental hospital and upgraded four clinics.

In addition, there were two clinics with a total of 31 dental chairs and one hospital with a total of 35 dental chairs under construction as of March 31, 2023. As of March 31, 2023, total dental chairs of our Group reached 1,442, increased by 18.8% compared to March 31, 2022. We believe these movements will further strengthen our leadership as a national chain in China’s dental market.

Note: Adjusted operating profit refers to operating loss adjusted by adding back share-based compensation expenses. Adjusted loss for the year refers to loss for the year adjusted by adding back share-based compensation expenses. Adjusted EBITDA refers to EBITDA adjusted by adding back share-based compensation expenses.

憑藉我們的行業經驗及充足的現金水平，我們在全國範圍內不斷進行擴張。報告期內，我們收購了「通善口腔」，其為一家知名口腔醫療集團，在江蘇省內的無錫市及週邊地區擁有1家口腔醫院及8家口腔診所。我們開設了4家口腔診所及1家口腔醫院，並升級了4家診所。

此外，截至2023年3月31日，有兩家診所（共有31張牙科椅）及一家醫院（共有35張牙科椅）正在興建中。截至2023年3月31日，本集團的牙科椅總數為1,442張，較截至2022年3月31日的數據增長18.8%。我們相信這些舉措將進一步加強我們作為全國連鎖品牌在中國口腔醫療市場的領導地位。

附註： 經調整經營利潤指經加回股份酬金開支所調整的經營虧損。經調整年內虧損指經加回股份酬金開支所調整的年內虧損。經調整EBITDA指經加回股份酬金開支所調整的EBITDA。

NEWLY OPENED CLINICS

新開設診所情況



Beijing Arrail Plus
北京瑞爾甄選



Beijing Guanshe Clinic
北京官舍診所



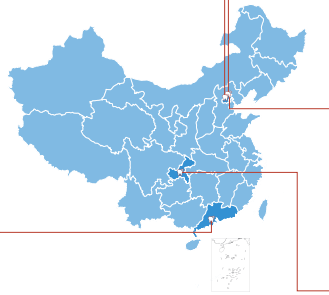
Beijing Ciyun Temple Clinic
北京慈雲寺診所



Guangzhou Yuexiu Rytime Dental Hospital
廣州越秀瑞泰口腔醫院



Chongqing Ruihua Clinic
重慶瑞華口腔門診部



newly opened
新建開業

- 4 clinics and one hospital were newly opened with 89 dental chairs added
- 4家診所和1家醫院完成開業，新增89張牙科椅

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

Overview

We are a leading dental services provider in the premium private dental service market in China. Founded in 1999, we have served approximately 9.4 million patient visits in the past ten years, and have been instrumental in raising public awareness and driving consumer recognition of the importance of dental care and good oral hygiene in China. Our network of dental clinics and hospitals provides a wide array of dental healthcare services across China. We adopt a dual-brand strategy through our “Arrail Dental” and “Rytime Dental” brands to serve customers of different economic and geographic backgrounds. Through decades of commitment and service in the dental healthcare industry, we have earned the trust of our patients, and have successfully established an extensive presence in China, as we are continuing to expand our footprint nationwide. As of March 31, 2023, we had 123 stores, including 114 dental clinics and nine dental hospitals in 15 cities across China, with 914 experienced dentists. Our mission is to give each of our patients a healthy and confident smile, and our vision is to become a world-leading dental group.

We expanded our business by opening more clinics and hospitals in Tier-1 and Tier-2 cities across China. During the Reporting Period, we opened four dental clinics and one dental hospital with 89 dental chairs. We expanded and upgraded four clinics with 50 dental chairs. In addition, there were two clinics with a total of 31 dental chairs and one hospital with a total of 35 dental chairs under construction as of March 31, 2023. We continue to hire competent dentists and enhance our dental professional team. The number of our dentists increased by 3.5% from 883 as of March 31, 2022, to 914 as of March 31, 2023.

業務回顧

概覽

我們是中國高端民營口腔醫療服務市場的領先口腔醫療服務提供商。自1999年成立以來，在過往十年當中，我們提供接診服務約9.4百萬人次，且在提高和促進中國公眾和消費者對口腔護理和良好口腔衛生的重要性的意識和認識方面發揮著重要作用。我們的口腔診所及醫院網絡在中國提供廣泛的口腔醫療服務。我們通過「瑞爾齒科」及「瑞泰口腔」品牌採取雙品牌戰略，以服務於不同經濟和區域背景的客戶。通過數十年來在口腔醫療行業的投入和服務，我們贏得了患者的信任，且由於我們繼續在全國範圍內拓展我們的版圖，我們已成功在中國建立廣泛的業務。截至2023年3月31日，我們在中國15個城市擁有123家門店，包括114家口腔診所及9家口腔醫院，以及914名資深牙醫。我們的使命是給每位患者帶來健康、自信的微笑，而我們的願景是成為世界領先的口腔醫療服務集團。

我們通過在全國一二線城市開設更多診所及醫院來拓展業務。於報告期內，我們新開設了四家口腔診所及1家醫院，增加了89張牙科椅；擴大並升級四家診所，涉及50張牙科椅。此外，截至2023年3月31日，共擁有31張牙科椅的兩家診所及共擁有35張牙科椅的一家醫院正在建設中。我們繼續聘請富有才幹的牙醫並提升我們的口腔醫療專業團隊。我們的牙醫數量由截至2022年3月31日的883名增加3.5%至截至2023年3月31日的914名。

Management Discussion and Analysis

管理層討論與分析

Our Services

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

General Dentistry

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

Orthodontics

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

Implantology

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

我們的服務

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

普通牙科

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

正畸科

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

種植科

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

Management Discussion and Analysis

管理層討論與分析

Dual-Brand Operations

As of March 31, 2023, we operated a total of 123 clinics and hospitals under the brand names of “Arrail Dental” and “Rytime Dental”, to provide dental services to different demographics across geographic regions.

Arrail Dental



We have been operating under the Arrail Dental brand since 1999, to provide premium dental services primarily to affluent consumers in Tier-1 and emerging Tier-1 cities in China. Arrail clinics are able to charge premium pricing based on their excellent quality of bespoke services and professionals. As of March 31, 2023, we operated a total of 52 Arrail clinics in seven cities in China, namely Beijing, Shanghai, Shenzhen, Guangzhou, Hangzhou, Tianjin and Xiamen. Our Arrail clinics are mainly concentrated in metropolitan areas and located at or in close proximity to prominent landmarks and properties. We plan to further penetrate existing markets to drive stronger monetization under the Arrail Dental brand.

Rytime Dental



We launched our operations under the Rytime Dental brand in 2012, primarily aiming to provide treatments to middle class customers in Tier-1 and key Tier-2 cities in the Northern, Eastern, Southern and Western parts of China. Rytime Dental is positioned to capture the greater middle-end dental services market by offering high-quality dental services at attractive and relatively lower prices. As of March 31, 2023, we operated a total of 71 stores, including nine hospitals and 62 Rytime clinics in 10 cities in China. We are able to provide a greater variety of treatments at our dental hospitals, such as giving general anesthesia and performing more complicated oral surgery procedures. Our Rytime Dental hospitals and clinics are typically located in the vicinity of residential areas, giving our customers easy access to convenient and high-quality dental care services. We plan to continue to expand our Rytime Dental network by broadening our reach to targeted regions and cities across China.

雙品牌經營

截至2023年3月31日，我們以「瑞爾齒科」及「瑞泰口腔」品牌經營共123家診所及醫院，為多個地域的不同人群提供口腔醫療服務。

瑞爾齒科



我們自1999年以來一直以瑞爾齒科品牌開展業務，主要為中國一線及新興一線城市的富裕消費者提供高端口腔醫療服務。瑞爾診所能夠憑藉其卓越的口腔醫療服務質量和患者護理收取溢價。截至2023年3月31日，我們在國內7個城市（即北京、上海、深圳、廣州、杭州、天津及廈門）合共經營52家瑞爾品牌診所。我們的瑞爾診所主要集中在大都市地區，位於或靠近著名的地標和物業。我們計劃進一步加強對現有市場的滲透，使瑞爾齒科品牌具備更強的變現能力。

瑞泰口腔



我們於2012年以瑞泰口腔品牌開展業務，主要為華北、華東、華南以及西區的一線及核心二線城市的中產階層客戶提供治療。瑞泰口腔蓄勢待發，通過具吸引力且相對實惠的價格提供高質量的口腔醫療服務來佔領更大的中端口腔醫療服務市場。截至2023年3月31日，我們在中國10個城市合共經營71家門店，包括9家醫院及62家瑞泰診所。我們能在我們的口腔醫院提供更廣泛的治療，例如進行全身麻醉及進行更複雜的口腔外科手術。瑞泰口腔的醫院及診所通常位於居民區附近，使我們的客戶可輕鬆獲得便利及優質的口腔護理服務。我們計劃通過在中國目標地區及城市擴充市場據點擴展我們的瑞泰口腔網絡。

Management Discussion and Analysis

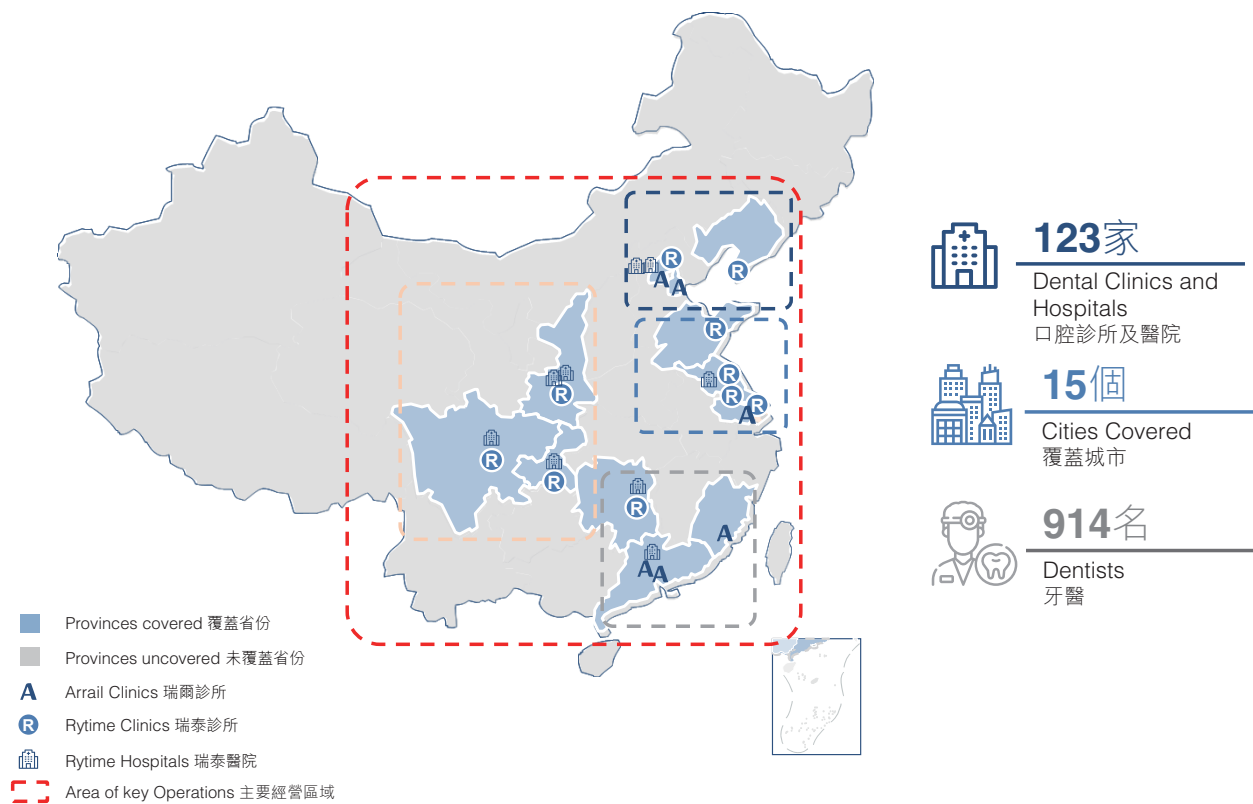
管理層討論與分析

Our Hospitals and Clinics

As of March 31, 2023, we operated 123 stores, including (i) 114 clinics, of which 52 clinics were under the Arrail Dental brand and 62 clinics were under the Rytime Dental brand; and (ii) nine hospitals under the Rytime Dental brand, as illustrated in the map below.

我們的醫院及診所

如以下地圖所示，截至2023年3月31日，我們經營123家門店，包括(i)114家診所（其中瑞爾齒科品牌52家及瑞泰口腔品牌62家）；及(ii)以瑞泰口腔品牌經營9家醫院。



Management Discussion and Analysis

管理層討論與分析

Our total patient visits decreased from 1,558,947 for the year ended March 31, 2022 to 1,534,162 for the year ended March 31, 2023, representing a decrease of 1.6%. The following table sets forth the breakdown by brands in relation to our operating and financial performance.

我們的總接診人次由截至2022年3月31日止年度的1,558,947人次減少至截至2023年3月31日止年度的1,534,162人次，相當於減少1.6%。下表載列按品牌劃分的有關經營及財務表現明細。

		For the year ended March 31,	
		截至3月31日止年度	
		2023	2022
		2023年	2022年
Total patient visits	總接診人次	1,534,162	1,558,947
Arrail Dental	瑞爾齒科	480,623	560,981
Rytime Dental	瑞泰口腔	1,053,539	997,966
Total number of dental chairs	牙科椅總數	1,442	1,214
Arrail Dental	瑞爾齒科	517	482
Rytime Dental	瑞泰口腔	925	732
Visits per dental chair	每張牙科椅的就診次數	1,064	1,284
Arrail Dental	瑞爾齒科	930	1,164
Rytime Dental	瑞泰口腔	1,139	1,363
Revenue per dental chair (RMB in thousands)	每張牙科椅的收入(人民幣千元)	1,022	1,311
Arrail Dental	瑞爾齒科	1,384	1,691
Rytime Dental	瑞泰口腔	820	1,061

Our repeat visit rates, defined as the percentage of patients that revisited our clinics or hospitals beyond six months after their initial visits, excluding follow-up consultations of the same treatment, were 48.1% for the year ended March 31, 2023 (48.6% for the year ended March 31, 2022). Approximately 24% of our new patients were referred by our existing patients for the year ended March 31, 2023.

截至2023年3月31日止年度，我們的忠誠客戶複診率（即首次就診起計六個月後再次到我們的診所或醫院就診的患者的百分比，不包括同一診療的後續問診）為48.1%（截至2022年3月31日止年度為48.6%）。截至2023年3月31日止年度，約24%的新患者由現有患者引薦。

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

報告期內的重重大投資、重大收購及出售子公司、聯營公司及合營公司

On April 2, 2022, a subsidiary of the Company entered into an investment agreement to acquire and subscribe for 14.1% equity interest of Shenzhen Baocheng Dental Hospital (深圳寶城口腔醫院) ("Shenzhen Baocheng") for a cash consideration of RMB25 million (the "Baocheng Investment"). The Baocheng Investment does not constitute a connected transaction or a notifiable transaction under the Listing Rules.

於2022年4月2日，本公司一家子公司訂立投資協議，以現金對價人民幣25百萬元收購及認購深圳寶城口腔醫院（「深圳寶城」）14.1%股權（「寶城投資」）。寶城投資不構成上市規則下的關連交易或須予公布的交易。

Management Discussion and Analysis

管理層討論與分析

On July 8, 2022, a subsidiary of the Company entered into an investment agreement to acquire 51% equity interest of Tongshan Dental (the “**Tongshan Investment**”). Tongshan Dental had 90 dental chairs as of March 31, 2023 and contributed revenue of RMB47.7 million for the Reporting Period since the acquisition was completed on August 30, 2022. For further details on the Tongshan Investment, please refer to the announcement of the Company dated July 8, 2022.

On November 3, 2022, the Group entered into a cooperation agreement with Hangzhou Jarvis and Hangzhou Jinyaori, pursuant to which the Group agreed to subscribe for 20% of the registered capital of Hangzhou Jinyaori, a wholly owned subsidiary of Hangzhou Jarvis, at the subscription amount of RMB30 million. Upon completion of the subscription, Hangzhou Jinyaori will be owned as to 20% and 80% by the Group and Hangzhou Jarvis respectively. On the same day, the Group entered into a licensing agreement with Hangzhou Jinyaori, pursuant to which the Group shall license certain intellectual property rights to Hangzhou Jinyaori for a term of three years. Please refer to the announcements of the Company dated November 3, 2022 and November 11, 2022 for details.

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

Events after the Reporting Period

On September 28, 2022, the Company and Beier Holdings Limited (“**Beier**”) entered into a loan agreement (the “**Loan Agreement**”), pursuant to which the Company provided a loan facility to Beier in an aggregate principal amount of US\$11,000,000 (equivalent to RMB77,164,000) (the “**Loan**”). The Loan was drawn down by Beier in full on September 30, 2022. The Loan was unsecured, interest bearing at 4.5% per annum, and repayable in nine months from the date of utilisation.

於2022年7月8日，本公司一家子公司訂立投資協議，以收購通善口腔51%股權（「**通善投資**」）。通善口腔截至2023年3月31日共有90張牙科椅，自2022年8月30日完成收購以來，於報告期貢獻了收入人民幣47.7百萬元。有關通善投資的進一步詳情，請參閱本公司日期為2022年7月8日的公告。

於2022年11月3日，本集團與杭州佳沃思及杭州金曜日訂立合作協議，據此，本集團同意認購杭州金曜日（杭州佳沃思的全資子公司）的20%註冊資本，認購金額為人民幣30百萬元。於認購事項完成後，杭州金曜日將分別由本集團及杭州佳沃思擁有20%及80%。同日，本集團與杭州金曜日訂立許可協議，據此，本集團許可杭州金曜日使用若干知識產權，為期三年。詳情請參閱本公司日期為2022年11月3日及2022年11月11日的公告。

除上文所披露者外，於報告期內本公司概無進行重大投資、重大收購及出售子公司、聯營公司及合營公司。

報告期後事項

於2022年9月28日，本公司與Beier Holdings Limited（「**Beier**」）訂立貸款協議（「**貸款協議**」），據此，本公司向Beier提供本金總額為11,000,000美元（相等於人民幣77,164,000元）的貸款融資（「**貸款**」）。於2022年9月30日，貸款已由Beier全額提取。貸款為無抵押、按年利率4.5%計息且須於動用日期起計九個月內償還。

Management Discussion and Analysis

管理層討論與分析

On June 27, 2023, the Company and Beier entered into an amendment agreement to the Loan Agreement (the “**Amendment Agreement**”), pursuant to which the Company and Beier conditionally agreed that, among others, (i) the term of the Loan shall be extended for a period from 9 months to 18 months commencing from the September 30, 2022, and (ii) the interest rate of the Loan shall be revised from 4.5% to 5.5% per annum. In addition, to cover the liabilities and obligations of Beier under the Amendment Agreement, Beier pledged 9,920,675 ordinary shares of the Company held by it in favour of the Company as security for the extended Loan. Save for the above, all the material terms and conditions of the Loan Agreement remain unchanged and in force and effect.

Save as disclosed above and elsewhere in this annual report, there have been no other material events subsequent to the year ended March 31, 2023 and up to the date of this annual report, which require adjustment or disclosure in accordance with IFRSs.

Future Plans for Material Investments and Capital Assets

The Group intends to utilize the net proceeds raised from the Global Offering for business expansion, optimization of our IT infrastructure and working capital in the manner set out in the Prospectus and the section headed “Use of Proceeds from the Global Offering” below. Save as these, the Group does not have any concrete committed plans for material investments and capital assets in 2023.

於2023年6月27日，本公司與Beier訂立貸款協議的修訂協議（「修訂協議」），據此，本公司與Beier已有條件同意（其中包括）(i)將貸款的期限由2022年9月30日起計9個月延展至18個月及(ii)將貸款年利率由4.5%修訂為5.5%。此外，為保障Beier在修訂協議項下的責任及義務，Beier已將其持有的9,920,675股本公司普通股抵押予本公司，作為延期貸款的擔保。除上述者外，貸款協議的所有主要條款及條件維持不變，並具有十足效力和有效。

除上文及本年報其他部分另有披露者外，於2023年3月31日止年度後及截至本年報日期，並無任何其他重大事項須根據國際財務報告準則進行調整或披露。

未來重大投資及資本資產計劃

本集團擬按照招股章程及下文「全球發售所得款項用途」一節所載方式將全球發售所籌集的所得款項淨額用於業務擴張、優化我們的信息技術基礎設施及營運資金。除此之外，本集團並未於2023年內制定重大投資及資本資產的任何確切計劃。

Management Discussion and Analysis

管理層討論與分析

Employees and Remuneration

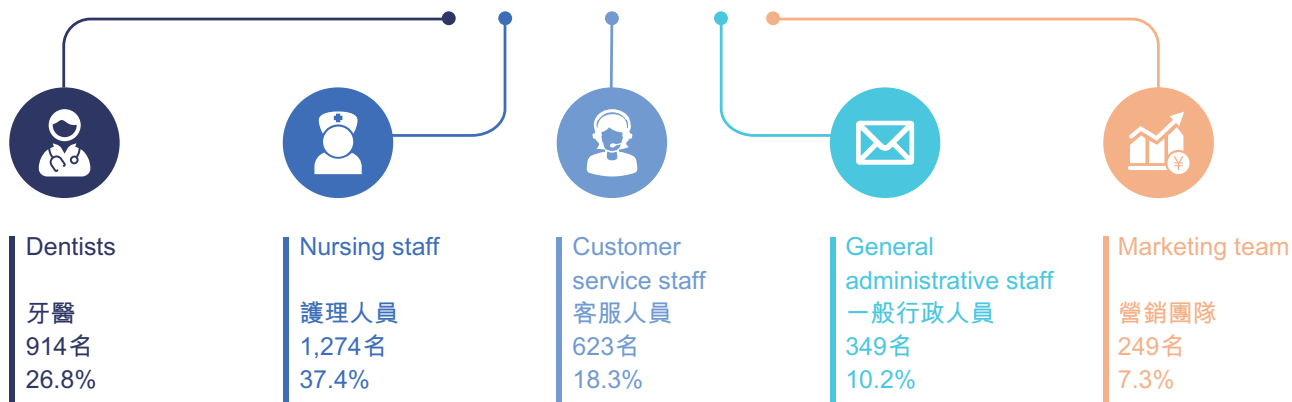
As of March 31, 2023, we had a total of 3,409 full-time employees, all of whom were based in various cities in China. Our employees reflect the geographic footprint we currently serve. The following table sets forth our employees by positions as of March 31, 2023:

僱員及薪酬

截至2023年3月31日，我們擁有合共3,409名全職僱員，均分佈在中國多個城市工作。我們的僱員反映我們目前所服務的地域範圍。下表載列截至2023年3月31日按職能劃分的僱員：

Function 職能		Number of Employees 僱員人數	%
Dentists	牙醫	914	26.8%
Nursing staff	護理人員	1,274	37.4%
Customer service staff	客服人員	623	18.3%
General administrative staff	一般行政人員	349	10.2%
Marketing team	營銷團隊	249	7.3%
Total	總計	3,409	100.0%

Employees by Positions 按職能分的僱員



Management Discussion and Analysis

管理層討論與分析

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

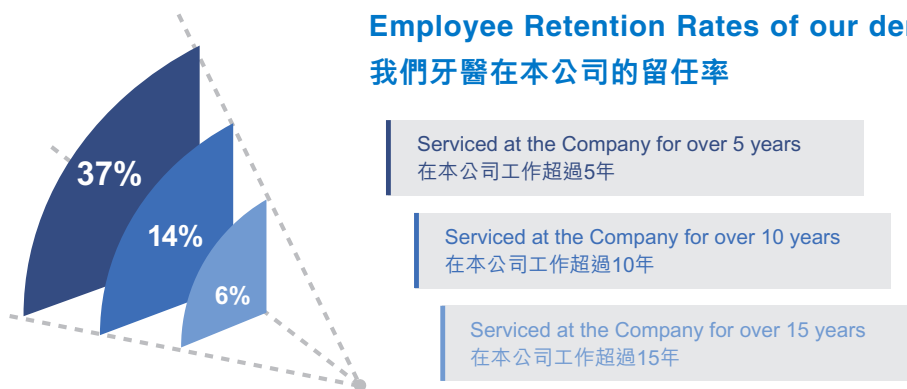
As of March 31, 2023, over 46.4% of our full-time dentists had master's degree or above, and many held titles and qualifications such as chief medical director or medical discipline leader. Our team of dentists have on average 11.2 years of post-qualification experience in the industry. The average monthly revenue generated per dentist, who joined us in 2018, 2019 and 2020 during each calendar year, grew at a CAGR of 24%, 39% and 57% during their respective employment periods up to the end of calendar year 2022. Dentists with more than five, ten and fifteen years of experience with us accounted for 37.2%, 13.9% and 6.1% of our total dentists, which indicates strong employee retention rates.

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

截至2023年3月31日，我們超過46.4%的全職牙醫擁有碩士或以上學位，並且許多牙醫持有主治醫師或醫學學科帶頭人等頭銜和資格。我們的牙醫團隊取得資格後平均擁有11.2年的行業經驗。於2018年、2019年及2020年各個曆年期間加入我們的每名牙醫產生的月均業績在各自受僱期間直至2022年曆年末以24%、39%及57%的年複合增長率增長。與我們的僱傭關係超過五年、十年及十五年的牙醫佔我們牙醫總數的37.2%、13.9%及6.1%，顯示出較高的僱員留任率。

Employee Retention Rates of our dentists of the Company

我們牙醫在本公司的留任率



We have also set up a platform in the BVI to hold incentive shares for a total amount of 119,972,600 shares, representing approximately 20.6% of the total issued share capital of the Company as of March 31, 2023, for the participants under the RSU Scheme. As of March 31, 2023, an aggregate of 573 employees were approved by the Board to be the grantees with a total of 88,770,062 underlying shares pursuant to the RSU Scheme. We further adopted the 2022 RSU Scheme on September 3, 2022, pursuant to which the underlying Shares will be satisfied by the existing Shares to be acquired by the trustee on the market based on the trading price of the market. As of March 31, 2023, no employees were approved by the Board to be the grantees pursuant to the 2022 RSU Scheme.

我們亦已於英屬維爾京群島設立平台，以根據受限制股份單位計劃為參與者持有合共119,972,600股激勵股份，佔截至2023年3月31日本公司已發行股本總額約20.6%。截至2023年3月31日，根據受限制股份單位計劃，合共573名僱員獲董事會批准成為承授人，可獲授合共88,770,062股相關股份。我們於2022年9月3日進一步採納2022年受限制股份單位計劃，據此，相關股份將以受託人於市場上按照市場交易價購買的現有股份支付。截至2023年3月31日，根據2022年受限制股份單位計劃，概無任何僱員獲董事會批准成為承授人。

Management Discussion and Analysis

管理層討論與分析

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

Industry Outlook

The development of the dental services market in China is mainly driven by economic development, an ageing population, digitalization, rising public awareness of dental health and other related factors. According to Frost & Sullivan Report, the market size of dental services in China reached RMB145.0 billion in 2021, maintaining an average annual growth rate of 20%. It is expected to reach RMB300.0 billion by 2025. Based on the experience of overseas developed markets, a chained operation is generally considered to have greater advantages than an individual operation in terms of speed of development.

Although the COVID-19 pandemic has had certain impacts on the industry in the past three years, the entire industry has still shown strong resilience and signs of rebound. At the same time, we have also observed the gradual enhancement of industry penetration and concentration of leading institutions. Following the complete easing of the pandemic control restrictions, the vitality and potential of the dental services market will be fully released, hence we are full of confidence in the prospects of our future development.

With the full implementation of the domestic oral implantology policy and the nearly-two-years publicity and popularization of such policy in the market, patients in China gradually became aware that “oral implantology” is one of the most effective treatments for missing teeth; thus the dental health awareness of the public has been raised and more patients will be benefited by affordable prices. Before providing oral implantology treatment, the dentist will have a comprehensive assessment of the patient's dental health, judging whether the patient is suitable for treatment and enabling the patient to complete the basic treatment required in the early stage, which will in turn further increase patient visits in dental institutions, especially for basic treatments of general dental and periodontal ailments. At the policy aspect, guided by a number of policies issued by the state and local governments in China, the private healthcare development environment in China will continue to be improved in a standardized, healthy and sustainable manner. As the largest premium dental chain group in China which covers the four core regions, namely North China, East China, South China and West China, comprising 15 Tier-1 and Tier-2 cities, the Company will further benefit from the core advantages of “Talent, Brand, System” and seize the huge opportunities arising from the development of the dental market.

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

行業展望

中國口腔醫療服務市場的發展主要受經濟發展、人口老齡化、數字化、公眾對於口腔健康意識的提升及其他相關因素驅動，根據弗若斯特沙利文的報告，中國口腔醫療服務市場之規模在2021年為人民幣1,450億元，保持年均20%的增長。預計在2025年達到人民幣3,000億元。根據海外已發展市場的經驗看，連鎖經營較個體機構在發展速度上有著較大的優勢。

雖然近三年來COVID-19疫情對行業造成了一定的衝擊，但是整個行業仍然表現出了強大的韌性和反彈效應，同時我們也觀察到頭部機構的行業滲透率和集中度在逐步提升。隨著疫情管控的全面放開，口腔醫療服務市場的活力和潛力將會更加充分地釋放，我們對未來的發展前景充滿信心。

隨著國內種植牙政策的全面落地，市場經過近2年的時間宣傳和普及，國內越來越多的患者清楚的瞭解到「口腔種植」是有效治療缺失牙的方式之一，從而更加關注自身口腔健康，惠民的價格也會讓更多患者受益。在接受種植牙治療之前，口腔醫生會對患者的口內健康情況有著全面的評估，判斷患者是否適合接受該項治療，並使口腔患者完成前期所需的基礎治療，這勢必將帶動口腔醫療機構就診量的提升，尤其是全科、牙周等基礎治療的就診。政策層面，在國家及各地方政府多項政策的引導下，我國民營醫療發展環境會向著規範、健康及可持續發展的方向不斷前進，本公司作為國內最大的高端口腔連鎖醫療集團，覆蓋華北、華東、華南、西部四大核心區域，包括15個一、二線城市，將進一步受惠於「人才、品牌、系統」的核心優勢，緊抓這次口腔醫療市場發展的重大機遇。

Management Discussion and Analysis

管理層討論與分析

Future Prospects

1) *Efficiency improvement and steady operation*

We focus on improving efficiency and operating steadily, aiming to ensure quality and sustainable growth. Faced with the recurring impact of the pandemic in the past three years, the industry needs to reorganize and recuperate. Therefore, we will continuously focus on existing resources, fortifying our foundation, while maintaining a development strategy of active expansion. We will continue to increase market share and operational efficiency through original site expansion and continuous intra-city encryption. Meanwhile, we will also actively explore new markets to maintain our business expansion opportunities. In order to enhance efficiency and effectiveness, we will launch the “5A Arrail Way” to improve customer management with refined operations.

2) *Relying on the medical-oriented principle and practice medicine with respect*

Ensuring medical quality is the essence of the development of the healthcare industry, and the dental industry is no exception. We adopt a number of systems including medical red line management, specialized case classification, dentist classification, complex medical condition discussion and multidisciplinary consultation to ensure medical quality and safety and provide customers with professional dental services. In recent years, more and more expert dentists have joined the Group, which also proves that we have been recognized and respected in the field of dental services. In future, we will adhere to the medical-oriented principle, and always regard medical quality management as a crucial standard for enterprise development.

未來前景

1) *效能提升，穩健經營*

我們注重提升效能和穩健經營，旨在確保有質量、可持續地增長。面對3年來疫情帶來的反覆衝擊，行業需要進行重整和休養生息。因此，我們將堅持聚焦現有資源，夯實基礎，同時保持積極拓展的發展戰略。我們將通過原址擴建和同城持續加密來不斷提高市場佔有率和運營效益。同時，我們也積極尋找新的市場機會，以保持業務的外延增長機會。為了提高效率 and 效益，我們將啟動「5A瑞爾之道」，以精細化運作來提升客戶管理。

2) *醫療為本，尊重醫療*

保障醫療質量是行業發展的核心，口腔醫療行業也不例外。我們採用包括醫療紅線管理、專科病例分級、牙醫分級、複雜病例討論和跨學科會診等多項制度以確保醫療質量安全，為客戶提供專業的口腔醫療服務。近年來，越來越多的專家級口腔醫生加入我們集團，這也證明了我們在口腔醫療領域得到了行業內的認可和尊重。未來，我們將堅持以醫療為本，始終將醫療質量控制視為企業發展的生命線。

Management Discussion and Analysis 管理層討論與分析

3) *Leveraging brand influence to strengthen the system of “recruitment, training and retention”*

We will further strengthen the system of “recruitment, training and retention” of talents by leveraging our brand influence. The Company has been adhering to the principle of “empowerment and support” and is committed to providing employees with effective platforms and development opportunities. In terms of medical services, we not only insist on campus recruitment, but also increase the recruitment of specialist dentists and senior dentists to ensure that our medical service level is always at the leading position in the industry. In terms of operation, we will gradually strengthen the construction of the echelon of core management personnel, and focus on selecting high-caliber management personnel with strong self-motivation, learning ability and development potential, so as to lay a sound organizational structure foundation for the Company’s long-term development.

4) *Enhancing corporate culture*

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

3) 借助品牌影響力，強化人才「招聘、培養、留用」體系

借助我們的品牌影響力，我們將進一步加強人才的「招聘、培養和留用」體系。本公司一直秉持著「賦能、幫扶」的原則，致力於為員工提供良好的平台和發展機會。在醫務方面，我們不僅堅持校園招聘，還會加大對專科牙醫和資深牙醫的招聘力度，以確保我們的醫療服務水平始終處於行業領先地位。在運營方面，我們會逐步加強核心管理人員的崗位梯隊建設，重點選拔自驅力強、學習能力和發展潛力較高的優秀管理人員，為本公司長期發展打下良好的組織架構基礎。

4) 夯實企業文化

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

Management Discussion and Analysis

管理層討論與分析

5) Risk management and sustainable development

The Group will continue to strengthen its risk management system to ensure the stability and sustainability of business operations. At the same time, we will also build a market-leading financial management system to maintain our financial well-being, as well as formulate reasonable financial goals and strategic planning. In addition, we will also pay attention to our environmental, social and governance responsibilities, continue to improve and strengthen corporate governance and the standardized management of listed companies, optimize the governance structure and continue to focus on charity and public welfare. Meanwhile, we will also further strengthen our communication with regulatory authorities such as the Stock Exchange as well as Shareholders so as to keep information transparent, with a view to creating more value for Shareholders.

Impact of COVID-19

To contain the spread of COVID-19, the local governments imposed various restrictions on business and social activities, including travel restrictions and mandated temporary shutdowns of business operations across certain regions. During the Reporting Period, we have undergone temporary closures of clinics and hospitals we operated, particularly from April to June 2022 and from November 2022 to January 2023. In April and May 2022, all the clinics in Shanghai were closed. In May and June 2022, 19 clinics and hospitals in Beijing were closed for averagely two weeks, while from November 2022 to January 2023, almost all the clinics and hospitals were temporarily closed for one week to one month.

Although COVID-19 has had an adverse effect on our country, we noticed strong business rebound after the pandemic. For example, patient visits decreased by 20.2% in April to June 2022 and increased by 9.7% from July to September compared to same period last year; patient visits decreased by 39.4% in November 2022 to January 2023 and increased by 42.2% in February 2023 compared to same period last year.

5) 風險管理和可持續發展

本集團將繼續加強風險管理體系，以確保業務運作的穩定性和可持續性。同時，我們也將打造一個市場領先的財務管理體系，以保持財務健康，並制定合理的財務目標和戰略規劃。除此之外，我們還將注重環境、社會和治理等方面的責任，持續改進和加強企業管治及上市公司規範化管理，優化治理架構，持續關注慈善公益，同時進一步加強與聯交所等監管機構及股東的溝通，保持信息透明化，為股東創造更多的價值。

COVID-19的影響

為控制COVID-19的傳播，地方政府對企業及社會活動實施多項限制，包括出行限制及強制暫時停止若干區域的商業運營。報告期內，我們暫時關閉了所經營的多家診所和醫院，尤其於2022年4月至6月及2022年11月至2023年1月期間。於2022年4月及5月，我們關閉了位於上海的所有診所。於2022年5月及6月期間，北京的19家診所和醫院平均關閉了兩週，而於2022年11月至2023年1月期間，幾乎所有診所及醫院暫時關閉一週至一個月。

雖然COVID-19對我國造成不利影響，但我們注意到疫情過後業績強力反彈。舉例而言，與去年同期相比，接診人次於2022年4月至6月減少20.2%並於7月至9月增加9.7%；而與去年同期相比，接診人次於2022年11月至2023年1月減少39.4%並於2023年2月增加42.2%。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

Overview

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

Revenue

During the Reporting Period, we primarily generated revenues from operating dental clinics and hospitals across the PRC. Our revenues decreased by 9.2% from RMB1,623.6 million for the year ended March 31, 2022, to RMB1,473.7 million for the year ended March 31, 2023. This was primarily because COVID-19 impacted our capacity to provide services.

Revenues by Dental Service Offerings

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

財務回顧

概覽

以下討論乃基於本年報其他部分所載財務資料及其附註，並應與之一併閱讀。

收入

於報告期內，我們主要通過在中國各地運營口腔診所及醫院獲得收入。我們的收入由截至2022年3月31日止年度的人民幣1,623.6百萬元減少9.2%至截至2023年3月31日止年度的人民幣1,473.7百萬元。這主要是由於COVID-19影響到我們提供服務的能力。

按口腔醫療服務產品劃分的收入

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

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

		2023		2022	
		2023年		2022年	
		RMB	%	RMB	%
		人民幣	%	人民幣	%
(RMB in thousands, except for percentages) (人民幣千元，百分比除外)					
General dentistry	普通牙科	790,353	53.6%	872,586	53.7%
Orthodontics	正畸科	328,238	22.3%	366,264	22.6%
Implantology	種植科	318,330	21.6%	353,079	21.7%
Others ⁽¹⁾	其他 ⁽¹⁾	36,820	2.5%	31,624	2.0%
Total	總計	1,473,741	100.0%	1,623,553	100.0%

Note:

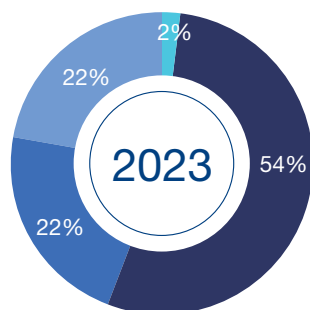
(1) Primarily include revenues generated from sale of dental materials in our ordinary course of business and the operation of our denture manufacturing plants.

附註：

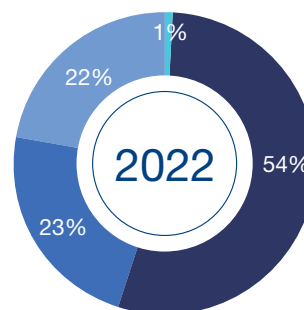
(1) 主要包括於日常業務過程中自銷售齒科材料及運營義齒製作廠房產生的收入。

Management Discussion and Analysis

管理層討論與分析



- General Dentistry
普通牙科
- Orthodontics
正畸科
- Implantology
種植科
- Others
其他



Note: For the year ended March 31

附註：截至3月31日止年度

Revenues generated from (i) general dentistry decreased by 9.4% from RMB872.6 million for the year ended March 31, 2022 to RMB790.4 million for the year ended March 31, 2023; (ii) orthodontics decreased by 10.4% from RMB366.3 million for the year ended March 31, 2022 to RMB328.2 million for the year ended March 31, 2023; and (iii) implantology decreased by 9.8% from RMB353.1 million for the year ended March 31, 2022 to RMB318.3 million for the year ended March 31, 2023.

我們(i)普通牙科產生的收入由截至2022年3月31日止年度的人民幣872.6百萬元減少9.4%至截至2023年3月31日止年度的人民幣790.4百萬元；(ii)正畸科產生的收入由截至2022年3月31日止年度的人民幣366.3百萬元減少10.4%至截至2023年3月31日止年度的人民幣328.2百萬元；及(iii)種植科產生的收入由截至2022年3月31日止年度的人民幣353.1百萬元減少9.8%至截至2023年3月31日止年度的人民幣318.3百萬元。

Management Discussion and Analysis

管理層討論與分析

Revenues by Brand

We adopt a dual-brand strategy through our Arrail Dental and Rytime Dental brands to provide differentiated dental services to different target markets. As of March 31, 2023, we operated 52 dental clinics in Tier-1 cities under the Arrail Dental brand, and operated 62 dental clinics and nine dental hospitals primarily in Tier-1 and key Tier-2 cities under the Rytime Dental brand. The following table sets forth a breakdown of our revenues by brands, both in absolute amount and as a percentage of our total revenues, for the periods indicated.

按品牌劃分的收入

我們透過瑞爾齒科及瑞泰口腔品牌採納雙品牌戰略，向不同目標市場提供差異化口腔醫療服務。截至2023年3月31日，我們以瑞爾齒科品牌在一線城市運營52家口腔診所，並以瑞泰口腔品牌主要在一線及核心二線城市運營62家口腔診所及9家口腔醫院。下表載列於所示期間我們按品牌劃分的收入明細，以絕對金額及佔我們總收入的百分比列示。

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

2023		2022	
2023年		2022年	
RMB	%	RMB	%
人民幣	%	人民幣	%

(RMB in thousands, except for percentages)
(人民幣千元，百分比除外)

Arrail Dental	瑞爾齒科	715,299	48.5%	831,550	51.2%
Rytime Dental	瑞泰口腔	758,442	51.5%	792,003	48.8%
Total	總計	1,473,741	100.0%	1,623,553	100.0%

Cost of Sales

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

銷售成本

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

Management Discussion and Analysis

管理層討論與分析

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

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

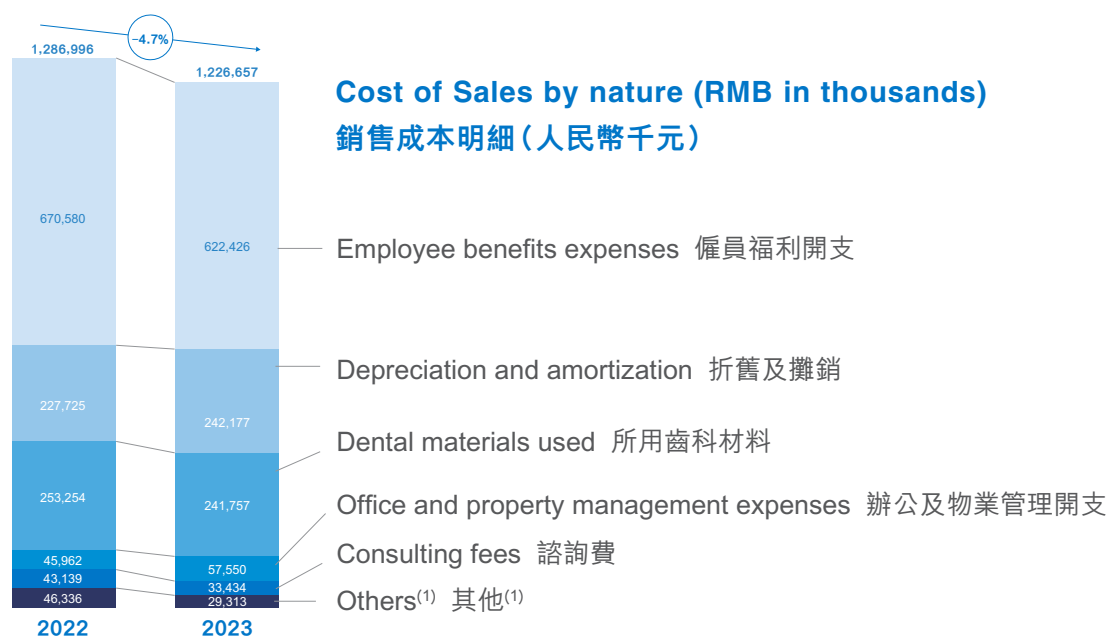
For the year ended March 31,					
截至3月31日止年度					
		2023		2022	
		2023年		2022年	
		RMB	%	RMB	%
		人民幣	%	人民幣	%
(RMB in thousands, except for percentages)					
(人民幣千元，百分比除外)					
Employee benefits expenses	僱員福利開支	622,426	50.7%	670,580	52.1%
Depreciation and amortization	折舊及攤銷	242,177	19.7%	227,725	17.7%
Dental materials used	所用齒科材料	241,757	19.7%	253,254	19.7%
Consulting fees	諮詢費	33,434	2.7%	43,139	3.4%
Office and property management expenses	辦公及物業管理開支	57,550	4.7%	45,962	3.5%
Others ⁽¹⁾	其他 ⁽¹⁾	29,313	2.5%	46,336	3.6%
Total	總計	1,226,657	100.0%	1,286,996	100.0%

Note:

附註：

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

(1) 主要包括租金開支、差旅開支、培訓開支及水電費。



Note: For the year ended March 31

附註：截至3月31日止年度

Management Discussion and Analysis

管理層討論與分析

Our cost of sales decreased by 4.7% from RMB1,287.0 million for the year ended March 31, 2022 to RMB1,226.7 million for the year ended March 31, 2023, primarily due to the decrease of labor cost, dental materials used and consulting fees in line with revenue decrease.

Gross Profit

Our gross profit decreased by 26.6% from RMB336.6 million for the year ended March 31, 2022 to RMB247.1 million for the year ended March 31, 2023, primarily due to the decrease of revenue.

Selling and Distribution Expenses

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

我們的銷售成本由截至2022年3月31日止年度的人民幣1,287.0百萬元減少4.7%至截至2023年3月31日止年度的人民幣1,226.7百萬元，主要是由於人工成本、所用齒科材料及諮詢費均有所減少，與收入減少一致。

毛利

我們的毛利由截至2022年3月31日止年度的人民幣336.6百萬元減少26.6%至截至2023年3月31日止年度的人民幣247.1百萬元，主要是由於收入減少。

銷售及經銷開支

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

For the year ended March 31,					
截至3月31日止年度					
		2023		2022	
		2023年		2022年	
		RMB	%	RMB	%
		人民幣	%	人民幣	%
(RMB in thousands, except for percentages) (人民幣千元，百分比除外)					
Employee benefits expenses	僱員福利開支	47,717	51.2%	40,029	50.3%
Advertising and marketing expenses	廣告及營銷開支	37,591	40.3%	33,588	42.2%
Consulting fees	諮詢費	4,727	5.1%	2,816	3.5%
Others ⁽¹⁾	其他 ⁽¹⁾	3,238	3.4%	3,192	4.0%
Total	總計	93,273	100.0%	79,625	100.0%

Note:

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

附註：

(1) 主要包括差旅開支、培訓開支及招聘開支。

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Our selling and distribution expenses increased by 17.2% from RMB79.6 million for the year ended March 31, 2022 to RMB93.3 million for the year ended March 31, 2023, primarily because we expanded marketing team and carried out more marketing and promotion activities.

Administrative Expenses

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

我們的銷售及經銷開支由截至2022年3月31日止年度的人民幣79.6百萬元增加17.2%至截至2023年3月31日止年度的人民幣93.3百萬元，主要由於我們擴展營銷團隊並開展更多營銷推廣活動所致。

行政開支

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

		For the year ended March 31, 截至3月31日止年度			
		2023		2022	
		2023年		2022年	
		RMB	%	RMB	%
		人民幣	%	人民幣	%
(RMB in thousands, except for percentages) (人民幣千元，百分比除外)					
Share-based compensation expenses	股份酬金開支	194,118	56.3%	95,021	34.4%
Employee benefits expenses	僱員福利開支	87,672	25.4%	83,401	30.2%
Listing expenses	上市開支	—	—	42,501	15.4%
Consulting fees	諮詢費	18,536	5.4%	15,234	5.5%
Depreciation and amortization	折舊及攤銷	17,062	4.9%	16,659	6.0%
Office and property management expenses	辦公及物業管理開支	5,482	1.6%	4,903	1.8%
Auditor's remuneration	審計師薪酬	4,500	1.3%	3,500	1.3%
Others ⁽¹⁾	其他 ⁽¹⁾	17,388	5.1%	14,874	5.4%
Total	總計	344,758	100.0%	276,093	100.0%

Note:

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

附註：

(1) 主要包括差旅開支、培訓開支及招聘開支。

Our administrative expenses increased by 24.9% from RMB276.1 million for the year ended March 31, 2022 to RMB344.8 million for the year ended March 31, 2023, primarily due to (i) increased share-based compensation expenses in connection with RSUs

我們的行政開支由截至2022年3月31日止年度的人民幣276.1百萬元增加24.9%至截至2023年3月31日止年度的人民幣344.8百萬元，主要是由於(i)有

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granted to our employees in October 2021; and (ii) increased recurring professional and legal fees as the Company's been listed on the Stock Exchange and offset by the reduction of one-off listing expenses incurred during the Company's first public offering.

Research and Development Expenses

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

關本公司於2021年10月向僱員授出受限制股份單位的股份酬金開支增加；及(ii)由於本公司在聯交所上市，經常性專業及法律費用增加，其中被本公司進行首次公開發售時產生的一次性上市開支減少所抵銷。

研發開支

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

For the year ended March 31,					
截至3月31日止年度					
		2023		2022	
		2023年		2022年	
		RMB	%	RMB	%
		人民幣	%	人民幣	%
(RMB in thousands, except for percentages)					
(人民幣千元，百分比除外)					
Employee benefits expenses	僱員福利開支	10,293	55.5%	26,633	80.9%
Consulting fees	諮詢費	6,085	32.8%	4,323	13.1%
Depreciation and amortization	折舊及攤銷	1,836	9.9%	1,596	4.8%
Others ⁽¹⁾	其他 ⁽¹⁾	328	1.8%	366	1.2%
Total	總計	18,542	100.0%	32,918	100.0%

Note:

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

Our research and development expenses decreased by 43.7% from RMB32.9 million for the year ended March 31, 2022 to RMB18.5 million for the year ended March 31, 2023, primarily because the decrease in employee benefits expenses reflecting the decrease in the expenses of maintenance and follow-up development of our self-developed information technology.

附註：

(1) 主要包括差旅開支、物業管理開支及水電費。

我們的研發開支由截至2022年3月31日止年度的人民幣32.9百萬元減少43.7%至截至2023年3月31日止年度的人民幣18.5百萬元，主要是由於僱員福利開支減少，而這反映我們自主研發的資訊科技的維護及跟進開發費用減少。

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

(Impairment loss)/reversal of impairment loss on financial assets – net on financial assets refer to impairment charges recorded based on the difference between the cash flows contractually due and all the cash flows that we expect to receive from trade and other receivables. Our impairment loss on financial assets was RMB2.9 million for the year ended March 31, 2023, compared to net reversal of impairment loss on financial assets of RMB4.6 million for the year ended March 31, 2022, primarily due to the increase in account receivables.

Operating Loss

For the year ended March 31, 2023, our operating loss was RMB190.3 million, compared to an operating loss of RMB28.6 million for the year ended March 31, 2022, mainly due to revenue decrease caused by COVID-19 and share-based compensation expenses of RMB194.1 million in connection with RSUs granted to our employees in October 2021. Excluding the share-based compensation expenses, our adjusted operating profit was RMB3.8 million for the year ended March 31, 2023.

Net Finance Costs

Our net finance costs decreased from RMB47.4 million for the year ended March 31, 2022 to RMB25.3 million for the year ended March 31, 2023, primarily due to the decrease of transaction costs on issuance of Series-E convertible redeemable preferred shares of RMB9.2 million incurred in the year ended March 31, 2022 and the increase of interest income from bank deposits.

Fair Value Changes of Convertible Redeemable Preferred Shares

As convertible redeemable preferred shares were converted to ordinary shares upon the Listing, we did not record any fair value change of convertible redeemable preferred shares for the year ended March 31, 2023.

Loss for the Year

As a result of the foregoing, our loss for the year decreased from RMB696.4 million for the year ended March 31, 2022 to RMB223.3 million for the year ended March 31, 2023.

金融資產淨(減值虧損)/減值虧損撥回

金融資產淨(減值虧損)/減值虧損撥回指根據合同到期的現金流量與我們預期自貿易及其他應收款項收到的所有現金流量之間的差額所記錄的減值費用。截至2023年3月31日止年度，我們的金融資產減值虧損為人民幣2.9百萬元，而截至2022年3月31日止年度則為金融資產淨減值虧損撥回人民幣4.6百萬元，主要是由於應收賬款增加。

經營虧損

截至2023年3月31日止年度，我們的經營虧損為人民幣190.3百萬元，而截至2022年3月31日止年度則為經營虧損人民幣28.6百萬元，主要是由於COVID-19導致收入減少以及有關於2021年10月授予僱員的受限制股份單位的股份酬金開支人民幣194.1百萬元。剔除股份酬金開支，我們截至2023年3月31日止年度的經調整經營利潤為人民幣3.8百萬元。

淨財務成本

我們的淨財務成本由截至2022年3月31日止年度的人民幣47.4百萬元減少至截至2023年3月31日止年度的人民幣25.3百萬元，主要是由於截至2022年3月31日止年度所產生的發行E輪可轉換可贖回優先股的交易成本減少人民幣9.2百萬元，以及銀行存款利息收入增加。

可轉換可贖回優先股的公允價值變動

因可轉換可贖回優先股於上市後轉換為普通股，我們並無記入可轉換可贖回優先股截至2023年3月31日止年度的任何公允價值變動。

年內虧損

由於上述原因，我們的年內虧損由截至2022年3月31日止年度的人民幣696.4百萬元減少至截至2023年3月31日止年度的人民幣223.3百萬元。

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Property, Plant and Equipment

Our property, plant and equipment primarily consist of (i) medical equipment; (ii) office equipment and furniture; (iii) motor vehicles; and (iv) leasehold improvements. Our property, plant and equipment increased from RMB297.8 million as of March 31, 2022 to RMB324.2 million as of March 31, 2023 primarily due to clinics upgrades, opening and the acquisition of Tongshan Dental.

Right-of-use Assets

Our right-of-use assets represent leases of dental clinics, hospitals, and office space in accordance with IFRS 16. Our right-of-use assets decreased from RMB703.5 million as of March 31, 2022 to RMB692.1 million as of March 31, 2023, primarily due to the depreciation of the right-of-use assets, partially offset by the additions.

Net Current Assets

We had net current assets of RMB802.6 million as of March 31, 2023, compared to net current assets of RMB884.4 million as of March 31, 2022, primarily because of usage of cash and cash equivalents for investments and acquisitions.

Trade Receivables

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

Our trade receivables increased from RMB71.3 million as of March 31, 2022 to RMB75.6 million as of March 31, 2023. Our trade receivables turnover days were 20 days for the year ended March 31, 2022, and 23 days for the year ended March 31, 2023. The increase in turnover days was mainly due to increase in account receivables from commercial and governmental medical insurance programs.

物業、廠房及設備

我們的物業、廠房及設備主要包括(i)醫療設備；(ii)辦公設備及傢具；(iii)汽車；及(iv)租賃物業裝修。我們的物業、廠房及設備由截至2022年3月31日的人民幣297.8百萬元增加至截至2023年3月31日的人民幣324.2百萬元，主要是由於診所升級、開業及收購通善口腔。

使用權資產

根據國際財務報告準則第16號，我們的使用權資產指口腔診所、醫院及辦公場所的租賃。我們的使用權資產由截至2022年3月31日的人民幣703.5百萬元減少至截至2023年3月31日的人民幣692.1百萬元，主要由於使用權資產折舊，部分被添置所抵銷。

淨流動資產

截至2023年3月31日，我們的淨流動資產為人民幣802.6百萬元，而截至2022年3月31日則為淨流動資產人民幣884.4百萬元，主要是由於動用現金及現金等價物用作投資及收購。

貿易應收款項

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

我們的貿易應收款項由截至2022年3月31日的人民幣71.3百萬元增加至截至2023年3月31日的人民幣75.6百萬元。截至2022年3月31日止年度及截至2023年3月31日止年度，我們的貿易應收款項週轉天數分別為20天及23天。週轉天數增加主要是由於來自商業及政府醫療保險計劃的應收賬款增加。

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Other Receivables

Our other receivables primarily consist of (i) loans to related parties; (ii) rental and other deposits; and (iii) loans to employees, net of loss allowance. Our other receivables included in current assets increased by 706.6% from RMB25.6 million as of March 31, 2022 to RMB206.5 million as of March 31, 2023, primarily due to (i) an increase of a loan to a related party, Beier Holdings Limited, of RMB77.2 million; (ii) an increase of a receivable from our RSU management agency of RMB36.5 million representing cost and proceeds of RSUs exercise; (iii) Deposit placed in a security broker of RMB34.7 million for the Company to repurchase its shares from the market; and (iv) an increase of loans to employees which will mature in less one year of RMB27.1 million, which were recorded in non-current assets last year.

Trade Payables

Our trade payables primarily represent the amounts due to our suppliers. Our suppliers typically granted us a credit period of 90 days.

Our trade payables increased by 14.6% from RMB74.2 million as of March 31, 2022 to RMB85.0 million as of March 31, 2023, primarily due to longer payment terms to some suppliers. Our trade payables turnover days increased from 58 days for the year ended March 31, 2022 to 59 days for the year ended March 31, 2023 accordingly.

Other Payables

Our other payables primarily consist of (i) employee benefits payable; (ii) payables due to related parties and shareholders; and (iii) taxes payables. Our other payables decreased by 37.4% from RMB198.9 million as of March 31, 2022 to RMB124.5 million as of March 31, 2023, mainly due to (i) the payment of RMB36.5 million to buy out share interest from a minority shareholder of a subsidiary of the Group; (ii) the payment of listing fee of RMB24.5 million; and (iii) a decrease in employee benefits payable of RMB22.0 million.

其他應收款項

我們的其他應收款項主要包括(i)向關聯方提供貸款；(ii)租賃及其他按金；及(iii)向僱員提供貸款，並已扣除虧損撥備。我們計入流動資產的其他應收款項由截至2022年3月31日的人民幣25.6百萬元增加706.6%至截至2023年3月31日的人民幣206.5百萬元，主要是由於(i)向關聯方Beier Holdings Limited的貸款增加人民幣77.2百萬元；(ii)向我們的受限制股份單位的管理機構的應收款項(即行使受限制股份單位的成本及所得款項)增加人民幣36.5百萬元；(iii)就本公司在市場購回股份而存放於證券經紀的按金人民幣34.7百萬元；及(iv)將於不足一年到期向僱員提供的貸款增加人民幣27.1百萬元，該項目於上年度計入非流動資產。

貿易應付款項

我們的貿易應付款項主要為應付供應商款項。我們的供應商通常給予我們90天的信貸期。

我們的貿易應付款項由截至2022年3月31日的人民幣74.2百萬元增加14.6%至截至2023年3月31日的人民幣85.0百萬元，主要是由於部分供應商的付款期限較長。因此，我們的貿易應付款項週轉天數由截至2022年3月31日止年度的58天增加至截至2023年3月31日止年度的59天。

其他應付款項

我們的其他應付款項主要包括(i)應付僱員福利；(ii)應付關聯方及股東款項；及(iii)應付稅項。我們的其他應付款項由截至2022年3月31日的人民幣198.9百萬元減少37.4%至截至2023年3月31日的人民幣124.5百萬元，主要是由於(i)向本集團一間子公司的少數股東收購股權而支付人民幣36.5百萬元；(ii)支付上市費用人民幣24.5百萬元；及(iii)應付僱員福利減少人民幣22.0百萬元。

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Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss primarily represent our investments in wealth management products with an aggregate principal amount of approximately RMB258.0 million and unlisted debt instruments of RMB35.7 million and unlisted equity instruments of RMB30 million. As of March 31, 2023, the Company acquired the wealth management products from GF Global Capital Limited of USD20 million (equivalent to RMB137.4 million) and Huatai International Financial Products Limited of US\$16.4 million (equivalent to RMB112.6 million).

The unlisted debt instruments represent 8.22% equity interest in Hangzhou Jarvis and 20% equity interest in Hangzhou Jinyaori.

Prepayments

Our prepayments primarily consist of (i) prepayments for braces; (ii) incremental cost of obtaining contracts, representing the commissions to dentists; (iii) prepayments for inventories other than braces; (iv) payment for equipments; and (v) short-term lease prepayments. Our prepayments remained stable at RMB148.4 million as of March 31, 2022 and RMB142.2 million as of March 31, 2023.

Foreign Exchange Exposure

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

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

按公允價值計入損益的金融資產

我們按公允價值計入損益的金融資產主要指我們於理財產品的投資，本金總額約為人民幣258.0百萬元，以及非上市債務工具人民幣35.7百萬元及非上市權益工具人民幣30百萬元。截至2023年3月31日，本公司向廣發全球資本有限公司購買20百萬美元（相等於人民幣137.4百萬元）及向華泰國際金融產品有限公司購買16.4百萬美元（相等於人民幣112.6百萬元）的理財產品。

非上市債務工具指於杭州佳沃思的8.22%股權及於杭州金曜日的20%股權。

預付款項

我們的預付款項主要包括(i)牙套預付款項；(ii)獲得合同的增量成本，即醫生佣金；(iii)存貨（牙套除外）預付款項；(iv)設備付款；及(v)短期租賃預付款項。我們的預付款項維持穩定，截至2022年3月31日及2023年3月31日分別為人民幣148.4百萬元及人民幣142.2百萬元。

外匯風險

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

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

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Contingent Liabilities

As of March 31, 2023, we did not have any material contingent liabilities, guarantees, or legal, arbitration or administrative proceedings pending or threatened against us that we expect would materially adversely affect our financial position or results of operations.

Liquidity and Financial Resources and Capital Structure

During the Reporting Period, we financed our operations and other capital expenditure requirements primarily through cash generated from our operations and proceeds raised from the Company's series E round of financing and the Listing. As of March 31, 2023, we had cash and cash equivalents of RMB621.9 million, as compared with RMB1,052.3 million as of March 31, 2022.

There is no material change in the capital structure of the Company during the Reporting Period. The capital of the Company comprises only ordinary shares.

Capital Expenditures

Capital expenditures represent the purchase of property, equipment and intangible assets. For the year ended March 31, 2023, we incurred capital expenditures of RMB126.8 million, compared to RMB120.8 million for the year ended March 31, 2022, primarily due to the expansion and renovation of dental clinics and hospitals and the acquisition of Tongshan Dental. We intend to fund our planned capital expenditures through a combination of the net proceeds from the Global Offering, bank facilities and other borrowings, as well as cash generated from operations.

Borrowings and Gearing Ratio

During the Reporting Period, we incurred borrowings which were primarily denominated in Renminbi, to finance our capital expenditure and working capital requirements. As of March 31, 2023, we had obtained undrawn bank loan facilities of RMB361.5 million.

As of March 31, 2023, the gearing ratio (calculated as total borrowings divided by total equity and multiplied by 100%) is 13.0%.

Charge on Asset

As of March 31, 2023, we pledged US\$22.5 million (equivalent to RMB154.9 million) to a bank as the collateral for bank loans of RMB96.3 million.

或然負債

截至2023年3月31日，我們並無任何重大或然負債、擔保或向我們作出尚未了結或面臨威脅的法律、仲裁或行政程序，從而預期對我們的財務狀況或經營業績造成重大不利影響。

流動資金及財務資源以及資本架構

於報告期內，我們主要通過我們的經營所得現金以及本公司E輪融資及上市所籌集的所得款項為運營及其他資本支出需求提供資金。截至2023年3月31日，我們的現金及現金等價物為人民幣621.9百萬元，而截至2022年3月31日則為人民幣1,052.3百萬元。

本公司資本架構於報告期內並無重大變動。本公司資本僅包括普通股。

資本支出

資本支出指購買物業、設備及無形資產。截至2023年3月31日止年度，我們產生資本支出人民幣126.8百萬元，截至2022年3月31日止年度則為人民幣120.8百萬元，主要由於擴展及翻新口腔診所及醫院以及收購通善口腔所致。我們擬透過結合全球發售淨所得款項、銀行融資及其他借款以及經營所得現金為我們的計劃資本支出提供資金。

借款及資本負債比率

於報告期內，我們通過借款為資本支出及營運資金需求撥付資金，其主要以人民幣呈列。截至2023年3月31日，我們已獲得未提取銀行貸款額度人民幣361.5百萬元。

截至2023年3月31日，資本負債比率（按借款總額除以總權益再乘以100%計算）為13.0%。

資產抵押

截至2023年3月31日，我們向一家銀行抵押22.5百萬美元（相等於人民幣154.9百萬元）作為人民幣96.3百萬元銀行貸款的抵押品。

Profiles of Directors and Senior Management 董事及高級管理層簡介

EXECUTIVE DIRECTORS

Mr. ZOU Qifang (鄒其芳), aged 69, is our founder, chairman of the Board and chief executive officer. He has been the Director since May 2001 and was re-designated as an executive Director in June 2021. Mr. Zou founded the Group in April 1999. He is responsible for overall strategic planning and business direction planning, supervising and management of the Group's business. Prior to founding the Group, Mr. Zou served as an associate in Bankers Trust Company, a commercial bank providing wholesale financial services, from July 1994 to April 1995. He served as a management consultant in A.T. Kearney (Hong Kong) Limited (科爾尼(香港)有限公司), a global management consulting firm, from June 1995 to September 1996. Mr. Zou served as a manager in Tianjin Smith Kline & French Laboratories Ltd. (中美天津史克製藥有限公司) from 1982 to August 1990.

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

執行董事

鄒其芳先生，69歲，為我們的創始人、董事長兼首席執行官。他自2001年5月起擔任董事並於2021年6月調任執行董事。鄒先生於1999年4月創立本集團。他負責總體戰略規劃和業務方向規劃、監督及管理本集團業務。在創立本集團之前，鄒先生於1994年7月至1995年4月擔任美國信孚銀行（一家提供批發金融服務的商業銀行）的投資顧問。他於1995年6月至1996年9月擔任科爾尼（香港）有限公司（一家全球性管理諮詢公司）的管理顧問。鄒先生於1982年至1990年8月擔任中美天津史克製藥有限公司的經理。

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

Profiles of Directors and Senior Management 董事及高級管理層簡介

Ms. Qin Jessie XIN, aged 53, is the executive Director and chief financial officer. Ms. Xin joined the Group in July 2015. She has been the Director since August 2017 and was re-designated as an executive Director in June 2021. She is responsible for supervising accounting and financing of the Group. Prior to joining the Group, Ms. Xin served as a deputy general manager of finance in iKang Healthcare Group (愛康國賓集團), the shares of which are listed on the NASDAQ (stock code: KANG), from May 2011 to June 2015.

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

Mr. ZHANG Jincai (章錦才), aged 60, is the executive Director and chief medical officer. He is responsible for overseeing medical services of the Group and operations of our dental hospitals and clinics. Mr. Zhang joined the Group in June 2019 and served as our executive president of medical affairs from June 2019 to May 2020. He has served as the chief medical officer of the Group and general manager of hospitals and clinics since June 2020. Prior to joining the Group, Mr. Zhang served as the chairman of the board of Zhejiang Tongce Dental Medical Management Co., Ltd. (浙江通策口腔醫院投資管理集團有限公司), a subsidiary of TC Medical (通策醫療股份有限公司) which was listed on Shanghai Stock Exchange with stock code: 600763, from June 2015 to May 2019. He was a professor of oral medicine in the West China Medical Center of Sichuan University (四川大學華西醫學中心) (formerly known as the West China Medical University (華西醫科大學)) from January 1989 to May 2001.

辛勤女士，53歲，為執行董事兼首席財務官。辛女士於2015年7月加入本集團。她自2017年8月起擔任董事並於2021年6月調任執行董事。她負責監督本集團的會計和財務。在加入本集團之前，辛女士於2011年5月至2015年6月擔任愛康國賓集團（其股份於納斯達克上市（股份代號：KANG））財務副總經理。

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

章錦才先生，60歲，為執行董事兼首席醫療官。他負責監督本集團的醫療服務和我們的口腔醫院及診所的運營。章先生於2019年6月加入本集團，並於2019年6月至2020年5月擔任醫療事務的執行總裁。他自2020年6月起擔任本集團的首席醫療官兼醫院及診所的總經理。在加入本集團之前，章先生於2015年6月至2019年5月擔任浙江通策口腔醫院投資管理集團有限公司（通策醫療股份有限公司（於上海證券交易所上市的公司，股票代碼：600763）的子公司）的董事長。他於1989年1月至2001年5月擔任四川大學華西醫學中心（前稱華西醫科大學）的口腔醫學教授。

Profiles of Directors and Senior Management 董事及高級管理層簡介

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

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

Mr. ZOU Jianlong (鄒劍龍), aged 61, is the executive Director and vice president. Mr. Zou joined the Group in April 1999. He has been the Director since March 2020 and was re-designated as an executive Director in June 2021. He is responsible for overseeing procurement and supply, administration, compliance and other departments of the Group. As one of our most senior employees, Mr. Zou helped the Group in market development in Shenzhen and Shanghai and served as head of operations. He took the lead in the establishment and daily operation of various middle office departments such as marketing, human resources, investment development, engineering management and compliance, and has made a significant contribution to the development of the Group over the past 20 years. Prior to joining the Group, Mr. Zou served as a manager of administration and human resources department in Shenzhen Haibin Pharmaceutical Co., Ltd. (深圳海濱製藥有限公司) from July 1995 to June 1998.

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

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

鄒劍龍先生，61歲，為執行董事兼副總裁。鄒先生於1999年4月加入本集團。他自2020年3月起擔任董事並於2021年6月調任執行董事。他負責監督本集團的採購與供應、行政、合規及其他部門。作為我們最資深的僱員之一，鄒先生幫助本集團在深圳及上海進行市場開發，並擔任營運主管。他主導了營銷、人力資源、投資開發、工程管理及合規等多個中層部門的建立及日常運作，在過去20年為本集團的發展作出了重要貢獻。在加入本集團之前，鄒先生於1995年7月至1998年6月擔任深圳海濱製藥有限公司行政和人事部經理。

Profiles of Directors and Senior Management 董事及高級管理層簡介

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

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. LIU Xiaomei Michelle, aged 55, is the independent non-executive Director. She is responsible for providing independent opinion and judgment to the Board.

獨立非執行董事

劉笑梅女士，55歲，為獨立非執行董事。她負責向董事會提供獨立意見和判斷。

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

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

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

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

Mr. SUN Jian (孫健), aged 68, is the independent non-executive Director. He is primarily responsible for providing independent opinion and judgment to the Board. Mr. Sun currently serves as an executive director of Brayn International Corporation Limited (栢睿國際股份有限公司), a company principally engaged in business consultancy services, since January 2020. He was appointed as a partner emerita (終身名譽合夥人) of A.T. Kearney Inc. (科爾尼管理諮詢公司) in April 2018. Mr. Sun served as a senior global partner of A.T. Kearney (Hong Kong) Limited (科爾尼(香港)有限公司) and A.T. Kearney (Shanghai) Management Consulting Co., Ltd. (科爾尼(上海)企業諮詢有限公司) from December 1994 to March 2018. Prior to that, he served as a business analyst in Eastman Kodak Company Medical Imaging Branch (柯達公司醫療影像分公司) from July 1994 to November 1994.

孫健先生，68歲，為獨立非執行董事。他主要負責向董事會提供獨立意見和判斷。孫先生自2020年1月至今擔任栢睿國際股份有限公司(一家主要從事商業諮詢服務的公司)的執行董事。他於2018年4月獲委任為科爾尼管理諮詢公司的終身名譽合夥人。孫先生於1994年12月至2018年3月擔任科爾尼(香港)有限公司及科爾尼(上海)企業諮詢有限公司的高級全球合夥人。在此之前，他於1994年7月至1994年11月擔任柯達公司醫療影像分公司的業務分析師。

Profiles of Directors and Senior Management 董事及高級管理層簡介

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

Mr. ZHANG Bang (張磅), aged 55, is the independent non-executive Director. He is primarily responsible for providing independent opinion and judgment to the Board.

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

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

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

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

張磅先生，55歲，為獨立非執行董事。他主要負責向董事會提供獨立意見和判斷。

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

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

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

Profiles of Directors and Senior Management

董事及高級管理層簡介

SENIOR MANAGEMENT

Mr. ZOU Qifang (鄒其芳), aged 69, also acts as the chief executive officer of the Company. He is responsible for overall strategic planning and business direction planning, supervising and management of the Group's business. Please see section headed "Mr. ZOU Qifang – Executive Directors" above for details of his biography.

Ms. Qin Jessie XIN, aged 53, also acts as the chief financial officer of the Company. She is responsible for supervising accounting and financing of the Group. Please see section headed "Ms. Qin Jessie XIN – Executive Directors" above for details of her biography.

Mr. ZHANG Jincai (章錦才), aged 60, also acts as the chief medical officer and general manager of hospitals and clinics of the Company. He is responsible for overseeing medical services of the Group and operations of our dental hospitals and clinics. Please see section headed "Mr. ZHANG Jincai – Executive Directors" above for details of his biography.

Mr. ZOU Jianlong (鄒劍龍), aged 61, is one of the vice presidents of the Company. He is responsible for overseeing, procurement and supply, administration, compliance and other departments of the Group. Please see section headed "Mr. ZOU Jianlong – Executive Directors" above for details of his biography.

Mr. QU Bo (曲勃), aged 54, was appointed as the vice president and chief operation officer of the Company in October 2020. He is responsible for overseeing operations of the Group. Mr. Qu joined the Group in May 2007.

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

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

高級管理層

鄒其芳先生，69歲，亦擔任本公司首席執行官。他負責總體戰略規劃和業務方向規劃、監督及管理本集團業務。有關其履歷詳情，請參閱上文「鄒其芳先生－執行董事」一節。

辛勤女士，53歲，亦擔任本公司首席財務官。她負責監督本集團的會計和財務。有關其履歷詳情，請參閱上文「辛勤女士－執行董事」一節。

章錦才先生，60歲，亦擔任本公司首席醫療官兼醫院及診所的總經理。他負責監督本集團的醫療服務和我們的口腔醫院及診所的運營。有關其履歷詳情，請參閱上文「章錦才先生－執行董事」一節。

鄒劍龍先生，61歲，本公司副總裁之一。他負責監督本集團的採購與供應、行政、合規及其他部門。有關其履歷詳情，請參閱上文「鄒劍龍先生－執行董事」一節。

曲勃先生，54歲，於2020年10月獲委任為本公司的副總裁兼首席運營官。他負責監督本集團的運營。曲先生於2007年5月加入本集團。

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

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

Profiles of Directors and Senior Management 董事及高級管理層簡介

Mr. ZHU Zhenghong (朱正宏), aged 56, was appointed as the vice president of the Group and general manager of Rytime in December 2022. He is responsible for overall operation and management of Rytime Dental in various geographic regions. Mr. Zhu joined the Group in December 2020.

Before joining the Group, Mr. Zhu served as a deputy director of the stomatology section of Beijing Tongren Hospital (北京同仁醫院) from September 2000 to February 2005, vice dean and dean of Nanjing Tongren Hospital (南京同仁醫院) from July 2007 to December 2010 and executive vice president of Hainan HNA Health Management Co., Ltd. (海南海航健康管理有限公司) from March 2013 to July 2015. Mr. Zhu joined Taikang Life Insurance Co., Ltd. (泰康保險集團股份有限公司) in July 2015 to serve as general manager of its medicare development division and vice president of TK Healthcare Investment Holdings Company Limited (泰康健康產業投資控股有限公司) (“**Taikang**”), and had served as the chief executive officer of Taikang Bybo Medical Group Co., Ltd. (泰康拜博醫療集團有限公司) following Taikang’s strategic investment in Bybo Medical Group Co., Ltd. (拜博醫療集團有限公司) in April 2018.

Mr. Zhu holds a bachelor’s degree from West China Medical University, a master’s degree and a doctoral degree from Peking University School and Hospital of Stomatology and an EMBA degree from China Europe International Business School.

Mr. HU Yunfan (胡雲帆), aged 45, was appointed as the deputy general manager of hospitals and clinics in October 2020. He is responsible for overseeing the daily operations and management of our dental hospitals and clinics. Mr. Hu joined the Group in April 2009.

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

朱正宏先生，56歲，於2022年12月獲委任為本集團副總裁兼瑞泰口腔總經理。彼負責瑞泰口腔在各個地區的整體運營及管理。朱先生於2020年12月加入本集團。

在加入本集團之前，朱先生於2000年9月至2005年2月擔任北京同仁醫院口腔科副主任，於2007年7月至2010年12月擔任南京同仁醫院副院長及院長，並於2013年3月至2015年7月擔任海南海航健康管理有限公司的常務副總裁。朱先生於2015年7月加入泰康保險集團股份有限公司擔任醫療保險事業部總經理，及出任泰康健康產業投資控股有限公司（「**泰康**」）副總裁，並於2018年4月從拜博醫療集團有限公司的戰略投資部，轉任泰康拜博醫療集團有限公司的首席執行官。

朱先生擁有華西醫科大學學士學位、北京大學口腔醫學院碩士、博士學位，以及中歐國際工商學院EMBA學位。

胡雲帆先生，45歲，於2020年10月獲委任為醫院及診所的副總經理。他負責監督我們的口腔醫院及診所的日常運營和管理。胡先生於2009年4月加入本集團。

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

Profiles of Directors and Senior Management 董事及高級管理層簡介

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

Mr. HU Xing (胡星), aged 39, was appointed as the deputy general manager of hospitals and clinics in December 2020. He is responsible for overseeing the operations and management of our dental hospitals and clinics in west China. Mr. Hu served as a deputy general manager at Chongqing Huaxi Dental Clinic Co., Ltd. (重慶市華西口腔門診有限公司, currently known as Chongqing Ruisheng) from April 2009 to December 2014 and Chongqing Jiuyue from December 2014 to January 2016. Upon completion of the acquisition of Chongqing Ruisheng and Chongqing Jiuyue in August 2015, Mr Hu joined the Group.

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

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

COMPANY SECRETARY

Ms. AU Wai Ching (區慧晶), was appointed as the company secretary of the Company in April 2022. Ms. Au is a senior manager of SWCS Corporate Services Group (Hong Kong) Limited, which is a corporate service provider.

Ms. Au is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

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

CHANGES TO DIRECTORS' INFORMATION

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

胡先生於2004年5月獲得奧克蘭大學的理學學士學位。

胡星先生，39歲，於2020年12月獲委任為醫院及診所的副總經理。他負責監督我們的口腔醫院及診所在西區的運營和管理。胡先生於2009年4月至2014年12月擔任重慶市華西口腔門診有限公司（現稱重慶瑞升）副總經理，並於2014年12月至2016年1月擔任重慶久悅副總經理。於2015年8月完成重慶瑞升和重慶久悅的收購之後，胡先生加入本集團。

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

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

公司秘書

區慧晶女士，於2022年4月獲委任為本公司公司秘書。區女士現為方圓企業服務集團（香港）有限公司（一家企業服務供應商）的高級經理。

區女士為香港公司治理公會及英國特許公司治理公會的會員。

彼持有香港城市大學的工商管理學士學位及專業會計與企業管治碩士學位。

董事資料變動

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

Directors' Report

董事會報告

The Board is pleased to present this Report of the Directors together with the consolidated financial statements of the Group for the year ended March 31, 2023.

董事會欣然呈報本董事會報告連同本集團截至2023年3月31日止年度的合併財務報表。

GENERAL INFORMATION

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

一般資料

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

DIRECTORS

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

董事

於報告期間及直至本年報日期，董事如下：

Executive Directors

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

執行董事

鄒其芳先生
辛勤女士
章錦才先生
鄒劍龍先生

Independent Non-executive Directors

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

獨立非執行董事

劉笑梅女士
孫健先生
張磅先生

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

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

Directors' Report

董事會報告

Accordingly, Mr. ZHANG Jincai, Ms. LIU Xiaomei Michelle and Mr. SUN Jian will retire by rotation at the AGM pursuant to the Articles of Association and, being eligible, will offer themselves for re-election. Details in relation to the re-election are stated in the circular to be sent to the Shareholders together with this annual report.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the principal activities of our major subsidiaries are set out in Note 18 to the consolidated financial statements on pages 243 to 246 of this annual report.

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

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

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

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

BUSINESS REVIEW AND RESULTS

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

The results of the Group for the Reporting Period are set out in the consolidated financial statements of this annual report.

因此，章錦才先生、劉笑梅女士及孫健先生將根據組織章程細則於股東週年大會上輪值告退，並合資格且願意膺選連任。有關獲選連任的詳情載於將與本年報一同寄發予股東的通函。

主要活動

本公司的主要活動為投資控股，我們主要子公司的主要活動載於本年報第243至246頁的合併財務報表附註18。

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

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

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

本公司主要活動的性質於報告期間並無重大變動。

業務回顧及業績

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

本集團於報告期間的業績載於本年報合併財務報表。

Directors' Report

董事會報告

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP

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

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

本集團面臨的主要風險和不確定性

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

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

Directors' Report

董事會報告

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

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

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

ENVIRONMENTAL POLICIES AND PERFORMANCE

As one of the leading dental services providers in China, we understand that environmental, social and governance is of great importance for our long-time development and growth. During the year ended March 31, 2023 and up to the date of this annual report, the Group was not subject to any fines or other penalties due to non-compliance with environmental regulations.

We are subject to, and we comply with the environmental protection and occupational health and safety laws and regulations in China. The Group is committed to minimising the impact on the environment from its business activities. For details of the Group's environmental protection measures, please refer to the "Environmental, Social and Governance Report" (the "ESG Report") of the Company which will be published on the same date with this annual report.

環境政策及表現

作為中國領先的口腔醫療服務提供商之一，我們深知環境、社會及管治對我們的長期發展及增長具有重要意義。截至2023年3月31日止年度及直至本年報日期期間，本集團並無因未遵守環境法規而須繳納任何罰款或遭受其他處罰。

我們受制於並遵守中國的環境保護及職業健康與安全法律及法規。本集團致力於減低業務活動對環境的影響。有關本集團環境保護措施的詳情，請參閱將於本年報同日發佈的本公司「環境、社會及管治報告」(「環境、社會及管治報告」)。

Directors' Report

董事會報告

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

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

EMPLOYEE AND REMUNERATION POLICIES

As of March 31, 2023, the Group had 3,409 full-time employees.

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

The Company also has adopted the RSU Scheme and the 2022 RSU Scheme to provide incentives for certain employees. Please refer to the section headed "Share Incentive Scheme" in this annual report for further details.

The total remuneration cost incurred by the Group for the year ended March 31, 2023 was RMB962.2 million.

For the year ended March 31, 2023, the Group did not experience any material labor disputes or strikes that may have a material and adverse effect on our business, financial condition or results of operations, or any difficulty in recruiting employees.

遵守相關法律及規例

據董事會及管理層所知，本集團於報告期間於所有重大方面遵守對本集團業務及營運有重大影響的相關法律法規。截至2023年3月31日止年度，本集團概無嚴重違反或不遵守適用法律法規的情況。

僱員及薪酬政策

截至2023年3月31日，本集團有3,409名全職僱員。

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

本公司亦已採納受限制股份單位計劃及2022年受限制股份單位計劃，以為若干僱員提供激勵。有關進一步詳情，請參閱本年報「股份激勵計劃」一節。

本集團截至2023年3月31日止年度產生的總薪酬成本為人民幣962.2百萬元。

截至2023年3月31日止年度，本集團未發生任何可能對我們的業務、財務狀況或經營業績造成重大不利影響的重大勞資糾紛或罷工，亦未在招聘員工方面遇到任何困難。

Directors' Report

董事會報告

MAJOR SUPPLIERS

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

For the year ended March 31, 2023, purchases from the Group's five largest suppliers accounted for approximately 30.2% (2022: 32.0%) of the Group's total purchase amount in the same year. Purchases from the Group's largest supplier for the year ended March 31, 2023 accounted for approximately 12.9% (2022: 14.9%) of the Group's total purchase amount for the same year.

Hangzhou Shengchao, a connected person, was our second largest supplier for the year ended March 31, 2023 and accounted for 7.2% of the Group's total purchase amount during the same period. Save for Hangzhou Shengchao, none of the Directors, their respective close associates, or any Shareholders, to the knowledge of the Directors, owns more than 5% of the Company's issued share capital, had any interest in any of the Group's five largest suppliers for the year ended March 31, 2023.

For the year ended March 31, 2023, the Group did not experience any significant disputes with its suppliers.

MAJOR CUSTOMERS

Our customers mainly consist of individual patients and corporate clients. For the year ended March 31, 2023, the Group's five largest customers accounted for 1.3% (2022: 1.3%) of the Group's total revenue, and the Group's largest customer accounted for 0.4% (2022: 0.4%) of the Group's total revenue.

None of the Directors, their respective close associates, or any Shareholders, to the knowledge of the Directors, owns more than 5% of the Company's issued share capital, had any interest in any of the Group's five largest customers for the year ended March 31, 2023.

主要供應商

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

於截至2023年3月31日止年度，本集團五大供應商的採購額佔本集團於同年總採購額的約30.2%（2022年：32.0%）。於截至2023年3月31日止年度，我們最大供應商的採購額佔本集團同年總採購額的約12.9%（2022年：14.9%）。

於截至2023年3月31日止年度，關連人士杭州盛朝為我們的第二大供應商，採購額佔本集團於總採購額的7.2%。除杭州盛朝外，據董事所知，截至2023年3月31日止年度，概無董事、彼等各自的緊密聯繫人或擁有5%以上本公司已發行股本的任何股東於任何本集團的五大供應商中擁有任何權益。

於截至2023年3月31日止年度，本集團並無與供應商發生任何重大糾紛。

主要客戶

我們的客戶主要包括個人患者及企業客戶。於截至2023年3月31日止年度，本集團五大客戶的收入佔本集團總收入的1.3%（2022年：1.3%），而本集團的單一最大客戶的收入佔本集團總收入的0.4%（2022年：0.4%）。

於截至2023年3月31日止年度，據董事所知，概無董事，彼等各自的緊密聯繫人或擁有5%以上本公司已發行股本的任何股東於任何本集團的五大客戶中擁有任何權益。

Directors' Report

董事會報告

During the year ended March 31, 2023, the Group did not experience any significant disputes with its customers.

KEY RELATIONSHIP WITH STAKEHOLDERS

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

Relationship with Our Employees

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

Relationship with Shareholders

We recognize the importance of protecting the interests of the Shareholders and of having effective communication with them. We believe communication with the Shareholders is a two-way process and have thrived to ensure the quality and effectiveness of information disclosure, maintain regular dialogue with the Shareholders and listen carefully to the views and feedback from the Shareholders. We also recognize the importance of timely and non-selective disclosure of information, which will enable the Shareholders and investors to make the informed investment decisions. This has been done through general meetings, corporate communications, annual reports and results announcements.

於截至2023年3月31日止年度，本集團並無與其客戶出現任何重大糾紛。

與利益相關方之主要關係

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

與僱員之關係

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

與股東之關係

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

Directors' Report

董事會報告

Relationship with Suppliers

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

Relationship with Customers

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

FINANCIAL RESULTS

The financial results of the Group for the year ended March 31, 2023 are set out in the consolidated income statement in the consolidated financial statements in this annual report.

PRE-EMPTIVE RIGHTS

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

TAX RELIEF AND EXEMPTION

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

與供應商之關係

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

與客戶之關係

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

財務業績

本集團截至2023年3月31日止年度的財務業績載於本年報合併財務報表內的合併損益表。

優先購買權

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

稅務減免及豁免

董事並不知悉股東因持有本公司證券而可獲得任何稅務減免及豁免。

Directors' Report

董事會報告

SUBSIDIARIES

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

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company and the Group for the year ended March 31, 2023 are set out in Note 14 to the consolidated financial statements.

SHARE CAPITAL AND SHARES ISSUED

Details of movements in the share capital of the Company for the year ended March 31, 2023 and details of the Shares issued for the year ended March 31, 2023 are set out in Note 25 to the consolidated financial statements.

DEBENTURE ISSUED

The Group did not issue any debenture for the year ended March 31, 2023.

EQUITY-LINKED AGREEMENTS

Save for the RSU Scheme and the 2022 RSU Scheme as set out in this annual report, no equity-linked agreements were entered into by the Group, or existed for the year ended March 31, 2023, and there was no provision to enter into any agreement which will or may result in the Company issuing Shares.

CHARITABLE DONATIONS

The Group donated RMB150,000 to the non-profit organization for charitable and community purposes during the Reporting Period.

DIVIDENDS

To preserve sufficient funds to meet the financial needs of the Group for its business operations and future business development, having regard to the impact on the Group's business and financial conditions arising from the COVID-19 pandemic, and the prevailing economic environment, the Board did not recommend the distribution of a final dividend for the year ended March 31, 2023.

子公司

本公司的子公司詳情載於合併財務報表附註18。

物業、廠房及設備

本公司及本集團截至2023年3月31日止年度之物業、廠房及設備變動詳情載於合併財務報表附註14。

股本及已發行股份

本公司截至2023年3月31日止年度的股本變動詳情及截至2023年3月31日止年度已發行股份詳情載於合併財務報表附註25。

已發行債券

截至2023年3月31日止年度，本集團未發行任何債券。

股票掛鈎協議

除本年報所載的受限制股份單位計劃及2022年受限制股份單位計劃外，本集團於截至2023年3月31日止年度並無訂立或存在任何股票掛鈎協議，亦概無有關訂立任何協議將導致或可能導致本公司發行股份的條文。

慈善捐款

本集團於報告期間向非盈利組織捐贈人民幣150,000元用於慈善及社區目的。

股息

為預留充足資金以滿足本集團業務營運及未來業務發展的財務需要，並考慮到COVID-19疫情對本集團業務及財務狀況的影響及當前經濟環境，董事會不建議派發截至2023年3月31日止年度末期股息。

Directors' Report

董事會報告

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

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

本公司是一家根據開曼群島法例登記的控股公司。因此，日後任何股息的派付及金額亦將視乎是否獲子公司派發股息而定。本公司及子公司的分派亦可能受制於銀行信貸額度、可換股債券工具或本公司與子公司日後可能訂立的其他協議的任何限制性契約條款。

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

Directors' Report

董事會報告

PERMITTED INDEMNITY

Pursuant to the Articles of Association and subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices.

Such permitted indemnity provision has been in force for the year ended March 31, 2023. The Company has taken out and maintained liability insurance to provide appropriate coverage for the Directors.

DISTRIBUTABLE RESERVES

The Company may pay dividends out of the share premium account, retained earnings and any other reserves provided that immediately following the payment of such dividends, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

As of March 31, 2023, the Company did not retain any profits under IFRS as reserves available for distribution to our equity Shareholders.

Details of movements in the reserves of the Group and the Company during the year ended March 31, 2023 are set out in Note 39(a) to the consolidated financial statements in this annual report.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at March 31, 2023 are set out in Note 27 to the consolidated financial statements in this annual report.

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

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

獲准許彌償

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

該等獲准許彌償條文已於截至2023年3月31日止年度生效。本公司已投購責任保險，為董事提供適當保障。

可供分派儲備

本公司可從股份溢價賬、保留盈利及任何其他儲備中派付股息，前提為於緊隨該等股息派付後，本公司將有能力於日常業務中債項到期時償付有關債項。

截至2023年3月31日，本公司並無保留國際財務報告準則項下的任何溢利作為可供分派給權益股東的儲備。

本集團及本公司截至2023年3月31日止年度的儲備變動詳情載於本年報合併財務報表附註39(a)。

銀行貸款及其他借款

本集團於2023年3月31日的銀行貸款及其他借款詳情載於本年報合併財務報表附註27。

有關控股股東履行特定責任之契諾的貸款協議

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

Directors' Report

董事會報告

DIRECTORS' SERVICE CONTRACTS

Each of our executive Directors entered into a service contract with our Company, pursuant to which each of them agrees to act as an executive Director (as the case may be), subject to re-election as and when required under the Articles of Association, until terminated in accordance with the terms and conditions of the service contract.

Each of our independent non-executive Directors entered into an appointment letter with our Company. The initial term for the appointment letters shall be three years and is subject always to re-election as and when required under the Articles of Association, until terminated in accordance with the terms and conditions of the appointment letter.

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

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

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "—Connected Transactions" and "—Contractual Arrangements" below, to the best knowledge of the Directors, none of the Directors nor any entity connected with the Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party subsisting during or at the end of the year ended March 31, 2023.

DIRECTORS AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

To the best knowledge of the Directors, none of the Directors and the Controlling Shareholders was interested in any business which competes with or is likely to compete with the businesses of the Group for the year ending March 31, 2023 and require disclosure under Rule 8.10 of the Listing Rules.

董事的服務合同

我們的每名執行董事均已與本公司訂立服務合同，據此彼等各自同意擔任執行董事（視情況而定），惟須按組織章程細則的規定膺選連任，直至根據服務合約的條款及條件終止為止。

我們的每名獨立非執行董事均與本公司訂立委任函。委任函的初始期限為三年，惟須按組織章程細則的規定膺選連任，直至根據委任書的條款及條件或由終止為止。

上述委任須始終受組織章程細則項下董事退任及輪值條文所規限。

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

董事於重大交易、安排或合同的權益

除下文「—關連交易」及「—合同安排」章節所披露者外，據董事所知，於截至2023年3月31日止年度或年末時，概無董事或任何與董事有關連的實體直接或間接於本公司、其控股公司或其任何子公司或同系子公司所訂立的任何重大交易、安排或合同中擁有重大權益。

董事及控股股東於競爭業務的權益

據董事所知，截至2023年3月31日止年度，概無董事及控股股東在與本集團的業務競爭或可能競爭的任何業務中擁有須根據上市規則第8.10條作出披露的權益。

Directors' Report

董事會報告

MANAGEMENT CONTRACTS

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

管理合同

截至2023年3月31日止年度，本公司並無訂立或存有任何有關管理及監管全部或任何絕大部分業務之合同。

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

As of March 31, 2023, the interests and short positions of the Directors or chief executives of our Company and their associates in any of the Shares, underlying Shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

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

截至2023年3月31日，本公司董事或最高行政人員及彼等聯繫人於本公司或其相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份及債權證中擁有須記錄於本公司根據證券及期貨條例第352條存置的登記冊的權益及淡倉或根據標準守則已知會本公司及聯交所的權益及淡倉載列如下：

Name of Director or Chief Executive	Nature of Interest	Number of Shares/ Underlying Shares Held 所持有的股份／ 相關股份數目	Approximate Percentage of Shareholding Interest ⁽¹⁾ 持股權益概約 百分比 ⁽¹⁾
Mr. ZOU Qifang 鄒其芳先生	Beneficial owner 實益擁有人	15,111,775(L)	2.60%
	Interest in controlled corporations ⁽²⁾ 於受控法團權益 ⁽²⁾	9,920,675(L)	1.71%
	Founder of discretionary trust ⁽³⁾ 酌情信託成立人 ⁽³⁾	48,671,025(L)	8.37%
	Interest of a party to an agreement ⁽⁴⁾ 協議訂約方權益 ⁽⁴⁾	107,678,800(L)	18.51%
Ms. Qin Jessie XIN 辛勤女士	Beneficial owner 實益擁有人	1,125,000(L)	0.19%
	Interest in controlled corporations ⁽⁵⁾ 於受控法團權益 ⁽⁵⁾	1,250,000(L)	0.21%
Mr. ZHANG Jincai 章錦才先生	Beneficial owner 實益擁有人	1,194,500(L)	0.21%
Mr. ZOU Jianlong 鄒劍龍先生	Beneficial owner 實益擁有人	3,813,650(L)	0.66%

Directors' Report

董事會報告

Notes:

1. Calculated based on 581,591,950 total issued Shares of the Company as of March 31, 2023.
2. Beier Holdings Limited holds 9,920,675 Shares directly, which is wholly owned by Mr. ZOU Qifang. Therefore, Mr. Zou is deemed to be interested in the Shares held by Beier Holdings Limited under the SFO.
3. Mingda International Limited holds 18,500,000 Shares directly, which is in turn wholly owned by Rise Day Holdings Limited. On the other hand, Rise Day Holdings Limited holds 30,171,025 Shares directly, which is in turn wholly owned by United Culture Assets Limited, a BVI company wholly owned by an independent trustee entrusted by Mr. Zou. A family trust was established over United Culture Assets Limited for the benefits of Mr. Zou and his family members accordingly, of which Mr. Zou acts as the protector and settlor. Therefore, Mr. Zou is deemed to be interested in the Shares held by each of them under the SFO.
4. The Board has set up Arrail Sunshine as a platform in the BVI to hold incentive shares for the participants under the RSU Scheme. The voting rights of the Shares held by Arrail Sunshine (including Shares held in favour of the participants other than Mr. Zou) is held by Mr. Zou by way of proxy. Therefore, Mr. Zou is deemed to be interested in the Shares held by Arrail Sunshine (including Shares held in favour of the participants other than Mr. Zou) under the SFO.
5. Mismic Limited holds 1,250,000 Shares, which is a BVI company wholly owned by an independent trustee entrusted by Ms. Xin for a family trust established for the benefits of Ms. Xin and her family members. Therefore, Ms. Xin is deemed to be interested in the Shares held by it under the SFO.
6. The letter "L" denotes the person's long position in the Shares.

Save as disclosed above, as of March 31, 2023, none of the Directors or chief executives of the Company or their associates had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations.

附註：

1. 根據截至2023年3月31日本公司已發行股份總數581,591,950股計算。
2. Beier Holdings Limited直接持有9,920,675股股份，而Beier Holdings Limited由鄒其芳先生全資擁有。因此，根據證券及期貨條例，鄒先生被視為於Beier Holdings Limited持有的股份中擁有權益。
3. Mingda International Limited直接持有18,500,000股股份，而Mingda International Limited由Rise Day Holdings Limited全資擁有。此外，Rise Day Holdings Limited直接持有30,171,025股股份，而Rise Day Holdings Limited由United Culture Assets Limited（一家由鄒先生委託的獨立受託人全資擁有的英屬維爾京群島公司）全資擁有。以鄒先生及其家族成員為受益人的家族信託通過United Culture Assets Limited相應設立，其中鄒先生為保護人及財產授予人。因此，根據證券及期貨條例，鄒先生被視為於彼等各自持有的股份中擁有權益。
4. 董事會已於英屬維爾京群島設立Arrail Sunshine作為平台，以根據受限制股份單位計劃為參與者持有激勵股份。Arrail Sunshine所持有股份（包括為參與者（鄒其芳先生除外）所持有的股份）的投票權由鄒先生以代理方式持有。因此，根據證券及期貨條例，鄒先生被視為於Arrail Sunshine（包括為參與者（鄒其芳先生除外）所持有的股份）持有的股份中擁有權益。
5. Mismic Limited（一家由辛女士為以辛女士及其家族成員為受益人設立的家族信託而委託的獨立受託人全資擁有的英屬維爾京群島公司）持有1,250,000股股份。因此，根據證券及期貨條例，辛女士被視為於彼持有的股份中擁有權益。
6. 字母「L」代表該人士於股份的好倉。

除上文所披露者外，截至2023年3月31日，本公司董事或最高行政人員或彼等聯繫人概無或被視為於本公司或其任何相聯法團的股份、相關股份或債權證中擁有任何權益或淡倉。

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

主要股東於本公司股份及相關股份的權益及淡倉

As of March 31, 2023, so far as the Directors are aware, the following persons (other than the Directors or chief executives of the Company or their associates) had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meetings of the Company or any other members of the Group:

截至2023年3月31日，就董事所知，以下人士（本公司董事或最高行政人員或彼等聯繫人除外）於本公司股份或相關股份擁有須記錄於本公司根據證券及期貨條例第XV部第2及3分部的條文存置的登記冊的權益或淡倉，或將直接或間接於附帶權利可在所有情況下於本公司或本集團任何其他成員公司股東大會上投票的任何類別股本面值中擁有5%或以上權益：

Shares/Underlying Shares Held as of March 31, 2023

截至2023年3月31日

所持有的股份／相關股份

Name of substantial shareholder 主要股東名稱	Nature of interest 權益性質	Number of Shares 股份數目	Approximate percentage ⁽¹⁾ 概約百分比 ⁽¹⁾
Rise Day Holdings Limited	Beneficial owner 實益擁有人	30,171,025(L)	5.19%
	Interest in controlled corporations ⁽²⁾ 於受控法團權益 ⁽²⁾	18,500,000(L)	3.18%
United Culture Assets Limited	Interest in controlled corporations ⁽²⁾ 於受控法團權益 ⁽²⁾	48,671,025(L)	8.37%
Trident Trust Company (HK) Limited	Trustee ⁽²⁾ 受託人 ⁽²⁾	48,671,025(L)	8.37%
Arrail Sunshine Holdings Limited	Beneficial owner ⁽³⁾ 實益擁有人 ⁽³⁾	116,658,662(L)	20.06%
KASTLE LIMITED 嘉士圖有限公司	Trustee ⁽⁴⁾ 受託人 ⁽⁴⁾	121,949,662(L)	20.97%
Elbrus Investments Pte. Ltd.	Beneficial owner ⁽⁵⁾ 實益擁有人 ⁽⁵⁾	58,237,675(L)	10.01%

Directors' Report

董事會報告

Name of substantial shareholder 主要股東名稱	Nature of interest 權益性質	Shares/Underlying Shares Held as of March 31, 2023 截至2023年3月31日 所持有的股份／相關股份	
		Number of Shares 股份數目	Approximate percentage ⁽¹⁾ 概約百分比 ⁽¹⁾
Temasek Life Sciences Private Limited	Interest in controlled corporations ⁽⁵⁾ 於受控法團權益 ⁽⁵⁾	58,237,675(L)	10.01%
Fullerton Management Pte Ltd	Interest in controlled corporations ⁽⁵⁾ 於受控法團權益 ⁽⁵⁾	58,237,675(L)	10.01%
Temasek Holdings (Private) Limited	Interest in controlled corporations ⁽⁵⁾ 於受控法團權益 ⁽⁵⁾	58,237,675(L)	10.01%
Total Success Investment Ltd.	Beneficial owner ⁽⁶⁾ 實益擁有人 ⁽⁶⁾	49,476,900 (L)	8.51%
19 Growth Capital Fund LP	Interest in controlled corporations ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	49,476,900 (L)	8.51%
Empire Choice International Limited	Interest in controlled corporations ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	49,476,900 (L)	8.51%
Roger K C Young	Interest in controlled corporations ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	49,476,900 (L)	8.51%
19 Growth Capital Fund GP Inc.	Interest in controlled corporations ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	49,476,900 (L)	8.51%
John Paul Buckley	Interest in controlled corporations ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	49,476,900 (L)	8.51%
Zheng Zhang	Interest in controlled corporations ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	49,476,900 (L)	8.51%
Broad Street Investments Holding (Singapore) Pte. Ltd.	Beneficial owner ⁽⁷⁾ 實益擁有人 ⁽⁷⁾	36,719,500(L)	6.31%
BSPI Holdings, L.L.C.	Interest in controlled corporations ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	36,719,500(L)	6.31%

Directors' Report

董事會報告

Shares/Underlying Shares Held as of March 31, 2023

截至2023年3月31日

所持有的股份／相關股份

Name of substantial shareholder 主要股東名稱	Nature of interest 權益性質	Number of Shares 股份數目	Approximate percentage ⁽¹⁾ 概約百分比 ⁽¹⁾
Broad Street Principal Investments, L.L.C.	Interest in controlled corporations ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	36,719,500(L)	6.31%
BSPI Intermediate Holdings, L.L.C.	Interest in controlled corporations ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	36,719,500(L)	6.31%
Broad Street Principal Investments Superholdco LLC	Interest in controlled corporations ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	44,063,400(L)	7.58%
GOLDMAN SACHS & CO. LLC	Interest in controlled corporations ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	44,063,400(L)	7.58%
The Goldman Sachs Group, Inc.	Interest in controlled corporations ⁽⁷⁾⁽⁸⁾ 於受控法團權益 ⁽⁷⁾⁽⁸⁾	45,637,400(L) 2,257,600(S)	7.85% 0.39%
KPCB China Associates, Ltd.	Interest in controlled corporations ⁽⁹⁾ 於受控法團權益 ⁽⁹⁾	31,121,900(L)	5.35%

Notes:

附註：

- (1). Calculated based on 581,591,950 total issued Shares of the Company as of March 31, 2023.
- (1). 根據截至2023年3月31日本公司已發行股份總數581,591,950股計算。
- (2). Mingda International Limited holds 18,500,000 Shares directly, which is in turn wholly owned by Rise Day Holdings Limited. Under the SFO, Rise Day Holdings Limited is deemed to be interest in the Shares held by Mingda International Limited. On the other hand, Rise Day Holdings Limited is held by United Culture Assets Limited, which is a BVI company wholly owned by an independent trustee entrusted by Mr. ZOU Qifang. A family trust was established over United Culture Assets Limited for the benefits of Mr. Zou and his family members accordingly, of which Mr. Zou acts as the protector and settlor, and Trident Trust Company (HK) Limited is the trustee of the family trust. Therefore, Trident Trust Company (HK) Limited and United Culture Assets Limited are deemed to be interested in the Shares held by Rise Day Holdings Limited under the SFO.
- (2). Mingda International Limited直接持有18,500,000股股份，而Mingda International Limited由Rise Day Holdings Limited全資擁有。根據證券及期貨條例，Rise Day Holdings Limited被視為於Mingda International Limited持有的股份中擁有權益。此外，Rise Day Holdings Limited由United Culture Assets Limited（一家由鄒其芳先生委託的獨立受託人全資擁有的英屬維爾京群島公司）擁有。以鄒先生及其家族成員為受益人的家族信託通過United Culture Assets Limited相應設立，其中鄒先生為保護人及財產授予人，而Trident Trust Company (HK) Limited為該家族信託的受託人。因此，根據證券及期貨條例，Trident Trust Company (HK) Limited及United Culture Assets Limited被視為於Rise Day Holdings Limited持有的股份中擁有權益。

Directors' Report

董事會報告

- (3). Arrail Sunshine is a platform in the BVI set up by the Board to hold incentive shares of the Company, for the participants under the RSU Scheme. The voting rights of Arrail Sunshine is held by Mr. ZOU Qifang by way of proxy.
- (4). KASTLE LIMITED, a company incorporated in Hong Kong, is the trustee (which is independent of and not a connected person of the Company) appointed by the Company for the administration of the RSU Scheme and 2022 RSU Scheme. KASTLE LIMITED is deemed to be interested in the Shares held by Arrail Sunshine and Arrail Revival Holdings Limited, the platforms holding underlying Shares for RSU Scheme and 2022 RSU Scheme, under the SFO.
- (5). Elbrus Investments Pte. Ltd. is a company incorporated in Singapore, which is wholly owned by Temasek Life Sciences Private Limited, which is in turn wholly owned by Fullerton Management Pte Ltd, which is in turn wholly owned by Temasek Holdings (Private) Limited. Under the SFO, each of Temasek Life Sciences Private Limited, Fullerton Management Pte Ltd and Temasek Holdings (Private) Limited is deemed to be interested in the Shares held by Elbrus Investments Pte. Ltd.
- (6). Total Success Investment Ltd. is an investment holding company incorporated in the Cayman Islands and is wholly owned by 19 Growth Capital Fund LP, a limited partnership registered in the State of Delaware. Empire Choice International Limited is the limited partner of 19 Growth Capital Fund LP, which is wholly owned by Roger K C Young. 19 Growth Capital Fund GP Inc. is the general partner of 19 Growth Capital Fund LP, and 19 Growth Capital Fund GP Inc. is owned as to 60% by John Paul Buckley and 40% by Zheng Zhang. Under the SFO, 19 Growth Capital Fund LP, Empire Choice International Limited, Roger K C Young, 19 Growth Capital Fund GP Inc., John Paul Buckley and Zheng Zhang are deemed to be interested in the Shares held by Total Success Investment Ltd..
- (3). Arrail Sunshine為董事會於英屬維爾京群島設立的平台，以根據受限制股份單位計劃為參與者持有本公司股份的激勵股份。Arrail Sunshine的投票權由鄒其芳先生以代理方式持有。
- (4). 嘉士圖有限公司，一家於香港註冊成立的公司，為本公司委任以管理受限制股份單位計劃及2022年受限制股份單位計劃的受託人（獨立於本公司且並非本公司關連人士）。根據證券及期貨條例，嘉士圖有限公司被視為分別於Arrail Sunshine及Arrail Revival Holdings Limited（分別持有受限制股份單位計劃及2022年受限制股份單位計劃相關股份的平台）持有的股份中擁有權益。
- (5). Elbrus Investments Pte. Ltd.為一家於新加坡註冊成立的公司，由Temasek Life Sciences Private Limited全資擁有，而Temasek Life Sciences Private Limited由Fullerton Management Pte Ltd全資擁有，Fullerton Management Pte Ltd由淡馬錫控股（私人）有限公司全資擁有。根據證券及期貨條例，Temasek Life Sciences Private Limited、Fullerton Management Pte Ltd及淡馬錫控股（私人）有限公司均被視為於Elbrus Investments Pte. Ltd.持有的股份中擁有權益。
- (6). Total Success Investment Ltd.為一家於開曼群島註冊成立的投資控股公司，由19 Growth Capital Fund LP（為一家在特拉華州註冊的有限合夥企業）全資擁有。Empire Choice International Limited是19 Growth Capital Fund LP的有限合夥人，及由Roger K C Young全資擁有。19 Growth Capital Fund GP Inc.是19 Growth Capital Fund LP的一般合夥人，而19 Growth Capital Fund GP Inc.由John Paul Buckley及Zheng Zhang分別擁有60%及40%的權益。根據證券及期貨條例，19 Growth Capital Fund LP、Empire Choice International Limited、Roger K C Young、19 Growth Capital Fund GP Inc.、John Paul Buckley及Zheng Zhang被視為於Total Success Investment Ltd.持有的股份中擁有權益。

Directors' Report

董事會報告

- (7). Broad Street Investments Holding (Singapore) Pte. Ltd., a company incorporated under the laws of the Republic of Singapore, is wholly owned by BSPI Holdings, L.L.C.. Stonebridge 2017 (Singapore) Pte. Ltd. holds 7,343,900 Shares directly, which is a company incorporated under the laws of the Republic of Singapore. Stonebridge 2017 (Singapore) Pte. Ltd. is held by multiple employee funds of The Goldman Sachs Group, Inc., among which, the general partner of the funds is a wholly owned subsidiary of The Goldman Sachs Group, Inc.. Under the SFO, each of BSPI Holdings, L.L.C. (as the sole shareholder of Broad Street Investments Holding (Singapore) Pte. Ltd.), Broad Street Principal Investments, L.L.C. and BSPI Intermediate Holdings, L.L.C. (each as a 50% shareholder of BSPI Holdings, L.L.C.), Broad Street Principal Investments, L.L.C. (as the sole shareholder of BSPI Intermediate Holdings, L.L.C.), Broad Street Principal Investments Superholdco LLC (as the sole shareholder of Broad Street Principal Investments, L.L.C.), GOLDMAN SACHS & CO. LLC and The Goldman Sachs Group, Inc. (as the sole shareholder of Broad Street Principal Investments Superholdco LLC) are deemed to be interested in the Shares held by Broad Street Investments Holding (Singapore) Pte. Ltd.. In addition, each of Broad Street Principal Investments, L.L.C., Broad Street Principal Investments Superholdco LLC, GOLDMAN SACHS & CO. LLC and The Goldman Sachs Group, Inc. are also deemed to be interested in the Shares held by Stonebridge 2017 (Singapore) Pte. Ltd..
- (7). Broad Street Investments Holding (Singapore) Pte. Ltd. 為一家根據新加坡共和國法例註冊成立的公司，由BSPI Holdings, L.L.C.全資擁有。Stonebridge 2017 (Singapore) Pte. Ltd. (為一家根據新加坡共和國法例註冊成立的公司)直接持有7,343,900股股份。Stonebridge 2017 (Singapore) Pte. Ltd.由高盛集團有限公司的多隻僱員基金持有，其中這些基金的普通合夥人為高盛集團有限公司的全資子公司。根據證券及期貨條例，BSPI Holdings, L.L.C. (作為Broad Street Investments Holding (Singapore) Pte. Ltd.的唯一股東)、Broad Street Principal Investments, L.L.C.及BSPI Intermediate Holdings, L.L.C. (各自作為BSPI Holdings, L.L.C.的50%股東)、Broad Street Principal Investments, L.L.C. (作為BSPI Intermediate Holdings, L.L.C.的唯一股東)、Broad Street Principal Investments Superholdco LLC (作為Broad Street Principal Investments, L.L.C.的唯一股東)、GOLDMAN SACHS & CO. LLC及高盛集團有限公司 (作為Broad Street Principal Investments Superholdco LLC的唯一股東)均被視為於Broad Street Investments Holding (Singapore) Pte. Ltd.持有的股份中擁有權益。此外，Broad Street Principal Investments, L.L.C.、Broad Street Principal Investments Superholdco LLC、GOLDMAN SACHS & CO. LLC及高盛集團有限公司亦均被視為於Stonebridge 2017 (Singapore) Pte. Ltd.持有的股份中擁有權益。
- (8). Goldman Sachs International holds 1,574,000 Shares in long position and 2,257,600 Shares in short position directly, which is in turn wholly owned by Goldman Sachs Group UK Limited. On the other hand, Goldman Sachs Group UK Limited is wholly owned by Goldman Sachs (UK) L.L.C. which in turn is wholly owned by The Goldman Sachs Group, Inc.. Under the SFO, Goldman Sachs Group UK Limited, Goldman Sachs (UK) L.L.C. and The Goldman Sachs Group, Inc. are deemed to be interested in the Shares held by Goldman Sachs International.
- (8). Goldman Sachs International直接持有1,574,000股股份的好倉及2,257,600股股份的淡倉，而該公司由Goldman Sachs Group UK Limited全資擁有。另一方面，Goldman Sachs Group UK Limited由Goldman Sachs (UK) L.L.C.全資擁有，而後者由The Goldman Sachs Group, Inc.全資擁有。根據證券及期貨條例，Goldman Sachs Group UK Limited、Goldman Sachs (UK) L.L.C.及The Goldman Sachs Group, Inc.被視為於Goldman Sachs International持有的股份中擁有權益。

Directors' Report

董事會報告

(9). KPCB China Fund, L.P. (“**KPCB CF**”) holds 29,045,950 Shares directly and KPCB China Founders Fund, L.P. (“**KPCB CFF**”) holds 2,075,950 Shares directly, which both are exempted limited partnerships established under the laws of Cayman Islands and are venture capital funds. The general partner of KPCB CF and KPCB CFF is KPCB China Associates, Ltd., which is a Cayman Islands exempted company. The voting and investment power of shares held by KPCB CF and KPCB CFF is exercised by the board of KPCB China Associates, Ltd, which consists of Tina Lin-chi Ju, Theodore Schlein, Brook Byers, L. John Doerr and Raymond Lane. Under the SFO, KPCB China Associates, Ltd. is deemed to be interested in the Shares held by KPCB CF and KPCB CFF.

(10). The letter “L” denotes the person’s long position in the Shares, and the letter “S” denotes the person’s short position in the Shares.

Save as disclosed above, as at March 31, 2023, no person, other than the Directors or chief executives of the Company whose interests are set out in the section headed “Directors’ and Chief Executives’ Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or Any of its Associated Corporations” above, had any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept under section 336 of the SFO.

SHARE INCENTIVE SCHEME

RSU Scheme

The RSU Scheme was approved and adopted by the Board on August 3, 2021, the principal terms of which are set out in the section headed “A. Further Information about our Company and our Subsidiaries — 6. RSU Scheme” in Appendix IV to the Prospectus. The purpose of the RSU Scheme is to attract, retain and motivate our Directors, employees and such other participants, and to provide a means of compensating them through the grant of awards (“**Awards**”) for their contribution to the growth and profits of the Group, and to allow such Directors, employees and other persons to participate in the growth and profitability of the Group.

(9). KPCB China Fund, L.P. (「**KPCB CF**」) 直接持有 29,045,950 股股份及 KPCB China Founders Fund, L.P. (「**KPCB CFF**」) 直接持有 2,075,950 股股份，彼等均為根據開曼群島法例成立的獲豁免有限合夥企業，屬於風險投資基金。KPCB CF 及 KPCB CFF 的普通合夥人為開曼群島獲豁免公司 KPCB China Associates, Ltd.。KPCB CF 及 KPCB CFF 所持股份的投票及投資權由 KPCB China Associates, Ltd. 的董事會行使，該董事會由 Tina Lin-chi Ju、Theodore Schlein、Brook Byers、L. John Doerr 及 Raymond Lane 組成。根據證券及期貨條例，KPCB China Associates, Ltd. 被視為於 KPCB CF 及 KPCB CFF 持有的股份中擁有權益。

(10). 字母「L」代表有關人士於股份的好倉，而字母「S」代表有關人士於股份的淡倉。

除上文所披露者外，於 2023 年 3 月 31 日，除本公司董事或最高行政人員於上文「董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債權證中的權益及淡倉」一節所載的權益外，概無人士於股份或相關股份中擁有須記錄於根據證券及期貨條例第 336 條存置的登記冊的任何權益或淡倉。

股份激勵計劃

受限制股份單位計劃

董事會於 2021 年 8 月 3 日批准及採納受限制股份單位計劃，其主要條款載於招股章程附錄四「A. 有關本公司及我們子公司的進一步資料 — 6. 受限制股份單位計劃」一節。受限制股份單位計劃旨在吸引、挽留及激勵董事、僱員及有關其他參與者，並透過授予獎勵（「**獎勵**」）的方式酬謝彼等為本集團發展及利潤所作出的貢獻，以及讓該等董事、僱員及其他人士分享本集團發展及盈利。

Directors' Report

董事會報告

The Participants of the Scheme

The participant of the RSU Scheme is any person belong to any of (i) the employee (whether full time or part time) of the Company or its subsidiaries; (ii) any Director, including independent non-executive Director, of the Company, or any director of any of the subsidiaries; and (iii) any other consultant to the Group who, in the sole opinion of the Board, will contribute or have contributed to the Group.

Maximum Number of Shares Available for Subscription

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

There is no maximum limit of RSUs which may be granted to each participant subject to the compliance of the Listing Rules.

Term

The RSU Scheme shall be valid and effective for the period of ten years commencing on August 3, 2021, with a remaining life of approximately eight years and one month as of the date of this annual report, after which period no further Awards will be granted.

Vesting Criteria and Other Terms

The Board will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of RSUs that will be paid-out to the grantee. The Board may set vesting criteria based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the Board in its discretion.

The vesting schedules are stipulated in the respective award agreement between the Company and the grantees.

Form and Timing of Payment

Payment of realized RSUs will be made as soon as practicable after the date(s) determined by the Board and set forth in the award agreement. The Board, in its sole discretion, may decide the method to settle realized RSUs in cash, Shares, or a combination of both.

計劃的參與者

受限制股份單位計劃的參與人為屬於(i)本公司或其子公司僱員(無論是全職或兼職);(ii)本公司任何董事(包括獨立非執行董事)或子公司的任何董事;及(iii)董事會全權認為將對本集團作出貢獻或已作出貢獻的本集團的任何顧問人士。

可供認購的股份最高數目

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

在遵守上市規則的前提下,向每位參與者授予的受限制股份單位並無最高限額。

期限

受限制股份單位計劃自2021年8月3日起有效期為十年,截至本年報日期剩餘期限約為八年零一個月,在此期限後將不再授予獎勵。

歸屬標準及其他條款

董事會將酌情訂立歸屬標準,有關標準(視乎標準達成的程度而定)將釐定支付予承授人的受限制股份單位數目。董事會可根據本公司整體、業務單位或個人目標(包括但不限於持續受僱或提供服務)的達成程度或董事會所酌情釐定的任何其他基準訂立歸屬標準。

歸屬時間表於本公司與承授人之間各獎勵協議中訂明。

付款的形式及時間

於董事會釐定並在獎勵協議中規定日期後,將在切實可行的情況下盡快支付已變現的受限制股份單位。董事會可全權酌情決定以現金、股份或兩者組合的方式結算已變現的受限制股份單位。

Directors' Report

董事會報告

Grant of RSUs

As of March 31, 2023, an aggregate of 573 grantees were granted with RSUs with a total of 88,770,062 underlying Shares, representing 15.26% of the total number of issued Shares, under the RSU Scheme, details of which are set out below.

授出受限制股份單位

截至2023年3月31日，根據受限制股份單位計劃，合共573名承授人獲授受限制股份單位，涉及合共88,770,062股相關股份，佔已發行股份總數的15.26%，有關詳情載列如下。

Name of participant or Category of participant	Date of grant	Closing price of Shares immediately before the date on which the RSUs were granted during the Reporting Period	Number of shares underlying RSUs 受限制股份單位涉及的股份數目							Outstanding as of March 31, 2023	Vesting Period ⁽¹⁾	Exercise price of per RSU granted (in HKD)	Total fair value of RSUs at the date of grant (in RMB) ⁽²⁾
			Outstanding as of March 31, 2022	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Exercised during the Reporting Period	Outstanding as of March 31, 2023				
參與者姓名或參與者類別	授出日期	於報告期內緊接授出受限制股份單位日期前的股份收市價	於2022年3月31日尚未行使	報告期內授出	報告期內歸屬	報告期內失效	報告期內註銷	報告期內行使	於2023年3月31日尚未行使	歸屬期 ⁽¹⁾	已授出每份受限制股份單位的行使價(港元)	受限制股份單位於授出日期的總公允價值(人民幣) ⁽²⁾	
Directors or chief executive and their associates 董事或主要行政人員及彼等的聯繫人													
Mr. ZOU Qifang 鄒其芳先生	October 1, 2021 2021年10月1日	N/A 不適用	10,196,300	-	5,098,150	-	-	7,988	10,188,312		5.52	42,143,083	
Ms. Qin Jessie XIN 辛勤女士	October 1, 2021 2021年10月1日	N/A 不適用	1,125,000	-	562,500	-	-	-	1,125,000	October 1, 2021- March 22, 2024	9.38	3,194,762	
Mr. ZHANG Jincui 章錦才先生	October 1, 2021 2021年10月1日	N/A 不適用	1,500,000	-	750,000	-	-	675,000	825,000	2021年10月1日 至2024年3月22日	1.56	9,667,961	
Mr. ZOU Jianlong 鄒劍龍先生	October 1, 2021 2021年10月1日	N/A 不適用	3,813,650	-	1,906,825	-	-	-	3,813,650		6.07	14,715,891	
Five highest paid individuals during the Reporting Period (excluding Directors) 報告期內五名最高薪人士(除董事外)													
	October 1, 2021 2021年10月1日	N/A 不適用	7,900,777	-	3,550,388	-	-	541,626	7,359,151	October 1, 2021- March 22, 2024 2021年10月1日至 2024年3月22日	5.41	34,232,707	
Other employees 其他僱員													
	October 1, 2021 2021年10月1日	N/A 不適用	67,187,798	-	32,926,044	2,953,463	-	3,311,424	60,922,911	October 1, 2021- March 22, 2024 2021年10月1日 至2024年3月22日	6.54	194,622,358	
Total: 總計:			91,723,525	-	44,793,907	2,953,463	-	4,536,038	84,234,024		6.28	298,576,762	

Notes:

- The vesting of the RSUs granted are not subject to any performance targets.
- The fair value of RSUs at the date of grant was calculated in accordance with the accounting standards and policies adopted for preparing the financial statements.

附註:

- 已授出受限制股份單位的歸屬並不受限於任何績效目標。
- 受限制股份單位於授出日期的公允價值乃根據編製財務報表所採用的會計準則及政策計算。

Directors' Report

董事會報告

2022 RSU Scheme

The 2022 RSU Scheme was approved and adopted by the Board on September 3, 2022, the principal terms of which are set out in the announcement of the Company dated September 5, 2022. The purpose of the 2022 RSU Scheme is to attract, retain and motivate our Directors and employees, and to provide a means of compensating them through the Awards for their contribution to the growth and profits of the Group, and to allow such Directors and employees to participate in the growth and profitability of the Group.

The Participants of the Scheme

The Board may, from time to time, at its absolute discretion select any of (i) the employee (whether full time or part time) of the Company or its subsidiaries; and (ii) any Director, or any director of any of the subsidiaries as a selected participant and determine the RSUs for each of them.

Maximum Number of Shares Available for Subscription

The Board shall not make any further awards which will result in the nominal value of the underlying Shares under the 2022 RSU Scheme exceeding 10% of the issued shares of the Company as at September 3, 2022.

Pursuant to the 2022 RSU Scheme, the Underlying Shares will be satisfied by the existing Shares to be acquired by the Trustee on the market based on the trading price of the market. The maximum number of the Underlying Shares which may be transferred or paid-out in settlement of all RSUs to be granted to any Selected Participants under the 2022 RSU Scheme shall not exceed 1% of the issued shares of the Company from time to time in any 12-month period.

Term

The 2022 RSU Scheme shall be valid and effective for the period of ten years commencing on September 3, 2022, with a remaining life of approximately nine years and two month as of the date of this annual report, after which period no further Awards will be granted.

2022年受限制股份單位計劃

2022年受限制股份單位計劃於2022年9月3日獲董事會批准及採納，其主要條款載於本公司日期為2022年9月5日的公告。2022年受限制股份單位計劃旨在吸引、挽留及激勵董事及僱員，並透過授予獎勵的方式酬謝彼等為本集團發展及利潤所作出的貢獻，以及讓該等董事及僱員分享本集團發展及盈利。

計劃的參與者

董事會可不時以其絕對酌情權甄選(i)本公司或其子公司僱員(無論是全職或兼職);及(ii)任何董事或子公司的任何董事作為獲甄選參與者，並釐定彼等各自獲授的受限制股份單位。

可供認購的股份最高數目

董事會不得作出任何進一步獎勵，而導致2022年受限制股份單位計劃下的相關股份面值超過本公司於2022年9月3日已發行股份的10%。

根據2022年受限制股份單位計劃，相關股份將以受託人於市場上按照市場交易價購買的現有股份支付。因結算根據2022年受限制股份單位計劃將授予任何獲甄選參與者的所有受限制股份單位而可能轉讓或支付的相關股份的最高數目，不得超過本公司於任何12個月期間不時已發行股份的1%。

期限

2022年受限制股份單位計劃自2022年9月3日起有效期為十年，截至本年報日期剩餘期限約為九年零兩個月，在此期限後將不再授予獎勵。

Directors' Report

董事會報告

Vesting

The Board will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of RSUs that will be paid-out to the selected participant(s). The Board may set vesting criteria based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the Board in its discretion. The vesting schedules are stipulated in the respective award agreement(s) between the Company and the selected participant(s).

Grant of RSUs

As of the date of this annual report, no employees were approved by the Board to be the grantees pursuant to the 2022 RSU Scheme. No Shares were purchased for the purpose of 2022 RSU scheme since January 1, 2023.

Kastle Limited, the trustee of the RSU Scheme and 2022 RSU Scheme, who is currently holding unvested shares with voting rights attached will abstain from voting on any resolutions at the general meeting.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time for the year ended March 31, 2023 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.

歸屬

董事會將酌情訂立歸屬標準，有關標準（視乎標準達成的程度而定）將釐定支付予獲甄選參與者的受限制股份單位數目。董事會可根據本公司整體、業務單位或個人目標（包括但不限於持續受僱或提供服務）的達成程度或董事會所酌情釐定的任何其他基準訂立歸屬標準。歸屬時間表於本公司與獲甄選參與者之間各獎勵協議中訂明。

授出受限制股份單位

截至本年報日期，根據2022年受限制股份單位計劃，概無任何僱員獲董事會批准成為承授人。自2023年1月1日起，沒有股份為2022受限制股份單位計劃被回購。

嘉士圖有限公司（為受限制股份單位計劃及2022年受限制股份單位計劃的受託人，目前持有附帶投票權的未歸屬股份）將在股東大會上就任何決議案放棄投票。

董事購買股份或債權證的權利

除本年報所披露者外，本公司或其任何子公司於截至2023年3月31日止年度任何時間概無訂立任何安排，使董事可藉購入本公司或任何其他法團的股份或債權證而獲益；且概無董事或其配偶或不滿18歲之子女有權認購本公司或任何其他法團之股本或債務證券或已行使任何有關權利。

Directors' Report

董事會報告

EMOLUMENT POLICY AND DIRECTORS' REMUNERATION

In compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code, the Company has established the Remuneration Committee to formulate remuneration policies. The remuneration is determined and recommended based on each Director's and senior management personnel's qualification, position, performance and experience. As for the independent non-executive Directors, their remuneration is determined by the Board upon recommendation from the Remuneration Committee. The Directors and the senior management personnel are eligible participants of the RSU Scheme and the 2022 RSU Scheme.

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

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

None of the Directors were paid discretionary bonuses for the year ended March 31, 2023.

CONNECTED TRANSACTIONS

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

薪酬政策及董事薪酬

本公司已根據上市規則第3.25條及企業管治守則成立本公司薪酬委員會，以制定薪酬政策。薪酬乃基於各董事及高級管理人員的資歷、職位、表現及經驗釐定及建議。獨立非執行董事的薪酬由董事會根據薪酬委員會的建議釐定。董事及高級管理人員均為受限制股份單位計劃及2022年受限制股份單位計劃的合資格參與者。

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

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

截至2023年3月31日止年度，概無董事獲授酌情花紅。

關連交易

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

Directors' Report

董事會報告

Medical Product Procurement Framework Agreement

Principal Terms

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

Year

年度

For the year ended March 31, 2022

截至2022年3月31日止年度

For the year ending March 31, 2023

截至2023年3月31日止年度

For the year ending March 31, 2024

截至2024年3月31日止年度

Annual Cap

年度上限

RMB22 million

人民幣22百萬元

RMB33 million

人民幣33百萬元

RMB39 million

人民幣39百萬元

For the year ended March 31, 2023, the aggregate transaction amount incurred in accordance with the Medical Product Procurement Framework Agreement was RMB25.5 million.

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

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

醫療產品採購框架協議

主要條款

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

截至2023年3月31日止年度，根據醫療產品採購框架協議產生的交易總額為人民幣25.5百萬元。

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

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

Directors' Report

董事會報告

Reasons for and Benefits of the Transaction

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

The Subscription of the Registered Capital of Jinyaori Medical and the Licensing Agreement

On November 3, 2022, Shenzhen Ruijian, a consolidated affiliated entity of the Company, entered into a cooperation agreement (the "**Cooperation Agreement**") with Hangzhou Jarvis and Hangzhou Jinyaori Medical Technology Company Limited (杭州金曜日醫療科技有限公司) ("**Jinyaori Medical**"), pursuant to which Shenzhen Ruijian agreed to subscribe for 20% of the registered capital of Jinyaori Medical at the subscription amount of RMB30 million. Upon completion of the subscription, Jinyaori Medical will be owned as to 20% and 80% by Shenzhen Ruijian and Hangzhou Jarvis respectively. On the same day, Beijing Ruier, a wholly-owned subsidiary of the Company, entered into a licensing agreement (the "**Licensing Agreement**") with Jinyaori Medical, pursuant to which Beijing Ruier shall license certain intellectual property rights to Jinyaori Medical for a term of three years. Please refer to the announcement of the Company dated November 3, 2022 for details.

In consideration of the licensing of the intellectual property rights under the Licensing Agreement, Jinyaori Medical shall pay Beijing Ruier a royalty fee equal to 20% of the Annual Membership Contract Revenue* for each 12-month period during the licensing term, payable within one month from the end of each 12-month period.

* Annual Membership Contract Revenue means the net sales generated from the sale of membership products based on the licensed intellectual property rights, minus the marketing expenses and other licensing-related expenses.

進行交易的理由及裨益

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

認購金曜日醫療的註冊資本及許可協議

於2022年11月3日，本公司的併表關聯實體深圳瑞健與杭州佳沃思及杭州金曜日醫療科技有限公司（「**金曜日醫療**」）訂立合作協議（「**合作協議**」），據此，深圳瑞健同意認購金曜日醫療20%註冊資本，認購金額為人民幣30百萬元。於認購事項完成後，金曜日醫療將分別由深圳瑞健及杭州佳沃思擁有20%及80%。於同日，本公司的全資子公司北京瑞爾與金曜日醫療訂立許可協議（「**許可協議**」），據此，北京瑞爾許可金曜日醫療使用若干知識產權，為期三年。詳情請參閱本公司日期為2022年11月3日的公告。

作為許可協議項下知識產權許可的對價，金曜日醫療應向北京瑞爾支付相當於許可期內每12個月的年度會員合約收入*20%的許可費，於每12個月期末後一個月內支付。

* 年度會員合約收入指根據許可知識產權銷售會員產品所產生的淨銷售額，減去營銷開支及其他許可相關費用。

Directors' Report

董事會報告

The aggregate annual amount of royalty fees to be paid by Jinyaori Medical to Beijing Ruier for the three years ending March 31, 2023, 2024 and 2025 shall not exceed RMB0.86 million, RMB4.00 million and RMB9.57 million respectively. In determining the above proposed annual caps for the royalty fees to be paid by Jinyaori Medical to Beijing Ruier, the Directors have considered, among others, (i) the expected significant growth in the digital membership business engaged by Jinyaori Medical in 2024 and beyond based on its business strategies and market trends; (ii) the confidence in the management team of Jinyaori Medical and the synergies to be generated in light of the cooperation with the Group; and (iii) the ratio of royalty fee calculated based on the Annual Membership Contract Revenue.

For the year ended March 31, 2023, the aggregate transaction amount incurred in accordance with the Licensing Agreement was nil.

As of the date of this annual report, Hangzhou Jarvis is owned as to 56.9% by Ms. Zou Jin, the daughter of Mr. Zou Qifang. As Mr. Zou is the executive Director, chairman and chief executive officer as well as the Controlling Shareholder, Hangzhou Jarvis is a connected person of the Company under Rule 14A.07 of the Listing Rules. Accordingly, the entering into (i) the Cooperation Agreement and the transactions contemplated thereunder constitute connected transaction for the Company; and (ii) the Licensing Agreement and transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio exceeds 0.1% but less than 5%, each of (i) the Subscription as contemplated under the Cooperation Agreement and (ii) the transactions contemplated under the Licensing Agreement is subject to the reporting and announcement requirements but is exempt from the circular and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

金曜日醫療於截至2023年、2024年及2025年3月31日止三個年度向北京瑞爾支付的年度許可費總額分別不得超過人民幣0.86百萬元、人民幣4.00百萬元及人民幣9.57百萬元。於釐定上述金曜日醫療向北京瑞爾所支付許可費的建議年度上限時，董事已考慮（其中包括）(i)根據業務策略及市場趨勢，金曜日醫療所從事的數字化會員業務預期於2024年及之後會顯著增長；(ii)對金曜日醫療管理團隊抱有信心及與本集團合作產生的協同效應；及(iii)根據年度會員合約收入計算的許可費比率。

截至2023年3月31日止年度，根據許可協議產生的總交易額為零元。

截至本年報日期，杭州佳沃思由鄒其芳先生的女兒鄒瑾女士擁有56.9%。由於鄒先生為執行董事、董事長、首席執行官以及控股股東，故根據上市規則第14A.07條，杭州佳沃思為本公司的關連人士。因此，根據上市規則第十四A章，訂立(i)合作協議及其項下擬進行的交易構成本公司的關連交易；及(ii)許可協議及其項下擬進行的交易構成本公司的持續關連交易。由於最高適用百分比率超過0.1%但低於5%，故(i)合作協議項下擬進行的認購事項；及(ii)許可協議項下擬進行的交易各自須遵守上市規則第十四A章項下的申報及公告規定，惟獲豁免遵守通函及獨立股東批准規定。

Directors' Report

董事會報告

The Company believes that the cooperation as contemplated under the Cooperation Agreement and the Licensing Agreement will create synergy to the Group, including but not limited to: (1) enhancing the operational level of the Group in terms of professional skills; (2) further expanding the recognition of the Group in the corresponding fields; and (3) providing the Company with a more stable business environment and operation structure. With the business growth of Jinyaori Medical, the Company will further optimize the management system of dental clinics, the continuing education of dental clinics, and at the same time increase the private operation service of clinic, which will bring a favorable impact on the profitability of the Company, which is in line with the Company's and the interests of shareholders as a whole.

Annual Review and Confirmation by the Auditor of the Company

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and with reference to Practice Note 740 (Revised), Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unmodified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group on pages 123 to 132 of the Annual Report in accordance with Main Board Listing Rule 14A.56. A copy of the auditor's letter has been provided by the Company to The Stock Exchange of Hong Kong Limited.

Annual Review by the Independent Non-executive Directors

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

本公司相信，合作協議及許可協議項下擬進行的合作將為本集團帶來協同效應，包括但不限於：(1)提高本集團在專業技能方面的運營水平；(2)進一步擴大本集團在相應領域的知名度；及(3)為本公司提供更加穩定的商業環境及運營架構。隨著金曜日醫療業務發展，本公司將進一步優化口腔診所的管理制度、口腔診所的繼續教育，同時增加診所的私營服務，此舉將對本公司的盈利能力帶來有利影響，符合本公司及股東的整體利益。

本公司審計師出具的年度審閱及確認書

本公司的審計師獲委聘根據由香港會計師公會頒佈的香港核證委聘準則第3000號(經修訂)「審核或審閱過往財務資料以外的核證委聘」並參考實務說明第740號(經修訂)「香港上市規則項下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。審計師已根據主板上市規則第14A.56條發出載有其對本集團在本年報第123至132頁披露的持續關連交易的事實及結論的無保留意見函件。本公司已將該審計師函件副本呈交香港聯合交易所有限公司。

獨立非執行董事的年度審閱

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

Directors' Report

董事會報告

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

Provision of Loan and Pledge of Shares

On September 28, 2022, the Company entered into a loan agreement (the “**Loan Agreement**”) with Beier Holdings Limited (“**Beier**”), pursuant to which the Company agreed to provide a loan facility in the principal amount of US\$11 million at an interest rate of 4.5% per annum to Beier for a term of 9 months to finance the repayment of the existing loan. Please refer to the announcement of the Company dated September 29, 2022 for details.

On June 27, 2023, the Company and Beier entered into an amendment agreement to the Loan Agreement (the “**Amendment Agreement**”), pursuant to which the Company and Beier conditionally agreed that, among others, (i) the term of the Loan shall be extended for a period from 9 months to 18 months commencing from the September 30, 2022, and (ii) the interest rate of the Loan shall be revised from 4.5% to 5.5% per annum. In addition, to cover the liabilities and obligations of Beier under the Amendment Agreement, Beier pledged 9,920,675 ordinary shares of the Company held by it in favour of the Company as security for the extended Loan. Please refer to the announcement of the Company dated June 27, 2023 for details.

Beier is a company incorporated in BVI with limited liability and wholly-owned by Mr. ZOU Qifang. Mr. Zou is the controlling shareholder of the Company and therefore a connected person of the Company. Hence, the provision of the Loan constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As all applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of the Loan are more than 0.1% but less than 5%, the provision of the Loan is subject to the reporting and announcement requirements but is exempt from the circular and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

有關醫療產品採購框架協議的進一步詳情，請參閱招股章程「關連交易」一節。

提供貸款及股份質押

於2022年9月28日，本公司與Beier Holdings Limited（「**Beier**」）訂立貸款協議（「**貸款協議**」），據此，本公司同意向Beier提供本金額為11百萬美元的貸款融資，按年利率4.5%計息，期限為9個月，用於為償還現有貸款作再融資。有關詳情，請參閱本公司日期為2022年9月29日的公告。

於2023年6月27日，本公司與Beier訂立貸款協議的修訂協議（「**修訂協議**」），據此，本公司與Beier已有條件同意（其中包括）(i)將貸款的期限由2022年9月30日起計9個月延展至18個月及(ii)將貸款年利率由4.5%修訂為5.5%。此外，為保障Beier在修訂協議項下的責任及義務，Beier已將其持有的9,920,675股本公司普通股抵押予本公司，作為延期貸款的擔保。有關詳情，請參閱本公司日期為2023年6月27日的公告。

Beier為於英屬維爾京群島註冊成立的公司，並由鄒其芳先生全資擁有。鄒先生為本公司控股股東，因此Beier為本公司的關連人士。因此，根據上市規則第十四A章，提供貸款構成本公司的關連交易。由於有關提供貸款的所有適用百分比率（定義見上市規則第14.07條）均高於0.1%但低於5%，故提供貸款須遵守上市規則第十四A章項下的申報及公告規定，惟獲豁免遵守通函及獨立股東批准規定。

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The Loan will be used primarily by Beier to refinance the Beier's acquisition cost of 9,920,675 Shares in series D-3 pre-IPO investment conducted in December 2017. Given that (i) Mr. Zou's acquisition of interests in the Company shows support and commitment to the Company as Mr. Zou is very confident in the prospects and long term goal of the Company; (ii) the Company will receive interest for the Loan at the rate of 4.5% per annum in short term which is higher than the interest rate of fixed deposits offered by banks in the PRC and the provision of Loan can broaden the source of income of the Group; and (iii) there is no substantial negative impact to the Company's operation and financial performance for granting the Loan, the provision of Loan is considered to be favorable to the Company. Accordingly, the Directors (including the independent non-executive Directors) consider that the provision of the Loan, although not in the ordinary course of business of the Company, is on normal commercial terms or better and the terms of the Loan Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

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

CONTRACTUAL ARRANGEMENTS

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

貸款將主要由Beier用作再融資Beier在2017年12月進行的D-3輪首次公開發售前投資中9,920,675股股份的收購成本。鑑於(i)鄒先生對本公司前景及長遠目標充滿信心，故鄒先生收購本公司股權展示對本公司的支持及承諾；(ii)短期內本公司將按年利率4.5%收取貸款利息，此利率高於中國的銀行所提供的定期存款利率，且提供貸款可擴闊本集團的收入來源；及(iii)授出貸款對本公司的經營及財務表現並無重大負面影響，故提供貸款被認為對本公司有利。因此，董事（包括獨立非執行董事）認為，儘管提供貸款並非於本公司的正常業務過程中進行，惟其乃按一般商業條款或更佳條款訂立，且貸款協議及其項下擬進行的交易的條款屬公平合理，並符合本公司及股東的整體利益。

除上文所披露者及下文「合同安排」一節所披露的合同安排外，我們於報告期內並無訂立任何根據上市規則第14A.49條及第14A.71條須予披露之關連交易或持續關連交易。

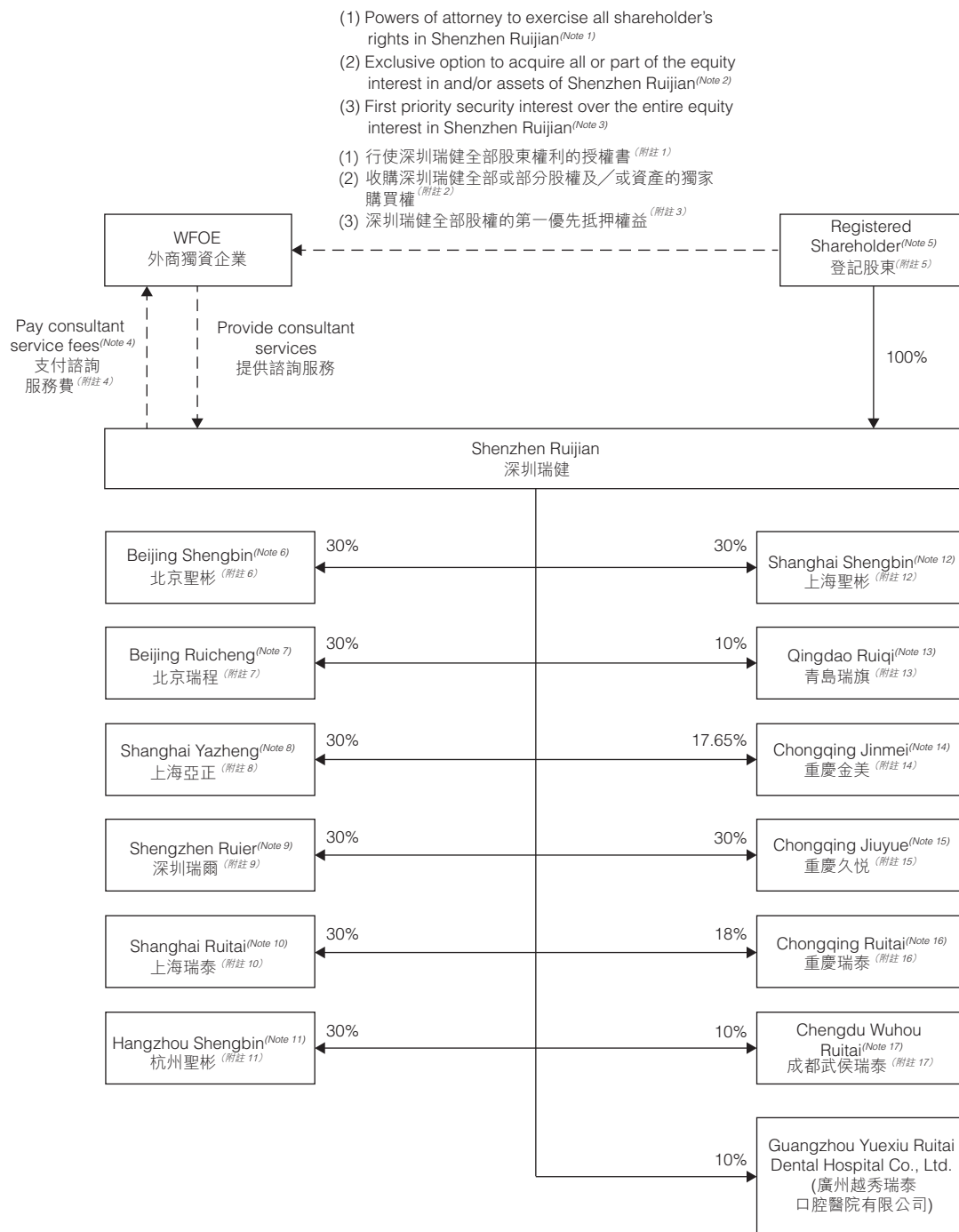
合同安排

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

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



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Notes:

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

附註：

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

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

Summary of the Contractual Arrangements

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

(i) *Exclusive Operation Services Agreement*

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

合同安排概要

構成合同安排的各特定協議簡述載列如下。

(i) *獨家運營服務協議*

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

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

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

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

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

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

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

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

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

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

(ii) Exclusive Option Agreement

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

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

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

(ii) 獨家購買權協議

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

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

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

- (i) she will not transfer or otherwise dispose or create any encumbrances on any of her equity interest in Shenzhen Ruijian;
- (ii) she will not increase, decrease or change the structure of the registered capital of Shenzhen Ruijian, and shall not approve Shenzhen Ruijian to merge, consolidate with, acquire or invest in any entity;
- (iii) she will not dispose or cause the management of Shenzhen Ruijian to dispose any material assets with a fair value above RMB500,000;
- (iv) she will not terminate or cause the management of Shenzhen Ruijian to terminate any material contracts with a value above RMB500,000, or enter into any agreements that contradicts with the material contracts that currently in force;
- (v) she will not appoint or change any director, supervisor or any other management personnel of Shenzhen Ruijian that should be appointed by the Registered Shareholder;
- (vi) she will not cause or permit the distribution of any distributable profits and dividends;
- (vii) she will not amend the articles of association of Shenzhen Ruijian;
- (viii) she will not cause or permit Shenzhen Ruijian to provide any loan or guarantee in any kind, or undertake any substantive duties other than in the ordinary course of business;
- (ix) she will not cause or permit Shenzhen Ruijian to enter into any transaction or take any action that may affect its assets, rights, duties and operation; and
- (x) she will not directly or indirectly engage, possess or acquire any business which competes or is likely to compete with the business of Shenzhen Ruijian.

登記股東(其中包括)已承諾,在未取得北京瑞爾事先書面同意的情况下:

- (i) 其將不會轉讓或以其他方式出售深圳瑞健的任何股權或就此增設任何產權負擔;
- (ii) 其將不會增加、減少深圳瑞健的註冊資本或改變其結構,亦不會批准深圳瑞健合併、與之整合、收購或投資於任何實體;
- (iii) 其將不會出售或促使深圳瑞健的管理層出售任何公允價值高於人民幣500,000元的重大資產;
- (iv) 其將不會終止或促使深圳瑞健的管理層終止任何價值高於人民幣500,000元的重大合同,或訂立任何與目前生效的重大合同相悖的協議;
- (v) 其將不會委任或更換應由登記股東委任的深圳瑞健任何董事、監事或任何其他管理人員;
- (vi) 其將不會促使或允許分派任何可分配利潤及股息;
- (vii) 其將不會修訂深圳瑞健的公司章程;
- (viii) 其將不會促使或允許深圳瑞健於日常業務過程之外提供任何貸款或實物擔保或承擔任何重大責任;
- (ix) 其將不會促使或允許深圳瑞健訂立可能影響其資產、權利、職責及業務的任何交易或採取任何行動;及
- (x) 其將不會直接或間接參與、持有或收購任何與深圳瑞健的業務構成競爭或可能構成競爭的業務。

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

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

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

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

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(iii) *Entrustment Agreement and Powers of Attorney*

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

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

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

(iii) 委託協議和授權書

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

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

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

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

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

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

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

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(iv) Equity Pledge Agreement

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

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

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

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

(iv) 股權質押協議

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

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

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

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

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Reasons for adopting the Contractual Arrangements

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

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

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

採納合同安排的理由

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

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

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

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Risks relating to the Contractual Arrangements

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

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

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

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

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

與合同安排有關的風險

合同安排存在若干相關風險，包括：

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

本集團為減輕與合同安排有關的風險所採取的行動

本集團已採取以下措施以確保在實施和遵守合同安排的情況下有效經營：

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

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

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

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

上市規則涵義及聯交所豁免

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

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

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Material Change or Termination of the Contractual Arrangements

During the year ended March 31, 2023, (i) there were no new contractual arrangements entered into, renewed or reproduced between the Group and the VIE Entities, (ii) there were no material changes in the Contractual Arrangements or the circumstances under which they were adopted, and (iii) none of the structured contracts under the Contractual Arrangements mentioned above has been unwound as none of the restrictions that led to the adoption of structured contracts under the Contractual Arrangements have been removed.

Annual Review

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

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

- (a) the transactions carried out during the year ended March 31, 2023 have been entered into in accordance with the relevant provisions of the Contractual Arrangements, and that the profit generated by the VIE Entities has been substantially retained by Beijing Ruier;
- (b) no dividends or other distributions have been made by the VIE Entities or any non-wholly owned subsidiary of the Group to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group; and
- (c) other than the Contractual Arrangements, no new contracts have been entered into, renewed and/or reproduced between the Group and the VIE Entities during the year ended March 31, 2023.

合同安排的重大變動或終止

截至2023年3月31日止年度，(i)本集團與可變利益實體之間並未訂立、重新或複製新的合同安排，(ii)合同安排或採納合同安排的情況沒有發生重大變動，及(iii)由於導致採納合同安排項下結構性合同的限制概未獲解除，故上述合同安排項下的結構性合同概未獲解除。

年度審閱

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

獨立非執行董事已審閱合同安排並確認：

- (a) 於截至2023年3月31日止年度進行的交易已按照合同安排的相關規定進行，以及可變利益實體產生的利潤基本由北京瑞爾保留；
- (b) 可變利益實體或本集團的任何非全資子公司並無向其股權持有人分派任何其後未以其他方式轉讓或轉撥予本集團的股息或作出其他分派；及
- (c) 除合同安排外，截至2022年3月31日止年度，本集團與可變利益實體之間並無訂立、重續及／或複製新合同。

Directors' Report

董事會報告

The Company's auditor was engaged to report on the Contractual Arrangement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and with reference to Practice Note 740 (Revised), Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unmodified letter containing his findings and conclusions in respect of the Contractual Arrangement. A copy of the auditor's letter has been provided by the Company to The Stock Exchange of Hong Kong Limited.

CONTRACT OF SIGNIFICANCE

Save as disclosed in the section headed "Connected Transactions" and "Contractual Arrangements" above, no contract of significance was entered into between the Company, or one of its subsidiary companies, and any of its Controlling Shareholders or subsidiaries for the year ended March 31, 2023.

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

Save for the 5,291,000 Shares purchased by Arrail Revival Holdings Limited, a limited liability company set up by the Company as a platform holding underlying Shares for the 2022 RSU Scheme, at cash consideration of HK\$39.3 million on the Stock Exchange for 2022 RSU Scheme, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company during the Reporting Period.

PURCHASE OF WEALTH MANAGEMENT PRODUCT

As at March 31, 2023, the Group invested in the wealth management products from GF Global Capital Limited amounting to US\$20,263,000 (equivalent to RMB139,240,000).

As at March 31, 2023, the Group invested in the wealth management products from Huatai International Financial Products Limited amounting to US\$16,402,000 (equivalent to RMB112,710,000).

本公司的審計師獲委聘根據由香港會計師公會頒佈的香港核證委聘準則第3000號(經修訂)「審核或審閱過往財務資料以外的核證委聘」並參考實務說明第740號(經修訂)「香港上市規則項下持續關連交易的核數師函件」就合同安排作出報告。審計師已發出載有合同安排的事實及結論的無保留意見函件。本公司已將該審計師函件副本呈交香港聯合交易所有限公司。

重大合同

除上文「關連交易」及「合同安排」各節所披露者外，於截至2023年3月31日止年度，本公司或其其中一家子公司概無與其任何控股股東或子公司訂立任何重大合同。

購買、出售或贖回本公司上市證券

Arrail Revival Holdings Limited(本公司就2022年受限制股份單位計劃成立的有限公司，作為持有相關股份的平台)就2022年受限制股份單位計劃以現金對價39.3百萬港元在聯交所購買5,291,000股股份，除此之外，於報告期內，本公司或其任何子公司概無購買、出售或贖回本公司任何上市證券。

購買理財產品

截至2023年3月31日，本集團於廣發全球資本有限公司發行的理財產品的投資額為20,263,000美元(相等於人民幣139,240,000元)。

截至2023年3月31日，本集團於華泰國際金融產品有限公司發行的理財產品的投資額為16,402,000美元(相等於人民幣112,710,000元)。

Directors' Report

董事會報告

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

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration for the year ended March 31, 2023. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the year ended March 31, 2023.

USE OF PROCEEDS FROM GLOBAL OFFERING

The Company's Shares were listed on the Stock Exchange on March 22, 2022. The net proceeds from the Global Offering amounted to approximately HK\$589.9 million. The net proceeds from the Global Offering will be utilized in the same manner and proportion as set out in the Prospectus under the section headed "Future Plans and Use of Proceeds".

上述理財產品的資金來源為本集團非即時用於運營或資本支出的內部資金，而非首次公開發售所得款項。購買上述理財產品被視為本集團資金管理的一部分，以提高閒置資金的利用率，從而帶來更高的資本回報率。此外，本公司在購買理財產品時已考慮到日常經營的資金需求及資本支出，並釐定各自的認購金額。購買上述理財產品不會影響本公司的日常經營。就董事經作出一切合理查詢後所知、所悉及所信，廣發全球資本有限公司、華泰國際金融產品有限公司及其最終實益擁有人均為獨立於本公司及其關連人士的第三方。

重大訴訟

截至2023年3月31日止年度，本公司並無涉及任何重大訴訟或仲裁。董事亦不知悉截至2023年3月31日止年度本集團有任何未決或面臨的重大訴訟或申索。

全球發售所得款項用途

本公司股份於2022年3月22日在聯交所上市。全球發售所得款項淨額約為589.9百萬港元。全球發售淨所得款項將按招股章程「未來計劃及所得款項用途」一節所載的相同方式及比例動用。

Directors' Report

董事會報告

For the Reporting Period, the Company had used the net proceeds from the Global Offering for the following purposes:

報告期內，本公司已將全球發售淨所得款項用於以下用途：

	Amount of net proceeds for the relevant use	Percentage of total net proceeds	Unutilized net proceeds as of April 1, 2022	Utilization during the year ended March 31, 2023	Unutilized net proceeds as of March 31, 2023	Expected timeframe for unutilized net proceeds
	用於相關用途的淨所得款項	佔合計淨所得款項的百分比	截至2022年4月1日的未動用淨所得款項	截至2023年3月31日止年度動用	截至2023年3月31日的未動用淨所得款項	未動用淨所得款項預期時間表
	HK\$ million 百萬港元	% 百分比	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元	
Business expansion						
業務擴張						
Increase penetration and grow footprint in existing and emerging Tier-1 cities in China and existing Tier-2 cities in China	324.4	55.0%	324.4	49.2	275.2	over the next five years
中國現有及新興一線城市及中國現有二線城市提高滲透率並擴大覆蓋的地域						未來五年內
Expansion into new key Tier-2 cities in China	118.0	20.0%	118.0	25.0	93.0	over the next five years
擴張至中國新的核心二線城市						未來五年內
Subtotal	442.4	75.0%	442.4	74.2	368.2	
小計						
Build and optimize IT infrastructure	88.5	15.0%	88.5	35.0	53.5	over the next five years
建設及優化信息技術基礎設施						未來五年內
Working capital	59.0	10.0%	59.0	7.9	51.1	over the next five years
營運資金						未來五年內
Total	589.9	100.0%	589.9	117.1	472.8	
總計						

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

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

Directors' Report

董事會報告

PUBLIC FLOAT

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

AUDITOR

PricewaterhouseCoopers has audited the consolidated financial statements for the year ended March 31, 2023. A resolution regarding the re-appointment of PricewaterhouseCoopers as the Group's auditor will be proposed at the AGM. There is no change of auditor of the Company in the past three years.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

On September 28, 2022, the Company and Beier Holdings Limited ("Beier") entered into a loan agreement (the "Loan Agreement"), pursuant to which the Company provided a loan facility to Beier in an aggregate principal amount of US\$11,000,000 (equivalent to RMB77,164,000) (the "Loan"). The Loan was drawn down by Beier in full on September 30, 2022. The Loan was unsecured, interest bearing at 4.5% per annum, and repayable in nine months from the date of utilisation.

On June 27, 2023, the Company and Beier entered into an amendment agreement to the Loan Agreement (the "Amendment Agreement"), pursuant to which the Company and Beier conditionally agreed that, among others, (i) the term of the Loan shall be extended for a period from 9 months to 18 months commencing from the September 30, 2022, and (ii) the interest rate of the Loan shall be revised from 4.5% to 5.5% per annum. In addition, to cover the liabilities and obligations of Beier under the Amendment Agreement, Beier pledged 9,920,675 ordinary shares of the Company held by it in favour of the Company as security for the extended Loan. Save for the above, all the material terms and conditions of the Loan Agreement remain unchanged and in force and effect.

Save as disclosed above and elsewhere in this annual report, there have been no other material events subsequent to the year ended March 31, 2023 and up to the date of this annual report, which require adjustment or disclosure in accordance with IFRSs.

公眾持股量

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

審計師

羅兵咸永道會計師事務所已審核截至2023年3月31日止年度的合併財務報表。本公司於股東週年大會上將提呈一項有關續聘羅兵咸永道會計師事務所為本集團審計師的決議案。於過去三年本公司審計師並無變動。

報告期後重要事項

於2022年9月28日，本公司與Beier Holdings Limited (「Beier」) 訂立貸款協議 (「貸款協議」)，據此，本公司向Beier提供本金總額為11,000,000美元 (相等於人民幣77,164,000元) 的貸款融資 (「貸款」)。於2022年9月30日，貸款已由Beier全額提取。貸款為無抵押、按年利率4.5%計息且須於動用日期起計九個月內償還。

於2023年6月27日，本公司與Beier訂立貸款協議的修訂協議 (「修訂協議」)，據此，本公司與Beier已有條件同意 (其中包括) (i) 將貸款的期限由2022年9月30日起計9個月延展至18個月及(ii) 將貸款年利率由4.5%修訂為5.5%。此外，為保障Beier在修訂協議項下的責任及義務，Beier已將其持有的9,920,675股本公司普通股抵押予本公司，作為延期貸款的擔保。除上述者外，貸款協議的所有主要條款及條件維持不變，並具有十足效力和有效。

除上文及本年報其他部分另有披露者外，於截至2023年3月31日止年度後及直至本年報日期，並無任何其他重大事項須根據國際財務報告準則進行調整或披露。

Directors' Report

董事會報告

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

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

ANNUAL GENERAL MEETING AND CLOSURE OF THE REGISTER OF MEMBERS

For determining the entitlement of the Shareholders to attend the AGM of the Company to be held on Tuesday, September 26, 2023, the register of members of the Company will be closed from Thursday, September 21, 2023 to Tuesday, September 26, 2023, both days inclusive. In order to be eligible to attend and vote at the AGM, all transfer accompanied by the relevant share certificates and transfer forms must be lodged with the Company's 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 before 4:30 p.m. on Wednesday, September 20, 2023.

By Order of the Board

Arrail Group Limited
Mr. ZOU Qifang
Chairman

Beijing, PRC, June 27, 2023

重大投資及資本資產的未來計劃

除於本年報披露者外，我們並無任何重大投資及資本資產計劃。

股東週年大會及暫停辦理股份過戶登記

為確定股東出席本公司將於2023年9月26日(星期二)舉行的股東週年大會的資格，本公司將自2023年9月21日(星期四)至2023年9月26日(星期二)(包括首尾兩日)暫停辦理本公司的股份過戶登記手續。為符合資格出席股東週年大會及於會上投票，所有過戶文件連同相關股票及過戶表格須於2023年9月20日(星期三)下午四時三十分前送交本公司的香港股份過戶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號舖。

承董事會命

瑞爾集團有限公司
主席
鄒其芳先生

中國北京，2023年6月27日

Corporate Governance Report

企業管治報告

The Board presents this corporate governance report in the Group's annual report for the year ended March 31, 2023.

CORPORATE GOVERNANCE PRACTICES

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

The Company had complied with all the applicable code provisions under the Corporate Governance Code during the Reporting Period, save and except for deviation from code provisions C.2.1 and C.5.7 of the Corporate Governance Code. Details of the deviation from code provision C.2.1 of the Corporate Governance Code are explained in the section "Chairman and chief executive officer" of this corporate governance report.

As for the deviation from code provision C.5.7 of the Corporate Governance Code, pursuant to such code provision, if a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. Independent non-executive directors who, and whose close associates, have no material interest in the transaction should be present at that board meeting. During the Reporting Period, the Board approved the connected transaction in respect of the provision of loan to Mr. Zou, the controlling shareholder of the Company, by passing a written resolution. The Board is of the view that taking into account the requirements of pandemic prevention and control and also in order to facilitate the efficiency of decision-making and implementation, it is decided to approve the transaction by way of written resolutions. Furthermore, Mr. Zou abstained from voting on the relevant Board resolutions.

董事會在本集團截至2023年3月31日止年度的年報中呈列本企業管治報告。

企業管治常規

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

本公司於報告期內已遵守企業管治守則項下的所有適用守則條文，惟偏離企業管治守則守則條文第C.2.1及C.5.7條除外。偏離企業管治守則守則條文第C.2.1條的詳情於本企業管治報告「主席及首席執行官」一節闡釋。

就有關偏離企業管治守則守則條文第C.5.7條，根據有關守則條文，若有大股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突，有關事項應以舉行董事會會議（而非書面決議）方式處理。在交易中本身及其緊密聯繫人均沒有重大利益的獨立非執行董事應該出席有關的董事會會議。於報告期內，董事會以通過書面決議的方式批准向本公司控股股東鄒先生提供貸款的關連交易。董事會認為，考慮到疫情防控要求及為提高決策及執行效率，其決定以書面決議方式批准該交易。此外，鄒先生已就相關董事會決議案放棄投票。

Corporate Governance Report

企業管治報告

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

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

THE BOARD

Board Composition

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

Executive Directors

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

Independent non-executive Directors

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

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

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

董事進行證券交易的標準守則

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

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

董事會

董事會組成

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

執行董事

鄒其芳先生(主席)
 辛勤女士
 章錦才先生
 鄒劍龍先生

獨立非執行董事

劉笑梅女士
 孫健先生
 張磅先生

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

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

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Chairman and chief executive officer

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

Independent non-executive Directors

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

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

主席及首席執行官

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

獨立非執行董事

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

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

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Appointment and re-election of Directors

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

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

Each of the independent non-executive Directors has entered into an appointment letter with the Company on November 25, 2021. The initial term for their appointment letters shall commence from the date of his/her appointment as a Director and continue for a period of three years after or until the third annual general meeting of the Company since the Listing Date, whichever is earlier, and shall be automatically renewed for successive periods of three years (subject always to re-election as and when required under the Articles of Association), until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing.

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

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

委任及重選董事

所有董事均有指定任期，於現有任期屆滿時可予續期。

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

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

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

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

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

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

By virtue of articles 109 and 113 of the Articles of Association, Mr. Zhang Jincai, Ms. Liu Xiaomei Michelle and Mr. Sun Jian will retire by rotation from office and, being eligible, will offer himself/herself for re-election at the forthcoming AGM.

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

Duties performed by the Board and management

The Board is responsible for the overall development of the Group, approving and monitoring the overall development strategy of the Group and its operation and financial performance, ensuring that the Directors perform their proper duties and act in the best interests of the Group and hold discussions on various important and proper businesses of the Company in a timely manner. All Directors are entitled to raise and include any matters that should be submitted to the Board for discussion in the agenda of the board meeting. The management shall provide members of the Board and specialized committees under the Board with appropriate and sufficient information in a timely manner so as to update them with the latest developments of the Group and to better facilitate the discharge of their duties. The management team is accountable to the Board, executing the strategies and

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

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

根據組織章程細則第109條及113條，章錦才先生、劉笑梅女士及孫健先生將輪席退任，並合資格且願意於即將舉行的股東週年大會上膺選連任。

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

由董事會和管理層履行的職責

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

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plans formulated by the Board, and making decisions in relation to the day-to-day operation of the Group. Directors have resources to seek independent professional advice in performing their duties at the Company's expense and are encouraged to consult with the Company's senior management independently.

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

Mechanisms to Ensure Independent Views

The Company ensures independent views and input are available to the Board via the below mechanisms:

1. The Board composition and the independence of the independent non-executive Directors should be reviewed by the Nomination Committee on an annual basis, in particular the portion of the independent non-executive Directors and the independence of the independent non-executive director who has served for more than nine years.
2. A written confirmation was received by the Company under Rule 3.13 of the Listing Rules from each of the independent non-executive Directors in relation to his/her independence to the Company. The Company considers all its independent non-executive directors to be independent.
3. In view of good corporate governance practices and to avoid conflict of interests, the Directors who are also directors and/or senior management of the Company's controlling shareholders and/or certain subsidiaries of the controlling shareholders, would abstain from voting in the relevant Board resolutions in relation to the transactions with the controlling shareholders and/or its associates.
4. The chairman of the Board shall meet with independent non-executive Directors at least once annually.
5. All members of the Board can seek independent professional advice when necessary to perform their responsibilities in accordance with the company policy.

The Board reviews the mechanisms for ensuring independent views and input are available to the Board on an annual basis, whether in terms of proportion, recruitment and independence of independent non-executive directors, and their contribution and access to external independent professional advice.

公司承擔，本公司亦鼓勵董事個別諮詢本公司高級管理層。

本公司已安排適當的董事責任保險，以彌償董事會成員因公司活動所承擔的責任。

確保獨立意見的機制

本公司確保通過以下機制向董事會提供獨立意見：

1. 提名委員會應每年審閱董事會的組成及獨立非執行董事的獨立性，特別是獨立非執行董事的佔比以及已任職超過九年的獨立非執行董事的獨立性。
2. 本公司已收到各獨立非執行董事根據上市規則第3.13條就其對本公司的獨立性出具的書面確認。本公司認為所有獨立非執行董事均屬獨立。
3. 鑑於遵循良好的企業管治常規和避免利益衝突，身兼本公司控股股東及／或控股股東若干子公司的董事及／或高級管理人員的董事將在有關與控股股東及／或其聯繫人的交易的相關董事會決議案中放棄投票。
4. 董事會主席每年至少一次與獨立非執行董事會面。
5. 全體董事會成員在根據公司政策履行職責時，可尋求獨立專業意見（如必要）。

董事會每年均會檢討確保董事會獲得獨立意見的機制，無論是在獨立非執行董事的佔比、招聘及獨立性，以及彼等的貢獻及獲得外部獨立專業意見的機會方面。

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Training, Induction and Continuing Development of Directors

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

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

董事的培訓、就任及持續發展

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

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

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

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Directors' Attendance at Meetings

During the Reporting Period, 5 Board meetings and 1 general meeting were held. Details of the attendance records of Directors' attendance at the Board meetings, Board committee meetings and general meeting are set out below:

董事出席會議

於報告期內，本公司已舉行五次董事會會議及一次股東大會。董事出席董事會會議、董事委員會會議及股東大會的出席記錄詳情載於如下：

		No. of Meetings Attended/No. of Meetings Held 出席會議次數／舉行會議次數				
		Board 董事會	Audit Committee 審計委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	General Meeting 股東大會
Executive Directors	執行董事					
Mr. Zou Qifang (Chairman)	鄒其芳先生(主席)	5/5	–	–	–	1/1
Ms. Qin Jessie Xin	辛勤女士	5/5	–	–	–	1/1
Mr. Zhang Jincai	章錦才先生	5/5	–	–	–	1/1
Mr. Zou Jianlong	鄒劍龍先生	5/5	–	–	–	1/1
Independent Non-executive Directors	獨立非執行董事					
Ms. Liu Xiaomei Michelle	劉笑梅女士	5/5	2/2	1/1	2/2	1/1
Mr. Sun Jian	孫健先生	5/5	2/2	1/1	2/2	1/1
Mr. Zhang Bang	張磅先生	5/5	2/2	1/1	2/2	1/1

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

於報告期內，除上表所披露者外，主席已與獨立非執行董事舉行了一次會議。

Board Committees

The Board has delegated the authority and responsibility for day-to-day management and operation of the Company to the senior management of the Company to oversee particular aspects of the Company's affairs. The Company has established three committees under the Board pursuant to the regulations and corporate governance practice requirements under the Listing Rules, including the Audit Committee, Remuneration Committee and Nomination Committee. The Board has delegated to the Board committee responsibility as set out in their respective term of reference.

董事委員會

董事會已將本公司日常管理及營運的權力及責任授予本公司高級管理層，以監督本公司事務的特定方面。本公司已根據上市規則條例及企業管治常規規定成立三個董事會轄下委員會，包括審計委員會、薪酬委員會及提名委員會。董事會已向董事會轄下的委員會授予各自職權範圍內規定的職責。

Nomination Committee

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

提名委員會

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

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

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

During the Reporting Period, the Nomination Committee held one meeting and had reviewed the structure, size and composition of the Board, assessed the independence of the independent non-executive Directors and made recommendation to the Board on the re-election of the Directors at the Company's annual general meeting held in 2022.

Board Diversity Policy

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

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

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

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

於報告期內, 提名委員會已舉行一次會議並檢討董事會的架構、規模及組成, 評估獨立非執行董事的獨立性, 以及在本公司於2022年舉行的股東週年大會上就重選董事向董事會作出推薦建議。

董事會多元化政策

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

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

Corporate Governance Report

企業管治報告

Implementation

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

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

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

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

As of March 31, 2023, among the 3,409 employees of the Group (including senior management), 595 are males (17.45%) and 2,814 are females (82.55%). The Board is satisfied with the gender diversity of the employees.

實施情況

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

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

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

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

於2023年3月31日，在本集團3,409名僱員（包括高級管理人員）中，595名為男性（17.45%）及2,814名為女性（82.55%）。董事會對僱員性別多元化感到滿意。

Corporate Governance Report

企業管治報告

Nomination Policy

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

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

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

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

提名政策

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

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

在評估及挑選候選人擔任董事時，應當考慮下列標準：

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

Corporate Governance Report

企業管治報告

Nomination procedure

提名程序

Appointment of new directors

委任新董事

- | | |
|--|---|
| <p>(i) The Nomination Committee and/or the Board may select candidates for directorship from various channels, including but not limited to internal promotion, re-designation, referral by other member of the management and external recruitment agents.</p> | <p>(i) 提名委員會及／或董事會可從各種渠道挑選候選人擔任董事，包括但不限於內部提升、調任、其他管理層成員及外部招聘代理推薦。</p> |
| <p>(ii) The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.</p> | <p>(ii) 提名委員會及／或董事會應在收到委任新董事的建議及候選人的履歷資料（或相關詳情）後，依據上述標準評估該候選人，以釐定該候選人是否合資格擔任董事。</p> |
| <p>(iii) If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).</p> | <p>(iii) 如過程涉及一個或多個合意的候選人，提名委員會及／或董事會應根據本公司的需要及每位候選人的證明審查（如適用）排列其優先次序。</p> |
| <p>(iv) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.</p> | <p>(iv) 提名委員會隨後應就委任合適候選人擔任董事向董事會作出推薦建議（如適用）。</p> |
| <p>(v) For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.</p> | <p>(v) 就任何經由股東提名於本公司股東大會上選舉為董事的人士，提名委員會及／或董事會應依據上述標準評估該候選人，以釐定該候選人是否合資格擔任董事。</p> |

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

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

Corporate Governance Report

企業管治報告

Re-election of directors at general meeting

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

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

Audit Committee

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

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

於股東大會上重選董事

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

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

審計委員會

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

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

Corporate Governance Report

企業管治報告

Corporate Governance Functions

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

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

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

During the Reporting Period, the Audit Committee held two meetings and had reviewed the annual audit plan, annual results and annual report of the Group for the year ended March 31, 2023, the interim results and interim report of the Group for the six months ended September 30, 2022, the effectiveness of the Company's financial controls, internal control and risk management systems. The Audit Committee has reviewed the audited consolidated financial statements and results of the Group for the Reporting Period, and discussed and recommended to the Board on the re-appointment of external auditor.

企業管治職能

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

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

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

於報告期內，審計委員會已舉行兩次會議並已審閱本集團截至2023年3月31日止年度的年度審計規劃、年度業績及年報、本集團截至2022年9月30日止六個月的中期業績及中期報告、本公司財務控制、內部監控及風險管理系統的成效。審計委員會已審閱本集團於報告期的經審計合併財務報表及業績，討論外聘審計師的續聘並向董事會作出推薦建議。

Corporate Governance Report

企業管治報告

Remuneration Committee

The Company established the Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of the Corporate Governance Code.

The primary duties of the Remuneration Committee, under the principle that no Director or any of their associates should be involved in deciding his own remuneration, include, without limitation, (a) to make recommendations to the Board on the Company's policy and structure for the remuneration of all directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy; (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives; (c) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and (d) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

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

During the Reporting Period, the Remuneration Committee held two meetings and had reviewed the remuneration policy for all Directors and senior management and the remuneration of the newly appointed Directors and adoption of the 2022 RSU Scheme.

COMPANY SECRETARY

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

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

薪酬委員會

本公司已成立薪酬委員會，並根據上市規則第3.25條及企業管治守則第E.1段制訂書面職權範圍。

按照董事或彼等的任何聯繫人不應參與釐定本身薪酬的原則，薪酬委員會的主要職責包括（但不限於）(a)就本公司全體董事及高級管理層的薪酬政策及架構及制定薪酬政策建立正式且具透明度的程序向董事會作出推薦建議；(b)參考董事會的企業目標及宗旨，審閱及批准管理層的薪酬建議；(c)就個別執行董事及高級管理層的薪酬待遇（包括實物利益、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償））向董事會作出推薦建議；及(d)審閱及／或批准上市規則第17章項下股份計劃的相關事項。

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

於報告期內，薪酬委員會已舉行兩次會議並已審閱全體董事及高級管理層的薪酬政策及新委任董事的薪酬以及採納2022年受限制股份單位計劃。

公司秘書

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

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

Corporate Governance Report

企業管治報告

For the year ended March 31, 2023, Ms. Au has taken not less than 15 hours of relevant professional training in compliance with the requirements of Rule 3.29 of the Listing Rules. The main contact person of Ms. Au in the Company is Ms. Qin Jessie Xin, an executive Director.

截至2023年3月31日止年度，區女士已根據上市規則第3.29條的規定接受不少於15小時的相關專業培訓。區女士在本公司的主要聯絡人為執行董事辛勤女士。

SENIOR MANAGEMENT'S REMUNERATION

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

Band of remuneration (RMB) 薪酬範圍(人民幣)		No. of person 人數
2,000,000 to 2,500,000	2,000,000至2,500,000	2
6,500,000 to 7,000,000	6,500,000至7,000,000	1
12,500,000 to 13,000,000	12,500,000至13,000,000	1

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

高級管理人員薪酬

本集團高級管理人員於報告期以不同範圍劃分的薪酬如下：

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

EXTERNAL AUDITORS AND AUDITORS' REMUNERATION

The statement of the external auditor of the Company about their reporting responsibilities for the Company's consolidated financial statements for the year ended March 31, 2023 is set out in the Independent Auditor's Report on pages 123 to 132 of this annual report.

The fees paid/payable to PricewaterhouseCoopers, the Company's auditor, in respect of audit services and non-audit services for the year ended March 31, 2023 are analysed below:

外聘審計師及審計師酬金

本公司的外聘審計師就彼等對本公司截至2023年3月31日止年度的合併財務報表的呈報責任的聲明載於本年報第123頁至132頁的獨立審計師報告。

截至2023年3月31日止年度，已付／應付本公司審計師羅兵咸永道會計師事務所的審計服務及非審計服務費用分析如下：

Types of services provided by the external auditors 外聘審計師提供的服務種類		Fees paid/payable RMB' 000 已付／應付費用 人民幣千元
Audit service – audit service fee for the year ended March 31, 2023	審計服務 – 截至2023年3月31日止年度的審計服務費用	4,500
Non-audit service – Sustainability/environmental, social and governance advisory services	非審計服務 – 可持續發展／環境、社會及管治顧問服務	270

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

The re-appointment of PricewaterhouseCoopers has been recommended by the Audit Committee and endorsed by the Board, subject to the approval of the Shareholders at the AGM.

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors have acknowledged their responsibilities for preparing the consolidated financial statements of the Company for the year ended March 31, 2023, which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows.

The management has provided the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's consolidated financial statements, which are put to the Board for approval. The Company provides all members of the Board with monthly updates on the Company's performance, positions and prospects.

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

The statement by the independent auditors of the Company regarding their reporting responsibilities for the audit of the consolidated financial statements of the Company is set out in the independent auditor's report on pages 123 to 132 in this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for maintaining sound and effective internal control and risk management systems in order to safeguard the Group's assets and Shareholders' interests, and review and monitor the effectiveness of the Group's internal control and risk management systems on a yearly basis so as to ensure that the internal control and risk management systems in place are adequate. The purpose is to provide reasonable, but not absolute, assurance against material misstatements, errors, losses or fraud, and to manage rather than eliminate risks of failure in achieving the Group's business objectives.

羅兵咸永道會計師事務所將於股東週年大會上退任及符合資格膺選連任。

審計委員會已建議續聘羅兵咸永道會計師事務所，有關建議亦已獲董事會通過，惟須待股東在股東週年大會上作出批准後方可作實。

董事及審計師就有關合併財務報表的財務報告責任

董事確認彼等負責編製本公司截至2023年3月31日止年度的合併財務報表，以真實公平地反映本公司及本集團的事況以及本集團的業績及現金流量。

管理層已向董事會提供必要的闡釋及數據，使董事會能對提呈予董事會批准的本公司合併財務報表進行知情的評估。本公司已向董事會全體成員提供有關本公司表現、狀況及前景的每月更新資料。

董事並不知悉與可能對本集團持續經營構成重大疑問的事件或狀況有關的任何重大不確定因素。

本公司獨立審計師就彼等審計本公司合併財務報表的申報責任作出的聲明載於本年報第123頁至132頁的獨立審計師報告。

內部監控及風險管理

董事會負責維持健全有效的內部監控及風險管理系統，以保障本集團資產及股東利益，並每年檢討及規管本集團內部監控及風險管理系統之效率，以確保採用充分的內部監控及風險管理系統。目的乃為對重大錯誤陳述、錯誤、損失或欺詐提供合理而非絕對的保證，並管理而非消除本集團未能達成業務目標的風險。

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The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives and establishing and maintaining appropriate and effective risk management and internal control systems. The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems. The Group has set up an internal audit function to carry out independent reviews of the adequacy and effectiveness of its risk management and internal control systems and reports their findings to the Board, at least an annual basis, due to the size of the Group and for cost effectiveness consideration.

Risk Management

The Company has adopted a consolidated set of risk management policies which set out a risk management framework to identify, assess, evaluate, and monitor key risks associated with its strategic objectives on an ongoing basis. The Board oversees and manages the overall risks associated with our operations. Risks identified by management will be analyzed on the basis of likelihood and impact, and will be properly followed up and mitigated and rectified by the Group and reported to the Directors.

The following key principles outline the Group's approach to risk management the Company plans to implement:

- The senior management oversees and manages the overall risks associated with the Group's business operations, including (i) reviewing and approving the Company's risk management policy to ensure that it is consistent with its corporate objectives; (ii) monitoring the most significant risks associated with the Group's business operations and its management's handling of such risks; and (iii) ensuring the appropriate application of the risk management framework across the Group;
- The chief executive officer of the Company is responsible for (i) formulating and updating the risk management policy; (ii) reviewing and approving major risk management issues of the Group; (iii) promulgating risk management measures; (iv) providing guidance on the Group's risk management approach to the relevant departments in the Group; (v) reviewing the relevant departments' reporting on key risks and providing feedback; (vi) supervising the implementation of the risk management measures by the relevant departments; (vii) ensuring that the appropriate structure, processes and competencies are in place across the Group; and (viii) reporting to the Audit Committee on the Group's material risks;

董事會全面負責評估及釐定本集團達成策略目標時所願意接納的風險性質及程度，並設立及維持合適及有效的風險管理及內部監控系統。審計委員會協助董事會領導管理層及監督風險管理及內部監控系統的設計、實施及監察。由於考慮到本集團的規模及成本效益，本集團已設立內部審核職能，至少每年對其風險管理及內部監控系統之充分性和有效性進行獨立檢討並向董事會匯報有關結果。

風險管理

本公司已採納一系列風險管理政策，當中訂明風險管理框架，以持續識別、評估、評價及監察與我們的戰略目標有關的主要風險。董事會監督及管理與我們經營有關的整體風險。管理層識別出的風險將根據可能性及影響進行分析，由本集團妥善跟進、降低及改正，並向董事報告。

以下主要原則概述本公司計劃實行的本集團針對風險管理的方法：

- 高級管理層監察及管理與本集團的業務營運有關的整體風險，包括：(i)審閱及批准本公司的風險管理政策，確保與我們的企業目標一致；(ii)監察與本集團業務營運有關的最大風險以及管理層對相關風險的處理；及(iii)確保於本集團內部恰當應用風險管理框架；
- 本公司的首席執行官負責(i)制訂及更新風險管理政策；(ii)審閱及批准本集團的主要風險管理事項；(iii)頒佈風險管理措施；(iv)向本集團的相關部門提供本集團的風險管理方法指引；(v)審閱相關部門有關主要風險的報告並提供反饋；(vi)監督相關部門實施風險管理措施的情況；(vii)確保本集團內部設置適當的架構、流程及職能；及(viii)向審計委員會呈報本集團的重大風險；

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- The relevant departments in the Group, including but not limited to the finance department, the legal department, and the human resources department, are responsible for implementing the risk management policy and carrying out day-to-day risk management practice. In order to formalize risk management across the Group and set a common level of transparency and risk management performance, the relevant departments will (i) gather information about the risks relating to their operation or function; (ii) conduct risk assessments, which include the identification, measurement, prioritization and categorization of all key risks that could potentially affect their objectives; (iii) define and implement appropriate risk responses where necessary; (iv) prepare a risk management report annually for the Company's chief executive officer's review; (v) continuously monitor the key risks relating to their operation or function; and (vi) develop and maintain an appropriate mechanism to facilitate the application of the risk management framework.
- 本集團相關部門(包括但不限於財務部、法務部及人力資源部)負責實施風險管理政策及執行日常風險管理常規。為正式確定本集團的風險管理並設定一套通用的透明制度及風險管理績效水平,相關部門將(i)收集涉及彼等營運或職能的風險的信息;(ii)進行風險評估,包括對可能影響彼等目標的所有主要風險進行識別、計量、優先排序及分類;(iii)必要時定義並實施適當的風險應對;(iv)每年編製風險管理報告供本公司的首席執行官審閱;(v)持續監察與彼等營運或職能有關的主要風險;及(vi)制定及維持恰當機制,促進風險管理框架的應用。

Internal Control

Below is a summary of the internal control policies, measures, and procedures the Group has implemented or plan to implement:

- The Group has adopted various measures and procedures regarding each aspect of its business operation, such as related party transaction, risk management, protection of intellectual property, environmental protection and occupational health and safety.
- The Group provides various training programs to keep the employees updated on relevant laws, regulations, and policies. The Group's new employees are required to attend compliance training programs soon after on-boarding, and must pass tests which examine their understanding of the compliance issues addressed by the training programs. The Group's employees are also required to regularly attend on-site and online training sessions to keep them informed of recent updates in the relevant laws and regulations.
- The Directors (who are responsible for monitoring the corporate governance of the Group), with help from the Company's legal advisers, periodically review the Company's compliance status with all relevant laws and regulations.
- 本集團已就其業務營運的各個方面(如關聯方交易、風險管理、知識產權保護、環境保護及職業健康與安全)採取各種措施和程序。
- 本集團提供各種培訓課程,讓僱員知悉相關法律、法規及政策的最新發展。本集團的新僱員須於入職後短時間內參與合規培訓課程,並須通過考試,查核彼等對培訓課程提出的合規問題的了解。本集團的僱員亦須定期出席實地及線上培訓,以了解相關法律及法規的近期最新發展。
- (負責監察本集團企業管治的)董事在本公司法律顧問的幫助下會定期審閱本公司對所有相關法律法規的遵守情況。

內部監控

下文概述本集團已實行或計劃實行的內部監控政策、措施及程序:

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- The Company has established the Audit Committee which (i) makes recommendations to the Directors on the appointment and removal of external auditors; and (ii) reviews the financial statements and renders advice in respect to financial reporting as well as oversees internal control procedures of the Group.
- The Company has engaged First Shanghai Capital Limited as its compliance adviser to provide advice to the Directors and management team until the end of the first fiscal year after the Listing Date regarding matters relating to the Listing Rules. The compliance adviser is expected to ensure the Company's use of funding complies with the sections entitled "Future Plans and Use of Proceeds" in the Prospectus, as well as to provide support and advice regarding requirements of relevant regulatory authorities in a timely manner.
- The Group maintains strict anti-bribery & anti-corruption policies and believes it will therefore be less affected by the increasingly stringent measures taken by the PRC government to correct corruptive practices in the medical industry.
- 本公司已成立審計委員會以(i)就外部審計師的委任及罷免向董事會提供建議；及(ii)審閱財務報表並就財務報告提供建議以及監督本集團的內部監控程序。
- 本公司已聘請第一上海融資有限公司於上市日期後的首個財政年度結束前擔任其合規顧問，就有關上市規則的事宜向董事及管理層團隊提供意見。預期合規顧問可確保本公司的資金運用符合招股章程「未來計劃及所得款項用途」一節，並及時就相關監管機構的規定提供支持及意見。
- 本集團保持嚴格的反賄賂和反腐敗政策，因此本公司認為，中國政府為糾正醫療行業的腐敗行為而採取的日益嚴厲的措施對其造成的影響將會較小。

The Board, together with the Audit Committee, had reviewed the internal control and risk management systems for the Reporting Period and is satisfied that the internal control and risk management systems are effective and adequate.

The Company recognises the importance of protecting the confidentiality of potential inside information. Procedures are in place to control the dissemination of inside information, including the monitoring of potential inside information to ensure that relevant facts and circumstances that may have material effect on the share price of the Company are promptly identified and assessed, and escalating the matter for the attention of the Board, if necessary, to determine whether a disclosure is needed.

The Audit Committee would continue to assist the Board to oversee the work of such consultancy firm and review the effectiveness of the risk management and internal control systems of the Group.

董事會連同審計委員會已審閱報告期的內部監控及風險管理系統，並認為本集團的內部監控及風險管理系統的有效性及充足性得以滿足。

本公司重視保護潛在內幕消息。已制定內幕消息傳播控制程序，包括監察潛在內幕消息，確保迅速識別及評估對本公司股價有重大影響的相關事實及情況，以及在必要時提請董事會留意有關事項以便決定是否需要披露。

審計委員會會持續協助董事會監察相關諮詢公司的工作並檢討本集團風險管理及內部監控系統的有效性。

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SHAREHOLDERS' RIGHTS

Procedures for shareholders to convene an extraordinary general meeting

Pursuant to Article 64 of the Articles of Association, the Board may, whenever it thinks fit, convene an extraordinary general meeting. One or more members holding, as at the date of deposit of the requisition, in aggregate not less than one-tenth of the voting rights (on a one vote per share basis) in the share capital of the Company may also make a requisition to convene an extraordinary general meeting and add resolutions to the agenda of a meeting. Such requisition shall be made in writing to the Board or the Company Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Procedures for shareholders to put forward proposals at shareholders' meeting

If a Shareholder wishes to put forward proposals at a shareholders' meeting, the shareholder, who has satisfied the shareholding requirements set out in the above paragraph headed "Procedures for shareholders to convene an extraordinary general meeting", may follow the same procedures by sending a written requisition to the Board. The Shareholder should state his/her proposals in the written requisition and submit the written requisition as early as practicable to enable the Company to make necessary arrangement.

股東權利

股東召開股東特別大會的程序

根據組織章程細則第64條，董事會可於其認為合適時間召開股東特別大會。於遞呈要求日期合共持有不少於本公司繳足股本投票權（按每股一票計算）的十分之一的一位或多位股東亦要求董事會召開股東特別大會，並將決議案加入大會議程。有關要求須以書面形式向董事會或公司秘書提出，藉以要求董事會就處理有關要求所指明之任何事務而召開股東特別大會。該大會應於遞呈該要求後兩個月內舉行。倘遞呈後21日內，董事會未有開始召開該大會，則遞呈要求人士可以同樣方式召開大會，而遞呈要求人士因董事會未有召開大會而招致的所有合理開支須由本公司向遞呈要求人士償付。

股東於股東大會上提出議案的程序

倘股東擬於股東大會上提出議案，在滿足上段「股東召開股東特別大會的程序」所載持股條件的情況下，該股東可以依照相同程序向董事會發出書面要求。該股東須在書面要求中列明其議案及盡早呈交該書面要求以便本公司作出所需安排。

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Procedures for directing shareholder's enquiries to the Board

向董事會提交股東查詢的程序

Shareholders may send written enquiries to the Company for putting forward any enquiries or proposals to the Board. Contact details are as follows:

股東可向本公司發送書面請求，以向董事會提出任何查詢或建議。聯絡資料如下：

Address:	6F, Building 11, No. 18, Ziyue Road Chaolai Science Park, Chaoyang District Beijing, the PRC (For the attention of the Board of Arrail Group Limited)
地址：	中國北京市 朝陽區朝來高科技產業園 紫月路18號院11號樓6層(註明收件人為瑞爾集團有限公司董事會垂注)
Email address:	ir@arrailgroup.com
電郵地址：	ir@arrailgroup.com

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto.

謹此說明，股東須於上述地址存置及發出正式簽署之書面要求、通知或聲明或查詢(視情況而定)之正本，並提供其全名、聯絡詳情及身份，以便本公司回覆。

INVESTOR RELATIONS

投資者關係

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investors' understanding of the Groups' business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

本公司認為與股東有效的溝通對增進投資者關係，以及投資者對本集團的業務表現及策略的了解至關重要。本公司亦明白保持公司資料透明度及適時披露公司資料的重要性，以讓股東和投資者作出最佳投資決定。

The Company has an ongoing dialogue with Shareholders and other investors through various communication channels set out in the shareholders communication policy and takes any areas of concern into consideration when formulating its business strategies. The general meetings of the Company provide a platform for communication between the Board and the shareholders. The chairman of the Board as well as chairmen of the Nomination Committee, the Remuneration Committee and the Audit Committee or in their absence, other members of the respective committees, and, where applicable, the chairman of the independent board committee are available to answer questions at general meeting. To promote effective communication, the Company maintains a website at www.arrailgroup.com where up-to-date information and updates on the Company's business operations and development, financial information and other information are available to public access.

本公司透過股東通訊政策所載的不同溝通渠道持續與股東及其他投資者保持對話，並於制定業務策略時考慮任何受關注事項。本公司的股東大會提供一個讓董事會和股東進行溝通的平台。董事會主席及提名委員會主席、薪酬委員會主席及審計委員會主席(或缺席時則為各委員會的其他成員)以及(如適用)獨立董事會委員會主席會於股東大會上回應問題。為促進有效溝通，本公司設有網站 www.arrailgroup.com，提供本公司的最新資料以及有關本公司業務營運及發展資料的近況、財務資料及其他資料供公眾人士查閱。

Corporate Governance Report

企業管治報告

During the Reporting Period, the Board has reviewed the shareholders communication policy and confirmed its effectiveness.

於報告期內，董事會已審閱股東通訊政策並確認其有效性。

CONSTITUTIONAL DOCUMENTS

During the Reporting Period, there was no change in the memorandum and articles of association of the Company.

章程文件

於報告期內，本公司的組織章程大綱及細則並無任何變動。

The latest memorandum and articles of association of the Company are available on the websites of the Stock Exchange and the Company.

本公司的最新組織章程大綱及細則可於聯交所網站及本公司網站上查閱。

Independent Auditor's Report

獨立審計師報告

To the Shareholders of Arrail Group Limited

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

Opinion

What we have audited

The consolidated financial statements of Arrail Group Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 133 to 295, comprise:

- the consolidated balance sheet as at March 31, 2023;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive loss for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at March 31, 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致瑞爾集團有限公司股東

(於英屬維爾京群島註冊成立並於開曼群島存續的有限公司)

意見

我們已審計的內容

瑞爾集團有限公司(以下簡稱「貴公司」)及其子公司(以下統稱「貴集團」)列載於第133至295頁的合併財務報表，包括：

- 於2023年3月31日的合併資產負債表；
- 截至該日止年度的合併損益表；
- 截至該日止年度的合併全面虧損表；
- 截至該日止年度的合併權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括主要會計政策及其他解釋信息。

我們的意見

我們認為，該等合併財務報表已根據《國際財務報告準則》真實而中肯地反映了貴集團於2023年3月31日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

Independent Auditor's Report

獨立審計師報告

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Estimation of revenue from orthodontics and implantology services
- Impairment assessment of goodwill

意見的基礎

我們已根據《國際審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「審計師就審計合併財務報表承擔的責任」部份中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據國際會計師職業道德準則理事會頒佈的《國際會計師職業道德守則（包含國際獨立性標準）》（以下簡稱「道德守則」），我們獨立於貴集團，並已履行道德守則中的其他專業道德責任。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。這些事項是在我們審計整體合併財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 來自正畸及植牙服務收入的估計
- 商譽減值評估

Independent Auditor's Report

獨立審計師報告

Key Audit Matter

關鍵審計事項

Estimation of revenue from orthodontics and implantology services

Refer to notes 2.23, 4(b) and 6 to the consolidated financial statements.

請參閱合併財務報表附註2.23、附註4(b)及附註6。

Revenue from orthodontics and implantology services for the year ended March 31, 2023 amounted to approximately RMB328 million and RMB318 million respectively, which represented approximately 22% and 22% of the total revenue of the Group respectively.

截至2023年3月31日止年度，來自正畸及植牙服務的收入分別約為人民幣328百萬元及人民幣318百萬元，分別佔貴集團總收入的約22%及22%。

Revenue from orthodontics and implantology services is recognised over time, using an input method to measure progress towards complete satisfaction of the services. The progress is measured based on the Group's efforts or inputs to the satisfaction of the services, by reference to the staff costs and/or costs of inventories, consumables and customised products incurred, when appropriate, expended up to the end of the year as a percentage of the total expected costs to complete the respective services.

來自正畸及植牙服務的收入於一段時間內確認，使用投入法計量完全履行服務的進度。該進度基於貴集團為履行服務而作出的努力或投入計量，並經參考截至該年度末所產生及所花費的員工成本及／或存貨、耗材及訂製產品成本（如適用）佔完成相關服務的總預期成本的比例。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

來自正畸及植牙服務收入的估計

Our procedures in relation to estimation of revenue from orthodontics and implantology services were mainly as follows:

我們有關來自正畸及植牙服務收入的估計程序主要如下：

- Understood and evaluated the Group's key internal controls in relation to the estimation of the total expected costs necessary to complete the orthodontics and implantology services;
- 了解並評估貴集團有關估計完成正畸及植牙服務必要的總預期成本的關鍵內部控制；
- Assessed the appropriateness of the methodology used by management to estimate the total expected costs necessary to complete the orthodontics and implantology services;
- 評估管理層用以估計完成正畸及植牙服務必要的總預期成本的方法的適當性；

Independent Auditor's Report

獨立審計師報告

Key Audit Matter

關鍵審計事項

We focused on this area as the determination of the amount of revenue recognised from orthodontics and implantology services is based on management's estimation of the total expected costs to complete the services, which is subject to a high degree of estimation uncertainty. The inherent risk in relation to the estimation of revenue from orthodontics and implantology services is considered relatively high due to the subjectivity of significant assumptions used to estimate total expected costs.

我們關注該審計範圍的原因是，釐定來自正畸及植牙服務的已確認收入金額乃基於管理層對完成服務的總預期成本的估計，這涉及高度估計不確定性。由於用於釐定總預期成本的重大假設的主觀性，有關估計來自正畸及植牙服務的收入的固有風險被認為相對較高。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- Assessed the reasonableness of the assumptions used by management when estimating the total expected costs to complete the orthodontics and implantology services by comparing estimated future costs with the Group's historical internal data, including the staff costs and/or costs of inventories, consumables and customised products, in which the historical internal data are tested to the supporting documents on a sample basis;
- 通過對比估計未來成本與貴集團的歷史內部數據（包括員工成本及／或存貨、耗材及訂製產品成本），及對歷史內部數據進行抽樣測試至證明文件，評估管理層在估計完成正畸及植牙服務必要的總預期成本時所使用假設的合理性；
- Compared, on a sample basis, the outcome of prior year estimations of the total expected costs to complete the orthodontics and implantology services made by management to the actual cost incurred to complete the services, in order to assess the historical effectiveness of management's estimation process; and
- 抽樣對比管理層在上一年度對完成正畸及植牙服務的總預期成本所作的估計與完成服務產生的實際成本，以評估管理層估計程序的歷史成效；及
- Considered whether the judgments made in selecting significant assumptions would give rise to indicators of possible management bias.
- 考慮選擇重大假設時所作的判斷會否引致管理層可能存在有偏見的跡象。

Based on the procedures performed, we considered that the significant assumptions used in estimating revenue from orthodontics and implantology services are supported by available evidence.

基於已執行的程序，我們認為估計來自正畸及植牙服務的收入所使用的重大假設得到了現有證據的支持。

Independent Auditor's Report

獨立審計師報告

Key Audit Matter

關鍵審計事項

Impairment assessment of goodwill

Refer to notes 2.8.1, 2.9, 4(f) and 17 to the consolidated financial statements.

請參閱合併財務報表附註2.8.1、附註2.9、附註4(f)及附註17。

As at March 31, 2023, the Group's carrying amount of goodwill amounted to RMB183 million.

於2023年3月31日，貴集團商譽的賬面值為人民幣183百萬元。

The Group is required to perform an impairment assessment of goodwill on an annual basis, or whenever events or changes in circumstances indicate that the goodwill might be impaired.

貴集團須每年（或當有事件出現或情況變化顯示商譽可能出現減值時）進行商譽減值評估。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

商譽減值評估

Our procedures in relation to the impairment assessment of goodwill were mainly as follows:

我們有關商譽減值評估的程序主要如下：

- Understood and evaluated the Group's key internal controls in relation to the impairment assessment of goodwill;
- 了解並評估貴集團有關商譽減值評估的關鍵內部控制；
- Assessed the appropriateness of the methodology used by management to perform its impairment assessment of goodwill;
- 評估管理層進行商譽減值評估所使用方法的適當性；
- Evaluated the reasonableness of the financial budgets prepared by management to be included in the impairment assessment of goodwill, and compared the outcome of prior period financial budgets to actual results in order to assess the historical effectiveness of management's budgeting process;
- 評估管理層所編製的將納入商譽減值評估的財政預算的合理性，並對比前一期間財政預算與實際業績，以評估管理層預算程序的歷史成效；

Independent Auditor's Report

獨立審計師報告

Key Audit Matter

關鍵審計事項

For the purpose of the impairment assessment of goodwill, the Group's goodwill was allocated to two groups of cash generating units ("CGU Group"). The Group estimated the recoverable amounts of respective CGU Group, which were determined based on the fair value less cost of disposal using cash flow projections based on financial budgets prepared by management. Based on the impairment assessment, management concluded that there was no impairment on goodwill as at March 31, 2023.

為進行商譽減值評估，貴集團的商譽乃分配至兩個現金產生單位組別（「現金產生單位組別」）。貴集團估計各現金產生單位組別的可收回金額（按公允價值減出售成本，基於管理層編製的財政預算使用現金流量預測釐定）。根據減值評估，管理層斷定於2023年3月31日並無出現商譽減值。

We focused on this area as the impairment assessment of goodwill is subject to a high degree of estimation uncertainty. The inherent risk in relation to the impairment assessment of goodwill is considered significant due to the subjectivity of significant assumptions used (including compound annual growth rates of revenue, terminal growth rates and discount rates).

我們關注該審計範圍的原因是，商譽減值評估涉及高度估計不確定性。由於所使用重大假設（包括收入的年複合增長率、最終增長率及折現率）的主觀性，有關商譽減值評估的固有風險被認為屬重大。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- Involved our internal valuation expert in assessing and challenging the reasonableness of the significant assumptions used by management, including compound annual growth rates of revenue, terminal growth rates and discount rates, by comparing with those adopted by comparable companies in the industry and other external market data;
- 引入我們的內部估值專家，通過對比業內可比較公司所採用及其他外部市場數據，評估及質疑管理層所使用重大假設（包括收入的年複合增長率、最終增長率及折現率）的合理性；
- Assessed whether management's sensitivity analysis based on the reasonably possible changes in key assumptions individually might impact on the outcome of the impairment assessment of goodwill;
- 評估管理層基於主要假設可能合理發生的變動分別作出的敏感性分析是否會影響商譽減值評估的結果；
- Tested the accuracy of the calculations included in the impairment assessment models;
- 測試納入減值評估模型的計算方法的準確性；

Independent Auditor's Report

獨立審計師報告

Key Audit Matter

關鍵審計事項

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- Considered whether the judgements made in selecting the significant assumptions used would give rise to indicators of possible management bias; and
- 考慮選擇所使用重大假設時所作的判斷會否引致管理層可能存有偏見的跡象；及
- Assessed the adequacy of the disclosures related to the impairment assessment of goodwill in the context of the applicable financial reporting framework.
- 評估在適用財務報告框架的情況下，有關商譽減值評估的披露充足與否。

Based on the procedures performed, we considered that the significant assumptions used in the impairment assessment of goodwill are supported by available evidence.

基於已執行的程序，我們認為商譽減值評估所使用的重大假設得到了現有證據的支持。

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括合併財務報表及我們的審計師報告。

我們對合併財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與合併財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

Independent Auditor's Report

獨立審計師報告

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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。

董事及審計委員會就合併財務報表須承擔的責任

貴公司董事須負責根據《國際財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的合併財務報表，並對其認為為使合併財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備合併財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會須負責監督貴集團的財務報告過程。

審計師就審計合併財務報表承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的審計師報告。我們僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《國際審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

Independent Auditor's Report

獨立審計師報告

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

在根據《國際審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在審計師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於審計師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

Independent Auditor's Report

獨立審計師報告

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映有關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ng Ping Fai.

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

從與審計委員會溝通的事項中，我們確定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們在審計師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立審計師報告的審計項目合夥人是吳炳輝。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, June 27, 2023

羅兵咸永道會計師事務所
執業會計師

香港，2023年6月27日

Consolidated Income Statement

合併損益表

For the year ended March 31, 2023
截至2023年3月31日止年度

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
	Note 附註		
Revenue	收入	6	1,473,741
Cost of sales	銷售成本	7	(1,226,657)
Gross profit	毛利		247,084
Selling and distribution expenses	銷售及經銷開支	7	(93,273)
Administrative expenses	行政開支	7	(344,758)
Research and development expenses	研發開支	7	(18,542)
(Impairment loss)/reversal of impairment loss on financial assets – net	金融資產淨(減值虧損)/減值虧損轉回	3.1.2	(2,863)
Other gains – net	其他淨收益	9	22,062
Operating loss	經營虧損		(190,290)
Finance income	財務收入	10	18,965
Finance costs	財務成本	10	(44,289)
Finance costs – net	淨財務成本		(25,324)
Share of net loss of associates and joint ventures accounted for using the equity method	使用權益法入賬的分佔聯營公司及合營公司淨虧損		(2,295)
Fair value change of convertible redeemable preferred shares	可轉換可贖回優先股的公允價值變動	29	–
Fair value change of bond	債券的公允價值變動	29.1	–
Fair value change of warrants	權證的公允價值變動	29.2	–
Fair value change of derivative liabilities	衍生負債的公允價值變動	29.3	–
Fair value difference between termination of the warrants and recognition of derivative liabilities	終止權證與確認衍生負債之間的公允價值差額	29.3	–
Loss before income tax	除所得稅前虧損		(217,909)
Income tax (expenses)/credit	所得稅(開支)/抵免	12	(5,439)
Loss for the year	年內虧損		(223,348)
(Loss)/profit attributable to:	以下各項應佔(虧損)/利潤:		
Owners of the Company	本公司擁有人		(219,909)
Non-controlling interests	非控股權益		(3,439)
			(223,348)
Loss per share for loss attributable to owners of the Company (expressed in RMB per share)	本公司擁有人應佔虧損的每股虧損(以每股人民幣元列示)		
Basic and diluted loss per share	每股基本及攤薄虧損	13	(0.38)

The above consolidated income statement should be read in conjunction with the accompanying notes. 上述合併損益表應與隨附附註一併閱讀。

Consolidated Statement of Comprehensive Loss

合併全面虧損表

For the year ended March 31, 2023
截至2023年3月31日止年度

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
	Note 附註		
Loss for the year	年內虧損	(223,348)	(696,400)
Other comprehensive income/(loss)	其他全面收益／(虧損)		
Items that will not be reclassified to profit or loss	不會重新分類至損益的項目		
Fair value change of convertible redeemable preferred shares due to own credit risk	自有信貸風險導致的可轉換可贖回優先股公允價值變動	29	(18,439)
Fair value change of bond due to own credit risk	自有信貸風險導致的債券公允價值變動	29.1	1,083
Currency translation differences	匯兌差額	86,484	84,672
Other comprehensive income for the year, net of tax	年內其他全面收益(扣除稅項)	86,484	67,316
Total comprehensive loss for the year	年內總全面虧損	(136,864)	(629,084)
Total comprehensive (loss)/income attributable to:	以下各項應佔總全面(虧損)／利潤：		
Owners of the Company	本公司擁有人	(133,425)	(633,716)
Non-controlling interests	非控股權益	(3,439)	4,632
		(136,864)	(629,084)

The above consolidated statement of comprehensive loss should be read in conjunction with the accompanying notes.

上述合併全面虧損表應與隨附附註一併閱讀。

Consolidated Balance Sheet

合併資產負債表

As at March 31, 2023
於2023年3月31日

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
	Note 附註		
ASSETS	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	14	324,202
Right-of-use assets	使用權資產	15(a)	692,067
Intangible assets	無形資產	16	56,343
Goodwill	商譽	17	182,754
Deferred tax assets	遞延稅項資產	28	63,929
Prepayments	預付款項	19	34,635
Investments accounted for using the equity method	使用權益法入賬的投資	11	30,677
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	23	65,714
Other receivables	其他應收款項	22	77,767
Total non-current assets	總非流動資產		1,528,088
Current assets	流動資產		
Inventories	存貨	20	51,386
Prepayments	預付款項	19	107,600
Trade and other receivables	貿易及其他應收款項	22	282,138
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	23	263,013
Restricted cash	受限制現金	24(b)	154,894
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	24(c)	52,657
Cash and cash equivalents	現金及現金等價物	24(a)	621,860
Total current assets	總流動資產		1,533,548
Total assets	總資產		3,061,636
EQUITY	權益		
Share capital	股本	25	74,769
Reserves	儲備	26	5,107,566
Accumulated losses	累計虧損		(3,571,649)
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,610,686
Non-controlling interests	非控股權益		85,204
Total equity	總權益		1,695,890

Consolidated Balance Sheet

合併資產負債表

As at March 31, 2023
於2023年3月31日

As at March 31,
於3月31日

		Note	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
		附註		
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借款	27	47,252	–
Lease liabilities	租賃負債	15(a)	566,223	611,187
Contract liabilities	合同負債	6(b)	16,323	21,597
Deferred tax liabilities	遞延稅項負債	28	11,062	2,125
Total non-current liabilities	總非流動負債		640,860	634,909
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	30	209,464	273,105
Contract liabilities	合同負債	6(b)	154,024	184,287
Current tax liabilities	即期稅項負債		19,195	8,065
Borrowings	借款	27	172,767	137,363
Lease liabilities	租賃負債	15(a)	169,436	142,121
Total current liabilities	總流動負債		724,886	744,941
Total liabilities	總負債		1,365,746	1,379,850
Total equity and liabilities	總權益及負債		3,061,636	2,990,347

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

上述合併資產負債表應與隨附附註一併閱讀。

The consolidated financial statements on pages 133 to 295 were approved and authorised for issue by the Board of Directors of the Company on June 27, 2023 and were signed on its behalf by:

第133至295頁的合併財務報表已於2023年6月27日經本公司董事會批准及授權刊發並由以下董事代表簽署：

Executive Director: Zou Qifang
執行董事：鄒其芳

Executive Director: Qin Jessie Xin
執行董事：辛勤

Consolidated Statement of Changes in Equity

合併權益變動表

For the year ended March 31, 2023
截至2023年3月31日止年度

		Attributable to owner of the Company 本公司擁有人應佔				Non- controlling interests 非控股權益 RMB' 000 人民幣千元	Total equity 總權益 RMB' 000 人民幣千元
		Share capital 股本 RMB' 000 人民幣千元 <i>(Note 25)</i> <i>(附註25)</i>	Reserves 儲備 RMB' 000 人民幣千元 <i>(Note 26)</i> <i>(附註26)</i>	Accumulated losses 累計虧損 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元		
Balance at April 1, 2022	於2022年4月1日的結餘	74,769	4,841,683	(3,351,740)	1,564,712	45,785	1,610,497
Comprehensive (loss)/income	全面(虧損)/收益						
Loss for the year	年內虧損	-	-	(219,909)	(219,909)	(3,439)	(223,348)
Other comprehensive income/(loss)	其他全面收益/(虧損)						
Currency translation differences	匯兌差額	-	86,484	-	86,484	-	86,484
Total comprehensive income/(loss) for the year	年內總全面收益/(虧損)	-	86,484	(219,909)	(133,425)	(3,439)	(136,864)
Transactions with equity holders	與權益持有人的交易						
Vesting of RSUs	歸屬受限制股份單位	-	19,540	-	19,540	-	19,540
Share-based compensation	股份酬金	-	194,118	-	194,118	-	194,118
Shares purchased for share award scheme	就股份獎勵計劃購買的股份	-	(34,542)	-	(34,542)	-	(34,542)
Deemed dividend to shareholder <i>(Note 35(c)(i))</i>	視為向股東分派 <i>(附註35(c)(i))</i>	-	(420)	-	(420)	-	(420)
Acquisition of subsidiaries <i>(Note 31)</i>	收購子公司 <i>(附註31)</i>	-	-	-	-	43,483	43,483
Contribution from non-controlling shareholders	來自非控股股東注意	-	-	-	-	977	977
Non-controlling interests disposed	已出售非控股權益	-	703	-	703	(703)	-
Dividends to non-controlling shareholders	向非控股股東派息	-	-	-	-	(899)	(899)
Balance at March 31, 2023	於2023年3月31日的結餘	74,769	5,107,566	(3,571,649)	1,610,686	85,204	1,695,890

Consolidated Statement of Changes in Equity

合併權益變動表

For the year ended March 31, 2023
截至2023年3月31日止年度

		Attributable to owner of the Company 本公司擁有人應佔				Non- controlling interests	Total (deficit in equity)/ equity 總(權益 虧絀)/權益
		Share capital	Reserves	Accumulated losses	Total		
		股本 RMB'000 人民幣千元	儲備 RMB'000 人民幣千元	累計虧損 RMB'000 人民幣千元	總計 RMB'000 人民幣千元	非控股權益 RMB'000 人民幣千元	總(權益 虧絀)/權益 RMB'000 人民幣千元
	Note 附註	(Note 25) (附註25)	(Note 26) (附註26)				
Balance at April 1, 2021	於2021年4月1日的結餘	9,447	239,184	(2,748,503)	(2,499,872)	43,295	(2,456,577)
Comprehensive (loss)/income	全面(虧損)/收益						
Loss for the year	年內虧損	-	-	(701,032)	(701,032)	4,632	(696,400)
Other comprehensive income/(loss)	其他全面收益/(虧損)						
Fair value change on convertible redeemable preferred shares due to own credit risk	自有信貸風險導致的可轉換可贖回優先股公允價值變動	-	(18,439)	-	(18,439)	-	(18,439)
Fair value change on bond due to own credit risk	自有信貸風險導致的債券公允價值變動	-	1,083	-	1,083	-	1,083
Currency translation differences	匯兌差額	-	84,672	-	84,672	-	84,672
Total comprehensive income/(loss) for the year	年內總全面收益/(虧損)	-	67,316	(701,032)	(633,716)	4,632	(629,084)
Transactions with equity holders	與權益持有人的交易						
Issuance of ordinary shares in relation to initial public offering	發行首次公開發售普通股	5,924	521,359	-	527,283	-	527,283
Issuance of shares for restrictive share unit scheme	發行受限制股份單位計劃股份	15,435	(15,435)	-	-	-	-
Share-based compensation	股份酬金	-	95,021	-	95,021	-	95,021
Conversion of convertible redeemable preferred shares to ordinary shares	可轉換可贖回優先股轉換為普通股	43,963	3,960,591	101,423	4,105,977	-	4,105,977
Repayment of Bond	償還債券	-	3,628	(3,628)	-	-	-
Non-controlling interests acquired	已收購非控股權益	-	(30,030)	-	(30,030)	(6,470)	(36,500)
Non-controlling interests disposed	已出售非控股權益	-	49	-	49	4,501	4,550
Dividends to non-controlling shareholders	向非控股股東派息	-	-	-	-	(173)	(173)
Balance at March 31, 2022	於2022年3月31日的結餘	74,769	4,841,683	(3,351,740)	1,564,712	45,785	1,610,497

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述合併權益變動表應與隨附附註一併閱讀。

Consolidated Statement of Cash Flows

合併現金流量表

For the year ended March 31, 2023
截至2023年3月31日止年度

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
		Note 附註	
Cash flows from operating activities		經營活動所得現金流量	
Cash generated from operations	經營所得現金	32(a)	241,313
Income tax paid	已付所得稅		(17,035)
Net cash generated from operating activities			131,656
Cash flows from investing activities		投資活動所得現金流量	
Payment for acquisition of a business, net of cash acquired	收購業務的付款 (扣除所得現金)	31	(54,193)
Payments for investments in associates and joint ventures	於聯營公司及合營公司的 投資付款		(4,800)
Payments for property, plant and equipment	物業、廠房及設備付款		(108,155)
Payments for financial assets at fair value through profit or loss	按公允價值計入損益的 金融資產付款		(342,886)
Payments for intangible assets	無形資產付款		(4,654)
Loans to related parties	向關聯方提供貸款		(77,164)
Loans to employees	向僱員提供貸款		(3,327)
Repayment of loans to employees	僱員償還貸款		153
Repayment of loans to a shareholder	股東償還貸款		-
Placement of pledged deposits	存放已質押存款		86,025
Proceeds from sale of financial assets at fair value through profit and loss	出售按公允價值計入損益的 金融資產所得款項		(29,650)
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備 所得款項		256,815
Payment of time deposits with original maturity over three months	原到期日超過三個月的 定期存款付款		14,936
Interest received	已收利息		(38,657)
Net cash used in investing activities			19,489
Net cash used in investing activities			(342,443)

Consolidated Statement of Cash Flows

合併現金流量表

For the year ended March 31, 2023
截至2023年3月31日止年度

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
		Note 附註	
Cash flows from financing activities	融資活動所得現金流量		
Proceeds from borrowings	借款所得款項	234,376	131,234
Contribution from non-controlling shareholders	非控股股東出資	977	-
Repayment of borrowings	償還借款	(154,244)	(213,190)
Increase in restricted cash	受限制現金增加	(51,746)	-
Repayment of bond	償還債券	-	(217,042)
Payment for acquisition of additional interest in a subsidiary	收購子公司額外權益付款	(36,500)	-
Shares purchased for share award scheme	就股份獎勵計劃購買股份	(34,542)	-
Payment for listing fees	支付上市費用	(24,493)	-
Termination of derivative liabilities	終止衍生負債	-	(99,148)
Net proceeds from initial public offering of common shares	首次公開發售普通股淨所得款項	-	527,283
Proceeds from issuance of convertible redeemable preferred shares	發行可轉換可贖回優先股所得款項	-	475,585
Principal elements of lease payments	租賃付款的本金部分	(207,035)	(161,743)
Dividends paid to non-controlling shareholders	向非控股股東支付股息	(899)	(173)
Proceeds from disposal of interest in subsidiary without change of control	出售子公司權益(無控制權變動)所得款項	-	4,550
Transaction costs on issuance of convertible redeemable preferred shares	發行E輪可轉換可贖回優先股的交易成本	-	(9,170)
Interest paid	已付利息	(6,244)	(57,327)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得淨現金	(280,350)	380,859
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物淨(減少)/增加	(491,137)	401,202
Cash and cash equivalents at the beginning of the year	年初的現金及現金等價物	1,052,285	676,304
Effects of exchange rate changes on cash and cash equivalents	匯率變動對現金及現金等價物的影響	60,712	(25,221)
Cash and cash equivalents at the end of the year	年末的現金及現金等價物	621,860	1,052,285
		24(a)	

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. 上述合併現金流量表應與隨附附註一併閱讀。

Notes to the Consolidated Financial Statements

合併財務報表附註

1 GENERAL INFORMATION AND REORGANISATION

1.1 General information

Arrail Group Limited (the “Company”) was incorporated in the British Virgin Islands (the “BVI”) on May 23, 2001 as a company limited by shares. On November 16, 2020, the Company discontinued as a company incorporated under the BVI Business Companies Act 2004 (as amended) and was registered by way of continuation as an exempted company limited by shares under the Companies Act (Cap.22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. Accordingly, the registered office of the Company was changed from P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, BVI, to 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, the Cayman Islands.

The Company is an investment holding company and together with its subsidiaries (the “Group”), is principally engaged in the provision of dental services (including general dentistry, orthodontics and implantology) through operations of dental clinics and hospitals in the People’s Republic of China (the “PRC”).

The Company completed its IPO and listed its shares on the Main Board of the Stock Exchange of Hong Kong Limited (“HKSE”) on March 22, 2022 (the “Listing”).

1 一般資料及重組

1.1 一般資料

瑞爾集團有限公司(「本公司」)於2001年5月23日於英屬維爾京群島(「英屬維爾京群島」)註冊成立為股份有限公司。於2020年11月16日，本公司終止為根據2004年英屬維爾京群島商業公司法(經修訂)註冊成立的公司，並根據開曼群島法例第22章公司法(1961年第3號法例，經合併及修訂)以存續方式註冊為獲豁免股份有限公司。相應地，本公司的註冊辦事處由P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, BVI變更為4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, the Cayman Islands。

本公司是一家投資控股公司，連同其子公司(統稱「本集團」)主要於中華人民共和國(「中國」)透過經營口腔診所及醫院提供口腔醫療服務(包括普通牙科、正畸科及種植科)。

本公司於2022年3月22日完成首次公開發售並將其股份於香港聯合交易所有限公司(「香港聯交所」)主板上市(「上市」)。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies applied in the preparation of the consolidated financial statements. These policies have been consistently applied throughout all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRSs”), interpretations issued by International Accounting Standards Board (“IASB”) applicable to companies reporting under IFRSs.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value.

The preparation of the consolidated financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2.1.1 Change in accounting policy and disclosures

All effective standards, amendments to standards and interpretations, which are mandatorily effective for the annual reporting period beginning on April 1, 2022, are consistently applied to the Group throughout the year ended March 31, 2023.

2 主要會計政策概要

本附註載有編製合併財務報表所採用的主要會計政策。除另有指明外，該等政策已於整個所有呈列年度貫徹應用。

2.1 編製基準

本集團合併財務報表根據國際會計準則理事會（「國際會計準則理事會」）所頒佈適用於按國際財務報告準則申報的公司的國際財務報告準則（「國際財務報告準則」）及詮釋而編製。

除若干按公允價值計量的金融資產及負債外，合併財務報表根據歷史成本編製。

編製符合國際財務報告準則的合併財務報表須作出若干關鍵會計估計。管理層亦須在採用本集團會計政策的過程中作出判斷。涉及高度判斷或較為複雜的範疇，或涉及對合併財務報表屬重大的假設及估計的範疇披露於附註4。

2.1.1 會計政策及披露變動

於2022年4月1日開始的年度報告期間強制生效的所有有效準則、準則修訂和詮釋，均於截至2023年3月31日止整個年度貫徹應用於本集團。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 2 主要會計政策概要(續)

2.1 Basis of preparation (continued)

2.1.2 New and amended standards adopted by the Group

The following amended standards have been adopted by the Group for the first time for the financial period beginning on April 1, 2022.

2.1 編製基準(續)

2.1.2 本集團採用的新訂及經修訂準則

本集團已就2022年4月1日開始的財政年度首次採納以下經修訂準則。

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

Property, Plant and Equipment: Proceeds before intended use

– Amendments to IAS 16

January 1, 2022

物業、廠房及設備：作擬定用途前的所得款項

2022年1月1日

– 國際會計準則第16號的修訂

Reference to the Conceptual Framework – Amendments to IFRS 3

January 1, 2022

概念框架的引用 – 國際財務報告準則第3號的修訂

2022年1月1日

Onerous Contracts

– Cost of Fulfilling a Contract – Amendments to IAS 37

January 1, 2022

虧損性合同

2022年1月1日

– 履行合同的成本 – 國際會計準則第37號的修訂

Annual Improvements to IFRSs 2018 – 2020 cycle

January 1, 2022

對國際財務報告準則2018年 – 2020年週期的年度改進

2022年1月1日

The Group has applied new and amended standards effective for the current financial year. The adoption of these new and revised standards does not have any significant impact on the consolidated financial statements.

本集團已採用於本財政年度生效的新訂及經修訂準則。採納該等新訂及經修訂準則對合併財務報表並無任何重大影響。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 主要會計政策概要(續)

2.1 Basis of preparation (continued)

2.1 編製基準(續)

2.1.3 *New and amended standards and interpretation not yet adopted by the Group*

2.1.3 本集團尚未採用的新訂及經修訂準則及詮釋

Certain new accounting standards, amendments and interpretations have been issued but are not yet effective for the annual reporting period beginning on April 1, 2022 and have not been early adopted by the Group during the year ended March 31, 2023. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

若干新會計準則、修訂本及詮釋已頒佈但尚未就2022年4月1日開始的年度報告期間生效，而本集團於截至2023年3月31日止年度並無提早採用。預期該等準則於現行或未來報告期間對本集團並無重大影響，而對可預見將來的交易亦無重大影響。

**Effective for
annual periods
beginning on
or after
於以下日期或之後
開始的年度期間生效**

IAS 1 (Amendments)	Classification of liabilities as current or non-current	January 1, 2024
國際會計準則第1號(修訂本)	負債分類為流動或非流動	2024年1月1日
IAS 1 and IFRS Practice Statement 2 (Amendments)	Disclosure of Accounting Policies	January 1, 2023
國際會計準則第1號及國際財務報告準則實踐指南第2號(修訂本)	會計政策的披露	2023年1月1日
IAS 8 (Amendments)	Definition of Accounting Estimate	January 1, 2023
國際會計準則第8號(修訂本)	會計估計的定義	2023年1月1日
IAS 12 (Amendments)	Deferred tax related to assets and liabilities arising from a single transaction	January 1, 2023
國際會計準則第12號(修訂本)	與單一交易產生的資產及負債相關的遞延稅項	2023年1月1日

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 2 主要會計政策概要(續)

2.1 Basis of preparation (continued)

2.1.3 *New and amended standards and interpretation not yet adopted by the Group (continued)*

2.1 編製基準(續)

2.1.3 本集團尚未採用的新訂及經修訂準則及詮釋(續)

		Effective for annual periods beginning on or after 於以下日期或之後開始的年度期間生效
IFRS 17 國際財務報告準則第17號	Insurance Contracts 保險合同	January 1, 2023 2023年1月1日
IFRS 10 and IAS 28 (Amendments) 國際財務報告準則第10號及國際會計準則第28號(修訂本)	Sale or Contribution of Assets between an Investor and its Associate and Joint Venture 投資者與其聯營公司和合營公司之間的資產出售或出資	To be determined 待確定
Hong Kong Interpretation 5 (Revised)	Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	Applied when an entity applies IAS 1 (Amendments) – Classification of Liabilities as Current or Non-current
香港詮釋第5號(經修訂)	香港詮釋第5號(經修訂)財務報表的呈列 – 借入人對包含按要求還款條款的定期貸款進行分類	當實體應用國際會計準則第1號(修訂本) – 負債分類為流動或非流動時予以應用

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.3 *New and amended standards and interpretation not yet adopted by the Group (continued)*

The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

2 主要會計政策概要(續)

2.1 編製基準(續)

2.1.3 本集團尚未採用的新訂及經修訂準則及詮釋(續)

國際會計準則第12號所得稅的修訂要求公司對於初始確認時產生等值的應課稅及可扣減的暫時性差額的交易確認遞延稅項。其通常適用於承租人的租賃及停用責任等交易，並將要求確認額外延遲稅項資產及負債。

此修訂本適用於所呈列最早可比較期間開始時或之後已發生的交易。此外，實體須在最早可比較期間開始時對所有與以下交易相關的可扣減及應課稅暫時性差額認遞延稅項資產(在可能可使用的範圍內)及遞延稅項負債：

- 使用權資產及租賃負債，及
- 停用、恢復及相似負債以及確認為相關資產的成本一部分的相應金額。

確認該等調整的累計影響於保留盈利或權益的其他部分(如適用)中確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.3 *New and amended standards and interpretation not yet adopted by the Group (continued)*

The Group expects that the impact to the consolidated balance sheets will not be material and deferred tax assets and deferred tax liabilities without taking into consideration the offsetting of balances within the tax jurisdiction will increase by approximately RMB59,435,000 and RMB62,989,000 respectively as at March 31, 2023 as a result of adopting the amendments. The amendment is mandatory for financial years commencing on or after January 1, 2023. At this stage, the Group does not intend to adopt the amendment before its effective date.

2.2 Principles of consolidation and equity accounting

2.2.1 *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (see Note 2.3 below).

2 主要會計政策概要(續)

2.1 編製基準(續)

2.1.3 本集團尚未採用的新訂及經修訂準則及詮釋(續)

本集團預期，由於採納該等修訂，對合併資產負債表的影響並不重大及於2023年3月31日的遞延稅項資產及遞延稅項負債(不計及同一稅務司法管轄區內的結餘抵銷)將分別增加約人民幣59,435,000元及人民幣62,989,000元。該修訂於2023年1月1日或之後開始的財政年度強制生效。於現階段，本集團不擬於該修訂生效日期前採納該修訂。

2.2 合併及權益會計法原則

2.2.1 子公司

子公司指本集團擁有控制權的所有實體(包括結構性實體)。當本集團因參與該實體業務而承擔可變回報的風險或享有可變回報的權利，以及有能力通過其引導該實體活動的權力影響該等回報時，本集團即控制該實體。子公司在控制權轉至本集團之日起全面併表入賬，在控制權終止之日起終止併表入賬。

本集團採用收購會計法將業務合併入賬(見下文附註2.3)。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

2.2.1 Subsidiaries (continued)

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statements, statements of comprehensive loss, statements of changes in deficit in equity and balance sheets respectively.

2.2.2 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see Note 2.2.4 below), after initially being recognised at cost.

2.2.3 Joint ventures

Joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Investments in joint ventures are accounted for using the equity method of accounting (see Note 2.2.4 below), after initially being recognised at cost.

2 主要會計政策概要(續)

2.2 合併及權益會計法原則(續)

2.2.1 子公司(續)

集團公司間的公司間交易、結餘及未變現收益予以對銷。未變現虧損亦予以對銷，但該交易有證據顯示所轉讓資產出現減值則作別論。子公司的會計政策已按需要變更，以確保與本集團所採用的政策一致。

子公司的經營業績及權益中的非控股權益分別於合併損益表、全面虧損表、權益虧蝕變動表及資產負債表中單獨呈列。

2.2.2 聯營公司

聯營公司指本集團對其有重大影響力但無控制權或共同控制權的所有實體。一般情況下，本集團持有20%至50%的表決權。於聯營公司的投資在初步按成本確認後採用權益會計法(見下文附註2.2.4)入賬。

2.2.3 合營公司

合營安排乃視乎各投資者的合同權利及義務而分類為合營業務或合營公司。本集團已評估其合營安排的性質，並將之釐定為合營公司。於合營公司的投資在初步按成本確認後採用權益會計法(見下文附註2.2.4)入賬。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

2.2.4 Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.9.

2 主要會計政策概要(續)

2.2 合併及權益會計法原則(續)

2.2.4 權益法

根據權益會計法，投資初步以成本確認，其後經調整以於損益中確認本集團應佔的收購後被投資公司的利潤或虧損，並於其他全面收益中確認本集團應佔被投資公司的其他全面收益變動的份額。已收或應收聯營公司及合營公司的股息確認為投資賬面值的扣減。

當本集團應佔以權益法入賬的投資虧損等於或超過其應佔實體的權益(包括任何其他無抵押長期應收款項)時，除非本集團代表其他實體產生負債或支付款項，否則本集團不會進一步確認虧損。

本集團以及其聯營公司及合營公司之間交易的未變現收益予以對銷，惟以集團於該等實體的權益為限。未變現虧損亦予以對銷，但該交易有證據顯示所轉讓資產出現減值則作別論。以權益法入賬的被投資公司的會計政策已按需要變更，以確保與本集團所採用的政策一致。

以權益法入賬的投資的賬面值根據附註2.9所述的政策進行減值測試。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

2.2.5 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity holders of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as permitted by applicable IFRSs.

2 主要會計政策概要(續)

2.2 合併及權益會計法原則(續)

2.2.5 擁有權權益變動

本集團將不會導致喪失控制權的非控股權益交易視為與本集團權益持有人的交易。擁有權權益變動導致控股權益與非控股權益賬面值之間的調整，以反映彼等於子公司的相關權益。非控股權益調整金額與任何已付或已收對價之間的任何差額於本公司擁有人應佔權益虧絀中的獨立儲備內確認。

當本集團因喪失控制權、共同控制權或重大影響力而停止綜合入賬或按權益入賬一項投資時，於實體的任何保留權益重新按公允價值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營公司或金融資產的保留權益而言，該公允價值為初步賬面值。此外，先前於其他全面收益確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這可能意味著先前在其他全面收益確認的金額重新分類至損益或轉撥至適用國際財務報告準則所允許的另一權益類別。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

2.2.5 Changes in ownership interests (continued)

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.2.6 Subsidiaries controlled through previous contractual arrangements

On August 20, 2020, Beijing Ruier Shengbin Medical Technology Co., Ltd. ("Beijing Ruier"), Shenzhen Ruijian Consulting Management Co., Ltd. ("Shenzhen Ruijian"), Ms Zou Lifang, each of the 12 operating entities (the "VIE Entities") entered into a series of contractual arrangements (the "Contractual Arrangements") pursuant to which the Group is able to:

- (i) receive substantially all of the economic interest returns generated by Shenzhen Ruijian in consideration for the business support and consultancy services provided by Beijing Ruier;
- (ii) obtain an irrevocable, unconditional and exclusive right to purchase all or any part of the equity interests in and/or assets of Shenzhen Ruijian held at present or in the future for a consideration equivalent to the lowest price permitted under the PRC laws at the time of purchase. The nominee shareholder and Shenzhen Ruijian agreed to refund all amount received in the transfer of equity interests or assets, as the case maybe, to Beijing Ruier;

2 主要會計政策概要(續)

2.2 合併及權益會計法原則(續)

2.2.5 擁有權權益變動(續)

倘於合營公司或聯營公司的擁有權權益減少但仍保留共同控制權或重大影響力，則先前於其他全面收益確認的金額僅有一定比例份額重新分類至損益(如適用)。

2.2.6 通過先前合同安排控制的子公司

於2020年8月20日，北京瑞爾聖彬醫療科技有限公司(「北京瑞爾」、深圳市瑞健諮詢管理有限公司(「深圳瑞健」、鄒立芳女士、12家經營實體(「可變利益實體」)各自訂立一系列合同安排(「合同安排」)，據此，本集團能夠：

- (i) 獲得深圳瑞健產生的絕大部分經濟利益回報，作為北京瑞爾提供的業務支持及諮詢服務的對價；
- (ii) 獲得不可撤銷的、無條件的獨家權利，以購買深圳瑞健目前或未來持有的全部或任何部分股權及／或資產，對價等於購買時中國法律允許的最低價格。名義股東及深圳瑞健同意將轉讓股權或資產(視情況而定)時收到的所有款項退還予北京瑞爾；

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

2.2.6 Subsidiaries controlled through previous contractual arrangements (continued)

- (iii) exercise the equity holders' voting rights of Shenzhen Ruijian; and,
- (iv) obtain a pledge over all of nominee shareholder's equity interest in Shenzhen Ruijian to Beijing Ruier as a security to guarantee the performance of the contractual obligations and payment of outstanding debts under the Contractual Arrangements.

As a result of the Contractual Arrangements, the Group is considered to control Shenzhen Ruijian as it has rights to exercise power over Shenzhen Ruijian, receive variable returns from its involvement with Shenzhen Ruijian, and have the ability to affect those returns through its power over Shenzhen Ruijian. Consequently, the Company regarded Shenzhen Ruijian as controlled entity and consolidated the financial position and results of operations of Shenzhen Ruijian in the consolidated financial statements of the Group.

2 主要會計政策概要(續)

2.2 合併及權益會計法原則(續)

2.2.6 通過先前合同安排控制的子公司(續)

- (iii) 行使股權持有人對深圳瑞健的投票權；及
- (iv) 獲得名義股東於深圳瑞健的全部股權質押予北京瑞爾作為擔保，以保證履行合同安排下的合同義務及支付未償債務。

由於合同安排，本集團被視為控制深圳瑞健，因為其有權對深圳瑞健行使權力、從參與深圳瑞健業務中獲得可變回報，以及有能力通過其對深圳瑞健的權力影響該等回報。因此，本公司將深圳瑞健視為受控實體，並將深圳瑞健的財務狀況及經營業績併入本集團的合併財務報表。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

2 主要會計政策概要(續)

2.3 業務合併

本集團採用收購會計法將所有業務合併入賬，不論是否已收購權益工具或其他資產。收購子公司所轉讓的對價包括：

- 所轉讓資產的公允價值
- 被收購業務前擁有人所產生負債
- 本集團發行的股權
- 或然對價安排產生的任何資產或負債的公允價值，及
- 子公司任何先前存在股權的公允價值。

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債，初步以彼等於收購日期的公允價值計量（少數例外情況除外）。本集團以逐項收購基準按公允價值或非控股權益應佔被收購實體可識別淨資產的比例確認於被收購實體的任何非控股權益。

收購相關成本於產生時支銷。

以下三者：

- 已轉讓對價
- 被收購實體的任何非控股權益金額，及
- 任何先前於被收購實體的股本權益於收購日期的公允價值

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Business combinations (continued)

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2 主要會計政策概要(續)

2.3 業務合併(續)

超過所收購可識別淨資產的公允價值的數額入賬為商譽。倘該等金額低於所收購業務可識別淨資產的公允價值，則差額直接於損益確認為議價購買。

倘現金對價的任何部分遞延結算，則未來應付金額將折現至交換日期的現值。所用折現率為實體的增量借款利率，即根據可資比較條款及條件可從獨立融資人取得類似借款的利率。或然對價分類為權益或金融負債。分類為金融負債的金額其後重新計量至公允價值，而公允價值變動於損益確認。

2.4 獨立財務報表

於子公司的投資按成本扣除減值入賬。成本包括投資的直接歸屬成本。子公司業績由本公司按已收及應收股息基準入賬。

當收到來自於子公司的投資的股息時，倘若股息超過該子公司在宣派股息期間的總全面收益，或倘若在獨立財務報表中的投資賬面值超過被投資公司淨資產(包括商譽)在合併財務報表中的賬面值時，須對有關投資進行減值測試。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segment and making strategic decisions. The chief operating decision-maker has been identified as the board of directors.

2.6 Foreign currency translation

2.6.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company is USD as USD is the primary denominated currency of the Company's financing. The Company's primary subsidiaries were incorporated in mainland China and these subsidiaries considered RMB as their functional currency. As the major operations of the Group are within mainland China, the Group determined to present its consolidated financial statements in RMB (unless otherwise stated).

2.6.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

2 主要會計政策概要(續)

2.5 分部報告

經營分部與呈報給主要經營決策者的內部報告方式一致。主要經營決策者負責分配資源及評估經營分部的表現，以及作出戰略決定。主要經營決策者已確定為董事會。

2.6 外幣換算

2.6.1 功能及呈報貨幣

本集團各實體的財務報表所載項目均按各實體經營所在主要經濟環境的貨幣(「功能貨幣」)計量。本公司的功能貨幣為美元，因為美元是本公司融資的主要計價貨幣。本公司的主要子公司於中國內地註冊成立，該等子公司視人民幣為其功能貨幣。由於本集團的主要業務位於中國內地，本集團決定以人民幣(另有註明者除外)呈報其合併財務報表。

2.6.2 交易及結餘

外幣交易採用於交易日期的匯率換算為功能貨幣。結算此等交易以及按年末匯率換算以外幣計價的貨幣資產及負債產生的匯兌收益及虧損，一般在損益內確認。如果此等匯兌收益及虧損與合格現金流對沖及合格淨投資對沖相關，或歸屬於海外業務淨投資的一部分，則在權益中遞延。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Foreign currency translation (continued)

2.6.2 Transactions and balances (continued)

Foreign exchange gains and losses are presented in the consolidated income statements within “other (losses)/gains – net”.

2.6.3 Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each income statement and statement of comprehensive loss are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income/(loss).

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income/(loss).

2 主要會計政策概要(續)

2.6 外幣換算(續)

2.6.2 交易及結餘(續)

匯兌收益及虧損在合併損益表的「其他淨(虧損)/收益」中列報。

2.6.3 集團公司

功能貨幣與呈報貨幣不同的(當中並無惡性通貨膨脹經濟體的貨幣)海外業務的業績及財務狀況按以下方法換算為呈報貨幣:

- 每份呈報的資產負債表內的資產及負債按該資產負債表日期的收市匯率換算
- 每份損益表及全面虧損表內的收入及開支按平均匯率換算(除非該匯率並非交易日期匯率的累計影響的合理約數,則在此情況下,收入及開支按交易日期的匯率換算),及
- 所有由此產生的匯兌差額在其他全面收益/(虧損)內確認。

併表入賬時,換算任何於外國實體的淨投資,以及換算借款及其他指定為此等投資對沖的金融工具產生的匯兌差額,均在其他全面收益/(虧損)內確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Foreign currency translation (continued)

2.6.3 Group companies (continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the year ended March 31, 2023 in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

-	Medical equipment	3-10 years
-	Office equipment and furniture	5 years
-	Motor vehicles	5 years
-	Leasehold improvements	the shorter of the useful life or the lease term

Property, plant and equipment arising from a business acquisition is depreciated over the remaining useful life.

2 主要會計政策概要(續)

2.6 外幣換算(續)

2.6.3 集團公司(續)

收購海外業務產生的商譽及公允價值調整，視為該外國業務的資產及負債處理，並按收市匯率換算。

2.7 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊列賬。歷史成本包括收購項目直接應佔開支。

其後成本僅於與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，方計入資產的賬面值或確認為獨立資產(如適用)。重置部分賬面值終止確認。所有其他維修及保養費用於產生的截至2023年3月31日止年度在損益中扣除。

物業、廠房及設備的折舊按於以下估計可使用年期內以直線法分攤其成本(扣除其剩餘價值)計算：

-	醫療設備	3至10年
-	辦公設備及傢具	5年
-	汽車	5年
-	租賃物業裝修	可使用年期或租期(以較短者為準)

因業務收購產生的物業、廠房及設備於剩餘可使用年期內折舊。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Property, plant and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other gains – net" in the consolidated income statements.

2.8 Intangible assets

2.8.1 Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate purchase consideration transferred, the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses (if any). Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. The allocation is made to those CGUs or CGUs that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

2 主要會計政策概要(續)

2.7 物業、廠房及設備(續)

資產的剩餘價值及可使用年期於各報告期末進行檢討及調整(倘適用)。

倘資產的賬面值超過其估計可收回金額，則資產的賬面值即時撇減至其可收回金額。

出售的收益及虧損乃透過比較所得款項及賬面值釐定，並於合併損益表「其他淨收益」內確認。

2.8 無形資產

2.8.1 商譽

商譽產生自收購子公司，並相當於所轉讓購買對價總額、被收購方先前的任何股本權益在收購日期的公允價值超出所收購可識別淨資產的公允價值的數額。商譽不予攤銷，但會每年進行減值測試，或當有事件出現或情況變化顯示可能出現減值時進行更頻密的減值測試，並按成本減累計減值虧損(如有)列賬。出售實體產生的收益及虧損包括與所出售實體有關的商譽賬面值。

商譽分配至現金產生單位(「現金產生單位」)以進行減值測試。商譽會分配到預計會從產生商譽的業務合併中受益的現金產生單位或現金產生單位組別。這些單位或單位組別是在為內部管理目的而監控商譽的最低級別確定，即經營分部。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Intangible assets (continued)

2.8.2 Other intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring the specific software into usage. Costs associated with maintaining computer software programs are recognised as expense as incurred.

Separately acquired service contracts are measured on initial recognition at cost. Service contracts are subsequently carried at cost less accumulated amortisation and impairment losses (if any).

Brands and licenses, non-competitive agreements and customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are carried at cost less accumulated amortisation and impairment losses (if any).

Estimated useful life is determined to be the shorter of the period of contractual rights or the estimated period during which such intangible assets can bring economic benefits to the Group.

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Software	5 years
Service contracts	2-4 years
Brands and licenses	5-10 years
Non-competitive agreements and customer relationships	1-4 years

The Group estimates the useful life of the brand and license to be between 5 and 10 years based on the contract term of the brand and the expected useful life of the license.

2 主要會計政策概要(續)

2.8 無形資產(續)

2.8.2 其他無形資產

所收購的計算機軟件是根據收購特定軟件並投入使用所產生的成本進行資本化。與維護計算機軟件程序相關的成本於產生時確認為開支。

單獨取得的服務合同於初始確認時按成本計量。服務合同其後按成本減累計攤銷及減值虧損(如有)列賬。

在業務合併中所收購的品牌及許可證、非競爭性協議及客戶關係，按收購日期的公允價值確認。其可使用年期限定，並按成本減累計攤銷及減值虧損(如有)列賬。

估計可使用年期確定為合同權利期間或有關無形資產可為本集團帶來經濟利益的估計期間(以較短者為準)。

本集團於以下期間採用直線法攤銷有限定可使用年期的無形資產：

軟件	5年
服務合同	2至4年
品牌及許可證	5至10年
非競爭性協議及客戶關係	1至4年

本集團基於品牌的合同期限和許可證的預期可使用年期估計品牌及許可證的可使用年期介乎5至10年。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Intangible assets (continued)

2.8.3 Research and development

Research expenditures are recognised as an expense as incurred. Costs incurred on the development phase of an internal project are capitalized as intangible assets when all of the recognition criteria are met, including (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale; (b) management intends to complete the intangible asset and use or sell it; (c) there is an ability to use or sell the intangible asset; (d) it can be demonstrated how the intangible asset will generate probable future economic benefits; (e) adequate technical, finance and other resources to complete the development and to use or sell the intangible asset are available; and (f) the expenditure attributable to the intangible asset during its development can be reliably measured. Other development costs that do not meet those criteria are expensed as incurred. There were no development costs meeting those criteria and capitalised as intangible assets as at March 31, 2023 and 2022.

2 主要會計政策概要(續)

2.8 無形資產(續)

2.8.3 研發

研究支出於產生時確認為開支。內部項目開發階段產生的成本於滿足所有確認標準時資本化為無形資產，該等標準包括(a)完成該無形資產以供使用或出售具技術可行性；(b)管理層有意完成該無形資產並使用或出售；(c)有能力使用或出售該無形資產；(d)能夠證明該無形資產將如何產生可能的未來經濟利益；(e)有足夠技術性、財務及其他資源完成開發並使用或出售該無形資產；及(f)該無形資產於開發期內應佔的支出能夠可靠計量。不滿足該等標準的其他開發成本於產生時支銷。於2023年及2022年3月31日，概無開發成本滿足該等標準及資本化為無形資產。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 主要會計政策概要(續)

2.9 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets, including property, plant and equipment, right-of-use assets, and intangible assets (including brand and licenses), are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.9 非金融資產減值

倘商譽及無形資產的可使用年期為無限定，則無須攤銷，但會每年進行減值測試，或當有事件出現或情況變化顯示可能出現減值時進行更頻密的減值測試。其他非金融資產(包括物業、廠房及設備、使用權資產及無形資產(包括品牌及許可證))於有事件出現或情況變化顯示賬面值可能無法收回時進行減值測試。減值虧損按資產賬面值超出其可收回金額的差額確認。可收回金額以資產的公允價值減出售成本或使用價值兩者之間較高者為準。於評估減值時，資產按可單獨識別現金流入的最低級別分組，該等現金流入在很大程度上獨立於其他資產或資產組別(現金產生單位)的現金流入。除商譽外，已減值的非金融資產在各報告期末檢討減值能否轉回。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 主要會計政策概要(續)

2.10 Investments and other financial assets

2.10 投資及其他金融資產

2.10.1 Classification

2.10.1 分類

The Group classifies its financial assets in the following measurement categories:

本集團將其金融資產分為以下計量類別：

- those to be measured subsequently at fair value through profit or loss ("FVPL"), and
- those to be measured at amortised cost.

- 其後將按公允價值計入損益(「按公允價值計入損益」)計量的金融資產，及
- 將按攤銷成本計量的金融資產。

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

分類視乎實體管理金融資產的業務模式及現金流量的合同條款而定。

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

金融資產的常規買賣於交易日期(本集團承諾買賣該資產的日期)予以確認。當收取金融資產現金流量的權利已屆滿或已轉移，且本集團已轉移所有權的幾乎所有風險和報酬時，終止確認金融資產。

2.10.2 Measurement

2.10.2 計量

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in consolidated income statements.

初始確認時，本集團按金融資產的公允價值加(倘若並非按公允價值計入損益的金融資產)收購該金融資產直接應佔的交易成本計量該金融資產。按公允價值計入損益列賬的金融資產的交易成本在合併損益表內支銷。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Investments and other financial assets (continued)

2.10.2 Measurement (continued)

Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in consolidated income statements and presented net within other (losses)/gains – net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statements.
- **FVPL:** Assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in consolidated income statements and presented net within other (losses)/gains – net in the period in which it arises.

2 主要會計政策概要(續)

2.10 投資及其他金融資產(續)

2.10.2 計量(續)

債務工具

債務工具的後續計量視乎本集團管理資產的業務模式及該資產的現金流量特徵而定。本集團將其債務工具分為兩個計量類別：

- **攤銷成本：**對於為收回合同現金流量而持有的資產，倘若該等現金流量僅為支付本金及利息，則該等資產按攤銷成本計量。該等金融資產的利息收入按實際利率法計入財務收入內。終止確認產生的任何收益或虧損直接於合併損益表內確認，並連同匯兌收益及虧損於其他淨(虧損)/收益以淨額呈列。減值虧損於合併損益表內以單獨項目呈列。
- **按公允價值計入損益：**不符合攤銷成本標準的資產按公允價值計入損益計量。後續按公允價值計入損益計量的債務投資的收益或虧損於合併損益表內確認，並於產生期間於其他淨(虧損)/收益以淨額呈列。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Investments and other financial assets (continued)

2.10.3 Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Impairment of other receivables are measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

While cash and cash equivalents, time deposits with original maturities over three months and restricted cash are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2 主要會計政策概要(續)

2.10 投資及其他金融資產(續)

2.10.3 減值

本集團按預期基準評估按攤銷成本列賬的債務工具的相關預期信貸虧損。所用減值方法視乎信貸風險有否顯著增加而定。

本集團運用國際財務報告準則第9號允許的簡易方法處理貿易應收款項，該準則規定於初始確認應收款項時確認存續期預期信貸虧損。

其他應收款項減值按12個月預期信貸虧損或存續期預期信貸虧損計量，視乎自初始確認後信貸風險有否顯著增加而定。倘若自初始確認後應收款項信貸風險顯著增加，則減值按存續期預期信貸虧損計量。

雖然現金及現金等價物、原到期日超過三個月的定期存款及受限制現金亦須遵守國際財務報告準則第9號的減值規定，但是可識別的減值虧損並不重大。

2.11 抵銷金融工具

倘若有可依法執行權利將已確認金額抵銷，且有意以淨額結算或同時變現資產和清償負債時，金融資產及負債會互相抵銷，並於資產負債表內呈報淨額。可依法執行權利不得取決於未來事件，並且必須在正常業務過程中以及在公司或交易對手違約、資不抵債或破產的情況下可強制執行。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2.13 Trade receivables

Trade receivables are amounts due from customers for goods sold and service performed in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 3.1.2 for the description of the Group's impairment policies.

2.14 Cash and cash equivalents and restricted cash

For the purpose of presentation in the consolidated statements of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks and time deposits with original maturities within three months.

Time deposits with original maturities over three months and cash that is restricted from withdrawal, from use or from being pledged as security is reported separately on the face of the consolidated balance sheets, and is not included in the total cash and cash equivalents in the consolidated statements of cash flows.

2 主要會計政策概要(續)

2.12 存貨

存貨按成本與可變現淨值兩者中的較低者列賬。成本採用先進先出法確定。可變現淨值是在日常業務過程中的估計售價減去進行銷售所需的估計成本。

2.13 貿易應收款項

貿易應收款項為於日常業務過程中銷售貨品及提供服務而應收客戶的款項。倘若預期貿易應收款項可於一年或以內(或如為較長時間,則在一般業務營運週期內)收回,則分類為流動資產,否則將其呈列為非流動資產。

貿易應收款項初始按可無條件獲得的對價金額進行確認,但當其包含重大融資成分時,則按公允價值確認。本集團持有貿易應收款項的目的是收取合同現金流量,因此採用實際利率法按攤銷成本進行後續計量。有關本集團減值政策的說明,請參閱附註3.1.2。

2.14 現金及現金等價物以及受限制現金

就呈列合併現金流量表而言,現金及現金等價物包括手頭現金、銀行活期存款及原到期日為三個月內的定期存款。

原到期日超過三個月的定期存款及提取、使用或作為擔保抵押受限制的現金,於合併資產負債表單獨報告,且不會計入合併現金流量表內的總現金及現金等價物。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

Shares held by the Company's restrictive share unit scheme (the "RSU Plan") are disclosed as treasury shares and deducted from contributed equity.

Preferred shares are classified as financial liabilities, see Note 2.17 and Note 3.3.

2 主要會計政策概要(續)

2.15 股本

普通股歸類為權益。直接歸屬於發行新股份或期權的增量成本在權益中列示為所得款項的扣減(扣除稅項)。

倘任何集團公司購買本公司的權益工具(例如因股份購回或股份付款計劃),所支付的對價(包括任何直接應佔增量成本(扣除所得稅))作為庫存股份自本公司擁有人應佔權益扣減直至股份被註銷或重新發行。倘該等普通股其後重新發行,所收取的任何對價(扣除任何直接應佔增量交易成本及相關所得稅影響)均計入本公司擁有人應佔權益。

本公司受限制股份單位計劃(「受限制股份單位計劃」)所持的股份披露為庫存股份,並自實繳權益中扣除。

優先股歸類為金融負債,請參閱附註2.17及附註3.3。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 主要會計政策概要(續)

2.16 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.17 Convertible redeemable preferred shares

Convertible redeemable preferred shares issued by the Company are redeemable at the option of the holder upon occurrence of certain events. These instruments can also be converted into ordinary shares of the Company at any time at the option of the holders, or automatically upon occurrence of an Qualified Initial Public Offering (the "QIPO") of the Company.

The Group designated the convertible redeemable preferred shares as financial liabilities at fair value through profit or loss. They are initially recognised at fair value. Any directly attributable transaction costs are recognised in profit or loss. Fair value changes relating to market risk are recognised in profit or loss, the component of fair value changes relating to the Company's own credit risk is recognised in other comprehensive income/(loss). Amounts recorded in other comprehensive income/(loss) related to own credit risk are not subject to recycling in profit or loss, but are transferred to accumulated losses when realised.

The convertible redeemable preferred shares are classified as non-current liabilities unless the convertible redeemable preferred shares' holders can demand the Company to redeem the preferred shares within 12 months after the end of each reporting period.

2.16 貿易及其他應付款項

這些款項指財政期間末前向本集團提供貨品及服務而未獲支付的負債。貿易及其他應付款項呈列為流動負債，除非在報告期後12個月內未到期。貿易及其他應付款項初步按公允價值確認，其後採用實際利率法按攤銷成本計量。

2.17 可轉換可贖回優先股

本公司發行的可轉換可贖回優先股可於若干事件發生時由持有人選擇贖回。持有人亦可選擇隨時將該等工具轉換為本公司的普通股，或於本公司合資格首次公開發售（「合資格首次公開發售」）後自動轉換為普通股。

本集團將可轉換可贖回優先股指定為按公允價值計入損益的金融負債，初始按公允價值確認。任何直接應佔交易成本於損益中確認。與市場風險有關的公允價值變動於損益中確認，與本公司自有信貸風險有關的公允價值變動部分於其他全面收益／（虧損）中確認。與自有信貸風險有關並計入其他全面收益／（虧損）的金額無須轉回至損益，但在變現時轉撥至累計虧損。

可轉換可贖回優先股歸類為非流動負債，除非可轉換可贖回優先股持有人於各報告期末後12個月內要求本公司贖回優先股。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated balance sheets when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated income statements as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2 主要會計政策概要(續)

2.18 借款

借款初始按公允價值(扣除已產生交易成本)確認,其後按攤銷成本列賬。所得款項(扣除交易成本)與贖回金額之間的任何差額,採用實際利率法於借款期間在損益內確認。

建立貸款融資時支付的費用在很可能會部分或全部提取融資的情況下確認為貸款的交易成本。在此情況下,該費用乃遞延直至發生提取。如果沒有證據證明很可能會部分或全部提取融資,該費用將資本化為流動性服務的預付款項,並在融資相關期間攤銷。

當合同規定的義務解除、取消或到期時,借款從合併資產負債表中移除。已消除或已轉移給另一方的金融負債的賬面值與已付對價(包括所轉移的任何非現金資產或所承擔負債)之間的差額,於合併損益表確認為財務成本。

借款歸類為流動負債,除非本集團有權無條件將負債的清償推遲至報告期末後至少12個月。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Borrowings (continued)

2.18.1 Bond

The Company issued a bond to a bond holder (the "Holder") which is accounted for at fair value through profit or loss, with fair value changes recognised in profit or loss, except for the portion attributable to own credit risk change that should be charged to other comprehensive income/(loss). Amounts recorded in other comprehensive income/(loss) related to own credit risk are not subject to recycling in profit or loss, but are transferred to accumulated losses when realised.

The bond is classified as a non-current liability unless the Company has an obligation to settle the liability within 12 months after the end of the reporting period.

2.18.2 Warrants

The Group issued warrants as an upfront payment for issuing a bond (Note 2.18.1). The warrants can be exercised and settled with (1) class 1 ordinary shares of the Company, (2) cash determined by the underlying equity value of the Company, at the option of the holder. The warrants are initially and subsequently measured at fair value. Any changes in fair value of warrants are recognised in profit or loss.

2.18.3 Derivative liabilities

The Group recognised derivative liabilities as the result of the termination of warrants. The derivative liabilities can be settled either through (1) a predetermined amount of cash, or (2) re-entering into the warrants (Note 2.18.2), depending if the QIPO or trade sales occurs before December 31, 2022. The derivative liabilities are initially and subsequently measured at fair value. Any changes in fair value of derivative liabilities are recognised in profit or loss.

2 主要會計政策概要(續)

2.18 借款(續)

2.18.1 債券

本公司向債券持有人(「持有人」)發行按公允價值計入損益的債券，而其公允價值變動則於損益確認，但自有信貸風險變化應佔部分應計入其他全面收益／(虧損)除外。與自有信貸風險有關並計入其他全面收益／(虧損)的金額無須轉回至損益，但在變現時轉撥至累計虧損。

除非本公司有責任在報告期末後12個月內清償該負債，否則該債券被歸類為非流動負債。

2.18.2 權證

本集團發行權證作為發行債券的預付款項(附註2.18.1)。權證可由持有人選擇以(1)本公司1類普通股、(2)由本公司相關股權價值確定的現金行使和結算。權證初始及隨後均按公允價值計量。權證公允價值的任何變動均於損益中確認。

2.18.3 衍生負債

本集團因終止權證而確認衍生負債。衍生負債可以用(1)預定數額的現金、或(2)重新訂立權證(附註2.18.2)來結算，取決於在2022年12月31日前是否發生合資格首次公開發售或交易銷售。衍生負債初始及隨後均按公允價值計量。衍生負債公允價值的任何變動均於損益中確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.20 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

2.20.1 Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 主要會計政策概要(續)

2.19 借款成本

收購、建設或生產合資格資產直接應佔的一般及特定借款成本，於完成建設及將資產達致擬定用途或銷售狀況所需時間期限內撥充資本。合資格資產為需要相當長時間達致擬定用途或銷售狀況的資產。

就有待用於合資格資產支出的特定借款作出暫時投資賺取的投資收入，自合資格撥充資本的借款成本中扣除。

其他借款成本均在其產生的期間支銷。

2.20 即期及遞延所得稅

期內所得稅開支或抵免是根據各司法管轄區適用的所得稅稅率計算的即期應課稅收入的應繳稅項，並根據歸因於暫時性差額和未使用的稅項虧損的遞延稅項資產及負債變動予以調整。

2.20.1 即期所得稅

即期所得稅支出是根據本公司的子公司經營業務及產生應課稅收入的國家於資產負債表日期已頒佈或實質上已頒佈的稅法計算。管理層就適用稅務法規需要解釋的情況定期評估報稅表中的狀況，本集團在適用情況下根據預期須向稅務機關繳納的稅款計提撥備。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Current and deferred income tax (continued)

2.20.2 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

2 主要會計政策概要(續)

2.20 即期及遞延所得稅(續)

2.20.2 遞延所得稅

遞延所得稅採用負債法，對資產及負債的稅基與其在合併財務報表中的賬面值之間的暫時性差額，全數計提撥備。然而，倘若遞延所得稅負債源自初始確認商譽，則不予確認。倘若遞延所得稅源自初始確認交易（業務合併除外）中的資產或負債，且進行有關交易時並不影響會計或應課稅利潤或虧損，則亦不予入賬。遞延所得稅按於報告期末之前已頒佈或實質上已頒佈，且預期將於相關遞延所得稅資產變現或遞延所得稅負債清償時適用的稅率（及稅法）計算。

遞延所得稅資產僅在未來很可能有可供動用該等暫時性差額及虧損的應課稅金額時予以確認。

倘若公司能夠控制暫時性差額的轉回時間且該等差額很可能不會於可預見未來轉回，則不會就海外業務投資的賬面值與稅基之間的暫時性差額確認遞延稅項負債及資產。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Current and deferred income tax (continued)

2.20.2 Deferred income tax (continued)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and when the deferred income tax balances relate to the same taxation authority. Current income tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income/(loss) or directly in equity. In this case, the tax is also recognised in other comprehensive income/(loss) or directly in equity, respectively.

2.21 Employee benefits

2.21.1 Short-term obligations

Liabilities for wages, salaries, bonuses and other allowances that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit payable in the consolidated balance sheets.

2 主要會計政策概要(續)

2.20 即期及遞延所得稅(續)

2.20.2 遞延所得稅(續)

倘若有可依法執行權利將即期所得稅資產及負債抵銷，且遞延所得稅結餘與同一稅務機關相關，則遞延所得稅資產及負債互相抵銷。倘若實體有可依法執行的抵銷權利且有意按淨額結算，或同時變現資產及結清負債時，則即期所得稅資產及所得稅負債互相抵銷。

即期及遞延所得稅於損益內確認，但與於其他全面收益／(虧損)或直接於權益中確認的項目相關的除外。在此情況下，有關稅項亦分別於其他全面收益／(虧損)或直接於權益中確認。

2.21 僱員福利

2.21.1 短期責任

本集團就直至報告期末的僱員服務確認工資、薪金、花紅及其他津貼負債(預期須於僱員提供相關服務的期間結束後12個月內全數結清)，並按結清負債時預期將要支付的金額計量。該等負債在合併資產負債表中呈列為應付即期僱員福利。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Employee benefits (continued)

2.21.2 Pension obligations

The Company's subsidiaries incorporated in the PRC contribute based on certain percentage of the salaries of the employees to a defined contribution retirement benefit plan organised by relevant government authorities in the PRC on a monthly basis. The government authorities undertake to assume the retirement benefit obligations payable to the existing and future retired employees under these plans and the Group has no further obligation for post-retirement benefits beyond the contributions made. Contributions to these plans are expensed as incurred. Assets of the plans are held and managed by government authorities and are separate from those of the Group.

2.22 Share-based compensation

Share-based compensation benefits are provided to employees via the Company's RSU Plan.

Restrictive share unit awards ("RSUs")

For RSUs, the total amount to be expensed is determined by reference to the fair value of the Company's shares at the grant date.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied, using accelerated method. Under this method, each vesting instalment of a graded vesting award is treated as a separate share-based award, and accordingly each vesting instalment is separately measured and attributed to expense, resulting in accelerated recognition of share-based compensation expenses. At the end of each period, the Company revises its estimates of the number of equity instruments that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

2 主要會計政策概要(續)

2.21 僱員福利(續)

2.21.2 退休金責任

本公司在中國註冊成立的子公司按僱員薪金的一定百分比向中國相關政府機關組織的界定供款退休福利計劃每月供款。政府機關承諾承擔這些計劃下應付給現有和未來退休僱員的退休福利責任，而本集團除已作出的供款外沒有進一步的退休後福利責任。對這些計劃的供款在產生時支銷。該計劃的資產由政府機關持有和管理，並與本集團的資產分開。

2.22 股份酬金

股份酬金福利通過本公司的受限制股份單位計劃提供予僱員。

受限制股份單位獎勵(「受限制股份單位」)

就受限制股份單位而言，將予支銷的總金額乃參考於授出日期本公司的公允價值釐定。

總開支使用加速法於歸屬期確認，歸屬期為達成所有指定歸屬條件的期間。根據該方法，分級歸屬獎勵的每一期歸屬被視為單獨的股份獎勵，因此每一期歸屬獎勵均單獨計量並歸屬於開支，因而加速確認股份酬金開支。於各期間末，本公司根據非市場歸屬及服務條件修訂其對預期將歸屬的權益工具數目的估計。其於損益確認修訂原估計的影響(如有)，並對權益作出相應調整。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Share-based compensation (continued)

Restrictive share unit awards ("RSUs") (continued)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of RSUs that are expected to vest based on the non-market performance conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

If the terms of an equity-settled award are modified, an additional expense is recognised for any modification that increases the total fair value of the share-based compensation arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

2 主要會計政策概要(續)

2.22 股份酬金(續)

受限制股份單位獎勵(「受限制股份單位」)(續)

總開支於歸屬期確認，歸屬期為達成所有指定歸屬條件的期間。於各期間末，實體根據非市場表現條件及服務條件修訂其對預期將歸屬的受限制股份單位數目的估計。其於損益確認修訂原估計的影響(如有)，並對權益作出相應調整。

倘以權益結算獎勵的條款被修訂，則就任何導致股份酬金安排的總公允價值增加或為僱員帶來其他利益的修訂按修訂當日的計量確認額外開支。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts.

Revenue from rendering of dental services is recognised over time because the Group's performance does not create an asset with an alternative use and the Group have an enforceable right to payment for performance completed to date.

- (a) Revenue from the rendering of orthodontics and implantology services is recognised over time, using an input method to measure progress towards complete satisfaction of the service. The input method recognises revenue on the basis of staff costs and/or costs of inventories, consumables and customised products, when appropriate, relative to the total expected costs to complete the respective service. When the payments received from customers exceed the services rendered, a contract liability is recognised.
- (b) Revenue from the rendering of other dental services is recognised when the services have been rendered given that such dental services are generally completed within a very short period of time.

For revenue from rendering of dental services that the Group have no enforceable right to payment for performance completed to date, revenue is recognised at a point in time when the performance obligation is satisfied by transferring control of the service to the customer.

2 主要會計政策概要(續)

2.23 收入確認

當商品或服務的控制權按反映本集團預期交換商品或服務所得對價的金額轉移至客戶時，確認客戶合同收入。收入乃按已收或應收對價的公允價值計量，指正常業務過程中所銷售商品及所提供服務的應收款項(扣除折讓)。

提供口腔醫療服務所得收入於一段時間內確認，原因為本集團的履約並未創建一項可用於替代用途的資產，並且本集團具有就迄今為止已完成的履約部分收取款項的可強制執行權利。

- (a) 提供正畸及植牙服務的收入於一段時間內確認，使用投入法計量完全履行服務的進度。投入法按所花費的員工成本及／或存貨成本、耗材及訂製產品(如適用)與完成相關服務的總預期成本的比例確認收入。倘自客戶收取的付款超過所提供的服務，則確認合同負債。
- (b) 提供其他口腔醫療服務的收入於服務已提供時確認，原因為該等口腔醫療服務通常於較短時間內完成。

就提供本集團並無就迄今為止已完成的履約部分收取款項的可強制執行權利的口腔醫療服務所得收入而言，收入於履約責任通過將服務控制權轉移至客戶而得以履行的時間點確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Revenue recognition (continued)

Revenue from sales of goods is recognised when control of the goods has transferred, being when the goods are delivered to the customers.

For contracts where the period between the payment by the customer and the transfer of the promised service exceeds one year, the transaction price is adjusted for the effects of a financing component, if significant.

The Group recognise as an asset (i) the incremental costs of obtaining a contract with a customer, representing the commissions to dentists; and (ii) the costs incurred to fulfil a contract which relate directly to the contract, generate resources that will be used in satisfying the contract and are expected to be recovered. These assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

2.24 Loss per share

2.24.1 Basic loss per share

Basic loss per share is calculated by dividing:

- the loss attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares; by
- the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

2 主要會計政策概要(續)

2.23 收入確認(續)

銷售商品的收入於商品控制權轉移(即商品交付予客戶)時確認。

對於客戶付款與承諾服務轉移間隔期間超過一年的合同而言，交易價會就重大融資部分的影響作出調整。

本集團將以下各項確認為資產：(i)取得客戶合同的增量成本，即醫生佣金；及(ii)為達成合同而產生的成本，該成本與合同直接相關、產生達成合同時將使用的資源且預期可收回。這些資產按與向客戶轉讓資產相關商品或服務一致的系統性基準進行攤銷。

2.24 每股虧損

2.24.1 每股基本虧損

每股基本虧損按：

- 本公司擁有人應佔虧損(不包括除普通股以外的任何權益服務成本)；除以
- 財政年度內發行在外普通股加權平均數計算，並就年內已發行普通股紅股部分作出調整，並剔除庫存股份。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Loss per share (continued)

2.24.2 Diluted loss per share

Diluted loss per share adjusts the figures used in the determination of basic loss per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2.25 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities are the net present value of the following lease payments (if applicable):

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;

2 主要會計政策概要(續)

2.24 每股虧損(續)

2.24.2 每股攤薄虧損

每股攤薄虧損調整計算每股基本虧損所用數據以考慮：

- 與攤薄性潛在普通股相關的利息及其他融資成本的除所得稅後影響；及
- 假設轉換所有攤薄性潛在普通股而應已發行的額外普通股的加權平均數。

2.25 租賃

租賃於租賃資產可供本集團使用當日確認為使用權資產及相應負債。

合同可能包含租賃及非租賃部分。本集團根據租賃及非租賃部分的相對獨立價格將合同對價分配至該等部分。

租賃產生的資產及負債按現值基準進行初始計量。租賃負債為下列租賃付款(如適用)的淨現值：

- 固定付款(包括實質固定付款)，扣除任何應收的租賃優惠；
- 以指數或比率為基礎的可變租賃付款，使用開始日期的指數或比率進行初始計量；

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.25 Leases (continued)

- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

2 主要會計政策概要(續)

2.25 租賃(續)

- 本集團於剩餘價值擔保下預計應付的金額；
- 倘本集團合理確定行使購買選擇權，則為該選擇權的行使價；及
- 終止租賃的罰款金額(如租賃條款反映本集團行使該選擇權)。

根據合理確定續期選擇權而作出的租賃付款亦計入負債計量。

租賃付款使用租賃中隱含的利率進行折現。倘無法輕易確定該利率(為本集團租賃的一般情況)，則使用承租人的增量借款利率，即個別承租人在類似經濟環境中按類似條款、抵押及條件借入獲得與使用權資產具有類似價值的資產所需資金而必須支付的利率。

租賃付款於本金及財務成本之間作出分配。財務成本在租賃期間於損益扣除，藉以令各期間的負債餘額的期間利率一致。

使用權資產按成本計量，包括以下各項：

- 租賃負債的初始計量金額；
- 在開始日期或之前支付的任何租賃付款減去已收任何租賃優惠；
- 任何初始直接成本；及
- 修復費用。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.25 Leases (continued)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment and furniture.

Amendment to IFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before June 30, 2022; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after June 30, 2020 with earlier application permitted and shall be applied retrospectively.

During the year ended March 31, 2021, certain monthly lease payments for the Group's leases have been reduced or waived by the lessors as a result of the COVID-19 pandemic and there are no other changes to the terms of the leases. The Group elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the pandemic on or before June 30, 2022.

2 主要會計政策概要(續)

2.25 租賃(續)

使用權資產一般於資產可使用年期及租期(以較短者為準)按直線法計算折舊。倘本集團合理確定行使購買選擇權，則使用權資產按相關資產的可使用年期進行折舊。

與短期租賃及所有低價值資產租賃相關的付款以直線法於損益中確認為開支。短期租賃指租期為12個月或以下的租賃。低價值資產包括小件辦公設備及傢具。

國際財務報告準則第16號(修訂本)為承租人提供一個實際可行權宜方法以選擇就COVID-19疫情的直接後果產生的租金寬免不應用租賃修改會計處理。該實際可行權宜方法僅適用於疫情直接後果產生的租金寬免，且僅當(i)租賃付款的變動使租賃對價有所修改，而經修改的對價與緊接變動前租賃對價大致相同，或少於緊接變動前租賃對價；(ii)租賃付款的任何減幅僅影響原到期日為2022年6月30日或之前的付款；及(iii)租賃的其他條款及條件並無實質變動。該修訂本於2020年6月30日或之後開始的年度期間生效，允許提早應用，並追溯應用。

截至2021年3月31日止年度，由於COVID-19疫情，出租人已減少或豁免本集團租賃的若干每月租賃付款，且租賃條款並無其他變動。本集團已選擇不就出租人於2022年6月30日或之前因疫情而授出的所有租金寬免應用租賃修改會計處理。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.26 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.27 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated income statements over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the consolidated income statements on a straight-line basis over the expected lives of the related assets.

2.28 Finance income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets, see Note 9 below.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 10 below.

2 主要會計政策概要(續)

2.26 股息分派

就於報告期末或之前已宣派(即經適當授權及不再由實體酌情決定)但於報告期末並未分派的任何股息金額, 予以作出撥備。

2.27 政府補助

政府補助於可合理確保將獲得補助且本集團將符合所有附帶條件時, 按公允價值確認。

與成本相關的政府補助遞延並在必要的期間內在合併損益表中確認, 以使其與其擬補償的成本相匹配。

與物業、廠房及設備相關的政府補助作為遞延政府補助計入非流動負債內, 並在相關資產的預期年期內按直線法計入合併損益表。

2.28 財務收入

按公允價值計入損益的金融資產所得利息收入計入該等資產的淨公允價值收益/(虧損)內, 請參閱下文附註9。

倘若利息收入產生自為現金管理目的持有的金融資產, 則呈列為財務收入, 請參閱下文附註10。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

3.1.1 Market risk

(i) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions or recognised assets and liabilities denominated in a currency other than the functional currency of the Group's entities.

The Group's primary subsidiaries operate mainly in the PRC with most of the transactions settled in RMB. The management considers that the business is not exposed to significant foreign exchange risk as there are no significant assets or liabilities of the Group denominated in the currencies other than the respective functional currencies of the Group's entities.

3 財務風險管理

3.1 財務風險因素

本集團的業務面臨各種財務風險：市場風險（包括外匯風險、利率風險及價格風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃側重於金融市場的不可預測性，力求盡量減少對本集團財務表現的潛在不利影響。風險管理是由本集團高級管理層負責。

3.1.1 市場風險

(i) 外匯風險

外匯風險來自未來商業交易或以本集團實體的功能貨幣以外的貨幣計價的已確認資產及負債。

本集團的主要子公司主要在中國經營業務，大部分交易以人民幣結算。由於本集團不存在以本集團實體各自的功能貨幣以外的貨幣計價的重大資產或負債，因此管理層認為業務並不面臨重大外匯風險。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(ii) Interest rate risk

The Group's interest rate risk primarily arises from borrowings. Borrowings carried at floating rates expose the Group to cash flow interest rate risk whereas those carried at fixed rates expose the Group to fair value interest rate risk. The Group has not entered into any interest rate swap arrangements but will, however, continue to monitor interest rate risk exposure and will consider hedging significant interest rate risk exposure should the need arise.

As at March 31, 2023 and 2022, the Group's borrowings at floating rates amounted to RMB nil and RMB22,602,000, respectively. If the floating interest rates on borrowings had been 100 basis points higher/lower with all other variables held constant, the loss before income tax for the years ended March 31, 2023 and 2022 would have increased/decreased by RMB nil and RMB206,000, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.1 市場風險 (續)

(ii) 利率風險

本集團的利率風險主要來自借款。以浮動利率列賬的借款使本集團面臨現金流量利率風險，而以固定利率列賬的借款則使本集團面臨公允價值利率風險。本集團沒有訂立任何利率掉期安排，但將繼續監控利率風險，並將於有需要時考慮對沖重大利率風險。

於2023年及2022年3月31日，本集團的浮動利率借款分別為人民幣零元及人民幣22,602,000元。如果借款的浮動利率上調／下調100個基點而所有其他變量保持不變，則截至2023年及2022年3月31日止年度的除所得稅前虧損將分別增加／減少人民幣零元及人民幣206,000元，主要是由於浮動利率借款的利息開支增加／減少。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk

Credit risk mainly arises from cash and cash equivalents, time deposits with original maturity over three months, restricted cash as well as credit exposures to customers and other counterparties, including outstanding receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated balance sheets.

(i) Risk management

Credit risk is managed on a group basis.

The credit risk of cash and cash equivalents, time deposits with original maturity over three months and restricted cash is limited because the counterparties are state-owned banks or reputable commercial banks located in the PRC or Hong Kong which are high credit quality financial institutions with Moody's credit ratings ranging from A1 to Baa2.

For trade receivables and other receivables, if customers or debtors are independently rated, these ratings are used. If there is no independent rating, the Group assesses the credit quality of the customers and debtors, taking into account of their financial positions, past experience and other factors.

For the years ended March 31, 2023 and 2022, the Group has no significant concentrations of credit risk as no revenue from the Group's sales to a single customer amounted to 10% or more of the Group's revenue.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險

信貸風險主要來自現金及現金等價物、原到期日超過三個月的定期存款、受限制現金以及承擔客戶及其他交易對手的信貸風險(包括未收回的應收款項)。所面臨的最大信貸風險是指合併資產負債表中各項金融資產的賬面值。

(i) 風險管理

信貸風險按組別進行管理。

現金及現金等價物、原到期日超過三個月的定期存款及受限制現金的信貸風險有限，原因是交易對手方為國有銀行或中國或香港信譽良好的商業銀行(均為獲穆迪給予信貸評級介乎A1至Baa2級的高信貸質量金融機構)。

就貿易應收款項和其他應收款項而言，如果客戶或債務人被獨立評級，則會使用這些評級。如果沒有獨立評級，本集團會考慮客戶和債務人的財務狀況、過往經驗和其他因素，以對他們的信貸質量進行評估。

截至2023年及2022年3月31日止年度，由於本集團並無向單一客戶的銷售收入佔本集團收入的10%或以上，因此本集團並無重大信貸風險集中問題。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

(ii) Impairment of financial assets

The Group has three types of financial assets that are subject to the expected credit loss model:

- cash and cash equivalents, restricted cash and time deposits
- trade receivables, and
- other receivables.

Cash and cash equivalents, restricted cash and time deposits

The Group expects that there is no significant credit risk associated with cash and cash equivalents, restricted cash and time deposits with original maturity over three months since they are substantially deposited at state-owned banks and other medium or large size listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

(ii) 金融資產減值

本集團有三種受預期信貸虧損模型規限的金融資產：

- 現金及現金等價物、受限制現金以及定期存款
- 貿易應收款項，及
- 其他應收款項。

現金及現金等價物、受限制現金以及定期存款

由於現金及現金等價物、受限制現金及原到期日超過三個月的定期存款主要存於國有銀行及其他大中型上市銀行，本集團預期其並無重大信貸風險。管理層預期將不會因該等交易對手違約而產生任何重大虧損。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Trade receivables

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared risk characteristics.

The management calculates the expected credit losses based on the customers' historical credit loss information and further incorporates forward-looking adjustments, which are derived using linear regression, to reflect management's forecasts of macroeconomic factors in different scenarios, including Consumer Price Index ("CPI"), Producer Price Index ("PPI") and Gross Domestic Products ("GDP") of the PRC in which it provides services, as this affects the customers' ability to settle the receivables.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

貿易應收款項

本集團採用國際財務報告準則第9號簡化方法計量預期信貸虧損，該方法乃對所有貿易應收款項採用存續期預期虧損撥備。

為計量預期信貸虧損，貿易應收款項已根據共同風險特徵進行分組。

管理層根據客戶的過往信貸虧損資料計算預期信貸虧損，並進一步包含利用線性回歸產生的前瞻性調整，以反映管理層對不同情景下宏觀經濟因素的預測，包括消費者價格指數 (「CPI」)、製造商價格指數 (「PPI」) 及其有提供服務的中國的國內生產總值 (「GDP」)，其會影響客戶償付應收款項的能力。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Trade receivables (continued)

The loss allowances of trade receivables as at March 31, 2023 and 2022 were determined on a collective basis as follows:

		Up to 3 months 不超過 3個月	3 to 6 months 3至 6個月	6 to 9 months 6至 9個月	9 to 12 months 9至 12個月	12 to 15 months 12至 15個月	Over 15 months 超過 15個月	Total 總計
As at March 31, 2023	於2023年3月31日							
Corporate clients and commercial insurance companies	企業客戶及商業保險公司							
Expected loss rate	預期虧損率	3%	8%	18%	57%	26%	59%	22%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	30,450	13,014	4,990	764	2,412	20,355	71,985
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	(985)	(1,031)	(900)	(439)	(637)	(12,099)	(16,091)
Local medical insurance bureaus	地方醫療保險部門							
Expected loss rate	預期虧損率	0%	0%	0%	0%	100%	100%	1%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	15,851	701	45	2	99	65	16,763
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	(14)	-	-	-	(99)	(65)	(178)
Local public hospitals	地方公立醫院							
Expected loss rate	預期虧損率	0%	0%	0%	0%	97%	77%	14%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	919	1,008	722	418	230	362	3,659
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	(2)	(4)	(1)	(1)	(222)	(277)	(506)

3 財務風險管理(續)

3.1 財務風險因素(續)

3.1.2 信貸風險(續)

- (ii) 金融資產減值(續)

貿易應收款項(續)

於2023年及2022年3月31日的貿易應收款項虧損撥備按集體基準確定如下：

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets
(continued)

Trade receivables (continued)

	Up to 3 months 不超過 3個月	3 to 6 months 3至 6個月	6 to 9 months 6至 9個月	9 to 12 months 9至 12個月	12 to 15 months 12至 15個月	Over 15 months 超過 15個月	Total 總計
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As at March 31, 2022

於2022年3月31日

Corporate clients and commercial insurance companies	企業客戶及商業保險公司							
Expected loss rate	預期虧損率	3%	6%	14%	49%	68%	62%	22%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	28,981	17,395	3,053	695	772	20,169	71,065
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	(899)	(1,046)	(414)	(338)	(523)	(12,559)	(15,779)
Local medical insurance bureaus	地方醫療保險部門							
Expected loss rate	預期虧損率	0%	0%	16%	100%	100%	100%	1%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	7,973	4,064	402	-	-	52	12,491
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	(5)	(3)	(64)	-	-	(52)	(124)
Local public hospitals	地方公立醫院							
Expected loss rate	預期虧損率	3%	0%	0%	2%	100%	100%	6%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	31	941	1,667	927	104	153	3,823
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	(1)	(4)	(7)	(17)	(5)	(153)	(187)

3 財務風險管理(續)

3.1 財務風險因素(續)

3.1.2 信貸風險(續)

- (ii) 金融資產減值(續)

貿易應收款項(續)

	Up to 3 months 不超過 3個月	3 to 6 months 3至 6個月	6 to 9 months 6至 9個月	9 to 12 months 9至 12個月	12 to 15 months 12至 15個月	Over 15 months 超過 15個月	Total 總計
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As at March 31, 2022

於2022年3月31日

Corporate clients and commercial insurance companies	企業客戶及商業保險公司							
Expected loss rate	預期虧損率	3%	6%	14%	49%	68%	62%	22%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	28,981	17,395	3,053	695	772	20,169	71,065
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	(899)	(1,046)	(414)	(338)	(523)	(12,559)	(15,779)
Local medical insurance bureaus	地方醫療保險部門							
Expected loss rate	預期虧損率	0%	0%	16%	100%	100%	100%	1%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	7,973	4,064	402	-	-	52	12,491
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	(5)	(3)	(64)	-	-	(52)	(124)
Local public hospitals	地方公立醫院							
Expected loss rate	預期虧損率	3%	0%	0%	2%	100%	100%	6%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	31	941	1,667	927	104	153	3,823
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	(1)	(4)	(7)	(17)	(5)	(153)	(187)

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Trade receivables (continued)

The opening loss allowances for trade receivables reconcile to the closing loss allowances as follows:

		Year ended March 31, 截至3月31日止年度	
		2023	2022
		2023年	2022年
		RMB' 000	RMB'000
		人民幣千元	人民幣千元
Opening loss allowance	年初虧損撥備	16,090	15,498
Increase in loss allowance recognised in profit or loss during the year	年內於損益確認的虧損撥備增加	685	592
Closing loss allowance	年末虧損撥備	16,775	16,090

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

貿易應收款項 (續)

年初貿易應收款項虧損撥備與年末虧損撥備對賬如下：

貿易應收款項於合理預期無法收回時撇銷。合理預期無法收回的跡象為(其中包括)債務人未能與本集團訂立還款計劃。

貿易應收款項的減值虧損在經營利潤內列作淨減值虧損。之前撇銷的金額其後收回則記入同一類別項目內。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Other receivables

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category 類別	Group definition of category 本集團對類別的界定	Basis for recognition of expected credit loss provision 確認預期信貸虧損撥備的基準
Performing 正常	Receivables whose credit risk is in line with original expectations 信貸風險與原預期一致的應收款項	12 month expected losses; where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime (stage 1) 12個月預期虧損；倘資產的預期存續期在12個月內，預期虧損按其預期存續期計量（第一階段）
Underperforming 關注	Receivables for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due 與原預期相比信貸風險顯著增加的應收款項；倘利息及／或本金還款逾期30日，則推定信貸風險顯著增加	Lifetime expected losses (stage 2) 存續期預期虧損（第二階段）
Non-performing (credit impaired) 不良（信貸受損）	Interest and/or principal repayments are 90 days past due 利息及／或本金還款逾期90日	Lifetime expected losses (stage 3) 存續期預期虧損（第三階段）
Write-off 撇銷	Interest and/or principal repayments are two years past due or there is no reasonable expectation of recovery 利息及／或本金還款逾期兩年或合理預期無法收回	Asset is written off 撇銷資產

3 財務風險管理（續）

3.1 財務風險因素（續）

3.1.2 信貸風險（續）

- (ii) 金融資產減值（續）

其他應收款項

本集團預期信貸虧損模式基於的假設概要如下：

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Other receivables (continued)

Other receivables include loans to related parties and employees, rental deposits, etc. The Group accounts for their credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of debtors, and adjusts for forward-looking macroeconomic data. The Group provides for credit losses against other receivables as follows:

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

其他應收款項 (續)

其他應收款項包括對關聯方及僱員的貸款、租務按金等。本集團透過適時為預期信貸虧損作出適當撥備來應付其信貸風險。於計算預期信貸虧損率時，本集團考慮各類債務人的過往虧損率，並就前瞻性宏觀經濟數據作出調整。本集團就其他應收款項的信貸虧損作出以下撥備：

Group internal credit rating 於2023年3月31日 as at March 31, 2023 本集團的內部信貸評級		Equivalent internal rating 同等內部評級	Expected credit loss rate 預期 信貸虧損率	Gross carrying amount at default (stage 1)	Gross carrying amount at default (stage 2)	Gross carrying amount at default (stage 3)
				違約賬面總值 (第一階段)	違約賬面總值 (第二階段)	違約賬面總值 (第三階段)
				RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
High 高		AA+	0.5%	154,252	-	-
		AA	1.0%	287	-	-
		A	2.3%	52,778	-	-
Moderate 中		B	3.8%	-	81,164	-
Low 低		C	47.2%	1,500	-	-
Credit impaired 信貸受損		D	100.0%	-	-	1,597

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Other receivables (continued)

	Group internal credit rating as at March 31, 2022	於2022年3月31日本集團的內部信貸評級	同等內部評級	Expected credit loss rate	預期違約賬面總值 (第一階段)	Gross carrying amount	Gross carrying amount	Gross carrying amount
						at default (stage 1)	at default (stage 2)	at default (stage 3)
					違約賬面總值 (第二階段)	違約賬面總值 (第三階段)		
					RMB'000	RMB'000	RMB'000	
					人民幣千元	人民幣千元	人民幣千元	
High	高		AA+	0.5%	79,259	-	-	
			AA	1.3%	1,500	-	-	
			A	2.5%	55,702	-	-	
Moderate	中		B	28.8%	720	150	-	
Low	低		C	47.2%	1,500	-	-	
Credit impaired	信貸受損		D	100.0%	-	-	1,368	

No significant changes to estimation techniques or assumptions were made during the years ended March 31, 2023 and 2022.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

其他應收款項 (續)

截至2023年及2022年3月31日止年度，估計方法或假設並無重大變動。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Other receivables (continued)

The opening loss allowances for other receivables reconcile to the closing loss allowances as follows:

		Performing	Underperforming	Non-performing	Total
		正常	關注	不良	總計
		RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Loss allowance as at March 31, 2022	於2022年3月31日的虧損撥備	3,716	43	1,368	5,127
New financial assets originated or purchased	已產生或已購買的新金融資產	804	-	-	804
Individual financial assets transferred to under-performing	個別金融資產轉為關注	(434)	3,086	-	2,655
Recoveries	收回	(1,177)	(43)	-	(1,220)
Change in risk parameters	風險參數變動	(287)	-	229	(61)
Loss allowance as at March 31, 2023	於2023年3月31日的虧損撥備	2,622	3,086	1,597	7,305
Loss allowance as at March 31, 2021	於2021年3月31日的虧損撥備	8,231	529	1,546	10,306
New financial assets originated or purchased	已產生或已購買的新金融資產	2,212	-	-	2,212
Recoveries	收回	(6,122)	-	(823)	(6,945)
Change in risk parameters	風險參數變動	(605)	(486)	645	(446)
Loss allowance as at March 31, 2022	於2022年3月31日的虧損撥備	3,716	43	1,368	5,127

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

其他應收款項 (續)

年初其他應收款項虧損撥備與年末虧損撥備對賬如下：

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

- (ii) Impairment of financial assets (continued)

Other receivables (continued)

The gross carrying amount of other receivables, and thus the maximum exposure to loss, is as follows:

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.2 信貸風險 (續)

- (ii) 金融資產減值 (續)

其他應收款項 (續)

其他應收款項的賬面總值，以及由此產生的虧損風險上限如下：

As at March 31,
於3月31日

		2023	2022
		2023年	2022年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Performing	正常	208,817	138,681
Underperforming	關注	81,164	150
Non-performing	不良	1,597	1,368
Total gross other receivables	總其他應收款項總額	291,578	140,199
Less: loss allowance	減：虧損撥備	(7,305)	(5,127)
Other receivables net of expected credit losses	其他應收款項 (扣除預期信貸虧損)	284,273	135,072

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Impairment loss/(reversal of impairment loss) on financial assets – net

During the years ended March 31, 2023 and 2022, the following losses were recognized in profit or loss in relation to impaired financial assets:

3 財務風險管理(續)

3.1 財務風險因素(續)

3.1.2 信貸風險(續)

(ii) 金融資產減值(續)

於損益確認的金融資產淨減值虧損/(減值虧損轉回)

截至2023年及2022年3月31日止年度，與減值金融資產相關的以下損失已在損益中確認：

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Impairment losses on trade receivables	貿易應收款項減值虧損	685	592
Impairment losses/(reversal of impairment losses) on other receivables	其他應收款項減值虧損/(減值虧損撥回)	2,178	(5,177)
Impairment loss/(reversal of impairment loss) on financial assets – net	金融資產淨減值虧損/(減值虧損轉回)	2,863	(4,585)

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. Due to the dynamic nature of the underlying business, the policy of the Group is to regularly monitor the Group's liquidity risk and to maintain adequate liquid assets such as cash and cash equivalents, short-term time deposits and investments in bank structured deposits or to retain adequate financing arrangements to meet the Group's liquidity requirements.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities as at March 31, 2023 and 2022:

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Floating-rate bank loan facilities	浮動利率銀行貸款額度		
Expiring within one year	一年以內到期	—	97,398
		—	97,398
Fixed-rate bank loan facilities	固定利率銀行貸款額度		
Expiring within one year	一年以內到期	333,316	236,066
Expiring beyond one year	一年後到期	28,189	—
		361,505	236,066

The bank loan facilities may be drawn in RMB and have an average maturity of 0.7 years, and 0.6 year as at March 31, 2023 and 2022.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.3 流動資金風險

審慎的流動資金風險管理意味著維持充足的現金及現金等價物。由於有關業務存在變動，本集團的政策是定期監控本集團的流動資金風險，並維持充足的流動資產，如現金及現金等價物、短期定期存款和銀行結構性存款投資或保留充足的融資安排，以滿足本集團的流動性需求。

(i) 融資安排

本集團於2023年及2022年3月31日可使用以下未提取的借款額度：

銀行貸款額度可以人民幣提取，於2023年及2022年3月31日的平均到期期限分別為0.7年及0.6年。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.3 Liquidity risk (continued)

(ii) Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

		Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total Contractual cash flows 合同現金 流量總額	Carrying amount liabilities 賬面值負債
		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
At March 31, 2023	於2023年3月31日						
Trade payables	貿易應付款項	84,968	-	-	-	84,968	84,968
Other payables and accruals (excluding employee benefits payable and other taxes payable)	其他應付款項及 應計費用(不包括 應付僱員福利及 其他應付稅項)	52,962	-	-	-	52,962	52,962
Borrowings	借款	176,355	7,371	42,442	-	226,168	220,019
Lease liabilities	租賃負債	199,166	165,375	334,868	224,019	923,428	735,659
		513,451	172,746	377,310	224,019	1,287,526	1,093,608

3 財務風險管理(續)

3.1 財務風險因素(續)

3.1.3 流動資金風險(續)

(ii) 金融負債的到期日

下表根據資產負債表日期至合同到期日的剩餘期間，分析本集團劃分為一些相關到期組別的金融負債。表中披露的金額為合同未折現現金流量。由於折現的影響不大，因此12個月內到期的餘額等於其賬面餘額。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

3.1.3 Liquidity risk (continued)

(ii) Maturities of financial liabilities (continued)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total Contractual cash flows 合同現金 流量總額	Carrying amount liabilities 賬面值負債
	不足1年 RMB'000 人民幣千元	1至2年 RMB'000 人民幣千元	2至5年 RMB'000 人民幣千元	超過5年 RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At March 31, 2022	於2022年3月31日					
Trade payables	74,211	-	-	-	74,211	74,211
Other payables and accruals (excluding employee benefits payable and other taxes payable)	108,820	-	-	-	108,820	108,820
Borrowings	139,877	-	-	-	139,877	137,363
Lease liabilities	172,305	143,173	265,906	233,115	814,499	753,308
	495,213	143,173	265,906	233,115	1,137,407	1,073,702

3.1.4 Price risk

The Group is exposed to price risk mainly relating to certain investments held by the Group, which were classified as financial assets at fair value through profit or loss, including investments in wealth management products. The Group is not exposed to commodity price risk. See Note 3.3 for details.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

3.1.3 流動資金風險 (續)

(ii) 金融負債的到期日 (續)

3.1.4 價格風險

本集團面對的價格風險主要與本集團持有的若干投資(分類為按公允價值計入損益的金融資產)有關,包括理財產品投資。本集團並無面對商品價格風險。詳情請參閱附註3.3。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to enhance shareholders' value in the long term.

The Group monitors capital (including share capital and reserves) by regularly reviewing the capital structure. As a part of this review, the Group considers the cost of capital and the risks associated with the issued share capital. The Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or repurchase the Company's shares. In the opinion of the directors of the Company, the Group's capital risk is low. As a result, capital risk is not significant for the Group and measurement of capital management is not a tool currently used in the internal management reporting procedures of the Group.

3.3 Fair value estimation

3.3.1 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

3 財務風險管理 (續)

3.2 資本管理

本集團管理資本的首要目標是保障本集團持續經營的能力，以便繼續為股東提供回報及為其他利益相關方提供利益，並保持最佳資本結構以長期提升股東價值。

本集團定期審查資本結構以監控資本（包括股本及儲備）。作為這項審查的一環，本集團會考慮資本成本及與已發行股本相關的風險。本集團或會調整支付給股東的股息金額、向股東歸還資本、發行新股份或購回本公司股份。本公司董事認為，本集團的資本風險較低。因此，本集團的資本風險並不重大，資本管理的計量不是本集團內部管理報告程序中目前使用的工具。

3.3 公允價值估計

3.3.1 公允價值層級

本節解釋了在釐定財務報表中按公允價值確認和計量的金融工具的公允價值時作出的判斷和估計。為了說明釐定公允價值時所用輸入數據的可靠性，本集團已將其金融工具分為會計準則規定的三個層級。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

3.3.1 Fair value hierarchy (continued)

The table below analyses the Group's financial instruments carried at fair value as of each balance sheet date by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorized into three levels within a fair value hierarchy as follows:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (ii) Inputs other than quoted process included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- (iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

3 財務風險管理 (續)

3.3 公允價值估計 (續)

3.3.1 公允價值層級 (續)

下表根據在計量公允價值的估值技術中所運用到的輸入數據的層級，分析本集團截至各資產負債表日期按公允價值列賬的金融工具。該等輸入數據按照公允價值層級歸類為如下三個層級：

- (i) 相同資產或負債在活躍市場的報價(未經調整)(第一層級)；
- (ii) 除第一層級包括的報價外，資產或負債直接(即價格)或間接(即源自價格)可觀察輸入數據(第二層級)；及
- (iii) 資產或負債並非依據可觀察市場數據的輸入數據(即不可觀察輸入數據)(第三層級)。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

3.3.1 Fair value hierarchy (continued)

The following table presents the Group's financial assets that are measured at fair value as at March 31, 2023:

		Level 1 第一層級 RMB' 000 人民幣千元	Level 2 第二層級 RMB' 000 人民幣千元	Level 3 第三層級 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Assets	資產				
<i>Non-current</i>	<i>非流動</i>				
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產				
– Unlisted debt instruments	– 非上市債務工具	–	–	35,714	35,714
– Unlisted equity instruments	– 非上市權益工具	–	–	30,000	30,000
				65,714	65,714
<i>Current</i>	<i>流動</i>				
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產				
– Wealth management products	– 理財產品	–	–	258,013	258,013
– Bank structured deposits	– 銀行結構性存款	–	–	5,000	5,000
		–	–	263,013	263,013
		–	–	328,727	328,727

3 財務風險管理 (續)

3.3 公允價值估計 (續)

3.3.1 公允價值層級 (續)

下表呈列於2023年3月31日本集團按公允價值計量的金融資產：

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

3.3.1 Fair value hierarchy (continued)

The following table presents the Group's financial assets that are measured at fair value as at March 31, 2022:

	Level 1 第一層級 RMB'000 人民幣千元	Level 2 第二層級 RMB'000 人民幣千元	Level 3 第三層級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Assets				
Financial assets at fair value through profit or loss				
- Unlisted debt instruments	-	-	34,675	34,675
- Wealth management products	-	-	197,055	197,055
	-	-	231,730	231,730

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between Level 1, 2, and 3 for recurring fair value measurements during the years ended March 31, 2023 and 2022.

3 財務風險管理 (續)

3.3 公允價值估計 (續)

3.3.1 公允價值層級 (續)

下表呈列於2022年3月31日本集團按公允價值計量的金融資產：

本集團的政策是在報告期末確認公允價值層級的轉入和轉出。截至2023年及2022年3月31日止年度，經常性的公允價值計量在第一、第二和第三層級之間未發生轉移。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

3.3.1 Fair value hierarchy (continued)

The following table presents the changes in level 3 items of financial assets at fair value through profit or loss for the years ended March 31, 2023 and 2022.

		Financial assets at fair value through profit or loss – bank structured deposits 按公允價值計入 損益的金融資產 – 銀行結構性存款 RMB' 000 人民幣千元	Financial assets at fair value through profit or loss – Wealth management products 按公允價值計入 損益的金融資產 – 理財產品 RMB' 000 人民幣千元	Financial assets at fair value through profit or loss – debt instruments 按公允價值計入 損益的金融資產 – 債務工具 RMB' 000 人民幣千元	Financial assets at fair value through profit or loss – equity instruments 按公允價值計入 損益的金融資產 – 權益工具 RMB' 000 人民幣千元
At April 1, 2022	於2022年4月1日	-	197,055	34,675	-
Additions	添置	15,000	286,886	-	46,000
Redemptions	贖回	(10,020)	(246,795)	-	-
Gains recognised in other gains – net	在其他收益中確認的 淨收益	20	4,611	1,039	1,482
Reclassify to investments account for using the equity method	重新分類至使用權益法 入賬的投資	-	-	-	(17,482)
Currency translation differences	匯兌差額	-	16,256	-	-
At March 31, 2023	於2023年3月31日	5,000	258,013	35,714	30,000
Includes unrealised gains recognised in profit or loss attributable to balances held at the end of the reporting period	包括報告期末所持結餘 應佔損益中確認的 未變現收益	-	2,587	5,714	-

3 財務風險管理 (續)

3.3 公允價值估計 (續)

3.3.1 公允價值層級 (續)

下表呈列截至2023年及2022年3月31日止年度按公允價值計入損益的金融資產的第三層級項目變動。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

3.3.1 Fair value hierarchy (continued)

3 財務風險管理 (續)

3.3 公允價值估計 (續)

3.3.1 公允價值層級 (續)

		Financial assets at fair value through profit or loss – bank structured deposits	Financial assets at fair value through profit or loss – Wealth management products	Financial assets at fair value through profit or loss – debt instruments
		按公允價值計入 損益的金融資產 – 銀行結構性存款	按公允價值計入 損益的金融資產 – 理財產品	按公允價值計入 損益的金融資產 – 債務工具
		RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
At April 1, 2021	於2021年4月1日	51,004	–	30,000
Additions	添置	100,150	197,048	–
Redemptions	贖回	(151,516)	–	–
Gains recognised in other gains – net	在其他收益中確認的 淨收益	362	7	4,675
At March 31, 2022	於2022年3月31日	–	197,055	34,675
Includes unrealised gains recognised in profit or loss attributable to balances held at the end of the reporting period	包括報告期末所持結餘 應佔損益中確認的 未變現收益	–	7	4,675

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

3.3.2 Valuation techniques and processes

The Group has a team that manages the valuation of level 3 instruments for financial reporting purpose. The team manages the valuation of the investments on a case-by-case basis. At least once every year, the team would use valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.

The valuation of level 3 instruments mainly includes bank structured deposits and wealth management products measured at FVPL (Note 23), unlisted debt instruments and unlisted equity instruments at fair value through profit or loss (Note 23). As these instruments are not traded in an active market, their fair values have been determined by using various applicable valuation techniques, including discounted cash flows and market approach etc.

3 財務風險管理 (續)

3.3 公允價值估計 (續)

3.3.2 估值技術及程序

本集團設有團隊管理第三層級工具的估值，以供財務報告之用。該團隊根據個別情況管理投資的估值。該團隊至少每年一次使用估值技術釐定本集團第三層級工具的公允價值。必要時，會有外部估值專家參與估值。

第三層級工具的估值主要包括按公允價值計入損益的銀行結構性存款及理財產品(附註23)、按公允價值計入損益的非上市債務工具及非上市權益工具(附註23)。由於這些工具未於活躍市場買賣，其公允價值採用多種適用的估值技術釐定，包括折現現金流量及市場法等。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

3.3.3 Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

	Fair value as at March 31,		Significant Unobservable inputs 重大不可觀察 輸入數據	Range of inputs as at March 31,		Relationship of significant unobservable inputs to fair value 重大不可觀察輸入數據與 公允價值的關係
	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元		2023 2023年	2022 2022年	
Bank structured deposits measured at FVPL	5,000	–	Expected rate of return	1.85%	–	The higher the expected rate of return, the higher the fair value
按公允價值計入損益的 銀行結構性存款			預期回報率			預期回報率越高， 公允價值越高
Wealth management products measured at FVPL	258,013	197,055	Expected rate of return	1%-1.5%	1.2%	The higher the expected rate of return, the higher the fair value
按公允價值計入損益的理財產品			預期回報率			預期回報率越高， 公允價值越高
Unlisted debt instrument at FVPL	35,714	34,675	Rate of volatility	54%	52%	The lower the volatility, the higher the fair value
按公允價值計入損益的非上市 債務工具			波動率			波動率越低， 公允價值越高
Unlisted equity instruments at FVPL	30,000	–	Rate of volatility	125%	–	The lower the volatility, the higher the fair value
按公允價值計入損益的 非上市權益工具			波動率			波動率越低， 公允價值越高

3 財務風險管理 (續)

3.3 公允價值估計 (續)

3.3.3 估值輸入數據及與公允價值的關係

下表概述有關用於第三層級公允價值計量的重大不可觀察輸入數據的定量資料。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

3.3.3 Valuation inputs and relationships to fair value (continued)

The Group's bank structured deposits were mainly investment products purchased from reputable financial institutions in the PRC with floating rates. The returns on all of these bank structured deposits were not guaranteed, hence their contractual cash flows did not qualify for solely payments of principal and interest. Therefore, they were measured at fair value through profit or loss. None of these investments were past due. Changes in fair values of bank structured deposits were analysed at the end of each reporting period by the Group's management. The fair values were determined based on the expected cash flows discounted using an expected rate of return (based on management's judgement). The relevant fair value gains/(losses) were minimal because of short term maturity.

At as March 31, 2023, the Group's wealth management products measured at FVPL consisted of cash management portfolio linked notes subscribed from GF Global Capital Limited and Huatai International Financial Products Limited. The wealth management products are subject to no lock-up period and can be redeemed by the Group at any time and have at a fixed annual return of 1%-1.5%. The Group subscribed to partner's capital, becoming a limited partner in TruMed Health Innovation Fund LP, and the total commitment is US\$2,000,000. As at March 31, 2023, the Group possesses US\$882,000 (equivalent to RMB6,063,000) in TruMed Health Innovation Fund LP (Note 23). The fair values were determined based on the expected cash flows discounted using an expected rate of return.

3 財務風險管理 (續)

3.3 公允價值估計 (續)

3.3.3 估值輸入數據及與公允價值的關係 (續)

本集團的銀行結構性存款主要為向中國知名金融機構購買的浮動利率投資產品。所有這些銀行結構性存款的回報均無保證，因此其合同現金流量不符合僅用於支付本金和利息的條件。因此，其按公允價值計入損益。這些投資均未逾期。本集團管理層於各報告期末分析銀行結構性存款公允價值的變動。公允價值根據使用預期回報率（基於管理層的判斷）折現的預期現金流量釐定。由於短時間便到期，相關公允價值收益／（虧損）甚微。

於2023年3月31日，本集團按公允價值計入損益的理財產品包括向廣發全球資本有限公司及華泰國際金融產品有限公司認購的現金管理投資組合掛鈎票據。該等理財產品並無禁售期限制、可由本集團隨時贖回，並有1%-1.5%的固定年化回報率。本集團認購合夥人的資本，成為TruMed Health Innovation Fund LP的有限合夥人，出資總額為2,000,000美元。截至2023年3月31日，本集團於TruMed Health Innovation Fund LP的投資額為882,000美元（相等於人民幣6,063,000元）（附註23）。公允價值乃根據預期現金流量使用預期回報率折現而釐定。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

3.3.3 Valuation inputs and relationships to fair value (continued)

From the perspective of cash management and risk control, the Group diversified its investment portfolio and mainly preferred those products with high-liquidity.

If the expected rate of return had decreased/increased by 100 basis points with all other variables held constant, the fair value of bank structured deposits measured at FVPL would have decreased/increased by approximately RMB100,000 and RMB5,000 as at March 31, 2023 and 2022, respectively.

If the expected volatility had decreased by 5% with all other variables held constant, the fair value of unlisted debt instrument at FVPL would have increased by approximately RMB1,786,000 and RMB354,000 as at March 31, 2023 and 2022, respectively. If the expected volatility had increased by 5% with all other variables held constant, the fair value of unlisted debt instrument at FVPL would have decreased by approximately RMB1,786,000 and RMB412,000 as at March 31, 2023 and 2022, respectively.

If the expected volatility had decreased/increased by 5% with all other variables held constant, the fair value of unlisted equity instrument at FVPL would have increased/decreased by approximately RMB1,500,000 as at March 31, 2023.

3 財務風險管理 (續)

3.3 公允價值估計 (續)

3.3.3 估值輸入數據及與公允價值的關係 (續)

從現金管理和風險控制的角度看，本集團投資組合多元化，並主要優先選擇流動性高的產品。

如果預期回報率減少／增加100個基點而所有其他變量保持不變，則於2023年及2022年3月31日，按公允價值計入損益的銀行結構性存款的公允價值將分別減少／增加約人民幣100,000元及人民幣5,000元。

如果預期波動率減少5%而所有其他變量保持不變，則於2023年及2022年3月31日，按公允價值計入損益的非上市債務工具的公允價值將分別增加約人民幣1,786,000元及人民幣354,000元。如果預期波動率增加5%而所有其他變量保持不變，則於2023年及2022年3月31日，按公允價值計入損益的非上市債務工具的公允價值將分別減少約人民幣1,786,000元及人民幣412,000元。

如果預期波動率減少／增加5%而所有其他變量保持不變，則於2023年3月31日，按公允價值計入損益的非上市權益工具的公允價值將增加／減少約人民幣1,500,000元。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

3.3.4 Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost approximate their fair values since either the instruments are with short maturities or the rate of interest receivable/payable is close to the current market rate.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Contractual Arrangements

The Group conducts a substantial portion of the business through Shenzhen Ruijian in the PRC due to regulatory restrictions on the foreign ownership in the Group's medical institutions in the PRC. The Directors assessed whether or not the Group has control over Shenzhen Ruijian, has rights to variable returns from its involvement with Shenzhen Ruijian and has the ability to affect those returns through its power over the operating entities. After assessment, the Directors concluded that the Group has control over Shenzhen Ruijian as a result of the Contractual Arrangements and accordingly the financial position and their operating results of Shenzhen Ruijian are included in the Group's consolidated financial statements throughout the year or since the respective dates of incorporation/establishment, whichever is the shorter period.

3 財務風險管理 (續)

3.3 公允價值估計 (續)

3.3.4 非按公允價值列賬的金融資產及負債的公允價值

本集團按攤銷成本列賬的金融工具的賬面值與其公允價值相若，因為該等工具的到期時間較短或應收／應付利息的利率接近現行市場利率。

4 重大會計估計及判斷

編製財務報表需要使用會計估計，由其定義可知，會計估計很少與實際結果相符。管理層在應用本集團的會計政策時也需要作出判斷。

本集團持續評估估計和判斷。其乃基於歷史經驗和其他因素，包括對於可能對實體產生財務影響並在該等情況下被認為屬合理的未來事件的預期。

(a) 合同安排

由於本集團中國醫療機構的外資擁有權受到監管限制，本集團通過深圳瑞健在中國開展大部分業務。董事評估本集團是否對深圳瑞健有控制權、是否有權從參與深圳瑞健業務中獲得可變回報，以及是否有能力通過其對經營實體的權力影響該等回報。進行評估後，董事斷定，由於合同安排，本集團對深圳瑞健有控制權，因此深圳瑞健於整個年度或自各自的註冊成立／成立日期起（以較短期間為準）的財務狀況及經營業績納入本集團的合併財務報表。

Notes to the Consolidated Financial Statements

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(a) Contractual Arrangements (continued)

Nevertheless, the Contractual Arrangements may not be as effective as direct legal ownership in providing the Group with direct control over Shenzhen Ruijian and uncertainties presented by the PRC legal system could impede the Group's beneficiary rights of the results, assets and liabilities of Shenzhen Ruijian. The Directors, based on the advice of the PRC Legal Advisers, consider that save as otherwise disclosed, each agreement under the Contractual Arrangements is legal, valid and binding upon the parties thereto under the current PRC laws and regulations.

(b) Estimation of revenue recognition

The Group applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers. Revenue from the rendering of orthodontics and implantology services is to be recognised over time because the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date. The Group determined that the input method is the best method for measuring the progress of orthodontics and implantology services because there is a direct relationship between the Group's effort (i.e., staff costs and/or costs of inventories, consumables and customised products incurred, when appropriate) and the transfer of services to the customer. The Group recognises revenue on the basis of the staff costs and/or cost of inventories, consumables and customised products, when appropriate, expended relative to the total expected costs to complete the service. Judgements are required in the determination of the estimate of the total expected costs to complete the service.

4 重大會計估計及判斷 (續)

(a) 合同安排 (續)

然而，本集團通過合同安排實現對深圳瑞健的直接控制未必如直接法定所有權般有效，且中國法律制度的不確定性可能妨礙本集團行使對深圳瑞健的業績、資產及負債的受益權。基於中國法律顧問的意見，董事認為，除另有披露者外，根據中國現行法律法規，合同安排項下的各項協議均屬合法、有效並對各訂約方具有約束力。

(b) 收入確認估計

本集團採用的判斷對釐定客戶合同收入的金額及時間有重大影響。提供正畸及植牙服務的收入於一段時間內確認，原因為本集團的履約並未創建一項可用於替代用途的資產，並且本集團具有就迄今為止已完成的履約部分收取款項的可強制執行權利。本集團確定投入法為計量正畸及植牙服務進度的最佳方法，原因為本集團的投入（即所產生的員工成本及／或存貨、耗材及訂製產品成本（如適用））與向客戶轉移服務間有直接關係。本集團按所花費的員工成本及／或存貨、耗材及訂製產品成本（如適用）佔完成服務的總預期成本的比例確認收入。釐定完成服務的估計總預期成本時需要作出判斷。

Notes to the Consolidated Financial Statements

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(c) Estimation of fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions including credit risk, volatility and liquidity risks associated with the instruments at the end of each reporting period, which are subject to uncertainty and might materially differ from the actual results. Changes in these assumptions and estimates could materially affect the respective fair value of these financial assets and liabilities (Note 3.3).

(d) Estimation of the useful life and depreciation of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation for the Group's property, plant and equipment based on the asset's expected utility to the Group, the asset management policy of the Group may involve the disposal of assets after a specified time or after consumption of a specified proportion of the future economic benefits embodied in the asset. Therefore, the useful life of an asset may be shorter than its economic life. The estimation of the useful life of the asset is a matter of judgement based on the experience of the Group with similar assets.

(e) Estimation of the useful life and amortisation of intangible assets

The Group's management determines the estimated useful lives and related amortisation for the Group's intangible assets with reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets. Management will revise the amortisation charges where useful lives are different from that of previously estimated, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in useful lives and therefore amortisation expense in future periods.

4 重大會計估計及判斷 (續)

(c) 金融工具的公允價值估計

未於活躍市場買賣的金融工具的公允價值採用估值技術釐定。本集團使用判斷來選擇多種方法並作出假設，包括於各報告期末與工具相關的信貸風險、波動性及流動資金風險，這些假設具有不確定性並可能與實際結果有重大差異。這些假設及估計的變化可能對這些金融資產及負債各自的公允價值產生重大影響(附註3.3)。

(d) 物業、廠房及設備的可使用年期及折舊估計

本集團的管理層根據本集團物業、廠房及設備對本集團的預期用途來釐定有關資產的估計可使用年期及相關折舊，本集團的資產管理政策可能涉及於特定時間後或消耗了資產所包含的未來經濟利益的特定比例後出售資產。因此，資產的可使用年期可能短於其經濟年期。資產可使用年期的估計乃基於本集團處理類似資產的經驗而作出的判斷。

(e) 無形資產的可使用年期及攤銷估計

本集團管理層參考本集團擬從使用無形資產中產生未來經濟利益的估計期間，釐定本集團這些資產的估計可使用年期及相關攤銷。如果可使用年期與先前的估計不同，管理層將修訂攤銷支出，或撤銷或撤減已廢棄或出售的技術過時或非戰略資產。實際經濟年期可能與估計可使用年期有所不同。定期審查可導致可使用年期變動，並因而導致未來期間的攤銷開支變動。

Notes to the Consolidated Financial Statements

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(f) Estimation of goodwill impairment

The Group tests whether goodwill has suffered any impairment on an annual basis, or whenever events or changes in circumstances indicate that it might be impaired. As at March 31, 2023 and 2022, the recoverable amount of cash-generating units (CGUs) was determined based on fair value less cost of disposal calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Details of impairment charge, key assumptions and impact of possible changes in key assumptions are disclosed in Note 17.

(g) Credit loss allowance for trade receivables, other receivables and other financial assets

Under IFRS 9, the expected credit loss of trade receivables, other receivables and other assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to calculate the loss allowances, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3.1.2.

(h) Recoverability of non-financial assets

Other non-financial assets including property and equipment, right-of-use assets and intangible assets (including brand and licenses) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The recoverable amount of CGU is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management with an estimation of terminal value.

4 重大會計估計及判斷 (續)

(f) 商譽減值估計

本集團每年或於無論何時事件或情況發生變化表明可能出現減值時測試商譽是否發生任何減值。於2023年及2022年3月31日，現金產生單位的可收回金額根據公允價值減去出售成本的計算釐定，這需要使用假設。計算使用的現金流量預測基於管理層批准的涵蓋五年的財務預算。

減值費用、關鍵假設以及關鍵假設可能變化的影響詳情於附註17披露。

(g) 貿易應收款項、其他應收款項及其他金融資產的信貸虧損撥備

根據國際財務報告準則第9號，貿易應收款項、其他應收款項及其他資產的預期信貸虧損乃基於有關違約風險及預期虧損率的假設。本集團於各報告期末作出該等假設及選擇計算虧損撥備的輸入數據時，會基於本集團的過往歷史、現有市場狀況及前瞻性估計而作出判斷。所使用的關鍵假設及輸入數據的詳情於附註3.1.2披露。

(h) 非金融資產的可收回性

每當出現事件或情況變化顯示物業及設備、使用權資產及無形資產(包括品牌及許可證)等其他非金融資產的賬面值未必可收回時，會審查該等資產是否發生減值。現金產生單位的可收回金額乃根據使用價值的計算(需要使用假設)來釐定。有關計算使用基於管理層批准的財務預算的現金流量預測，並估計最終價值。

Notes to the Consolidated Financial Statements

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(i) Current and deferred income tax

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

(j) Recognition of share-based compensation expenses

The Group established RSU Plan, which grants RSUs to employees, directors and other qualified persons. The fair value of the RSUs on the grant date is determined according to binomial option pricing model on the grant date and is expected to be included in the loss during their respective vesting periods. Significant estimates and assumptions (including discount rate, risk-free interest rate and expected price volatility) was made by the management and an independent valuer. Details of the key assumptions and inputs used are disclosed in Note 8(b).

(k) Business combinations

During the Reporting Period, the Group acquired subsidiaries and businesses for aggregate consideration of RMB134,898,000. Details of the acquisitions are set out in Note 31. In accordance with IFRS 3, the identifiable assets acquired and liabilities and contingent liabilities assumed should be measured at fair value at the acquisition date in order to determine the difference between the cost of acquisition and the fair value of the Group's share of net assets acquired, which should then be recognised as goodwill on the consolidated balance sheet.

4 重大會計估計及判斷 (續)

(i) 即期及遞延所得稅

在日常業務過程中，許多交易和計算所涉及的最終稅項釐定均不確定。倘若這些事項的最終稅務結果與初始記錄的金額不同，有關差異將影響作出有關釐定的期間的即期及遞延稅項資產及負債。

(j) 確認股份酬金開支

本集團制定受限制股份單位計劃，該計劃授予僱員、董事及其他合資格人士受限制股份單位。受限制股份單位於授出日期的公允價值乃根據授出日期二項式期權定價模式釐定，預期於其各自歸屬期計入虧損。重大估計及假設（包括折現率、無風險利率及預期價格波幅）乃由管理層及獨立估值師作出。所使用之主要假設及輸入數據詳情披露於附註8(b)。

(k) 業務合併

於報告期內，本集團以總對價人民幣134,898,000元收購子公司及業務。收購的詳情載於附註31。根據國際財務報告準則第3號，所收購的可識別資產和承擔的負債及或然負債應於收購日期按公允價值計量，以釐定收購成本與本集團所佔所收購淨資產的公允價值之間的差額，然後應在合併資產負債表中確認為商譽。

Notes to the Consolidated Financial Statements

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(k) Business combinations (continued)

In the absence of an active market for the above acquisition transaction undertaken by the Group, the directors of the Company made estimates from a variety of sources, in order to determine the fair value of identifiable assets and liabilities in the above acquisition transactions. For the fair value of the intangible assets for brands and licenses, non-competitive agreements and customer relationship, the directors of the Company made their estimates according to valuation results assessed by an external valuer appointed by the Company. As a result, the Group recognised the excess of the acquisition costs over the fair value of the Group's share of net assets acquired amounting to approximately RMB84,287,000 in relation to the above acquisition transactions as goodwill for the year ended March 31, 2023 (see Note 31 for details of this acquisition transaction).

5 SEGMENT INFORMATION

The Group's business activities, being mainly the provision of dental services (including general dentistry, orthodontics and implantology) through the operations of dental clinics and hospitals in the PRC, are regularly evaluated by the board of directors of the Group. Management has determined the operating segments based on the reports reviewed by the board of directors for the purpose of making decisions about resource allocation and performance assessment.

The Group's business activities are operated and managed as two segments, which comprise Arrail Dental and Rytime Dental.

4 重大會計估計及判斷 (續)

(k) 業務合併 (續)

由於上述本集團進行的收購交易缺乏活躍市場，本公司董事從各種來源進行估計，以釐定上述收購交易的可識別資產及負債的公允價值。對於品牌及許可證、非競爭性協議及客戶關係的無形資產公允價值，本公司董事根據本公司委聘的外間估值師所評估的估值結果來作出估計。因此，於截至2023年3月31日止年度，本集團就上述收購交易將收購成本超出本集團所佔所收購淨資產的公允價值的金額約人民幣84,287,000元確認為商譽（有關此項收購交易的詳情，請參閱附註31）。

5 分部資料

本集團的業務活動主要為於中國透過經營口腔診所及醫院提供口腔醫療服務（包括普通牙科、正畸科及種植科），由本集團的董事會定期評估。管理層已根據董事會審閱的報告就資源分配及績效評估的決策釐定經營分部。

本集團的業務活動以兩個分部進行營運及管理，包括瑞爾齒科及瑞泰口腔。

Notes to the Consolidated Financial Statements

合併財務報表附註

5 SEGMENT INFORMATION (continued)

The Management assesses the performance of the operating segments based on a measure of operating profit. The measurement basis excludes the effects of allocation of certain income, expenses, gains and losses from headquarter, (impairment losses)/reversal of impairment losses on financial assets – net, share of net (loss)/profit of investments accounted for using the equity method, fair value changes of financial instruments, and finance income and costs. There were no separate segment assets and segment liabilities information provided to the board of directors of the Group, as they do not use this information to allocate resources to or evaluate the performance of the operating segments.

5 分部資料(續)

管理層根據經營利潤衡量指標評估經營分部的表現。衡量基準不包括總部若干收入、開支、收益及虧損、金融資產淨(減值虧損)/減值虧損轉回、分佔使用權益法入賬的投資的淨(虧損)/利潤、金融工具的公允價值變動以及財務收入及成本的分配的影響。概無向本集團董事會單獨提供分部資產及分部負債資料，因彼等在向經營分部分配資源或評估經營分部的表現時不會使用該資料。

		Years ended March 31, 截至3月31日止年度			
		2023 2023年		2022 2022年	
		Revenue 收入	Operating profit/(loss) 經營利潤/(虧損)	Revenue 收入	Operating profit/(loss) 經營利潤/(虧損)
		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
Arrail Dental	瑞爾齒科	715,299	37,663	831,550	101,723
Rytime Dental	瑞泰口腔	758,442	21,435	792,003	64,994
Total	總計	1,473,741	59,098	1,623,553	166,717
Unallocated:	未分配:				
Headquarter and corporate expenses (Impairment losses)/reversal of impairment losses on financial assets – net	總部及企業開支 金融資產淨(減值虧損)/ 減值虧損轉回		(246,525) (2,863)		(199,874) 4,585
Finance income	財務收入		18,965		8,276
Finance costs	財務成本		(44,289)		(55,641)
Share of net loss of investments accounted for using the equity method	分佔使用權益法入賬的 投資的淨虧損		(2,295)		(411)
Fair value changes of convertible redeemable shares	可轉換可贖回股份的 公允價值變動		–		(541,089)
Fair value change of bond	債券的公允價值變動		–		(61,647)
Fair value change of warrants	權證的公允價值變動		–		(13,686)
Fair value changes of derivative liabilities	衍生負債的公允價值變動		–		(6,005)
Fair value difference between termination of the warrants and recognition of derivative liabilities	終止權證與確認衍生負債 之間的公允價值差額		–		(11,136)
Loss before income tax	除所得稅前虧損		(217,909)		(709,911)

Notes to the Consolidated Financial Statements

合併財務報表附註

5 SEGMENT INFORMATION (continued)

The Company is domiciled in the Cayman Islands while the Group mainly operates its business in the PRC and earns substantially all of the revenues from external customers in the PRC.

As at March 31, 2023 and 2022, substantially all of the non-current assets of the Group were located in the PRC.

No revenue from the Group's sales to a single customer amounted to 10% or more of the Group's revenue for the years ended March 31, 2023 and 2022.

Other segment information

5 分部資料(續)

本公司於開曼群島註冊，而本集團則主要在中國經營業務，且絕大部分收入源於中國的外部客戶。

於2023年及2022年3月31日，本集團絕大部分非流動資產位於中國。

截至2023年及2022年3月31日止年度，本集團向單一客戶的銷售收入概無佔本集團收入的10%或以上。

其他分部資料

		Years ended March 31, 截至3月31日止年度			
		2023 2023年		2022 2022年	
		Arrail Dental 瑞爾齒科	Rytime Dental 瑞泰口腔	Arrail Dental 瑞爾齒科	Rytime Dental 瑞泰口腔
		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
Depreciation and amortisation	折舊及攤銷	130,201	131,266	130,468	115,835
Addition to property, plant and equipment	添置物業、廠房及設備	43,515	78,631	65,258	50,537
Addition to right-of use assets	添置使用權資產	131,271	61,604	120,435	151,469

Notes to the Consolidated Financial Statements

合併財務報表附註

6 REVENUE

(a) Revenue from contracts with customers

The breakdown of revenues by service categories during the years ended March 31, 2023 and 2022 is as follows:

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
General Dentistry – recognised at a point in time	普通牙科 – 於某一時間點確認	790,353	872,586
Orthodontics – recognised over time	正畸科 – 於一段時間確認	328,238	366,264
Implantology – recognised over time	種植科 – 於一段時間確認	318,330	353,079
Others – recognised at a point in time	其他 – 於某一時間點確認	36,820	31,624
		1,473,741	1,623,553

The breakdown of revenues by geographic location and by brand during the years ended March 31, 2023 and 2022 is as follows:

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Northern China	華北	599,748	693,781
Eastern China	華東	362,242	391,694
Southern China	華南	146,546	154,488
Western China	西區	365,205	383,590
		1,473,741	1,623,553

6 收入

(a) 客戶合同收入

截至2023年及2022年3月31日止年度按服務類別劃分的收入明細如下：

截至2023年及2022年3月31日止年度按地理位置及按品牌劃分的收入明細如下：

Notes to the Consolidated Financial Statements

合併財務報表附註

6 REVENUE (continued)

(a) Revenue from contracts with customers (continued)

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Arrail Dental	瑞爾齒科	715,299	831,550
Rytime Dental	瑞泰口腔	758,442	792,003
		1,473,741	1,623,553

(b) Liabilities related to contracts with customers

(i) Revenue recognised in relation to contract liabilities

The following table shows the amounts of revenue recognised in each of the financial years that were included in the contract liabilities at the beginning of each of the financial years:

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Revenue recognised that was included in contract liabilities at the beginning of each of the years:	已於各年初計入合同負債的已確認收入：		
– Rendering dental services	– 提供口腔醫療服務	184,287	265,411

6 收入(續)

(a) 客戶合同收入(續)

(b) 與客戶合同有關的負債

(i) 就合同負債確認的收入

下表顯示於各財政年度確認的收入金額(已於各財政年度開始計入合同負債)：

Notes to the Consolidated Financial Statements

合併財務報表附註

6 REVENUE (continued)

(b) Liabilities related to contracts with customers (continued)

(ii) Unsatisfied performance obligations

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, 2023 and 2022 are as follows:

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Amounts expected to be recognised as revenue:	預期將確認為收入的金額：		
Within one year	一年內	154,024	184,287
After one year	一年後	16,323	21,597
		170,347	205,884

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year related to orthodontics services, of which the performance obligations are to be satisfied within two years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year.

All other contracts are for periods of one year or less or are billed based on time incurred. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

6 收入(續)

(b) 與客戶合同有關的負債(續)

(ii) 未履行的履約責任

於2023年及2022年3月31日，分配至餘下履約責任(未履行或部分未履行)的交易價金額如下：

分配至餘下履約責任的交易價金額(預期於一年後確認為收入)與正畸服務相關，其中履約責任將在兩年內履行。分配至餘下履約責任的所有其他交易價金額預期於一年內確認為收入。

所有其他合同的期限均為一年或不足一年，或根據發生時間開具賬單。國際財務報告準則第15號允許不披露分配至該等未履行合同的交易價。

Notes to the Consolidated Financial Statements

合併財務報表附註

7 EXPENSES BY NATURE

7 按性質劃分的開支

		Year ended March 31, 截至3月31日止年度	
		2023	2022
		2023年	2022年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Employee benefits expenses	僱員福利開支	962,226	915,664
Depreciation and amortization	折舊及攤銷	261,467	246,303
Dental materials used	所用齒科材料	241,757	253,254
Advertising and marketing expenses	廣告及營銷開支	37,591	33,588
Office and property management expenses	辦公及物業管理開支	63,746	51,276
Consulting fees	諮詢費	62,782	65,182
Auditor's remuneration	審計師薪酬		
– Audit services	– 審計服務	4,500	3,500
– Non-audit services	– 非審計服務	270	330
Listing expenses	上市開支	–	42,501
Other expenses	其他開支	48,891	64,034
		1,683,230	1,675,632

8 EMPLOYEE BENEFITS EXPENSES

8 僱員福利開支

		Year ended March 31, 截至3月31日止年度	
		2023	2022
		2023年	2022年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Wages, salaries, bonuses and other allowances	工資、薪金、花紅及其他津貼	651,465	702,324
Social security costs and housing fund contributions (note a)	社會保障成本及住房公積金供款 (附註a)	116,643	118,319
Share-based compensation expenses (note b)	股份酬金開支 (附註b)	194,118	95,021
		962,226	915,664

Notes to the Consolidated Financial Statements

合併財務報表附註

8 EMPLOYEE BENEFITS EXPENSES (continued)

(a) Social security costs and housing fund contributions

The employees of the Group in the PRC are members of a state-managed pension obligations operated by the PRC Government, including social security costs and housing benefits. The Group is required to contribute a specified percentage of payroll costs as determined by respective local government authority to the pension obligations to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions under the scheme.

(b) Share-based compensation expenses – RSUs

In August 2021, the board of the directors of the Company approved the establishment of a RSU Plan for the purpose of attracting, retaining and motivating the directors, employees and such other participants of the Company.

The RSU Plan is effective from the date of establishment and will govern RSUs made by the Company. The total number of RSUs which may be granted and issued under the RSU Plan will not exceed 4,798,904 (subdivided into 119,972,600 upon Share Subdivision).

On October 1, 2021, 3,668,941 RSUs of the Company were granted to certain directors and eligible employees. Effective from March 21, 2022, these RSUs were subdivided into 91,723,525 RSUs. RSUs will be vested and become realisable only at the end of the first 6 months, the first year, the first 18 months and the second year from the commencement date of dealings in the Company's shares on the Stock Exchange of Hong Kong Limited ("Vesting Period") at the respective proportion of 25%, 25%, 25% and 25%, provided that the participants pass the annual performance review administrated by the board of the directors of the Company. Vesting Period may be different due to specific cases or exception. RSUs can be purchased for 1 ordinary share at any time, provided that RSUs are vested.

8 僱員福利開支(續)

(a) 社會保障成本及住房公積金供款

本集團於中國的僱員為中國政府所運作國家管理退休金責任項目(包括社會保障成本及住房福利)的成員。本集團須按各地方政府機關釐定的工資成本的特定百分比向退休金責任項目供款，以提供福利資金。本集團對退休福利計劃的唯一責任為根據計劃作出指定供款。

(b) 股份酬金開支 – 受限制股份單位

於2021年8月，本公司董事會批准制定受限制股份單位計劃，以吸引、挽留及激勵本公司董事、僱員及有關其他參與者。

受限制股份單位計劃自制定日期起生效且將管控本公司作出的受限制股份單位。根據受限制股份單位計劃可能授出及發行的受限制股份單位總數將不超過4,798,904股(根據股份拆細拆細為119,972,600股)。

於2021年10月1日，本公司向若干董事及合資格僱員授予3,668,941個受限制股份單位。自2022年3月21日起，該等受限制股份單位被拆細為91,723,525個受限制股份單位。受限制股份單位將予歸屬且僅可於本公司股份在香港聯合交易所有限公司開始買賣日期起的首六個月、第一年、首18個月及第二年(「歸屬期」)結束時分別按25%、25%、25%及25%的比例變現，惟參與者須通過由本公司董事會執行的年度業績審閱。歸屬期可能因個別或例外情況而有所不同。倘受限制股份單位獲歸屬，則可隨時以1股普通股購買受限制股份單位。

Notes to the Consolidated Financial Statements

合併財務報表附註

8 EMPLOYEE BENEFITS EXPENSES (continued)

(b) Share-based compensation expenses – RSUs (continued)

Movements in the number of RSUs granted and their related weighted average fair value per restrictive share unit (“RSU”) are as follows:

		Number of RSUs	Weighted average fair value per RSU (USD)
		受限制股份 單位數目	每受限制股份 單位加權平均 公允價值 (美元)
Outstanding as at April 1, 2022	於2022年4月1日尚未行使	91,723,525	0.59
Forfeited during the year	於年內沒收	(2,953,463)	0.58
Vesting upon the payment of purchase price	於支付購買價時歸屬	(4,536,038)	0.71
Outstanding as at March 31, 2023	於2023年3月31日尚未行使	84,234,024	0.58

The weighted average fair value of the RSUs at grant date was estimated by the fair value of the underlying ordinary shares less its purchase price. The average purchase price is USD0.8 (adjusted for Share Subdivision). The Group has used the discounted cash flow method to determine the underlying equity fair value of the Company and adopted the equity allocation model to determine the fair value of the underlying ordinary shares. Key assumptions, such as projections of future performance, are determined by the Group with best estimate.

8 僱員福利開支 (續)

(b) 股份酬金開支 – 受限制股份單位 (續)

授出的受限制股份單位數目及其每受限制股份單位 (「受限制股份單位」) 相關的加權平均公允價值變動如下：

		Number of RSUs	Weighted average fair value per RSU (USD)
		受限制股份 單位數目	每受限制股份 單位加權平均 公允價值 (美元)

受限制股份單位於授出日期的加權平均公允價值乃根據相關普通股的公允價值減其購買價估計得出。平均購買價為0.8美元 (就股份拆細作出調整)。本集團使用貼現現金流量法釐定本公司相關股權公允價值，採納權益分配模式釐定相關普通股的公允價值。未來表現預測等主要假設須根據本集團最佳估計釐定。

Notes to the Consolidated Financial Statements

合併財務報表附註

8 EMPLOYEE BENEFITS EXPENSES (continued)

(b) Share-based compensation expenses – RSUs (continued)

Based on the fair value of the underlying ordinary shares, the Group has used a binomial option pricing model to determine the fair value of the RSUs as at the grant date. Key assumptions are set as below:

		On grant date 於授出日期
Fair value per ordinary share (adjusted for Share Subdivision)	每股普通股公允價值 (就股份拆細作出調整)	USD1.11 1.11美元
Grant date	授出日期	October 1, 2021 2021年10月1日
Expected price volatility	預期價格波幅	48.6%
Risk-free interest rate	無風險利率	1.5%
Dividend yield	股息收益	0%

The share-based compensation expenses relating to the RSUs were recognised as administrative expenses during the year ended March 31, 2023 amounting to RMB194,118,000 (2022: RMB95,021,000).

On September 3, 2022 (“Adoption Date”), the Company has adopted the 2022 RSU Scheme (“2022 RSU Scheme”) as approved by the board of directors of the Company to further provide a means of compensating the Selected Participants through the grant of awards for their contribution to the growth and profits of the Group.

Unless terminated earlier by the Company, the 2022 RSU Scheme is valid and effective for a term of 10 years commencing from the Adoption Date. Upon termination, (i) no further grant of RSUs may be made under the 2022 RSU Scheme; and (ii) the awards (to the extent not already settled, paid-out, lapsed or cancelled) granted prior to such termination shall continue to be valid in accordance with the 2022 RSU Scheme.

8 僱員福利開支(續)

(b) 股份酬金開支 – 受限制股份單位(續)

基於相關普通股的公允價值，本集團使用二項式期權定價模型釐定受限制股份單位於授出日期的公允價值。主要假設載列如下：

截至2023年3月31日止年度確認為行政開支的受限制股份單位有關的股份酬金開支為人民幣194,118,000元(2022年：人民幣95,021,000元)。

於2022年9月3日(「採納日期」)，本公司已採納由本公司董事會批准的2022年受限制股份單位計劃(「2022年受限制股份單位計劃」)，進一步透過授予獎勵的方式酬謝獲甄選參與者為本集團發展及利潤所作出的貢獻。

除非本公司提前終止，否則2022年受限制股份單位計劃自採納日期起計10年內有效。於終止後，(i)不再根據2022年受限制股份單位計劃授予受限制股份單位；及(ii)終止前已授予的獎勵(以尚未結算、支付、失效或註銷者為限)將根據2022年受限制股份單位計劃繼續有效。

Notes to the Consolidated Financial Statements

合併財務報表附註

8 EMPLOYEE BENEFITS EXPENSES (continued)

(b) Share-based compensation expenses – RSUs (continued)

Pursuant to the 2022 RSU Scheme, the underlying shares will be satisfied by the existing ordinary shares to be acquired on the market based on the trading price of the market.

The Board shall not make any further awards which will result in the nominal value of the underlying shares under the 2022 RSU Scheme exceeding 10% of the issued shares of the Company as at the Adoption Date. The maximum number of the underlying shares which may be transferred or paid-out in settlement of all RSUs awarded to any Selected Participants under the 2022 RSU Scheme shall not exceed 1% of the issued shares of the Company from time to time in any 12-month period.

During the year ended March 31, 2023, no RSU was granted under the 2022 RSU Scheme.

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the years ended March 31, 2023 and 2022 include 3 and 3 directors whose emoluments are reflected in the analysis shown in Note 36. The emoluments payable to the remaining 2 and 2 individuals during the years are as follows:

8 僱員福利開支(續)

(b) 股份酬金開支 – 受限制股份單位(續)

根據2022年受限制股份單位計劃，相關股份將以於市場上按照市場交易價購買的現有普通股支付。

董事會不得進一步授出獎勵，導致2022年受限制股份單位計劃項下的相關股份面值超過本公司於採納日期已發行股份的10%。因結算根據2022年受限制股份單位計劃將授予任何獲甄選參與者的所有受限制股份單位而可能轉讓或支付的相關股份的最高數目，不得超過本公司於任何12個月期間不時已發行股份的1%。

於截至2023年3月31日止年度，並無根據2022年受限制股份單位計劃授出受限制股份單位。

(c) 五名最高薪酬人士

截至2023年及2022年3月31日止年度，本集團五名最高薪酬人士包括三名及三名董事，其薪酬已反映在附註36所示的分析。年內應付餘下兩名及兩名人士的酬金如下：

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Wages, salaries, bonuses and other allowances	工資、薪金、花紅及其他津貼	1,937	2,030
Social security costs and housing fund contributions	社會保障成本及住房公積金供款	256	223
Share-based compensation expenses	股份酬金開支	19,768	10,893
		21,961	13,146

Notes to the Consolidated Financial Statements

合併財務報表附註

8 EMPLOYEE BENEFITS EXPENSES (continued)

(c) Five highest paid individuals (continued)

The emoluments fell within the following bands:

		Number of individuals 人數	
		Year ended March 31, 截至3月31日止年度	
		2023 2023年	2022 2022年
Emolument bands (in HK dollar)	酬金範圍(以港元計)		
HK\$5,500,001 – HK\$6,000,000	5,500,001港元至6,000,000港元	–	1
HK\$8,500,001 – HK\$9,000,000	8,500,001港元至9,000,000港元	1	–
HK\$9,500,001 – HK\$10,000,000	9,500,001港元至10,000,000港元	–	1
HK\$15,000,001 – HK\$15,500,000	15,000,001港元至15,500,000港元	1	–

9 OTHER GAINS, NET

9 其他淨收益

		Year ended March 31, 截至3月31日止年度	
		2023 2023年	2022 2022年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Net losses on disposal of property, plant and equipment	出售物業、廠房及設備的淨虧損	(1,676)	(58)
Net fair value gains on financial assets at fair value through profit or loss	按公允價值計入損益的金融資產的淨公允價值收益	7,152	5,044
Net foreign exchange losses	淨匯兌虧損	(637)	(188)
Reversal of accrual for water discharge license penalties	排水許可證罰款的應計費用撥回	1,800	4,000
Government grants	政府補助	1,510	4,269
Gain on lease modification and termination of lease agreements (Note 32)	租賃修訂及終止租賃協議的收益(附註32)	11,173	–
Others	其他	2,740	5,855
		22,062	18,922

8 僱員福利開支(續)

(c) 五名最高薪酬人士(續)

酬金介乎以下範圍：

9 其他淨收益

Notes to the Consolidated Financial Statements

合併財務報表附註

10 FINANCE COSTS – NET

10 淨財務成本

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Finance income	財務收入		
Interest income from bank deposits	銀行存款利息收入	16,199	4,122
Interest income from loans to related parties and employees	向關聯方及僱員提供貸款的利息收入	2,766	4,154
		18,965	8,276
Finance costs	財務成本		
Interest expense on borrowings	借款利息開支	(6,244)	(9,628)
Interest expense on lease liabilities	租賃負債利息開支	(38,045)	(36,843)
Transaction costs on issuance of convertible redeemable preferred shares	發行可轉換可贖回優先股的交易成本	–	(9,170)
		(44,289)	(55,641)
		(25,324)	(47,365)

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

11 使用權益法入賬的投資

The amounts recognised in the consolidated balance sheets are as follows:

於合併資產負債表確認的金額如下：

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Associates, unlisted entities	聯營公司，非上市實體	29,327	13,104
Joint ventures	合營公司	1,350	1,051
		30,677	14,155

Notes to the Consolidated Financial Statements

合併財務報表附註

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

On June 28, 2022, the Group acquired a 10% equity interest of Shenzhen Baocheng Dental Hospital (“Shenzhen Baocheng”) for consideration of RMB16 million. The investment was accounted for as a financial asset at fair value though profit or loss on the date of acquisition, and then reclassified to investments accounted for using the equity method on March 31, 2023, as the Group could exercise significant influence over the investment through the Group’s representation on the board of directors Shenzhen Baocheng.

During the years ended March 31, 2023 and 2022 the unrecognised share of loss of associates and joint ventures accounted for under the equity method amounted to RMB27,220,000 and RMB25,117,000, respectively, of which RMB18,710,000 and RMB16,450,000, respectively were attributed from 濟南濟東口腔醫院有限公司(“濟南濟東”).

No impairment loss on the investments accounted for using the equity method was recognised during the years ended March 31, 2023 and 2022.

11 使用權益法入賬的投資(續)

於2022年6月28日，本集團以對價人民幣16百萬元收購深圳寶城口腔醫院(「深圳寶城」)10%的股權。該投資於收購日期作為按公允價值計入損益的金融資產入賬，然後於2023年3月31日重新分類至使用權益法入賬的投資，因為本集團可透過本集團在深圳寶城董事會的代表，對該投資行使重大影響力。

截至2023年及2022年3月31日止年度，未確認的根據權益法入賬的分佔聯營公司及合營公司虧損分別為人民幣27,220,000元及人民幣25,117,000元，其中人民幣18,710,000元及人民幣16,450,000元分別為分佔濟南濟東口腔醫院有限公司(「濟南濟東」)的虧損。

截至2023年及2022年3月31日止年度，概無就使用權益法入賬的投資確認減值虧損。

Notes to the Consolidated Financial Statements

合併財務報表附註

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

Set out below are the associates and joint ventures of the Group as at March 31, 2023 and 2022. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

11 使用權益法入賬的投資(續)

下文載列本集團於2023年及2022年3月31日的聯營公司及合營公司。以下所列實體的股本僅由本集團直接持有的普通股組成。註冊成立或註冊國家亦為其主要營業地點，而擁有權權益的比例與所持表決權的比例相同。

Name of entities 實體名稱	Place of business/ country of incorporation 營業地點/ 註冊成立國家	% of ownership interest 佔擁有權權益百分比		Nature of relationship 關係性質	Principal activities 主要業務
		As at March 31, 於3月31日	2023 2023年		
			2022 2022年		
			%		
			%		
北京康泰健瑞牙科技術有限公司 ("北京康泰")	PRC	51	51	Joint venture	Provision of technical services in respect of dental materials
北京康泰健瑞牙科技術有限公司 ("北京康泰")	中國			合營公司	就齒科材料提供技術服務
濟南濟東	PRC	45	45	Associate	Provision of dental services
濟南濟東	中國			聯營公司	提供口腔醫療服務
福州美可普口腔醫院有限公司 ("福州美可普")	PRC	30	30	Associate	Provision of dental services
福州美可普口腔醫院有限公司 ("福州美可普")	中國			聯營公司	提供口腔醫療服務
郴州科爾雅口腔醫院管理有限公司	PRC	31	31	Associate	Provision of dental services
郴州科爾雅口腔醫院管理有限公司	中國			聯營公司	提供口腔醫療服務
廣州天河領航口腔門診部有限公司	PRC	20	20	Associate	Provision of dental services
廣州天河領航口腔門診部有限公司	中國			聯營公司	提供口腔醫療服務
Shenzhen Baocheng	PRC	10	-	Associate	Provision of dental services
深圳寶城	中國			聯營公司	提供口腔醫療服務

Notes to the Consolidated Financial Statements

合併財務報表附註

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued) 11 使用權益法入賬的投資(續)

Name of entities 實體名稱	Place of business/ country of incorporation 營業地點/ 註冊成立國家	% of ownership interest As at March 31, 佔擁有權權益百分比 於3月31日		Nature of relationship 關係性質	Principal activities 主要業務
		2023 2023年 %	2022 2022年 %		
重慶瑞登醫院管理中心(有限合夥) ("重慶瑞登")	PRC	4	12	Joint venture 合營公司	Investment holding 投資控股
重慶瑞征醫院管理中心(有限合夥) ("重慶瑞征")	PRC	20	20	Joint venture 合營公司	Investment holding 投資控股
重慶瑞新醫院管理中心(有限合夥) ("重慶瑞新")	PRC	8	8	Joint venture 合營公司	Investment holding 投資控股
重慶瑞歡醫院管理中心(有限合夥) ("重慶瑞歡")	PRC	60	60	Joint venture 合營公司	Investment holding 投資控股
重慶瑞琨醫院管理中心(有限合夥) ("重慶瑞琨")	PRC	15	-	Joint venture 合營公司	Investment holding 投資控股

The associates and joint ventures of the Group above have been accounted by using the equity method based on the financial information of the associates and joint ventures prepared under the accounting policies consistent with the Group.

The joint arrangements in relation to 北京康泰, 重慶瑞登, 重慶瑞征, 重慶瑞新, 重慶瑞歡 and 重慶瑞琨 require unanimous consent from all shareholders for all relevant activities. Each shareholder does not have direct rights to the assets and obligation for the liabilities of these entities. Therefore, these entities are classified as joint ventures.

本集團的上述聯營公司及合營公司已根據按照與本集團一致的會計政策編製的聯營公司及合營公司財務資料, 使用權益法入賬。

有關北京康泰、重慶瑞登、重慶瑞征、重慶瑞新、重慶瑞歡及重慶瑞琨的合營安排需要全體股東一致同意所有相關活動。各股東對這些實體的資產並無享有直接權利, 對其負債並無直接義務。因此, 這些實體分類為合營公司。

Notes to the Consolidated Financial Statements

合併財務報表附註

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

The interests in associates and joint ventures disclosed above all belong to a number of individually immaterial associates and joint ventures that are accounted for using the equity method. The summarised financial information for all individually immaterial associates and joint venture are set out below:

11 使用權益法入賬的投資(續)

上文披露的聯營公司及合營公司利息均屬於使用權益法入賬的若干個別非重大聯營公司及合營公司。所有個別非重大聯營公司及合營公司的財務資料概述如下：

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Aggregate carrying amount of individually immaterial associates and joint ventures	個別非重大聯營公司及合營公司的賬面值總額	30,677	14,155
Aggregate amounts of the group's share of: loss and total comprehensive loss for the year	本集團應佔以下總額：年內虧損及總全面虧損	(2,295)	(411)

12 INCOME TAX EXPENSE/(CREDIT)

The income tax expense/(credit) of the Group for the years ended March 31, 2023 and 2022 is analysed as follows:

12 所得稅開支/(抵免)

截至2023年及2022年3月31日止年度本集團的所得稅開支/(抵免)分析如下：

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Current income tax	即期所得稅		
– PRC corporate income tax	– 中國企業所得稅	14,016	15,536
Deferred income tax (Note 28)	遞延所得稅(附註28)	(8,577)	(29,047)
		5,439	(13,511)

Notes to the Consolidated Financial Statements

合併財務報表附註

12 INCOME TAX EXPENSE/(CREDIT) (continued)

The taxation on the Group's loss before income tax differs from the theoretical amount that would arise using the taxation rate of the PRC, the principal place of the Group's operations, as follows:

12 所得稅開支／(抵免)(續)

本集團除所得稅前虧損的稅項與採用本集團主要營運地點的中國稅率將會產生的理論金額差異如下：

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Loss before income tax	除所得稅前虧損	(217,909)	(709,711)
Tax calculated at statutory income tax rate of 25% (2022: 25%) in mainland China	按中國內地法定所得稅率25% (2022年：25%) 計算的稅項	(54,477)	(177,478)
Tax effects of:	以下各項的稅務影響：		
- Effect of different tax rates in other jurisdictions	- 其他司法管轄區不同稅率的影響	46,803	178,220
- Effect of preferential tax rates of certain subsidiaries	- 若干子公司的優惠稅率的影響	(6,399)	(13,102)
- Tax losses for which no deferred tax assets was recognised	- 未確認遞延稅項資產的稅項虧損	17,922	4,039
- Temporary deductible timing differences for which no deferred tax assets was recognised	- 未確認遞延稅項資產的暫時可扣減時間差異	25	(34)
- Expenses not deductible for income tax purposes	- 不可扣減所得稅開支	2,167	18,159
- Utilization of previously unrecognised deductible tax losses and temporary differences	- 利用先前未確認的可扣減稅項虧損及暫時性差額	-	(22,156)
- Income not subject to tax	- 無須課稅收入	(602)	(1,159)
		5,439	(13,511)

(a) Cayman Islands

The Company is incorporated as an exempted company with limited liability under the Companies Act of the Cayman Islands and is not subject to tax on income or capital gains. Additionally, the Cayman Islands do not impose a withholding tax on payments of dividends to shareholders. The Cayman Islands are not party to any double tax treaties that are applicable to any payments made by or to the Company.

(a) 開曼群島

本公司根據開曼群島公司法註冊成立為獲豁免有限公司，無須繳納所得稅或資本利得稅。此外，開曼群島並無就向股東派付的股息徵收預扣稅。開曼群島並非適用於本公司支付任何款項或向本公司支付任何款項的任何雙重徵稅條約的締約方。

Notes to the Consolidated Financial Statements

合併財務報表附註

12 INCOME TAX EXPENSE/(CREDIT) (continued)

(b) BVI

The Group's entities established under the International Business Companies Acts of BVI are exempted from BVI income tax.

(c) Hong Kong Income Tax

Entities incorporated in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% for taxable income earned in Hong Kong before April 1, 2018. Starting from the financial year commencing on April 1, 2018, the two-tiered profits tax regime took effect, under which the tax rate is 8.25% for assessable profits on the first HK\$2 million and 16.5% for any assessable profits in excess of HK\$2 million. The subsidiary, Arrail Institute of Advanced Dentistry (AIAD) Limited, was established in Hong Kong and this tax policy is applicable. No provision for Hong Kong profits tax was made as the Group had no estimated assessable profit that was subject to Hong Kong profits tax during the years ended March 31, 2023 and 2022.

(d) PRC Enterprise Income Tax ("EIT")

The income tax provision of the Group in respect of its operations in PRC was subject to a statutory tax rate of 25% on the assessable profits for the years ended March 31, 2023 and 2022 based on the existing legislation, interpretation and practices in respect thereof.

For the Group's PRC subsidiaries recognised as Small and Micro Enterprise ("SME") by the relevant government authorities, they were subject to a 50%-75% deduction of the assessable profits as well as a preferential tax rate of 20% or 10%, effective until December 31, 2022. During the year ended March 31, 2023, the majority of the Group's PRC subsidiaries meet the criteria of SMEs.

12 所得稅開支／(抵免)(續)

(b) 英屬維爾京群島

本集團根據英屬維爾京群島國際商業公司法成立的實體獲豁免繳納英屬維爾京群島所得稅。

(c) 香港利得稅

於2018年4月1日之前，在香港註冊成立的實體須就於香港獲得的應課稅收入按16.5%的稅率繳納香港利得稅。自2018年4月1日開始的財政年度起，兩級利得稅制度生效，根據該制度，首2百萬港元的應課稅利潤稅率為8.25%，超出2百萬港元部分的任何應課稅利潤稅率為16.5%。子公司瑞爾口腔醫學院有限公司於香港成立，該利得稅制度適用。由於截至2023年及2022年3月31日止年度本集團未有須繳納香港利得稅的估計應課稅利潤，因此未有就香港利得稅作出撥備。

(d) 中國企業所得稅(「企業所得稅」)

根據有關的現行法例、詮釋及慣例，本集團就截至2023年及2022年3月31日止年度的應課稅利潤按法定稅率25%計提中國業務的所得稅撥備。

就本集團被相關政府機關認定為小微企業(「小微企業」)的中國子公司而言，其於2022年12月31日之前均可享受應課稅利潤50%至75%扣減並享受20%或10%的優惠稅率。於截至2023年3月31日止年度，本集團大部分中國子公司符合小微企業標準。

Notes to the Consolidated Financial Statements

合併財務報表附註

12 INCOME TAX EXPENSE/(CREDIT) (continued)

(e) Withholding tax in Mainland China (“WHT”)

According to the New Corporate Income Tax Law (“New EIT Law”), beginning January 1, 2008, distribution of profits earned by companies in mainland China since January 1, 2008 to foreign investors is subject to withholding tax of 5% or 10%, depending on the country of incorporation of the foreign investor, upon the distribution of profits to overseas-incorporated immediate holding companies.

The Group does not have any plan in the foreseeable future to require its subsidiaries in mainland China to distribute their retained earnings, totalling RMB330,432,000 and RMB276,699,000 as at March 31, 2023 and 2022, respectively, and intends to retain them to operate and expand its business in mainland China. Accordingly, no deferred income tax liability related to WHT on undistributed earnings was accrued as at March 31, 2023 and 2022.

12 所得稅開支／(抵免)(續)

(e) 中國內地預扣稅(「預扣稅」)

根據自2008年1月1日起施行的新企業所得稅法(「新企業所得稅法」)，自2008年1月1日起，中國內地的公司向於境外註冊成立的直接控股公司分派利潤時，視乎外國投資者註冊成立所在國家而定，向該等外國投資者分派的利潤須按5%或10%的稅率繳納預扣稅。

本集團於可預見未來並無任何計劃要求其在中國內地的子公司分派其保留盈利，於2023年及2022年3月31日的保留盈利總額分別為人民幣330,432,000元及人民幣276,699,000元，並擬保留該等盈利以經營及擴展其於中國內地的業務。因此，於2023年及2022年3月31日，並無產生與未分派盈利的預扣稅有關的遞延所得稅負債。

Notes to the Consolidated Financial Statements

合併財務報表附註

13 LOSS PER SHARE

(a) Basic loss per shares

Basic loss per share for the years ended March 31, 2023 and 2022 are calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year.

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 人民幣千元	2022 2022年 人民幣千元
Loss attributable to owners of the Company (RMB'000)	本公司擁有人應佔虧損 (人民幣千元)	(219,909)	(701,032)
Weighted average number of ordinary shares outstanding (in thousand)	發行在外普通股加權 平均數(千股)	579,113	80,555
Basic loss per share (expressed in RMB per share)	每股基本虧損 (以每股人民幣元列示)	(0.38)	(8.70)

(b) Diluted loss per shares

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

During the years ended March 31, 2023 and 2022, the Company had potential ordinary shares, including RSUs, convertible redeemable shares, warrants and derivative liabilities. As the Group incurred losses for the years ended March 31, 2023 and 2022, the potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, the amounts of diluted loss per share for the years ended March 31, 2023 and 2022 were the same as basic loss per share of the respective year.

13 每股虧損

(a) 每股基本虧損

截至2023年及2022年3月31日止年度，每股基本虧損乃按本公司擁有人應佔虧損除以年內發行在外普通股加權平均數計算。

(b) 每股攤薄虧損

計算每股攤薄虧損時，已就假設轉換所有攤薄性潛在普通股而調整發行在外普通股加權平均數。

截至2023年及2022年3月31日止年度，本公司擁有潛在普通股，包括受限制股份單位、可轉換可贖回優先股、權證及衍生負債。由於本集團在截至2023年及2022年3月31日止年度產生虧損，故計算每股攤薄虧損時未計入潛在普通股，因為其計入將導致反攤薄。因此，截至2023年及2022年3月31日止年度的每股攤薄虧損金額與各年度的每股基本虧損金額相同。

Notes to the Consolidated Financial Statements

合併財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

		Medical equipment	Office equipment and furniture	Motor vehicles	Leasehold improvements	Total
		醫療設備	辦公設備及傢具	汽車	租賃物業裝修	總計
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost	成本					
At March 31, 2022	於2022年3月31日	316,066	40,783	4,596	325,602	687,047
Acquisition of subsidiaries and businesses (Note 31)	收購子公司及業務 (附註31)	14,278	2,149	188	11,185	27,800
Additions	添置	32,514	21,519	–	40,313	94,346
Disposals	處置	(14,180)	(2,668)	(147)	(11,890)	(28,885)
At March 31, 2023	於2023年3月31日	348,678	61,783	4,637	365,210	780,308
Accumulated depreciation	累計折舊					
At March 31, 2022	於2022年3月31日	(160,701)	(29,154)	(3,721)	(195,673)	(389,249)
Charge for the year	年內扣除	(25,172)	(8,897)	(319)	(44,742)	(79,130)
Disposals	處置	4,558	1,066	98	6,551	12,273
At March 31, 2023	於2023年3月31日	(181,315)	(36,985)	(3,942)	(233,864)	(456,106)
Net book value	賬面淨值					
At March 31, 2023	於2023年3月31日	167,363	24,798	695	131,346	324,202

Notes to the Consolidated Financial Statements

合併財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT 14 物業、廠房及設備(續)

(continued)

		Medical equipment 醫療設備 RMB' 000 人民幣千元	Office equipment and furniture 辦公設備及傢具 RMB' 000 人民幣千元	Motor vehicles 汽車 RMB' 000 人民幣千元	Leasehold improvements 租賃物業裝修 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Cost	成本					
At March 31, 2021	於2021年3月31日	260,461	36,788	4,537	291,833	593,619
Additions	添置	73,366	7,599	1,061	33,769	115,795
Disposals	處置	(17,761)	(3,604)	(1,002)	–	(22,367)
At March 31, 2022	於2022年3月31日	316,066	40,783	4,596	325,602	687,047
Accumulated depreciation	累計折舊					
At March 31, 2021	於2021年3月31日	(136,985)	(26,949)	(3,966)	(164,487)	(332,777)
Charge for the year	年內扣除	(38,795)	(5,404)	(734)	(30,796)	(75,729)
Disposals	處置	15,079	3,199	979	–	19,257
At March 31, 2022	於2022年3月31日	(160,701)	(29,154)	(3,721)	(195,673)	(389,249)
Net book value	賬面淨值					
At March 31, 2022	於2022年3月31日	155,365	11,629	875	129,929	297,798

For the years ended March 31, 2023 and 2022, depreciation of the Group's property, plant and equipment amounting to RMB79,130,000 and RMB75,729,000, respectively, have been charged to cost of sales amounting to RMB73,890,000 and RMB67,809,000, respectively, to selling and distribution expenses amounting to RMB285,000 and RMB225,000, respectively, to administrative expenses amounting to RMB4,705,000 and RMB7,421,000, respectively, and to research and development expenses amounting to RMB250,000 and RMB274,000, respectively.

截至2023年及2022年3月31日止年度，本集團物業、廠房及設備折舊分別為人民幣79,130,000元及人民幣75,729,000元，自銷售成本扣除的金額分別為人民幣73,890,000元及人民幣67,809,000元，自銷售及經銷開支扣除的金額分別為人民幣285,000元及人民幣225,000元，自行政開支扣除的金額分別為人民幣4,705,000元及人民幣7,421,000元，以及自研發開支扣除的金額分別為人民幣250,000元及人民幣274,000元。

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合併財務報表附註

15 LEASES

(a) Items recognised in the consolidated balance sheet

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Right-of-use assets	使用權資產		
Clinics and office buildings	診所及寫字樓	692,067	703,466
Lease liabilities	租賃負債		
Current	流動	169,436	142,121
Non-current	非流動	566,223	611,187
		735,659	753,308

For the year ended March 31, 2023, the additions to the right-of-use assets were RMB192,875,000 (2022: RMB271,904,000). For the year ended March 31, 2023, modification and termination of leases resulted in reduction in right-of-use assets amounting to RMB32,030,000 (2022: Nil).

截至2023年3月31日止年度，使用權資產增加人民幣192,875,000元（2022年：人民幣271,904,000元）。截至2023年3月31日止年度，租賃修訂及終止導致使用權資產減少人民幣32,030,000元（2022年：無）。

(b) Items recognised in the consolidated income statement

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Depreciation charge of right-of-use assets	使用權資產折舊費用		
Clinics and office buildings	診所及寫字樓	172,244	163,552
Interest expense (included in finance costs, net)	利息開支（計入淨財務成本）	38,045	36,843
Expenses relating to short-term leases and leases of low value assets not included in lease liabilities	與不計入租賃負債的短期租賃及低價值資產租賃相關的開支	13,125	13,692

15 租賃

(a) 於合併資產負債表確認的項目

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Right-of-use assets	使用權資產		
Clinics and office buildings	診所及寫字樓	692,067	703,466
Lease liabilities	租賃負債		
Current	流動	169,436	142,121
Non-current	非流動	566,223	611,187
		735,659	753,308

截至2023年3月31日止年度，使用權資產增加人民幣192,875,000元（2022年：人民幣271,904,000元）。截至2023年3月31日止年度，租賃修訂及終止導致使用權資產減少人民幣32,030,000元（2022年：無）。

(b) 於合併損益表確認的項目

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Depreciation charge of right-of-use assets	使用權資產折舊費用		
Clinics and office buildings	診所及寫字樓	172,244	163,552
Interest expense (included in finance costs, net)	利息開支（計入淨財務成本）	38,045	36,843
Expenses relating to short-term leases and leases of low value assets not included in lease liabilities	與不計入租賃負債的短期租賃及低價值資產租賃相關的開支	13,125	13,692

Notes to the Consolidated Financial Statements

合併財務報表附註

15 LEASES (continued)

(b) Items recognised in the consolidated income statement (continued)

For the years ended March 31, 2023 and 2022, a reduction in the lease payments arising from the rent concessions of nil and RMB4,325,000, respectively, has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss.

The total cash outflows for leases during the years ended March 31, 2023 and 2022 was RMB207,035,000 and RMB212,278,000, respectively.

The total cash outflows in financing activities for leases during the years ended March 31, 2023 and 2022 are as follows:

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Principal elements of lease payments	租賃付款的本金部分	207,035	161,743
Related interest paid	已付相關利息	38,045	36,843
		245,080	198,586

The weighted average incremental borrowing rate applied to the lease liabilities for the years ended March 31, 2023 and 2022 were 4.05% and 4.56% per annum, respectively.

(c) The Group's leasing activities and how these are accounted for

The Group leased various clinics and office buildings under rental contracts which are typically for fixed periods of 2 to 8 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and are not used as security for borrowing purposes.

15 租賃(續)

(b) 於合併損益表確認的項目(續)

截至2023年及2022年3月31日止年度，因租金減免而產生的租賃付款分別減少零及人民幣4,325,000元，已通過終止確認部分租賃負債作為可變租賃付款入賬，並計入損益。

截至2023年及2022年3月31日止年度，租賃現金流出總額分別為人民幣207,035,000元及人民幣212,278,000元。

截至2023年及2022年3月31日止年度的租賃融資活動現金流出總額如下：

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Principal elements of lease payments	租賃付款的本金部分	207,035	161,743
Related interest paid	已付相關利息	38,045	36,843
		245,080	198,586

截至2023年及2022年3月31日止年度，適用於租賃負債的加權平均增量借款年利率分別為4.05%及4.56%。

(c) 本集團的租賃活動及其入賬方法

本集團根據租賃合同租用多處診所及寫字樓，一般固定期限為2至8年。

租賃條款乃按個別基準磋商，並且包括眾多不同的條款及條件。租賃協議並不構成任何契諾，且不用作借款的擔保。

Notes to the Consolidated Financial Statements

合併財務報表附註

16 INTANGIBLE ASSETS

16 無形資產

		Service contracts	Brands and licenses	Non-competitive agreements and customer relationship	Software	Total
		服務合同	品牌及許可證	非競爭性協議及客戶關係	軟件	總計
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost	成本					
At March 31, 2022	於2022年3月31日	7,324	32,605	21,550	12,603	74,082
Acquisition of subsidiaries and businesses (Note 31)	收購子公司及業務(附註31)	-	31,548	9,500	-	41,048
Additions	添置	-	-	-	4,654	4,654
Disposals (Note 31)	處置(附註31)	(7,324)	-	-	-	(7,324)
At March 31, 2023	於2023年3月31日	-	64,153	31,050	17,257	112,460
Accumulated amortisation	累計攤銷					
At March 31, 2022	於2022年3月31日	(2,293)	(22,514)	(17,159)	(7,504)	(49,470)
Charge for the year	年內扣除	(1,153)	(3,922)	(2,520)	(2,498)	(10,093)
Disposals (Note 31)	處置(附註31)	3,446	-	-	-	3,446
At March 31, 2023	於2023年3月31日	-	(26,436)	(19,679)	(10,002)	(56,117)
Net book value	賬面淨值					
At March 31, 2023	於2023年3月31日	-	37,717	11,371	7,255	56,343
Cost	成本					
At March 31, 2021	於2021年3月31日	7,324	32,605	21,550	7,576	69,055
Additions	添置	-	-	-	5,027	5,027
At March 31, 2022	於2022年3月31日	7,324	32,605	21,550	12,603	74,082
Accumulated amortisation	累計攤銷					
At March 31, 2021	於2021年3月31日	(1,543)	(19,878)	(15,623)	(5,404)	(42,448)
Charge for the year	年內扣除	(750)	(2,636)	(1,536)	(2,100)	(7,022)
At March 31, 2022	於2022年3月31日	(2,293)	(22,514)	(17,159)	(7,504)	(49,470)
Net book value	賬面淨值					
At March 31, 2022	於2022年3月31日	5,031	10,091	4,391	5,099	24,612

Amortisations of the Group's intangible assets has been charged to administrative expenses in the consolidated income statement.

本集團無形資產的攤銷已自合併損益表中的行政開支扣除。

Notes to the Consolidated Financial Statements

合併財務報表附註

17 GOODWILL

17 商譽

		RMB'000 人民幣千元
At April 1, 2021 and 2022	於2021年及2022年4月1日	98,467
Acquisition of subsidiaries and businesses (Note 31)	收購子公司及業務(附註31)	84,287
At March 31, 2023	於2023年3月31日	182,754

(a) Impairment tests for goodwill

For the purpose of impairment testing of goodwill, goodwill is allocated to groups of CGUs. Such groups of CGUs represent the lowest level within the Group for which the goodwill is monitored for internal management purpose.

Management has determined the operating segments based on the reports reviewed by the board of directors for the purpose of making decisions about resource allocation and performance assessment, which comprise Arrail Dental and Rytime Dental. Goodwill is allocated to the two operating segments. A summary of the goodwill allocation is presented below.

(a) 商譽減值測試

為進行商譽減值測試，商譽分配至現金產生單位組別。該等現金產生單位組別是指本集團內出於內部管理目的對其商譽進行監控的最低組別。

為作出有關資源分配及表現評估的決策，管理層已根據董事會審閱的報告釐定經營分部，包括瑞爾齒科及瑞泰口腔。商譽分配至兩個經營分部。商譽分配概要呈列如下。

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Arrail Dental	瑞爾齒科	40,893	40,893
Rytime Dental	瑞泰口腔	141,861	57,574
		182,754	98,467

Notes to the Consolidated Financial Statements

合併財務報表附註

17 GOODWILL (continued)

(a) Impairment tests for goodwill (continued)

The impairment test is performed for the group of CGUs by estimating fair value less cost of disposal ("FVLCO") as its recoverable amount. These calculations use post-tax cash flow projections based on financial budgets prepared by management covering five years. The accuracy and reliability of the information is reasonably assured by the appropriate budgeting, forecast and control processes established by the Group. Cash flows beyond the projected period are extrapolated using the estimated terminal growth rate. The management leveraged their extensive experiences in the industry and provided forecast based on past performance, their expectation of future business plans and external sources of information. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation.

The following key assumptions were used for FVLCO calculation of two groups of CGUs as at March 31, 2023:

17 商譽 (續)

(a) 商譽減值測試 (續)

現金產生單位組別的減值測試乃通過估計公允價值減處置成本(「公允價值減處置成本」)作為其可收回金額進行。這些計算使用基於管理層編製的涵蓋五年的財務預算使用稅後現金流量預測。本集團制定的適當預算、預測及控制程序合理地確保了資料的準確性及可靠性。超出預測期間的現金流量採用估計的最終增長率進行推斷。管理層利用其在行業內的豐富經驗，根據過往表現、其對未來業務計劃的預期和外部來源信息提出預測。由於估值中使用了不可觀察輸入數據，因此估值被視為公允價值層級中的第三層級。

以下關鍵假設用於計算兩組現金產生單位於2023年3月31日的公允價值減處置成本：

		As at March 31, 2023 於2023年3月31日	
		Arrail Dental 瑞爾齒科	Rytime Dental 瑞泰口腔
Compound annual growth rate of revenue in the projected period	預測期間收入的年複合增長率	19.5%	25.3%
Terminal growth rate	最終增長率	3%	3%
Post-tax discount rate	稅後折現率	13.5%	13.5%
FVLCO of the group of CGUs (in RMB million)	現金產生單位組別的公允價值減處置成本(人民幣百萬元)	2,296	2,936
Carrying amount of the group of CGUs (in RMB million)	現金產生單位組別的賬面值(人民幣百萬元)	955	1,387

Notes to the Consolidated Financial Statements

合併財務報表附註

17 GOODWILL (continued)

(a) Impairment tests for goodwill (continued)

The following key assumptions were used for FVLCOB calculations of the two groups of CGUs as at March 31, 2022:

		As at March 31, 2022 於2022年3月31日	
		Arrail Dental 瑞爾齒科	Rytime Dental 瑞泰口腔
Compound annual growth rate of revenue in the projected period	預測期間收入的年複合增長率	18.4%	24.2%
Terminal growth rate	最終增長率	3%	3%
Post-tax discount rate	稅後折現率	14.5%	14.5%
FVLCOB of the group of CGUs (in RMB million)	現金產生單位組別的公允價值減處置成本 (人民幣百萬元)	2,793	3,251
Carrying amount of the group of CGUs (in RMB million)	現金產生單位組別的賬面值 (人民幣百萬元)	937	1,208

The compound annual growth rates of revenue and the terminal growth rate used do not exceed the industry growth forecast for the market in which the Group operates. The discount rate used is post-tax and reflects market assessments of the time value and the specific risks relating to the industry. The values assigned to the key assumptions and discount rates are consistent with external information sources.

Based on the result of the goodwill impairment testing, the headroom of Arrail Dental and Rytime Dental was approximately RMB1,341 million and RMB1,550 million (2022: RMB1,856 million and RMB2,043 million), respectively, as at March 31, 2023. As the recoverable amount was significantly above the carrying amount, no impairment was identified in respect of goodwill as at March 31, 2023 and 2022, respectively.

17 商譽 (續)

(a) 商譽減值測試 (續)

以下關鍵假設用於計算兩組現金產生單位於2022年3月30日的公允價值減處置成本：

		As at March 31, 2022 於2022年3月31日	
		Arrail Dental 瑞爾齒科	Rytime Dental 瑞泰口腔
Compound annual growth rate of revenue in the projected period	預測期間收入的年複合增長率	18.4%	24.2%
Terminal growth rate	最終增長率	3%	3%
Post-tax discount rate	稅後折現率	14.5%	14.5%
FVLCOB of the group of CGUs (in RMB million)	現金產生單位組別的公允價值減處置成本 (人民幣百萬元)	2,793	3,251
Carrying amount of the group of CGUs (in RMB million)	現金產生單位組別的賬面值 (人民幣百萬元)	937	1,208

所使用收入的年複合增長率和最終增長率不超過本集團經營所在市場的行業增長預測。所使用的折現率是稅後的比率，反映了市場對時間價值和與行業相關的特定風險的評估。分配予關鍵假設和折現率的數值與外部來源信息一致。

根據商譽減值測試的結果，於2023年3月31日，瑞爾齒科及瑞泰口腔的餘額空間分別約為人民幣1,341百萬元及人民幣1,550百萬元（2022年：人民幣1,856百萬元及人民幣2,043百萬元）。由於可收回金額遠高於賬面值，因此於2023年及2022年3月31日的商譽均未見減值。

Notes to the Consolidated Financial Statements

合併財務報表附註

17 GOODWILL (continued)

(a) Impairment tests for goodwill (continued)

The Group performs a sensitivity analysis based on the reasonably possible changes in assumptions underlying the compound annual revenue growth rate, terminal growth rate or the post-tax discount rate. Had the estimated key assumptions during the forecast period been changed as below, the headroom would be decreased to as below:

Compound annual growth rate of revenue decreases by 10% from the original growth rate	收入的年複合增長率較原增長率下降10%
Terminal growth rate decreases by 3% from the original growth	最終增長率較原增長率下降3%
Post-tax discount rate increases by 5% from the original post-tax discount rate	稅後折現率較原稅後折現率上升10%

17 商譽 (續)

(a) 商譽減值測試 (續)

本集團基於收入的年複合增長率、最終增長率或稅後折現率的相關假設可能合理發生的變動進行敏感性分析。倘預測期間的估計關鍵假設變動如下，餘額空間將減少至如下所載：

As at March 31, 2023
於2023年3月31日

Arrail Dental 瑞爾齒科 RMB'million 人民幣百萬元	Rytime Dental 瑞泰口腔 RMB'million 人民幣百萬元
221	57
961	1,053
487	435

As at March 31, 2022
於2022年3月31日

Arrail Dental 瑞爾齒科 RMB'million 人民幣百萬元	Rytime Dental 瑞泰口腔 RMB'million 人民幣百萬元
560	570
1,449	1,554
421	332

Notes to the Consolidated Financial Statements

合併財務報表附註

17 GOODWILL (continued)

(a) Impairment tests for goodwill (continued)

The Directors and management have considered and assessed the reasonably possible changes in key assumptions above and have not identified any instances that would cause the carrying amounts of the groups of CGUs to exceed its recoverable amounts. Therefore, it would not lead to any significant impairment of goodwill as at March 31, 2023 and 2022, respectively.

18 INVESTMENTS IN SUBSIDIARIES

Details of the principal subsidiaries of the Company as at March 31, 2023 and 2022 are as follows:

Name 名稱	Place of incorporation/ establishment/operation and kind of legal entity 註冊成立/成立/營運 地點及法人實體類型	Date of incorporation/ establishment 註冊成立/成立日期	Particulars of issued/paid-in capital 已發行/ 實繳股本詳情	Total aggregate effective interest of the Company held via direct or indirect equity interest held, and via Contractual Arrangements 本公司通過直接或間接持有的股權以及通過合同安排持有的合共實際權益總額		Principal activities 主要業務
				As at March 31, 於3月31日		
Subsidiaries 子公司						
Direct equity interest held: 所持有的直接股權：						
Arrail Dental Limited	The BVI, limited liability company	April 3, 1998	USD2,820,000	100%	100%	Investment holding 投資控股
Arrail Dental Limited	英屬維爾京群島，有限公司	1998年4月3日	2,820,000美元			Investment holding
Equity interest held via its subsidiaries: 透過其子公司持有的股權：投資控股						
Arrail Institute of Advanced Dentistry (AIAD) Limited	Hong Kong, limited liability company	February 21, 2013	USD1,282	100%	100%	Provision of dental services 提供口腔醫療服務
瑞爾口腔醫學院有限公司	香港，有限公司	2013年2月21日	1,282美元			提供口腔醫療服務
Beijing Ruicheng Hospital Management Co., Ltd.	The PRC, limited liability company	July 23, 2009	RMB6,000,000	100%	100%	Provision of dental services 提供口腔醫療服務
北京瑞程醫院管理有限公司	中國，有限公司	2009年7月23日	人民幣6,000,000元			提供口腔醫療服務
Chongqing Jiuyue Dental Clinic Co., Ltd.	The PRC, limited liability company	November 27, 2013	RMB8,600,000	100%	100%	Provision of dental services 提供口腔醫療服務
重慶久悅口腔門診有限公司	中國，有限公司	2013年11月27日	人民幣8,600,000元			提供口腔醫療服務

17 商譽 (續)

(a) 商譽減值測試 (續)

董事及管理層已考慮及評估上述關鍵假設可能合理發生的變動，並未發現任何將會導致現金產生單位組別的賬面值超過其可收回金額的情況。因此，其將不會導致於2023年及2022年3月31日的商譽分別發生任何重大減值。

18 於子公司的投資

於2023年及2022年3月31日，本公司主要子公司詳情如下：

Notes to the Consolidated Financial Statements

合併財務報表附註

18 INVESTMENTS IN SUBSIDIARIES (continued)

18 於子公司的投資(續)

Name 名稱	Place of incorporation/ establishment/operation and kind of legal entity 註冊成立/成立/營運 地點及法人實體類型	Date of incorporation/ establishment 註冊成立/成立日期	Particulars of issued/paid-in capital 已發行/ 實繳股本詳情	Total aggregate effective interest of the Company held via direct or indirect equity interest held, and via Contractual Arrangements Principal activities 本公司通過直接或間接持有的股權以及 通過合同安排持有的合共實際權益總額 主要業務		
				As at March 31, 於3月31日		
				2023 2023年	2022 2022年	
Chongqing Ruisheng Dental Clinic Co., Ltd. 重慶瑞升口腔門診有限公司	The PRC, limited liability company 中國·有限公司	March 10, 2004 2004年3月10日	RMB8,329,400 人民幣8,329,400元	100%	100%	Provision of dental services 提供口腔醫療服務
Chongqing Ruitai Dental Hospital Co., Ltd. 重慶瑞泰口腔醫院有限公司	The PRC, limited liability company 中國·有限公司	June 28, 2017 2017年6月28日	RMB5,000,000 人民幣5,000,000元	88%	88%	Provision of dental services 提供口腔醫療服務
Beijing Arrail Shengbin Medical Technology Co., Ltd. 北京瑞爾聖彬醫療科技有限公司	The PRC, limited liability company 中國·有限公司	March 25, 1999 1999年3月25日	USD33,000,000 33,000,000美元	100%	100%	Wholesale of medical materials 醫療材料批發
Ruishengbin (Shanghai) Finance Leasing Co., Ltd. 瑞爾聖彬(上海)融資租賃有限公司	The PRC, limited liability company 中國·有限公司	March 12, 2015 2015年3月12日	USD60,000,000 60,000,000美元	100%	100%	Provision of dental services 提供口腔醫療服務
Beijing Shengbin Science Trade Co., Ltd. 北京聖彬科貿有限公司	The PRC, limited liability company 中國·有限公司	December 17, 1997 1997年12月17日	RMB1,000,000 人民幣1,000,000元	100%	100%	Provision of dental services 提供口腔醫療服務
Shanghai Yazheng Medical Consulting Co., Ltd. 上海亞正醫療諮詢服務有限公司	The PRC, limited liability company 中國·有限公司	May 24, 2002 2002年5月24日	RMB3,000,000 人民幣3,000,000元	100%	100%	Provision of dental services 提供口腔醫療服務

Notes to the Consolidated Financial Statements

合併財務報表附註

18 INVESTMENTS IN SUBSIDIARIES (continued)

18 於子公司的投資(續)

Name 名稱	Place of incorporation/ establishment/operation and kind of legal entity 註冊成立/成立/營業 地點及法人實體類型	Date of incorporation/ establishment 註冊成立/成立日期	Particulars of issued/paid-in capital 已發行/ 實繳股本詳情	Total aggregate effective interest of the Company held via direct or indirect equity interest held, and via Previous Contractual Arrangements and New Contractual Arrangements Principal activities 本公司通過直接或間接持有的股權以及 通過合同安排持有的合共實際權益總額 主要業務		
				As at March 31, 於3月31日		
				2023 2023年	2022 2022年	
Shanghai Shengbin Medical Consulting Service Co., Ltd. 上海聖彬醫療諮詢服務有限公司	The PRC, limited liability company 中國·有限公司	September 26, 2001 2001年9月26日	RMB35,000,000 人民幣35,000,000元	100%	100%	Provision of dental services 提供口腔醫療服務
Shanghai Ruiguan Dental Clinic Co., Ltd. 上海瑞冠口腔門診部有限公司	The PRC, limited liability company 中國·有限公司	April 25, 2014 2014年4月25日	RMB1,000,000 人民幣1,000,000元	100%	100%	Provision of dental services 提供口腔醫療服務
Shanghai Ruiyun Dental Clinic Co., Ltd. 上海瑞雲口腔門診部有限公司	The PRC, limited liability company 中國·有限公司	August 9, 2015 2015年8月9日	RMB3,500,000 人民幣3,500,000元	100%	100%	Provision of dental services 提供口腔醫療服務
Shanghai Ruijun Dental Clinic Co., Ltd. 上海瑞駿口腔門診部有限公司	The PRC, limited liability company 中國·有限公司	May 10, 2018 2018年5月10日	RMB5,000,000 人民幣5,000,000元	100%	100%	Provision of dental services 提供口腔醫療服務
Shenzhen Ruier Dental Medical Treatment Co., Ltd. 深圳瑞爾齒科醫療有限公司	The PRC, limited liability company 中國·有限公司	June 5, 1995 1995年6月5日	RMB1,702,372 人民幣1,702,372元	100%	100%	Provision of dental services 提供口腔醫療服務
Shenzhen Ruijian Dental Clinic 深圳瑞健口腔門診部	The PRC, limited liability company 中國·有限公司	December 24, 2015 2015年12月24日	RMB1,500,000 人民幣1,500,000元	100%	100%	Provision of dental services 提供口腔醫療服務
Shenzhen Ruihuan Dental Clinic 深圳瑞歡口腔門診部	The PRC, limited liability company 中國·有限公司	July 29, 2015 2015年7月29日	RMB1,500,000 人民幣1,500,000元	100%	100%	Provision of dental services 提供口腔醫療服務
Guangzhou Ruier Medical Consulting Co., Ltd. 廣州瑞爾醫療諮詢有限公司	The PRC, limited liability company 中國·有限公司	August 1, 2012 2012年8月1日	RMB180,000 人民幣180,000元	100%	100%	Provision of dental services 提供口腔醫療服務

Notes to the Consolidated Financial Statements

合併財務報表附註

18 INVESTMENTS IN SUBSIDIARIES (continued)

18 於子公司的投資(續)

Name 名稱	Place of incorporation/ establishment/operation and kind of legal entity 註冊成立/成立/營業 地點及法人實體類型	Date of incorporation/ establishment 註冊成立/成立日期	Particulars of issued/paid-in capital 已發行/ 實繳股本詳情	Total aggregate effective interest of the Company held via direct or indirect equity interest held, and via Previous Contractual Arrangements and New Contractual Arrangements Principal activities 本公司通過直接或間接持有的股權以及 通過合同安排持有的合共實際權益總額 主要業務		
				As at March 31, 於3月31日		
				2023 2023年	2022 2022年	
Chengdu Wuhou Ruitai Rongcheng Dental Hospital Co., Ltd. 成都武侯瑞泰融誠口腔醫院有限公司	The PRC, limited liability company 中國·有限公司	October 16, 2014 2014年10月16日	RMB1,500,000 人民幣1,500,000元	100%	100%	Provision of dental services 提供口腔醫療服務
Shanxi Ruitaiercang Dental Hospital Co., Ltd. 陝西瑞泰爾倉口腔醫院有限公司	The PRC, limited liability company 中國·有限公司	June 15, 2015 2015年6月15日	RMB2,500,000 人民幣2,500,000元	60%	60%	Provision of dental services 提供口腔醫療服務
Qingdao Donghe Medical Management Co. Ltd. 青島東和醫療管理有限公司 (前稱青島瑞泰東和醫療管理有限公司)	The PRC, limited liability company 中國·有限公司	February 8, 2017 2017年2月8日	RMB3,000,000 人民幣3,000,000元	70%	70%	Hospital management 醫院管理
Changsha Keerya Dental Hospital Co., Ltd. 長沙科爾雅口腔醫院有限公司	The PRC, limited liability company 中國·有限公司	November 28, 2002 2002年11月28日	RMB5,000,000 人民幣5,000,000元	60%	60%	Provision of dental services 提供口腔醫療服務
Jiangyin Meijiaxin Dental Clinic Co., Ltd. 江陰美嘉欣口腔門診部有限公司	The PRC, limited liability company 中國·有限公司	December 10, 2013 2013年12月10日	RMB6,800,000 人民幣6,800,000元	100%	100%	Provision of dental services 提供口腔醫療服務
Shanghai Ruitai Jiasheng dental clinic Co., Ltd. 上海瑞泰佳盛口腔門診部有限公司	The PRC, limited liability company 中國·有限公司	January 22, 2019 2019年1月22日	RMB5,000,000 人民幣5,000,000元	100%	100%	Provision of dental services 提供口腔醫療服務
Wuxi Tongshan Dental Hospital Co., Ltd. ("Wuxi Tongshan") 無錫市通善口腔醫院有限公司(「無錫通善」)	The PRC, limited liability company 中國·有限公司	January 20, 2017 2017年1月20日	RMB13,000,000 人民幣13,000,000元	51%	-	Provision of dental services 提供口腔醫療服務

Note: The place of operation is not applicable to Arrail Dental Limited.

附註：營運地點不適用於 Arrail Dental Limited。

Notes to the Consolidated Financial Statements

合併財務報表附註

19 PREPAYMENTS

The detailed information of prepayments during the years ended March 31, 2023 and 2022 is as below:

19 預付款項

截至2023年及2022年3月31日止年度，預付款項的詳情如下：

		As at March 31, 於3月31日	
		2023	2022
		2023年	2022年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
<i>Non-current</i>			
	<i>非流動</i>		
Prepayments for construction	工程墊款	9,110	5,251
Prepayments for equipment	設備預付款項	22,750	12,800
Incremental costs of obtaining contracts (<i>Note</i>)	獲得合同的增量成本 (<i>附註</i>)	2,775	3,671
		34,635	21,722
<i>Current</i>			
	<i>流動</i>		
Prepayments for braces	牙套預付款項	49,239	56,624
Prepayments for inventories other than braces	存貨(牙套除外)預付款項	27,440	32,160
Incremental costs of obtaining contracts (<i>Note</i>)	獲得合同的增量成本 (<i>附註</i>)	15,854	17,923
Short-term lease prepayments	短期租賃預付款項	8,299	10,341
Prepayments for services	服務預付款項	6,768	9,656
		107,600	126,704
		142,235	148,426

Note: Incremental costs of obtaining contracts

Incremental cost of obtaining contracts represents the commissions to dentists, which are calculated based on a certain percentage of the total contract sum of new contracts introduced by dentists. The Group recognised an asset for the incremental costs of obtaining contracts for the commissions because the Group expects to recover these costs through future fees for the goods or services to be provided. Details are set out in Note 2.23 to the consolidated financial statements.

附註： 獲得合同的增量成本

獲得合同的增量成本是指給予牙醫的佣金，其乃根據牙醫所推介的新合同總金額的一定比例計算。本集團就獲得合同的佣金的增量成本確認一項資產，因為本集團預計將通過未來提供的商品或服務的費用來收回該等成本。詳情載於合併財務報表附註2.23。

Notes to the Consolidated Financial Statements

合併財務報表附註

20 INVENTORIES

20 存貨

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Dental materials	齒科材料	51,386	47,080

Inventories recognised as cost of sales during the years ended March 31, 2023 and 2022 amounted to RMB241,757,000 and RMB253,254,000, respectively.

於截至2023年及2022年3月31日止年度確認為銷售成本的存貨分別為人民幣241,757,000元及人民幣253,254,000元。

21 FINANCIAL INSTRUMENTS BY CATEGORY

21 按類別劃分的金融工具

The detailed information of financial instruments by category during the years ended March 31, 2023 and 2022 is as below:

截至2023年及2022年3月31日止年度按類別劃分的金融工具詳情如下：

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Assets as per consolidated balance sheet	合併資產負債表所示資產		
Financial assets measured at fair value through profit or loss:	按公允價值計入損益的金融資產：		
– Wealth management products (Note 23)	– 理財產品 (附註23)	258,013	197,055
– Bank structured deposits (Note 23)	– 銀行結構性存款 (附註23)	5,000	–
– Unlisted debt instruments (Note 23)	– 非上市債務工具 (附註23)	35,714	34,675
– Unlisted equity instruments (Note 23)	– 非上市權益工具 (附註23)	30,000	–
Financial assets measured at amortised cost:	按攤銷成本計量的金融資產：		
– Trade and other receivables (Note 22)	– 貿易及其他應收款項 (附註22)	359,905	206,361
– Restricted cash (Note 24(b))	– 受限制現金 (附註24(b))	154,894	95,290
– Time deposits with original maturity over three months (Note 24(b))	– 原到期日超過三個月的定期存款 (附註24(b))	52,657	14,000
– Cash and cash equivalents (Note 24(a))	– 現金及現金等價物 (附註24(a))	621,860	1,052,285
		1,518,043	1,599,666

Notes to the Consolidated Financial Statements

合併財務報表附註

21 FINANCIAL INSTRUMENTS BY CATEGORY 21 按類別劃分的金融工具(續)

(continued)

		As at March 31, 於3月31日	
		2023	2022
		2023年	2022年
		RMB' 000	RMB'000
		人民幣千元	人民幣千元
Liabilities as per consolidated balance sheet	合併資產負債表所示負債		
Financial liabilities measured at amortised cost:	按攤銷成本計量的金融負債：		
- Borrowings (Note 27)	- 借款(附註27)	220,019	137,363
- Lease liabilities (Note 15(a))	- 租賃負債(附註15(a))	735,659	753,308
- Trade and other payables	- 貿易及其他應付款項	137,930	183,031
		1,093,608	1,073,702

Notes to the Consolidated Financial Statements

合併財務報表附註

22 TRADE AND OTHER RECEIVABLES

22 貿易及其他應收款項

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB'000 人民幣千元
<i>Non-current</i>			
<i>非流動</i>			
Other receivables			
其他應收款項			
Loans to employees (Note a)	向僱員提供貸款 (附註a)	14,101	40,300
Rental deposits	租賃按金	59,895	61,970
Deposits paid for investments (Note b)	就投資所支付的按金 (附註b)	4,500	5,000
Others	其他	1,891	3,642
		80,387	110,912
Less: loss allowance	減：虧損撥備	(2,620)	(1,436)
		77,767	109,476
<i>Current</i>			
<i>流動</i>			
Trade receivables		92,407	87,379
貿易應收款項			
Other receivables			
其他應收款項			
Loans to related parties (Note 35(c))	向關聯方提供貸款 (附註35(c))	78,664	1,500
Amounts due from related parties (Note 35(c))	應收關聯方款項 (附註35(c))	2,700	1,359
Amount due from a non-controlling shareholder	應收非控股股東的款項	3,150	-
Loans to employees (Note a) and petty cash granted to employees	向僱員提供貸款 (附註a) 及授予僱員的小額現金	37,101	7,728
Rental and other deposits	租賃及其他按金	1,548	1,824
Amounts due from clinics operated under exclusive consultation and service agreements	應收根據獨家諮詢及服務協議運營的診所款項	-	12,272
Receivable from RSU management agency and deposit in a security broker for share repurchase	應收受限制股份單位管理機構的款項及就購回股份向證券經紀提供的按金	71,222	-
Others	其他	16,806	4,604
		303,598	116,666
Less: loss allowance	減：虧損撥備	(21,460)	(19,781)
		282,138	96,885
		359,905	206,361

Notes to the Consolidated Financial Statements

合併財務報表附註

22 TRADE AND OTHER RECEIVABLES (continued)

Note:

- (a) The loans to employees are unsecured, with interest accruing at 2% per annum, and repayable after 5 years from the date of drawdown.
- (b) As at March 31, 2022, a deposit amounting to RMB5,000,000 was paid to the existing shareholders of Shenzhen Baocheng for the Group's acquisition of 10% equity interests in Shenzhen Baocheng. The acquisition was completed on June 28, 2022 (Note 11).

As at March 31, 2023, a deposit amounting to RMB4,500,000 was paid to Shenzhen Baocheng for the purpose of subscribing additional 4.1% equity interest in Shenzhen Baocheng. The subscription was completed on April 7, 2023.

The carrying amounts of the Group's trade receivables were denominated in RMB and approximated their fair values. As a result, there is no exposure to foreign currency risk.

The Group generally allows a credit period of 10 to 60 days to its customers. Ageing analysis of trade receivables based on billing date is as follows:

22 貿易及其他應收款項 (續)

附註：

- (a) 向僱員提供的貸款為無抵押，按年利率2%計息，並須於提取之日起5年後償還。
- (b) 於2022年3月31日，本集團就收購深圳寶城的10%股權，已向深圳寶城現有股東支付人民幣5,000,000元的按金。收購已於2022年6月28日完成(附註11)。

於2023年3月31日，已向深圳寶城支付人民幣4,500,000元的按金，以認購深圳寶城的額外4.1%股權。認購已於2023年4月7日完成。

本集團貿易應收款項的賬面值以人民幣計值，並與其公允價值相若。因此，不存在外匯風險。

本集團一般給予其客戶10至60天的信貸期。按賬單日期劃分的貿易應收款項賬齡分析如下：

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Up to 3 months	不超過3個月	47,220	36,985
3 to 6 months	3至6個月	14,723	22,400
6 months to 1 year	6個月至1年	6,941	6,744
1 to 2 years	1至2年	9,348	7,780
Over 2 years	超過2年	14,175	13,470
		92,407	87,379

Notes to the Consolidated Financial Statements

合併財務報表附註

22 TRADE AND OTHER RECEIVABLES (continued)

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Details of which are set out in Note 3.1.2 to the consolidated financial statements.

22 貿易及其他應收款項 (續)

本集團應用國際財務報告準則第9號簡化方法計量預期信貸虧損，該方法對所有貿易應收款項採用存續期預期虧損撥備。有關詳情載於合併財務報表附註3.1.2。

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

23 按公允價值計入損益的金融資產

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB'000 人民幣千元
<i>Non-current</i>			
	<i>非即期</i>		
Unlisted debt instruments (Note a)	非上市債務工具 (附註a)	35,714	34,675
Unlisted equity instruments (Note b)	非上市權益工具 (附註b)	30,000	–
		65,714	34,675
<i>Current</i>			
	<i>即期</i>		
Wealth management products (Note c)	理財產品 (附註c)	258,013	197,055
Bank structured deposits	銀行結構性存款	5,000	–
		263,013	197,055
		328,727	231,730

Notes to the Consolidated Financial Statements

合併財務報表附註

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Note a: The fair values of the unlisted debt instruments, which are preferred shares issued by Hangzhou Jarvis, representing 8.22% interest of Hangzhou Jarvis, are calculated using the Market Method. In this model, the fair value of the financial instruments is determined by the implied equity value derived from a timely transaction in the private company's equity. Its fair values are within level 3 of the fair value hierarchy.

Note b: On December 5 2022, the Group acquired 20% equity interest in Hangzhou Jinyaori Medical Technology Company Limited ("Hangzhou Jinyaori", which is a subsidiary of Hangzhou Jarvis), for the consideration of RMB30 million. The Group has no significant influence over Hangzhou Jinyaori and thus the investment is accounted for as a financial asset at fair value through profit or loss.

The fair values of the unlisted equity instruments are calculated using the Market Method. In this model, the fair value of the financial instruments is determined by the implied equity value derived from a timely transaction in the private company's equity. Its fair values are within level 3 of the fair value hierarchy.

Note c: As at March 31, 2023, the Group invested in the wealth management products from GF Global Capital Limited amounting to US\$20,263,000 (equivalent to RMB139,240,000). Its fair values are within level 3 of the fair value hierarchy.

As at March 31, 2023, the Group invested in the wealth management products from Huatai International Financial Products Limited amounting to US\$16,402,000 (equivalent to RMB112,710,000). Its fair values are within level 3 of the fair value hierarchy.

During the year ended March 31, 2023, the Group subscribed to partner's capital, becoming a limited partner in TruMed Health Innovation Fund LP, and the total commitment is US\$2,000,000. As at March 31, 2023, the Group's investment in TruMed Health Innovation Fund LP amounting to US\$882,000 (equivalent to RMB6,063,000). Its fair values are within level 3 of the fair value hierarchy.

23 按公允價值計入損益的金融資產(續)

附註a: 非上市債務工具(為杭州佳沃思發行的優先股, 佔杭州佳沃思的8.22%權益)的公允價值乃使用市場法計算。在此模式下, 金融工具的公允價值乃按私募基金股本的即時交易產生的隱含股權價值釐定。其公允價值屬於公允價值層級中的第三層級。

附註b: 於2022年12月5日, 本集團以對價人民幣30百萬元收購杭州金曜日醫療科技有限公司(「杭州金曜日」, 杭州佳沃思的子公司)的20%股權。本集團對杭州金曜日並無重大影響力, 因此該投資作為按公允價值計入損益的金融資產入賬。

非上市權益工具的公允價值乃使用市場法計算。在此模式下, 金融工具的公允價值乃按私募基金股本的即時交易產生的隱含股權價值釐定。其公允價值屬於公允價值層級中的第三層級。

附註c: 截至2023年3月31日, 本集團於廣發全球資本有限公司發行的理財產品的投資額為20,263,000美元(相等於人民幣139,240,000元)。其公允價值屬於公允價值層級中的第三層級。

截至2023年3月31日, 本集團於華泰國際金融產品有限公司發行的理財產品的投資額為16,402,000美元(相等於人民幣112,710,000元)。其公允價值屬於公允價值層級中的第三層級。

於截至2023年3月31日止年度, 本集團認購合夥人的資本, 成為TruMed Health Innovation Fund LP的有限合夥人, 出資總額為2,000,000美元。截至2023年3月31日, 本集團於TruMed Health Innovation Fund LP的投資額為882,000美元(相等於人民幣6,063,000元)。其公允價值屬於公允價值層級中的第三層級。

Notes to the Consolidated Financial Statements

合併財務報表附註

24 CASH AND BANK BALANCES

(a) Cash and cash equivalents

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Cash at bank and in hand	銀行及手頭現金	237,796	813,877
Time deposits with original maturity within three months	原到期日為三個月內的定期存款	384,064	238,408
		621,860	1,052,285

The weighted average effective interest rates on the Group's time deposits with original maturity within three months as at March 31, 2023 and 2022 were 4.43% and 0.50% per annum, respectively.

於2023年及2022年3月31日，本集團原到期日為三個月內的定期存款的加權平均實際利率分別為每年4.43%及0.50%。

(b) Restricted cash

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Time deposits with original maturity within three months (Note 27(a))	原到期日短於三個月的定期存款(附註27(a))	91,997	–
Time deposits with original maturity over three months (Note 27(a))	原到期日超過三個月的定期存款(附註27(a))	62,897	95,290
		154,894	95,290

The interest rates on the Group's restricted cash as at March 31, 2023 and 2022 were 2.99% and 0.10% per annum, respectively.

於2023年及2022年3月31日，本集團的受限制現金的利率分別為每年2.99%及0.10%。

24 現金及銀行結餘

(a) 現金及現金等價物

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Cash at bank and in hand	銀行及手頭現金	237,796	813,877
Time deposits with original maturity within three months	原到期日為三個月內的定期存款	384,064	238,408
		621,860	1,052,285

於2023年及2022年3月31日，本集團原到期日為三個月內的定期存款的加權平均實際利率分別為每年4.43%及0.50%。

(b) 受限制現金

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Time deposits with original maturity within three months (Note 27(a))	原到期日短於三個月的定期存款(附註27(a))	91,997	–
Time deposits with original maturity over three months (Note 27(a))	原到期日超過三個月的定期存款(附註27(a))	62,897	95,290
		154,894	95,290

於2023年及2022年3月31日，本集團的受限制現金的利率分別為每年2.99%及0.10%。

Notes to the Consolidated Financial Statements

合併財務報表附註

24 CASH AND BANK BALANCES (continued)

(c) Time deposits with original maturity over three months

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	52,657	14,000
		52,657	14,000

The interest rates on the Group's time deposits with original maturity over three months as at March 31, 2023 and 2022 were in the range of 1.55% to 4.10% per annum, respectively.

Cash and bank balances are denominated in the following currencies:

24 現金及銀行結餘(續)

(c) 原到期日超過三個月的定期存款

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	52,657	14,000
		52,657	14,000

於2023年及2022年3月31日，本集團原到期日超過三個月的定期存款的利率分別介乎每年1.55%至4.10%。

現金及銀行結餘乃以下列貨幣計值：

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
USD	美元	567,940	593,588
RMB	人民幣	169,639	287,679
HKD	港元	91,832	280,308
		829,411	1,161,575

Notes to the Consolidated Financial Statements

合併財務報表附註

25 SHARE CAPITAL

Authorised:

		Number of class 1 ordinary shares 1類普通股 數目 USD 美元	Nominal value of class 1 ordinary shares 1類普通股 面值 '000 千股	Number of class 2 ordinary shares 2類普通股 數目 USD 美元	Nominal value of class 2 ordinary shares 2類普通股 面值 '000 千美元	Number of ordinary shares 普通股 數目 '000 千股	Nominal value of ordinary shares 普通股 面值 '000 千美元
As at March 31, 2021	於2021年3月31日	6,496	3,248	25,709	12,855	-	-
Decrease/(increase) of authorised share capital	法定股本減少/(增加)	(6,496)	(3,248)	(25,709)	(12,855)	1,250,000	25,000
As at March 31, 2022 and 2023	於2022年及2023年3月31日	-	-	-	-	1,250,000	25,000

Issued:

已發行：

		Number of ordinary shares 普通股總數 '000 千股	Nominal value of ordinary shares 普通股總面值 USD'000 千美元	Equivalent nominal value of ordinary shares 普通股等 額總面值 RMB'000 人民幣千元
As at March 31, 2022 and 2023	於2022年及2023年3月31日	581,592	11,633	74,769

Notes to the Consolidated Financial Statements

合併財務報表附註

25 SHARE CAPITAL (continued)

25 股本(續)

		Number of class 1 ordinary shares	Number of class 2 ordinary shares	Number of ordinary shares	Number of class 1 and class 2 ordinary shares and ordinary shares	Nominal value of class 1 and class 2 ordinary shares and ordinary shares	Equivalent nominal value of class 1 and class 2 ordinary shares and ordinary shares
		1類普通股數目 '000 千股	2類普通股數目 '000 千股	普通股數目 '000 千股	1類及2類 普通股以及 普通股總數 '000 千股	1類及2類 普通股以及 普通股總面值 USD'000 千美元	1類及2類 普通股以及 普通股等 額總面值 RMB'000 人民幣千元
As at March 31, 2021	於2021年3月31日	1,604	1,189	-	2,793	1,397	9,447
Issuance of shares for restrictive share unit scheme (Note a)	發行受限制股份單位計劃股份 (附註a)	4,799	-	-	4,799	2,399	15,435
Share subdivision (Note b)	股份拆細 (附註b)	153,661	28,541	-	182,202	-	-
Conversion of class 1 and class 2 ordinary shares and Preferred Shares into ordinary shares upon the Listing (Note c)	上市後1類及2類普通股以及優先股轉換為普通股 (附註c)	(160,064)	(29,730)	535,064	345,270	6,906	43,963
Share issued in the IPO (Note d)	首次公開發售發行的股份 (附註d)	-	-	46,528	46,528	931	5,924
As at March 31, 2022	於2022年3月31日	-	-	581,592	581,592	11,633	74,769

Notes to the Consolidated Financial Statements

合併財務報表附註

25 SHARE CAPITAL (continued)

Upon occurrence of a liquidation event, the holders of class 1 ordinary shares shall be entitled to receive assets and funds available for distribution before the holders of class 2 ordinary shares after full settlement to all preference shares. Other rights and preference of class 1 and class 2 ordinary shares are the same.

Note:

- (a) On June 25, 2021, the board of the directors has approved to set up a platform in the BVI ("ESOP BVI") to hold incentive shares for the participants under an RSU Plan to be adopted by the Company. A total of 4,798,904 shares was issued to the Arrail Sunshine Holdings Limited, the ESOP BVI, on September 16, 2021. Please refer to Note 8(b) for the details of the RSU Plan.
- (b) On March 21, 2022, each share of class 1 and class 2 ordinary shares and Preferred Shares of a par value of USD0.5 each (including authorized issued class 1 and class 2 ordinary shares and Preferred Shares) was subdivided into 25 shares of a par value of USD0.02 each.
- (c) On March 22, 2022, the Company completed its Initial Public Offering ("IPO") on the Main Board of The Stock Exchange of Hong Kong Limited. Upon the Listing, all class 1 and class 2 ordinary shares and Preferred Shares have been automatically converted into ordinary shares.
- (d) On March 22, 2022, the shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited, whereby 46,527,500 new shares at the offer price of HKD14.6 each were issued by the Company. The issuance of the new shares, net of underwriting commissions and other issuance costs, amounting to RMB527.3 million, led to an increase of share capital and share premium by RMB5.9 million and RMB521.4 million, respectively.

25 股本(續)

於清算事件發生時，1類普通股的持有人有權在所有優先股全部清算後，在2類普通股的持有人之前獲得可供分派的資產及資金。1類及2類普通股的其他權利及優先權是相同的。

附註：

- (a) 於2021年6月25日，董事會已批准於英屬維爾京群島註冊成立一個平台（「ESOP BVI」），為本公司將採納的受限制股份單位計劃的參與者持有激勵股份。於2021年9月16日，本公司向Arrail Sunshine Holdings Limited (ESOP BVI)發行合共4,798,904股股份。有關受限制股份單位計劃的詳情請參閱附註8(b)。
- (b) 於2022年3月21日，每股面值0.5美元的1類及2類普通股及優先股（包括法定發行的1類及2類普通股及優先股）拆細為25股每股面值0.02美元的股份。
- (c) 於2022年3月22日，本公司於香港聯合交易所有限公司主板完成首次公開發售（「首次公開發售」）。上市後，所有1類及2類普通股及優先股均已自動轉換為普通股。
- (d) 於2022年3月22日，本公司股份於香港聯合交易所有限公司主板上市，據此，本公司按每股14.6港元的發售價發行46,527,500股新股。發行的新股在扣除承銷佣金及其他發行成本後為人民幣527.3百萬元，導致股本和股份溢價分別增加人民幣5.9百萬元和人民幣521.4百萬元。

Notes to the Consolidated Financial Statements

合併財務報表附註

26 RESERVES

The following table shows a breakdown of the balance sheet line item “reserves” and the movements in these reserves during the year.

26 儲備

下表列示資產負債表項目「儲備」的明細及該等儲備於年內的變動。

		Treasury Shares (Note a)	Share premium	Share- based compensation reserves	Currency translation differences (Note b)	Fair value change due to own credit risk and others 自有信貸 風險導致的 公允價值 變動及其他	Total
		庫存股份 (附註a)	股份溢價	股份酬金儲備	匯兌差額 (附註b)	變動及其他	總計
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At April 1, 2022	於2022年4月1日	(15,435)	4,693,165	95,021	98,017	(29,085)	4,841,683
Share-based compensation (Note 8(b))	股份酬金(附註8(b))	-	-	194,118	-	-	194,118
Currency translation differences	匯兌差額	-	-	-	86,484	-	86,484
Vesting of RSUs	歸屬受限制股權單位	623	34,782	(15,865)	-	-	19,540
Shares purchased for share award scheme	就股份獎勵計劃購買股份	(34,542)	-	-	-	-	(34,542)
Deemed dividend to shareholder	視為向股東分派	-	-	-	-	(420)	(420)
Non-controlling interests disposed (Note 37(b))	已出售非控股權益(附註37(b))	-	-	-	-	703	703
As at March 31, 2023	於2023年3月31日	(49,354)	4,727,947	273,274	184,501	(28,802)	5,107,566

Notes to the Consolidated Financial Statements

合併財務報表附註

26 RESERVES (continued)

26 儲備 (續)

		Treasury shares	Share premium	Share-based compensation reserves	Currency translation differences (Note b)	Fair value change due to own credit risk and others	Total
		庫存股份	股份溢價	股份酬金儲備	匯兌差額 (附註b)	自有信貸風險導致的公允價值變動及其他	總計
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At April 1, 2021	於2021年4月1日	-	109,792	-	13,345	116,047	239,184
Issuance of ordinary shares in relation to the IPO (Note 25(e))	發行首次公開發售普通股 (附註25(e))	-	521,359	-	-	-	521,359
Fair value change of Preferred Shares due to own credit risk (Note 29)	自有信貸風險導致的優先股公允價值變動 (附註29)	-	-	-	-	(18,439)	(18,439)
Fair value change of bond due to own credit risk	自有信貸風險導致的債券公允價值變動	-	-	-	-	1,083	1,083
Issuance of shares for restrictive share unit scheme (Note 25(b))	發行受限制股份單位計劃股份 (附註25(b))	(15,435)	-	-	-	-	(15,435)
Share-based compensation (Note 8(b))	股份酬金 (附註8(b))	-	-	95,021	-	-	95,021
Currency translation differences	匯兌差額	-	-	-	84,672	-	84,672
Conversion of convertible redeemable preferred to ordinary shares (Note 25(d))	將可轉換可贖回優先股轉換為普通股 (附註25(d))	-	4,062,014	-	-	(101,423)	3,960,591
Repayment of bond (Note 29.1)	償還債券 (附註29.1)	-	-	-	-	3,628	3,628
Non-controlling interests acquired (Note 37(a))	已收購非控股權益 (附註37(a))	-	-	-	-	(30,030)	(30,030)
Non-controlling interests disposed (Note 37(b))	已出售非控股權益 (附註37(b))	-	-	-	-	49	49
As at March 31, 2022	於2022年3月31日	(15,435)	4,693,165	95,021	98,017	(29,085)	4,841,683

Notes to the Consolidated Financial Statements

合併財務報表附註

26 RESERVES (continued)

Notes:

- (a) Treasury shares are shares in Company that are held by the Employee Share Trust for the purpose of issuing shares under the company employee share scheme and the executive short-term incentive scheme (see note 8(b) for further information). The following table shows the movement of number of treasury shares:

		Number of shares 股份數目 '000 千股	RMB'000 人民幣千元
As at April 1, 2021	於2021年4月1日	–	–
Issuance of shares for restrictive share unit scheme	就受限制股份單位計劃發行股份	(119,973)	(15,435)
As at March 31, 2022	於2022年3月31日	(119,973)	(15,435)
As at April 1, 2022	於2022年4月1日		
Shares purchased for share award scheme	就股份獎勵計劃購買股份	(5,291)	(34,542)
Vesting of RSUs	歸屬受限制股份單位	4,536	623
As at April 1, 2023	於2023年4月1日	(120,728)	(49,354)

- (b) Currency translation differences represent the differences arising from the translation of the financial statements of Companies within the Group that have a functional currency different from the reporting currency of RMB for the financial statements of the Group.

26 儲備(續)

附註：

- (a) 庫存股份是為了根據公司僱員股份計劃及行政人員短期獎勵計劃(詳情請參閱附註8(b))發行股份而由僱員股份信託所持有的本公司股份。下表顯示庫存股份數目的變動：

- (b) 匯兌差額指因換算本集團旗下公司(其功能貨幣不同於本集團財務報表的呈報貨幣人民幣)財務報表而產生的差額。

Notes to the Consolidated Financial Statements

合併財務報表附註

27 BORROWINGS

27 借款

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Included in non-current liabilities			
	計入非流動負債		
Secured bank borrowings (a)	有抵押銀行借款(a)	47,252	–
		47,252	–
Included in current liabilities			
	計入流動負債		
Secured bank borrowings (a)	有抵押銀行借款(a)	49,059	80,100
Unsecured bank borrowings (b)	無抵押銀行借款(b)	123,708	57,263
		172,767	137,363
		220,019	137,363

(a) Secured bank borrowings

Secured bank borrowings as at March 31, 2023 and 2022 bear annual weighted average interest rate at 3.92% and 4.47%, respectively.

The maturity of secured bank borrowings is as follows:

(a) 有抵押銀行借款

於2023年及2022年3月31日的有抵押銀行借款分別按3.92%及4.47%的年加權平均利率計息。

有抵押銀行借款的到期情況如下：

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Within 1 year	1年內	49,059	80,100
Between 1 and 2 years	1至2年	5,559	–
Between 2 and 3 years	2至3年	41,693	–
		96,311	80,100

Notes to the Consolidated Financial Statements

合併財務報表附註

27 BORROWINGS (continued)

(a) Secured bank borrowings (continued)

Secured bank borrowings of the Group are secured as follows:

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Time deposits with original maturity within three months (Note 24(b))	原到期日為三個月內的定期存款(附註24(b))	91,997	–
Time deposits with original maturity over three months (Note 24(b))	原到期日超過三個月的定期存款(附註24(b))	62,897	95,290
		154,894	95,290

(b) Unsecured bank borrowings

Unsecured bank borrowings as at March 31, 2023 and 2022 bear annual weighted average interest rate at 3.58% and 4.63%, respectively.

The maturity of unsecured bank borrowings is as follows:

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Within 1 year	1年內	123,708	57,263

27 借款(續)

(a) 有抵押銀行借款(續)

本集團的有抵押銀行借款抵押如下：

(b) 無抵押銀行借款

於2023年及2022年3月31日的無抵押銀行借款分別按3.58%及4.63%的年加權平均利率計息。

無抵押銀行借款的到期情況如下：

Notes to the Consolidated Financial Statements

合併財務報表附註

27 BORROWINGS (continued)

(c) Fair value

The fair values of the borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

(d) Compliance with financial covenants

The Group has complied with the financial covenants of its bank borrowings during the years ended March 31, 2023 and 2022.

28 DEFERRED INCOME TAX

The following is an analysis of the deferred tax balances presented on the consolidated balance sheets:

27 借款(續)

(c) 公允價值

借款的公允價值與賬面值並無重大差異，原因為該等借款的應付利息接近當前市場利率或借款屬短期性質。

(d) 遵守財務契諾

截至2023年及2022年3月31日止年度，本集團已遵守其銀行借款的財務契諾。

28 遞延所得稅

以下是合併資產負債表呈列的對遞延稅款餘額的分析：

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	63,929	56,677
Deferred tax liabilities	遞延稅項負債	(11,062)	(2,125)
		52,867	54,552

Notes to the Consolidated Financial Statements

合併財務報表附註

28 DEFERRED INCOME TAX (continued)

The following are the deferred tax assets and liabilities recognised by the Group and movements thereon during the years ended March 31, 2023 and 2022.

28 遞延所得稅 (續)

以下是本集團於截至2023年及2022年3月31日止年度確認的遞延稅項資產及負債及其變動情況。

		Tax losses	Credit loss allowance	Fair value adjustments on assets acquired in business combinations	Total
		稅項虧損 RMB' 000 人民幣千元	信貸虧損撥備 RMB' 000 人民幣千元	公允價值調整 RMB' 000 人民幣千元	總計 RMB' 000 人民幣千元
At April 1, 2021	於2021年4月1日	27,192	1,438	(3,125)	25,505
Credited to profit or loss	計入損益	24,161	3,886	1,000	29,047
At March 31, 2022	於2022年3月31日	51,353	5,324	(2,125)	54,552
At April 1, 2022	於2022年4月1日	51,353	5,324	(2,125)	54,552
Acquisition of subsidiaries and businesses (Note 31)	收購子公司及業務(附註31)	-	-	(10,262)	(10,262)
Credited to profit or loss	計入損益	7,213	39	1,325	8,577
At March 31, 2023	於2023年3月31日	58,566	5,363	(11,062)	52,867

The deferred tax assets amounted to RMB13,317,000 and RMB14,660,000, and deferred tax liabilities amounted to RMB1,809,000 and RMB608,000 and as at March 31, 2023 and 2022 respectively are expected to be recovered within 12 months. The remaining deferred tax assets and deferred tax liabilities as at March 31, 2023 and 2022 are expected to be recovered after 12 months.

於2023年及2022年3月31日，遞延稅項資產人民幣13,317,000元及人民幣14,660,000元以及遞延稅項負債人民幣1,809,000元及人民幣608,000元預期將於12個月內收回。於2023年及2022年3月31日的剩餘遞延稅項資產及遞延稅項負債預計將於12個月後收回。

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合併財務報表附註

28 DEFERRED INCOME TAX (continued)

The unrecognised deductible accumulated tax losses and deductible temporary differences as at March 31, 2023 and 2022 are as the table below:

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Deductible cumulative tax losses	可扣減累計稅項虧損		
To be expired within 5 years	於5年內到期	237,153	177,548
Deductible temporary differences	可扣減暫時性差額	1,496	1,504

29 CONVERTIBLE REDEEMABLE PREFERRED SHARES

Since the date of incorporation, the Company has completed several rounds of financing by issuing preferred shares to investors.

Movements of the convertible redeemable shares during the year ended March 31, 2022 is set out as below:

28 遞延所得稅(續)

於2023年及2022年3月31日，未確認的可扣減累計稅項虧損及可扣減暫時性差額如下表所示：

29 可轉換可贖回優先股

自註冊成立日期以來，本公司已通過向投資者發行優先股完成數輪融資。

截至2022年3月31日止年度，可轉換可贖回優先股的變動載列如下：

		RMB' 000 人民幣千元
At April 1, 2021	於2021年4月1日	3,178,465
Issuance of convertible redeemable preferred shares	發行可轉換可贖回優先股	475,585
Change in fair value	公允價值變動	559,528
Includes: change in fair value due to own credit risk	包括：自有信貸風險導致的公允價值變動	18,439
Currency translation differences	匯兌差額	(107,601)
Conversion to ordinary shares	轉換為普通股	(4,105,977)
At March 31, 2022	於2022年3月31日	-
Total change in fair value for the year included in "Fair value change of convertible redeemable preferred shares"	計入「可轉換可贖回優先股的公允價值變動」的年內公允價值變動總額	541,089

Notes to the Consolidated Financial Statements

合併財務報表附註

29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued)

Upon the Listing on March 22, 2022, all convertible redeemable shares have been automatically converted into ordinary shares.

Change in fair value of convertible redeemable preferred shares was recorded in “fair value change of convertible redeemable preferred shares” in the consolidated income statements, and the fair value change in the convertible redeemable preferred shares that was attributable to change of own credit risk of this liability was recorded in other comprehensive income/(loss).

29.1 Bond

On March 16, 2020, a subsidiary of the Company, Beijing Arrail Shengbin Medical Technology Co. Limited (the “Bond Borrower”), signed an investment agreement (“Original Bond Investment Agreement”) where the Bond Borrower issued a bond with principal amount of RMB200 million to an investor (the “Bond Holder”). The Bond was drawn down and issued on April 10, 2020. The Bond will mature on the earlier date (the “Maturity Date”) of (i) voluntary early repayment by the Group after one year from issue date; (ii) four years from the issue date of the bond; the holder of the warrants exercised the warrants (Note 29.2) and requested for early repayment from the Group, after one year from the issue date of the Bond; or (iv) in any event of default (i.e. default in payment, breach of representation, etc.). The Bond interest rate is set at the rate of 5.8% per annum and will be paid semi-annually. In the event that the Group elects to make a voluntary early repayment, the Group will repay the principal plus additional interest equivalent to a yield of 14.2% Internal Rate of Return (IRR) if there is no QIPO or 11.8% IRR if there is a QIPO on the date of election.

29 可轉換可贖回優先股 (續)

於2022年3月22日上市後，所有可轉換可贖回優先股已自動轉換為普通股。

可轉換可贖回優先股的公允價值變動計入合併損益表的「可轉換可贖回優先股的公允價值變動」，而由於該負債的自有信貸風險變動而導致的可轉換可贖回優先股公允價值變動則計入其他全面收益／(虧損)。

29.1 債券

於2020年3月16日，本公司的子公司北京瑞爾聖彬醫療科技有限公司（「債券借款人」）簽署投資協議（「原債券投資協議」），據此，債券借款人向一名投資者（「債券持有人」）發行本金額人民幣200百萬元的債券。該債券已於2020年4月10日提取並發行。該債券將於以下較早日期（「到期日」）到期：(i)自發行日期起計一年後由本集團自願提前償付；(ii)自債券發行日期起計四年；(iii)於債券發行日期起計一年後權證持有人行使權證（附註29.2）並要求本集團提前償付；或(iv)有任何違約事件（即拖欠付款、違反陳述等）。債券利息設定為每年5.8%，每半年支付一次。如果本集團選擇自願提前償付，本集團將償付本金另加額外利息（作出選擇當天若無合資格首次公開發售則其相當於14.2%的內部收益率或當天若有合資格首次公開發售則相當於11.8%的內部收益率）。

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合併財務報表附註

29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

29.1 Bond (continued)

On June 29, 2021, the Bond Borrower and the Bond Holder entered into a new bond investment agreement (“New Bond Investment Agreement”) to supersede the terms of the Original Bond Investment Agreement. Pursuant to the New Bond Investment Agreement, which provided a QIPO occurring before December 31, 2022, the Bond Holder is entitled to request the Bond Borrower to repay the bond and its accrued interest within 15 days from the date of such listing. Other terms are the same as the Original Bond Investment Agreement.

Movement of the Bond during the year ended March 31, 2022 is set out below:

29.1 債券 (續)

於2021年6月29日，債券借款人及債券持有人訂立新債券投資協議（「新債券投資協議」），以取代原債券投資協議的條款。根據新債券投資協議，倘於2022年12月31日之前發生合資格首次公開發售，則債券持有人有權要求債券借款人於該上市日期起15天內償還債券及其應計利息。其他條款與原債券投資協議相同。

截至2022年3月31日止年度的債券變動載列如下：

		RMB' 000 人民幣千元
At April 1, 2021	於2021年4月1日	167,345
Interest paid	已付利息	(10,867)
Change in fair value	公允價值變動	60,564
Includes: change in fair value due to own credit risk	包括：自有信貸風險導致的公允價值變動	(1,083)
Includes: change in fair value due to modification of bond	包括：調整債券導致的公允價值變動	9,628
Repayment of bond (Note)	償還債券 (附註)	(217,042)
At March 31, 2022	於2022年3月31日	–
Total change in fair value for the year included in “Fair value change of bond”	計入「債券的公允價值變動」的年內公允價值變動總額	61,647

Note: On March 9, 2022, the Group elected to make a voluntary early repayment of the Bond in full, including principal and additional interest, in a total of RMB217 million.

附註： 於2022年3月9日，本集團選擇自願提前悉數償還債券，包括本金及額外的利息，總額為人民幣217百萬元。

Notes to the Consolidated Financial Statements

合併財務報表附註

29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

29.2 Warrants

In connection with the issuance of a Bond as described in Note 29.1, warrants were issued to an affiliate of the Bond Holder (the “Warrants Holder”) in which the Warrants Holder has the option to exercise one of following three rights: (1) subscribe for class 1 ordinary shares of the Company at the exercise price of the class 1 ordinary shares set out in the warrants agreement (the “Warrants Exercise Price”); (2) receiving cash profit between the warrants’ fair value (the “Cash Profit Fair Value”) and the Warrants Exercise Price; and (3) selling the warrants back to the Company at the put option price, which is determined by a certain formula based on difference between 5.8% and IRR (a yield of 14.2% IRR if there is no QIPO or 11.8% IRR if there is a QIPO). The Cash Profit Fair Value is based on either (i) if listed in public market: weighted average market price of 30 days before exercise; or (ii) if not listed: last round equity financing valuation. No warrants were exercised since the issuance of the warrants.

On June 29, 2021, the Company, the Bond Borrower, the Bond Holder and the Warrants Holders (the “Bond and Warrants Parties”) entered into a deed of termination and undertaking, pursuant to which, the Bond and Warrants Parties agreed that the warrants shall be cancelled immediately (Note 29.3).

29.2 權證

誠如附註29.1所述，就債券發行而言，已向債券持有人的聯屬公司（「權證持有人」）發行權證，權證持有人擁有選擇權行使以下三項權利其中一項：(1)按權證協議所載1類普通股的行使價（「權證行使價」）認購本公司1類普通股；(2)收取權證公允價值與權證行使價之間的現金利潤（「現金利潤公允價值」）；及(3)按認沽期權價（乃按5.8%與內部收益率（若無合資格首次公開發售則按14.2%的內部收益率或若有合資格首次公開發售則按11.8%的內部收益率）之間的差異計算的若干方程式釐定）向本公司售回權證。現金利潤公允價值乃(i)倘於公開市場上市：則按行使前30日的加權平均市價；或(ii)倘未上市：則按最後一輪股本融資估值計算。自權證發行以來概無權證已獲行使。

於2021年6月29日，本公司、債券借款人、債券持有人及權證持有人（「債券及權證各方」）訂立終止及承諾契據，據此，債券及權證各方同意權證須立即註銷（附註29.3）。

Notes to the Consolidated Financial Statements

合併財務報表附註

29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

29.2 Warrants (continued)

Movement of warrants during the year ended March 31, 2022 is set out below:

		RMB'000 人民幣千元
At April 1, 2021	於2021年4月1日	71,126
Change in fair value	公允價值變動	13,686
Currency translation differences	匯兌差額	(1,094)
Termination of warrants (Note 29.3)	終止權證 (附註29.3)	(83,718)
At March 31, 2022	於2022年3月31日	-
Total change in fair value for the year included in "Fair value change of warrants"	計入「權證的公允價值變動」的年內公允價值變動總額	13,686

29.3 Derivative liabilities

On June 29, 2021, the Bond and Warrants Parties entered into a deed of termination and undertaking, pursuant to which, the parties agreed that (i) the warrants shall be cancelled immediately and the warrants documents shall be terminated immediately and irrevocably; (ii) in full consideration of the cancellation and termination of the warrants documents, the Company shall pay to the Warrants Holder an amount of USD15.62 million on or prior to the third business day from the date of consummation of an IPO; (iii) in the event that (y) the Company fails to consummate an IPO on or prior to December 31, 2022; or (z) the Company contemplates a trade sale, the Bond and Warrants parties shall, by no later than 5 business days from the re-entry date (in the case of (y)) or by no later than 30 Business Days before closing of any trade sale (in the case of (z)), re-enter into a warrants purchase agreement, a warrants instrument and the warrants, in each case in form and substance the same as the warrants documents (Note 29.2).

29.2 權證 (續)

截至2022年3月31日止年度的權證變動載列如下：

29.3 衍生負債

於2021年6月29日，債券及權證各方訂立一份終止及承諾契據，據此，各方同意：(i)權證應立即註銷，權證文件應立即及不可撤銷地終止；(ii)作為註銷及終止權證文件的全部對價，本公司應於首次公開發售完成日期起計第三個營業日當日或之前向權證持有人支付15.62百萬美元；(iii)倘(y)本公司未能於2022年12月31日或之前完成首次公開發售；或(z)本公司擬進行交易出售，債券及權證各方應於重訂日期(就(y)而言)後的5個營業日或任何交易出售結束(就(z)而言)的30個營業日之前，重新訂立權證購買協議、權證文據及權證，於各種情況下，其形式及內容均與權證文件相同(附註29.2)。

Notes to the Consolidated Financial Statements

合併財務報表附註

29 CONVERTIBLE REDEEMABLE PREFERRED SHARES (continued) 29 可轉換可贖回優先股 (續)

29.3 Derivative liabilities (continued)

In March 2022, the derivative liabilities were settled by the Company to the Warrants Holder amounted to USD15.62 million (equivalent to RMB99,148,884).

Movement of derivative liabilities during the year ended March 31, 2022 is set out below:

29.3 衍生負債(續)

於2022年3月，本公司已向權證持有人清償衍生負債15.62百萬美元(相等於人民幣99,148,884元)。

截至2022年3月31日止年度的衍生負債變動載列如下：

		RMB'000 人民幣千元
At March 31, 2021	於2021年3月31日	-
Recognition of derivative liabilities	確認衍生負債	94,854
Change in fair value	公允價值變動	6,005
Currency translation differences	匯兌差額	(1,711)
Termination of derivative liabilities	終止衍生負債	(99,148)
At March 31, 2022	於2022年3月31日	-
Recognition of derivative liabilities	確認衍生負債	94,854
Termination of the warrants (Note 29.2)	終止權證(附註29.2)	(83,718)
Fair value difference between termination of the warrants and recognition of derivative liabilities	終止權證與確認衍生負債之間的公允價值差額	11,136

Notes to the Consolidated Financial Statements

合併財務報表附註

30 TRADE AND OTHER PAYABLES

30 貿易及其他應付款項

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Trade payables	貿易應付款項	84,968	74,211
Other payables	其他應付款項	124,496	198,894
		209,464	273,105

Ageing analysis of trade payables of the Group based on invoice date is as follows:

本集團按發票日期劃分的貿易應付款項賬齡分析如下：

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Up to 3 months	不超過3個月	48,342	38,755
3 to 6 months	3至6個月	8,100	11,154
6 months to 1 year	6個月至1年	5,495	8,462
Over 1 year	超過1年	23,031	15,840
		84,968	74,211

Notes to the Consolidated Financial Statements

合併財務報表附註

30 TRADE AND OTHER PAYABLES (continued)

The breakdown of other payables is as follows:

		As at March 31, 於3月31日	
		2023	2022
		2023年	2022年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Amounts due to minority shareholders	應付少數股東款項	2,420	7,325
Amounts due to former shareholders	應付前任股東款項	2,963	7,836
Amounts due to related parties (Note 35(c))	應付關聯方款項 (附註35(c))	3,118	7,114
Amounts due to employees arisen from exercise of RSUs	因受限制股份單位的行使而應付僱員款項	9,280	–
Consideration payable to original shareholders for acquisition of Wuxi Tongshan (Note 31(a))	就收購無錫通善向原先股東應付對價 (附註31(a))	12,837	–
Employee benefits payable	應付僱員福利	58,660	80,607
Consideration payable for acquisition of additional interest in a subsidiary (Note 37(a))	收購子公司額外權益應付對價 (附註37(a))	–	36,500
Taxes payable	應付稅項	12,874	9,467
Listing fees	上市費用	–	24,493
Others	其他	22,344	25,552
		124,496	198,894

The carrying amounts of trade and other payables were denominated in RMB and approximated their fair values due to their short-term maturities.

貿易及其他應付款項的賬面值以人民幣計值，由於到期時間較短，其與公允價值相若。

31 BUSINESS COMBINATION

(a) Acquisition of Wuxi Tongshan

On July 8, 2022, the Group entered into an investment agreement with Wuxi Tongshan (無錫市通善口腔醫院有限公司) and its shareholders, pursuant to which the Group conditionally agreed to obtain 51% interest in the registered capital of Wuxi Tongshan. The acquisition was completed on August 30, 2022. The excess of the consideration over the Group's net fair value of assets and liabilities acquired amounting to RMB77.59 million was recorded as goodwill.

31 業務合併

(a) 收購無錫通善

於2022年7月8日，本集團與無錫市通善口腔醫院有限公司及其股東訂立投資協議，據此，本集團有條件同意取得無錫通善的51%權益。該收購於2022年8月30日完成。對價超過本集團所收購資產和負債淨公允價值的部分為人民幣77.59百萬元，其已計入商譽。

Notes to the Consolidated Financial Statements

合併財務報表附註

31 BUSINESS COMBINATION (continued)

(a) Acquisition of Wuxi Tongshan (continued)

The following table summarises the total purchase consideration for investment, the fair value of assets acquired, and the liabilities assumed at the acquisition date:

31 業務合併(續)

(a) 收購無錫通善(續)

下表概述於收購日投資的總購買對價及所收購資產以及所承擔負債的公允價值：

		August 30, 2022 2022年 8月30日 RMB'000 人民幣千元
Purchase consideration	購買對價	
Cash paid	已付現金	92,650
Consideration payable to the original shareholders (Note 30)	應付原股東對價(附註30)	12,837
Consideration payable to the Target Company for capital injection	就增資應付目標公司對價	17,358
Total purchase consideration	總購買對價	122,845
Recognised amounts of identifiable assets acquired and liabilities assumed	所收購可識別資產及所承擔負債的已確認金額	
Cash and cash equivalents	現金及現金等價物	35,832
Trade and other receivables, prepayments and other current assets	貿易及其他應收款項、預付款項及其他流動資產	29,822
Property, plant and equipment	物業、廠房及設備	21,176
Rights-of-use assets	使用權資產	11,380
Other non-current assets	其他非流動資產	187
Intangible assets: brand and licenses (Note 16)	無形資產：品牌及許可證(附註16)	29,368
Intangible assets: non-competitive agreements and customer relationship (Note 16)	無形資產：非競爭性協議及客戶關係(附註16)	7,800
Lease liabilities	租賃負債	(12,045)
Trade and other payables	貿易及其他應付款項	(25,487)
Short-term bank loan	短期銀行借款	(2,000)
Deferred tax liabilities (Note 28)	遞延稅項負債(附註28)	(9,292)
Total identifiable net assets	可識別淨資產總值	88,741
Less: Non-controlling interests	減：非控股權益	(43,483)
Add: Goodwill (Note 17)	加：商譽(附註17)	77,587
		122,845

Notes to the Consolidated Financial Statements

合併財務報表附註

31 BUSINESS COMBINATION (continued)

(a) Acquisition of Wuxi Tongshan (continued)

		August 30, 2022 2022年 8月30日 RMB'000 人民幣千元
Outflow of cash to acquire the business, net of cash acquired	收購業務的現金流出 (扣除所得現金)	
Cash consideration	現金對價	92,650
Less: Cash and cash equivalents acquired	減：所得現金及現金等價物	(35,832)
Net outflow of cash – investing activities	現金流出淨額 – 投資活動	56,818

The goodwill is attributable to Wuxi Tongshan's synergies expected to arise after the Group's acquisition of this business.

Other information

The acquisition-related costs were not significant and were charged directly to administrative expenses in the consolidated income statements for the year ended March 31, 2023.

The acquired business contributed revenue of RMB47,994,000 and net loss of RMB237,000 to the Group for the year from August 30, 2022 to March 31, 2023. If the acquisition had occurred on April 1, 2022, consolidated revenue and consolidated loss for the year of the Group for the year ended March 31, 2023 would have been RMB1,508,023,000 and RMB223,517,000 respectively.

(b) Acquisition of businesses of four clinics in Changsha

On February 28, 2023, the Group entered into an investment agreement with four clinics in Changsha (the "Changsha Clinics") and its shareholders, pursuant to which the Group conditionally agreed to acquire businesses of Changsha Clinics. The acquisition was completed on February 28, 2023. The excess of the consideration over the Group's net fair value of assets and liabilities acquired amounting to RMB6.7 million was recorded as goodwill.

31 業務合併(續)

(a) 收購無錫通善(續)

商譽歸因於本集團收購無錫通善後預期產生的該業務的協同效應。

其他資料

收購相關的成本並不重大，已於截至2023年3月31日止年度的合併損益表中的行政開支直接扣除。

被收購業務於2022年8月30日至2023年3月31日期間為本集團貢獻收入人民幣47,994,000元及淨虧損人民幣237,000元。假設收購於2022年4月1日已發生，則截至2023年3月31日止年度本集團的年內合併收入及合併虧損分別為人民幣1,508,023,000元及人民幣223,517,000元。

(b) 收購位於長沙四家診所的業務

於2023年2月28日，本集團與位於長沙的四家診所（「長沙診所」）及其股東訂立投資協議，據此，本集團有條件同意收購長沙診所的業務。該收購於2023年2月28日完成。對價超過本集團所收購資產和負債淨公允價值的部分為人民幣6.7百萬元，其已計入商譽。

Notes to the Consolidated Financial Statements

合併財務報表附註

31 BUSINESS COMBINATION (continued)

(b) Acquisition of businesses of four clinics in Changsha (continued)

The following table summarises the total purchase consideration for investment, the fair value of assets acquired, and the liabilities assumed at the acquisition date:

31 業務合併(續)

(b) 收購位於長沙四家診所的業務(續)

下表概述於收購日投資的總購買對價及所收購資產以及所承擔負債的公允價值：

		February 28, 2023 2023年 2月28日 RMB' 000 人民幣千元
Purchase consideration	購買對價	
Amounts due from clinics operated under exclusive consultation and service agreements	根據獨家諮詢及服務協議應收營運診所的款項	8,175
Settlement of pre-existing service contracts (Note 16)	結算舊有服務合同(附註16)	3,878
Total purchase consideration	總購買對價	12,053
Recognised amounts of identifiable assets acquired and liabilities assumed	所收購可識別資產及所承擔負債的已確認金額	
Cash and cash equivalents	現金及現金等價物	2,625
Trade and other receivables, prepayments and other current assets	貿易及其他應收款項、預付款項及其他流動資產	4,564
Property, plant and equipment	物業、廠房及設備	6,624
Rights-of-use assets	使用權資產	11,942
Other non-current assets	其他非流動資產	450
Intangible assets: brand and licenses (Note 16)	無形資產：品牌及許可證(附註16)	2,180
Intangible assets: non-competitive agreements and customer relationship (Note 16)	無形資產：非競爭性協議及客戶關係(附註16)	1,700
Lease liabilities	租賃負債	(12,946)
Trade and other payables	貿易及其他應付款項	(10,816)
Deferred tax liabilities (Note 28)	遞延稅項負債(附註28)	(970)
Total identifiable net assets	可識別淨資產總值	
Add: Goodwill (Note 17)	加：商譽(附註17)	6,700
		12,053

Notes to the Consolidated Financial Statements

合併財務報表附註

31 BUSINESS COMBINATION (continued)

(b) Acquisition of businesses of four clinics in Changsha (continued)

31 業務合併(續)

(b) 收購位於長沙四家診所的業務(續)

		February 28, 2023 2023年 2月28日 RMB'000 人民幣千元
Inflow of cash to acquire the business, net of cash acquired	收購業務的現金流入(扣除所得現金)	
Cash consideration	現金對價	—
Less: Cash and cash equivalents acquired	減: 所得現金及現金等價物	(2,625)
Net inflow of cash – investing activities	現金流入淨額 – 投資活動	(2,625)

The goodwill is attributable to Clinics in Changsha synergies expected to arise after the Group's acquisition of this business.

Other information

The acquisition-related costs were not significant and were charged directly to administrative expenses in the consolidated income statements for the years ended March 31, 2023.

The post-acquisition revenue and net loss contributed by the acquired businesses above were not material to the Group during the year ended March 31, 2023.

商譽歸因於本集團收購長沙診所後預期產生的該業務的協同效應。

其他資料

收購相關的成本並不重大，已於截至2023年3月31日止年度的合併損益表中的行政開支直接扣除。

於截至2023年3月31日止年度，上文所收購業務的收購後收入及淨虧損對本集團而言並不重大。

Notes to the Consolidated Financial Statements

合併財務報表附註

32 CASH FLOW INFORMATION

(a) Cash generated from operations

32 現金流量資料

(a) 經營所得現金

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Loss before income tax	除所得稅前虧損	(217,909)	(709,911)
Adjustments for:	就以下各項作出調整：		
Depreciation and amortisation	折舊及攤銷	261,467	246,303
Share-based compensation	股份酬金	194,118	95,021
Impairment loss/(reversal of impairment loss) on financial assets – net	金融資產淨減值虧損／ (減值虧損轉回)	2,863	(4,585)
Fair value change of convertible redeemable preferred shares	可轉換可贖回優先股的 公允價值變動	–	541,089
Fair value change of bond	債券的公允價值變動	–	61,647
Fair value change of warrants	權證的公允價值變動	–	13,686
Fair value change of derivative liabilities	衍生負債的公允價值變動	–	6,005
Fair value difference between termination of the warrants and recognition of derivative liabilities	終止權證與確認衍生負 債之間的公允價值差額	–	11,136
Net losses on disposal of property, plant and equipment	出售物業、廠房及 設備的淨虧損	1,676	58
Net fair value gains on financial assets at fair value through profit or loss	按公允價值計入損益的 金融資產的淨公允 價值收益	(7,152)	(5,044)
Share of net loss of associates and joint ventures accounted for using the equity method	使用權益法入賬的分佔 聯營公司及合營公司淨 虧損	2,295	411
Finance costs – net	淨財務成本	25,324	47,365
Gain on lease modification and termination of lease agreements	租賃修訂及終止租賃 協議的收益	(11,173)	–
		251,509	303,181
Changes in working capital	營運資金變動		
(Decrease)/increase in trade and other receivables	貿易及其他應收款項 (減少)／增加	(15,566)	42,593
Increase/(decrease) in inventories	存貨增加／(減少)	637	(8,044)
Increase/(decrease) in prepayments	預付款項增加／(減少)	20,000	(23,656)
Decrease in contract liabilities	合同負債減少	(43,012)	(15,515)
Decrease in trade and other payables	貿易及其他應付款項減少	(79,026)	(57,246)
Cash generated from operations	經營所得現金	134,542	241,313

Notes to the Consolidated Financial Statements

合併財務報表附註

32 CASH FLOW INFORMATION (continued)

(b) Non-cash investing and financial activities

Non-cash transactions are primarily related to the changes in other payables related to property and equipment and intangible assets additions described in Note 14 and Note 16, the addition of right-of-use assets and lease liabilities described in Note 15, the re-designation of ordinary shares and convertible redeemable preferred shares for the issuance of convertible redeemable preferred shares described in Note 25, modification of the Bond (Note 29.1), and termination of the warrants and recognition of derivative liabilities (Note 29.2 and 29.3). Excluding the aforementioned, there were no other material non-cash investing and financing transactions for the years ended March 31, 2023 and 2022.

32 現金流量資料 (續)

(b) 非現金投資及融資活動

非現金交易主要與附註14及附註16所述與物業及設備以及無形資產增加有關的其他應付款項變動、附註15所述使用權資產及租賃負債增加、附註25所述就發行可轉換可贖回優先股重新指定普通股及可轉換可贖回優先股、調整債券(附註29.1)以及終止權證與確認衍生負債(附註29.2及29.3)有關。除上述者外，截至2023年及2022年3月31日止年度並無其他重大非現金投資及融資交易。

Notes to the Consolidated Financial Statements

合併財務報表附註

32 CASH FLOW INFORMATION (continued)

(c) Reconciliation of liabilities generated from/ (used in) financing activities

		Liabilities from financing activities 融資活動負債						Interest payables (included in trade and other payables) 應付利息 (計入貿易及其他應付款項) RMB' 000 人民幣千元
		Convertible redeemable preferred shares 可轉換可贖回優先股 RMB' 000 人民幣千元	Bond 債券 RMB' 000 人民幣千元	Warrants 權證 RMB' 000 人民幣千元	Derivative liabilities 衍生負債 RMB' 000 人民幣千元	Lease liabilities 租賃負債 RMB' 000 人民幣千元	Borrowings 借款 RMB' 000 人民幣千元	
Liabilities from financing activities as at March 31, 2022	於2022年3月31日的 融資活動負債	-	-	-	-	753,308	137,363	-
Cash inflows	現金流入	-	-	-	-	-	234,376	-
Cash outflows	現金流出	-	-	-	-	(207,035)	(154,244)	-
Acquisition of subsidiaries and businesses (Note 31)	收購子公司及業務 (附註31)	-	-	-	-	24,991	2,000	-
Lease modification and termination of lease agreements	租賃修訂及終止租賃協議	-	-	-	-	(43,203)	-	-
Leases	租賃	-	-	-	-	169,553	-	-
Accrued interest	應計利息	-	-	-	-	38,045	524	-
Liabilities from financing activities as at March 31, 2023	於2023年3月31日的 融資活動負債	-	-	-	-	735,659	220,019	-
Liabilities from financing activities as at March 31, 2021	於2021年3月31日的 融資活動負債	3,178,465	167,345	71,126	-	643,147	218,491	817
Cash inflows	現金流入	475,585	-	-	-	-	131,234	-
Cash outflows	現金流出	-	(227,909)	-	(99,148)	(198,586)	(213,190)	(18,787)
Changes in fair value	公允價值變動	559,528	60,564	13,686	17,141	-	-	-
Conversion of Preferred Shares to ordinary shares	轉換優先股至普通股	(4,105,977)	-	-	-	-	-	-
Termination of warrant and recognition of derivative liability	終止權證與確認衍生負債	-	-	(83,718)	83,718	-	-	-
Leases	租賃	-	-	-	-	271,904	-	-
Accrued interest	應計利息	-	-	-	-	36,843	828	17,970
Foreign exchange adjustments	匯兌調整	(107,601)	-	(1,094)	(1,711)	-	-	-
Liabilities from financing activities as at March 31, 2022	於2022年3月31日的 融資活動負債	-	-	-	-	753,308	137,363	-

32 現金流量資料 (續)

(c) 融資活動所得 / (所用) 負債的對賬

Notes to the Consolidated Financial Statements

合併財務報表附註

33 CONTINGENCIES

As at March 31, 2023 and 2022, the Group did not have any material contingent liabilities.

34 COMMITMENTS

(a) Capital commitments

Saved as disclosed elsewhere, significant capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

33 或然事項

於2023年及2022年3月31日，本集團並無任何重大或然負債。

34 承擔

(a) 資本承擔

除其他地方所披露外，於報告期末已訂約但尚未產生的重大資本開支如下：

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	7,603	16,094
Subscription of additional equity interest in Shenzhen Baocheng (Note 22 (b))	認購深圳寶城額外股權 (附註22(b))	4,430	—

Notes to the Consolidated Financial Statements

合併財務報表附註

35 RELATED PARTY TRANSACTIONS

(a) Names and relationships with related parties

The following companies are significant related parties of the Group that had transactions and/or balances with the Group during the years ended March 31, 2023 and 2022.

Name of related party

關聯方名稱

Zou Qifang

鄒其芳

Hangzhou Jarvis

杭州佳沃思

Hangzhou Shengchao Medical Technology

Company Limited (“Hangzhou Shengchao”)

杭州盛朝醫療科技有限公司(「杭州盛朝」)

福州美可普

濟南濟東

北京康泰

Beier Holdings Limited (“Beier”)

Rise Day Holdings Limited

Ever Respect Limited

Qin Jessie Xin

辛勤

Qiming Venture Partners II, L.P.

Qiming Venture Partners II-C, L.P.

Qiming Managing Directors Fund II, L.P.

Relationship with the Group

與本集團的關係

Director of the Company

本公司董事

Entity controlled by a close family member of a director

由董事的近親控制的實體

Entity controlled by a close family member of a director

由董事的近親控制的實體

Associate of the Group

本集團聯營公司

Associate of the Group

本集團聯營公司

Joint Venture of the Group

本集團合營公司

Entity controlled by a director

由董事控制的實體

Entity controlled by a director

由董事控制的實體

Entity controlled by a director

由董事控制的實體

Director of the Company

本公司董事

Shareholder of the Company

本公司股東

Shareholder of the Company

本公司股東

Shareholder of the Company

本公司股東

35 關聯方交易

(a) 關聯方名稱及與關聯方的關係

以下公司為於截至2023年及2022年3月31日止年度與本集團有交易及／或結餘的本集團重大關聯方。

Notes to the Consolidated Financial Statements

合併財務報表附註

35 RELATED PARTY TRANSACTIONS (continued)

(b) Significant transactions with related parties

The following significant transactions were carried out between the Group and its related parties during the years ended March 31, 2023 and 2022. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

35 關聯方交易(續)

(b) 與關聯方的重大交易

於截至2023年及2022年3月31日止年度，本集團與其關聯方進行以下重大交易。本公司董事認為，關聯方交易乃於正常業務過程中按本集團與各關聯方之間協商的條款進行。

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
<u>Sales of goods</u>			
Hangzhou Shengchao	銷售貨品 杭州盛朝	506	1,897
福州美可普	福州美可普	4,447	1,795
濟南濟東	濟南濟東	56	124
		5,009	3,816
<u>Purchases of goods</u>			
Hangzhou Shengchao	購買貨品 杭州盛朝	24,668	20,902
北京康泰	北京康泰	6,533	7,551
		31,201	28,453
<u>Receiving services</u>			
Hangzhou Shengchao	接受服務 杭州盛朝	812	563

Notes to the Consolidated Financial Statements

合併財務報表附註

35 RELATED PARTY TRANSACTIONS (continued)

(c) Balances with related parties

The following balances are outstanding as at March 31, 2023 and 2022 in relation to transactions with related parties:

35 關聯方交易(續)

(c) 與關聯方的結餘

以下與關聯方的交易有關的結餘於2023年及2022年3月31日為未結清：

		As at March 31, 於3月31日	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
<u>Trade related receivables</u>	<u>貿易相關應收款項</u>		
Hangzhou Shengchao	杭州盛朝	7,011	5,245
福州美可普	福州美可普	4,465	3,608
濟南濟東	濟南濟東	114	
北京康泰	北京康泰	4,976	4,613
		16,566	13,466
<u>Amounts due from related parties (Note 22)</u>	<u>應收關聯方款項(附註22)</u>		
<i>Non-trade nature</i>	<i>非貿易性質</i>		
Rise Day Holdings Limited	Rise Day Holdings Limited	2,700	1,359
<u>Trade related payables</u>	<u>貿易相關應付款項</u>		
北京康泰	北京康泰	502	1,254
<u>Prepayments to related parties</u>	<u>預付關聯方款項</u>		
<i>Trade nature</i>	<i>貿易性質</i>		
北京康泰	北京康泰	12,233	12,269
<u>Amounts due to related parties (Note 30)</u>	<u>應付關聯方款項(附註30)</u>		
<i>Non-trade nature</i>	<i>非貿易性質</i>		
Zou Qifang	鄒其芳	818	151
Qiming Venture Partners II, L.P.	Qiming Venture Partners II, L.P.	2,085	6,317
Qiming Venture Partners II-C, L.P.	Qiming Venture Partners II-C, L.P.	183	553
Qiming Managing Directors Fund II, L.P.	Qiming Managing Directors Fund II, L.P.	32	93
		3,118	7,114

Notes to the Consolidated Financial Statements

合併財務報表附註

35 RELATED PARTY TRANSACTIONS (continued)

(c) Balances with related parties (continued)

		As at March 31, 於3月31日	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Loans to related parties (Note 22)	向關聯方提供貸款(附註22)		
Non-trade nature	非貿易性質		
Beier (i)	Beier (i)	77,164	–
濟南濟東(ii)	濟南濟東(ii)	1,500	1,500
		78,664	1,500

Notes:

- (i) On September 28, 2022, the Company and Beier entered into a loan agreement (the "Original Loan Agreement"), pursuant to which the Company provided a loan facility to Beier in an aggregate principal amount of US\$11,000,000 (equivalent to RMB77,164,000) (the "Loan"). The Loan was drawn down by Beier in full on September 30, 2022. The Loan was unsecured, interest bearing at 4.5% per annum, and repayable in nine months from the date of utilisation. Please refer to Note 40 for the subsequent extension of the Loan Agreement.

The carrying amount of the Loan was initially recognised at fair value. The fair value of the Loan at initial recognition was calculated using cash flows at discount rate of 5.25% per annum, which was based on US Prime Rate and adjusted by an estimated credit spread of Beier. The difference between the fair value and the principal amount of the Loan amounting to RMB420,000 was debited to equity during the year ended March 31, 2023.

- (ii) As at March 31, 2023 and 2022, loans to 濟南濟東, with gross balances amounted to RMB1,500,000 and RMB1,500,000, respectively, were unsecured, with annual interest rates ranging from 0% to 7%, and repayable in 1 to 3 years from the borrowing date. The loss allowance for loans to 濟南濟東 as at March 31, 2023 and 2022 amounted to RMB1,500,000 and RMB1,500,000, respectively.

35 關聯方交易(續)

(c) 與關聯方的結餘(續)

附註：

- (i) 於2022年9月28日，本公司與Beier訂立貸款協議(「原貸款協議」)，據此，本公司向Beier提供本金總額為11,000,000美元(相等於人民幣77,164,000元)的貸款融資(「貸款」)。於2022年9月30日，貸款已由Beier全額提取。貸款為無抵押、按年利率4.5%計息且須於動用日期起計九個月內償還。有關其後貸款協議的延期，請參閱附註40。

貸款的賬面值初始按公允價值確認。貸款於初始確認時的公允價值使用現金流量按每年5.25%的折現率計算，該折現率是以美元最優惠利率為基礎並就Beier的估計信貸息差作出調整而得出。截至2023年3月31日止年度貸款公允價值與本金額之間的差額人民幣420,000元自權益扣除。

- (ii) 於2023年及2022年3月31日，向濟南濟東提供的貸款總結餘分別為人民幣1,500,000元及人民幣1,500,000元，為無抵押、年利率介乎0%至7%，並須自借款日期起一至三年內償還。於2023年及2022年3月31日，濟南濟東貸款的虧損撥備分別為人民幣1,500,000元及人民幣1,500,000元。

Notes to the Consolidated Financial Statements

合併財務報表附註

35 RELATED PARTY TRANSACTIONS (continued)

(d) Key management personnel compensation

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB' 000 人民幣千元	2022 2022年 RMB' 000 人民幣千元
Wages, salaries, bonuses and other allowances	工資、薪金、花紅及其他津貼	6,852	8,077
Share-based compensation expenses	股份酬金開支	65,174	35,914
Social security costs and contributions to housing provident fund	社會保障成本及住房公積金供款	433	528
Allowances and benefits in kind	津貼及實物福利	2,212	1,818
		74,671	46,337

36 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of every director and the chief executive officer for the years ended March 31, 2023 and 2022 is set out below:

For the year ended March 31, 2023:

Name	姓名	Fees	Salaries	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Share-based compensation	Total
		RMB' 000 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
<i>Chairman</i>	<i>主席</i>							
ZOU Qiang	鄒其芳	150	1,167	0	2,212	-	24,336	27,865
<i>Director</i>	<i>董事</i>							
ZOU Jianlong	鄒劍龍	150	170	0	-	5	8,498	8,823
Qin Jessie Xin	辛勤	150	1,036	0	-	-	1,845	3,031
Zhang Jincai (Note (ii))	章錦才 (附註(ii))	150	1,835	0	-	98	5,583	7,666
Total	總計	600	4,208	0	2,212	103	40,262	47,385

35 關聯方交易 (續)

(d) 主要管理人員薪酬

36 董事福利及利益

(a) 董事薪酬

截至2023年及2022年3月31日止年度各董事及行政總裁的薪酬載列如下：

截至2023年3月31日止年度：

Notes to the Consolidated Financial Statements

合併財務報表附註

36 BENEFITS AND INTERESTS OF DIRECTORS 36 董事福利及利益 (續)

(continued)

(a) Directors' emoluments (continued)

For the year ended March 31, 2022:

Name	姓名	Fees	Salaries	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Share-based compensation	Total
		袍金	薪金	酌情花紅	津貼及實物福利	退休福利計劃的僱主供款	股份酬金	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<i>Chairman</i>	<i>主席</i>							
ZOU Qifang	鄒其芳	-	1,204	-	1,818	-	13,410	16,432
<i>Director</i>	<i>董事</i>							
ZOU Jianlong	鄒劍龍	-	474	-	-	66	4,683	5,223
QI Yong (Note (i))	Qi Yong (附註(i))	-	240	-	-	49	-	289
Qin Jessie Xin	辛勤	-	518	-	-	-	1,017	1,535
Zhang Jincai	章錦才	-	2,040	-	-	92	3,076	5,208
Zhou Wei (Note (i))	Zhou Wei (附註(i))	-	-	-	-	-	-	-
HU Xubo (Note (i))	HU Xubo (附註(i))	-	-	-	-	-	-	-
QIU Yumin (Note (i))	Qiu Yumin (附註(i))	-	-	-	-	-	-	-
Denis Francis KINANE (Note (i))	Denis Francis KINANE (附註(i))	-	-	-	-	-	-	-
XU Xiaou (Note (i))	Xu Xiaou (附註(i))	-	-	-	-	-	-	-
MIAO Jingwen (Note (i))	Miao Jingwen (附註(i))	-	-	-	-	-	-	-
Total	總計	-	4,476	-	1,818	207	22,186	28,687

Note:

- (i) Hu Xubo and QI Yong were resigned as director of the Company on January 29, 2021 and June 22, 2021 respectively. MIAO Jingwen, ZHOU Wei, QIU Yu Min, Denis Francis KINANE and XU Xiaou were resigned as director of the Company on June 23, 2021.
- (ii) ZHANG Jincai was appointed as director of the Company on July 15, 2021.

附註：

- (i) Hu Xubo及Qi Yong分別於2021年1月29日及2021年6月22日辭任本公司董事。Miao Jingwen、Zhou Wei、Qiu Yu Min、Denis Francis KINANE及Xu Xiaou於2021年6月23日辭任本公司董事。
- (ii) 章錦才於2021年7月15日獲委任為本公司董事。

Notes to the Consolidated Financial Statements

合併財務報表附註

36 BENEFITS AND INTERESTS OF DIRECTORS (continued)

(b) Directors' retirement and termination benefits

No retirement or termination benefits have been paid to the Company's directors for the years ended March 31, 2023 and 2022.

(c) Consideration provided to third parties for making available directors' services

No consideration was provided to third parties for making available directors' services during the years ended March 31, 2023 and 2022.

(d) Information about loans, quasi-loans or other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

Save as disclosed in Note 35, no loans, quasi-loans or other dealings were entered into by the Company in favour of directors, controlled bodies corporate by and connected entities with such directors during the years ended March 31, 2023 and 2022.

(e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the years or at any time during the years ended March 31, 2023 and 2022.

36 董事福利及利益 (續)

(b) 董事的退休及離職福利

截至2023年及2022年3月31日止年度，本公司並無向董事支付退休及離職福利。

(c) 就獲得董事服務而向第三方提供的對價

截至2023年及2022年3月31日止年度，本公司並無就獲得董事服務向第三方提供對價。

(d) 與董事、受該等董事控制的法人團體及該等董事的關連實體訂立的貸款、準貸款或其他交易的資料

除於附註35所披露者外，截至2023年及2022年3月31日止年度，本公司並無與董事、受該等董事控制的法人團體及該等董事的關連實體訂立貸款、準貸款或其他交易。

(e) 董事在交易、安排或合同中的重大權益

截至2023年及2022年3月31日止年度年末或任何時間，概無本公司董事直接或間接於本集團所訂立的涉及本集團業務的任何重大交易、安排及合同中擁有重大權益。

Notes to the Consolidated Financial Statements

合併財務報表附註

37 TRANSACTIONS WITH NON-CONTROLLING INTERESTS 37 與非控股權益的交易

(a) Acquisitions of additional interests in subsidiaries

During the year ended March 31, 2022, the Group acquired additional equity interests in a subsidiary from the relevant non-controlling shareholders at cash consideration of RMB36,500,000. The differences between the carrying amounts of non-controlling interests acquired and consideration paid are set out below.

(a) 收購子公司的額外權益

於截至2022年3月31日止年度，本集團自相關非控股股東收購一間子公司的額外股本權益，現金對價為人民幣36,500,000元。已收購非控股權益的賬面值與已付對價的差額載列如下。

		Year ended March 31, 2022 截至2022年 3月31日 止年度 RMB'000 人民幣千元
Total carrying amount of non-controlling interests acquired	已收購非控股權益的賬面總值	6,470
Less: total consideration paid to non-controlling interests	減：應付非控股股東的總對價	(36,500)
Total difference recognised within equity	於權益內確認的總差額	(30,030)

Notes to the Consolidated Financial Statements

合併財務報表附註

37 TRANSACTIONS WITH NON-CONTROLLING INTERESTS (continued) 37 與非控股權益的交易 (續)

(b) Disposals of interests in subsidiaries without change of control

During the year ended March 31, 2023, the Group disposed of certain equity interests in subsidiaries to third parties for nil consideration. The differences between the carrying amounts of equity interest disposed of and consideration received are set out below.

(b) 不改變控制權的情況下出售子公司權益

於截至2023年3月31日止年度，本集團以零對價向第三方出售子公司若干股本權益。已出售股本權益的賬面值與已收對價的差額載列如下。

		Year ended March 31, 2023 截至2023年 3月31日 止年度 RMB'000 人民幣千元
Total carrying amount of equity interests disposed	已出售股本權益的賬面總值	703
Less: total consideration received from non-controlling interests	減：已收非控股權益的總對價	-
Total difference recognised within equity	於權益內確認的總差額	703

Notes to the Consolidated Financial Statements

合併財務報表附註

37 TRANSACTIONS WITH NON-CONTROLLING INTERESTS (continued)

(b) Disposals of interests in subsidiaries without change of control (continued)

During the year ended March 31, 2022, the Group disposed of certain equity interests in subsidiaries to third parties for a total cash consideration of RMB1,120,000, RMB1,750,000 and RMB500,000 respectively. The differences between the carrying amounts of equity interest disposed of and consideration received are set out below.

	Year ended March 31, 2022 截至2022年 3月31日 止年度 RMB'000 人民幣千元
Total carrying amount of equity interests disposed	4,501
Less: total consideration received from non-controlling interests	(4,550)
Total difference recognised within equity	(49)

37 與非控股權益的交易 (續)

(b) 不改變控制權的情況下出售子公司權益 (續)

於截至2022年3月31日止年度，本集團向第三方出售子公司若干股本權益，現金總對價分別為人民幣1,120,000元、人民幣1,750,000元及人民幣500,000元。已出售股本權益的賬面值與已收對價的差額載列如下。

38 DIVIDENDS

No dividend was declared by the Company during the years ended March 31, 2023 and 2022.

38 股息

截至2023年及2022年3月31日止年度，本公司並無宣派任何股息。

Notes to the Consolidated Financial Statements

合併財務報表附註

39 COMPANY BALANCE SHEET

39 本公司資產負債表

		Year ended March 31, 截至3月31日止年度	
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
ASSETS	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於子公司的投資	646,910	425,536
Total non-current assets	總非流動資產	646,910	425,536
Current assets	流動資產		
Amount due from subsidiaries	應收子公司款項	965,021	769,115
Other receivables	其他應收款項	150,995	1,982
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	258,013	192,923
Cash and cash equivalents	現金及現金等價物	497,863	777,685
Total current assets	總流動資產	1,871,891	1,741,705
Total assets	總資產	2,518,801	2,167,241
EQUITY	權益		
Share capital	股本	74,769	74,769
Reserves	儲備	5,215,674	4,874,229
Accumulated losses	累計虧損	(2,858,404)	(2,865,522)
Total equity	總權益	2,432,039	2,083,476
Current liabilities	流動負債		
Other payables	其他應付款項	86,762	83,765
Total current liabilities	總流動負債	86,762	83,765
Total liabilities	總負債	86,762	83,765
Total equity and liabilities	總權益及負債	2,518,801	2,167,241

The balance sheet approved and authorised for issue by the Board of Directors of the Company on June 27, 2023 and were signed on its behalf by:

資產負債表由本公司董事會於2023年6月27日批准並授權發行，並由以下人士代為簽署：

Executive Director: ZOU Qifang
執行董事：鄒其芳

Executive Director: Qin Jessie XIN
執行董事：辛勤

Notes to the Consolidated Financial Statements

合併財務報表附註

39 COMPANY BALANCE SHEET (continued)

Note (a): Movements in Equity

39 本公司資產負債表(續)

附註(a): 權益變動

		Share capital 股本 RMB' 000 人民幣千元	Reserves 儲備 RMB' 000 人民幣千元	Accumulated losses 累計虧損 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Balance at April 1, 2022	於2022年4月1日的結餘	74,769	4,874,229	(2,865,522)	2,083,476
Comprehensive income	全面收益				
Profit for the year	年內利潤	–	–	7,118	7,118
Other comprehensive income	其他全面收益				
Currency translation differences	匯兌差額	–	162,329	–	162,329
Total comprehensive income for the year	年內總全面收益	–	162,329	7,118	169,447
Transactions with equity holders	與權益持有人的交易				
Vesting of RSUs	歸屬受限制股份單位	–	19,540	–	19,540
Share-based compensation	股份酬金	–	194,118	–	194,118
Shares purchased for share award scheme	就股份獎勵計劃購買股份	–	(34,542)	–	(34,542)
Balance at March 31, 2023	於2023年3月31日的結餘	74,769	5,215,674	(2,858,404)	2,432,039

Notes to the Consolidated Financial Statements

合併財務報表附註

39 COMPANY BALANCE SHEET (continued)

Note (a): Movements in Equity (continued)

39 本公司資產負債表(續)

附註(a): 權益變動(續)

		Share capital 股本 RMB'000 人民幣千元	Reserves 儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at April 1, 2021	於2021年4月1日的結餘	9,447	266,074	(2,349,533)	(2,074,012)
Comprehensive loss	全面虧損				
Loss for the year	年內虧損	-	-	(617,412)	(617,412)
Other comprehensive income	其他全面收益	-	-	-	-
Fair value change on Preferred Shares due to own credit risk	自有信貸風險導致的優先股公允價值變動	-	(18,439)	-	(18,439)
Currency translation differences	匯兌差額	-	65,058	-	65,058
Total comprehensive income/(loss) for the year	年內總全面收益/(虧損)	-	46,619	(617,412)	(570,793)
Transactions with equity holders	與權益持有人的交易				
Issuance of shares for restrictive share unit scheme	發行受限制股份單位計劃股份	15,435	(15,435)	-	-
Share-based compensation	股份酬金	-	95,021	-	95,021
Conversion of convertible redeemable preferred to ordinary shares	轉換可轉換可贖回優先股至普通股	43,963	3,960,591	101,423	4,105,977
Issuance of ordinary shares in relation to IPO	發行首次公開發售普通股	5,924	521,359	-	527,283
Balance at March 31, 2022	於2022年3月31日的結餘	74,769	4,874,229	(2,865,522)	2,083,476

Notes to the Consolidated Financial Statements

合併財務報表附註

40 EVENTS AFTER THE REPORTING PERIOD

On June 27, 2023, the Company and Beier entered into an amendment agreement to the Loan Agreement (Note 35(c)(i)) (the "Amendment Agreement"), pursuant to which the Company and Beier conditionally agreed that, among others, the term of the Loan shall be extended for a period from 9 months to 18 months commencing from the September 30, 2022. In addition, to cover the liabilities and obligations of Beier under the Amendment Agreement, Beier pledged 9,920,675 ordinary shares of the Company held by it in favour of the Company as security for the extended Loan. Save for the above, all the material terms and conditions of the Loan Agreement remain unchanged and in force and effect.

Upon the extension of the Loan, the carrying amount of the Loan would be recognised at fair value, which would be measured based on cash flows at discount rate with reference to the market interest rate and the credit spread of Beier on the date of extension.

Save as disclosed above and elsewhere in this report, there have been no other material events subsequent to the year ended March 31, 2023, which require adjustment or disclosure in accordance with IFRSs.

40 報告期後事項

於2023年6月27日，本公司與Beier訂立貸款協議的修訂協議（附註35(c)(i)）（「修訂協議」），據此，本公司與Beier已有條件同意（其中包括）將貸款的期限由2022年9月30日起計9個月延展至18個月。此外，為保障Beier在修訂協議項下的責任及義務，Beier已將其持有的9,920,675股本公司普通股抵押予本公司，作為延期貸款的擔保。除上述者外，貸款協議的所有主要條款及條件維持不變，並具有十足效力和有效。

在貸款延期後，貸款的賬面值將按公允價值確認，而公允價值將按參照延展日期的市場利率及Beier的信貸息差得出的折現率，根據現金流量進行計量。

除上文及本報告其他部分另有披露者外，於截至2023年3月31日止年度後，並無任何其他重大事項須根據國際財務報告準則進行調整或披露。

Five Year Financial Summary

五年財務概要

A summary of selected items of the results and of the assets, liabilities and equity of the Group for the last five financial years is set out below.

以下載列過去五個財政年度的業績與本集團資產、負債及權益的經選定項目概要。

For the year (March 31)	本年度(3月31日)	2023	2022	2021	2020	2019
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收入	1,473,741	1,623,553	1,515,127	1,099,868	1,080,291
Gross profit	毛利	247,084	336,557	364,420	111,391	163,772
Operating (loss)/profit	經營(虧損)/利潤	(190,290)	(28,572)	124,467	(133,444)	(84,043)
Loss before Income tax	除所得稅前虧損	(217,909)	(709,911)	(581,744)	(320,894)	(315,462)
Loss for the year	年內虧損	(223,348)	(696,400)	(597,762)	(325,825)	(304,169)
At year end (March 31)	於年末(3月31日)	2023	2022	2021	2020	2019
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	總資產	2,990,347	2,990,347	2,350,754	1,902,991	1,875,736
Total liabilities	總負債	1,365,746	1,379,850	4,807,331	3,931,094	3,512,269
Total equity/(deficit in equity)	總權益/(權益虧絀)	1,695,890	1,610,497	(2,456,577)	(2,028,103)	(1,636,533)
Non-controlling interests	非控股權益	85,204	45,785	43,295	36,664	41,801
Equity/(deficit in equity) attributable to owners of the Company	本公司擁有人應佔權益/(權益虧絀)	1,610,686	1,564,712	(2,499,872)	(2,064,767)	(1,678,334)

Definitions and Glossary of Technical Terms

釋義及技術詞彙

“2022 RSU Scheme” 「2022年受限制股份單位計劃」	The 2022 restricted share units scheme adopted by the Company on September 3, 2022 本公司於2022年9月3日採納的2022年受限制股份單位計劃
“Adjusted Net Loss” 「經調整淨虧損」	loss for the year adjusted by adding back share-based compensation expenses 經加回股份酬金開支所調整的年內虧損
“Adjusted Operating Profit” 「經調整經營利潤」	adjusted operating profit as operating loss adjusted by adding share-based compensation expenses 經加上股份酬金開支所調整的經營利潤
“AGM” 「股東週年大會」	the annual general meeting of the Company to be held on September 26, 2023 or any adjournment thereof 將於2023年9月26日舉行的本公司股東週年大會或其任何續會
“Arrail Sunshine” 「Arrail Sunshine」	Arrail Sunshine Holdings Limited, a BVI company which holds the Shares underlying the awards under the RSU Scheme Arrail Sunshine Holdings Limited，一家英屬維爾京群島公司，持有受限制股份單位計劃項下相關獎勵股份
“Articles of Association” 「組織章程細則」	the articles of association of the Company adopted on December 1, 2021, which became effective as of the date on which the Shares are listed on the Stock Exchange, as amended from time to time 本公司於2021年12月1日採納的組織章程細則（於股份於聯交所上市日期生效，經不時修訂）
“associate(s)” 「聯繫人」	has the meaning ascribed to it under the Listing Rules 具有上市規則賦予的涵義
“Audit Committee” 「審計委員會」	the audit committee of the Board 董事會審計委員會
“Beijing Ruicheng” 「北京瑞程」	Beijing Ruicheng Hospital Management Co., Ltd. (北京瑞程醫院管理有限公司), a limited liability company established in the PRC on July 23, 2009 and a VIE Entity of our Company 北京瑞程醫院管理有限公司，一家於2009年7月23日在中國成立的有限公司，為本公司的可變利益實體
“Beijing Ruisheng” 「北京瑞盛」	Beijing Ruisheng Shidai Consulting Service Co., Ltd. (北京瑞盛時代諮詢服務有限公司), a limited liability company established in the PRC on February 17, 2015 and a subsidiary of our Company 北京瑞盛時代諮詢服務有限公司，一家於2015年2月17日在中國成立的有限公司，為本公司的子公司

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“Beijing Shengbin” 「北京聖彬」	Beijing Shengbin Science Trade Co., Ltd. (北京聖彬科貿有限公司), a limited liability company established in the PRC on December 17, 1997 and a VIE Entity of our Company 北京聖彬科貿有限公司，一家於1997年12月17日在中國成立的有限公司，為本公司的可變利益實體
“Board” or “Board of Directors” 「董事會」	the board of directors of the Company 本公司董事會
“Business Day” 「營業日」	a day banks in Hong Kong are generally open for normal banking business to the public and is not a Saturday, Sunday or public holiday in Hong Kong 香港銀行一般對公眾開放辦理正常銀行業務的日子（不包括星期六、星期日或香港公眾假期）
“BVI” 「英屬維爾京群島」	the British Virgin Islands 英屬維爾京群島
“CAGR” 「年複合增長率」	compound annual growth rate 年複合增長率
“Chengdu Wuhou Ruitai” 「成都武侯瑞泰」	Chengdu Wuhou Ruitai Rongcheng Dental Hospital Co., Ltd. (成都武侯瑞泰融誠口腔醫院有限公司), a limited liability company established in the PRC on October 16, 2014 and a VIE Entity of our Company 成都武侯瑞泰融誠口腔醫院有限公司，一家於2014年10月16日在中國成立的有限公司，為本公司的可變利益實體
“China” or “the PRC” 「中國」	the People’s Republic of China excluding, for the purpose of this annual report, Hong Kong, Macau Special Administrative Region and Taiwan 中華人民共和國，就本年報而言，不包括香港、澳門特別行政區及台灣
“Chongqing Jinmei” 「重慶金美」	Chongqing Jinmei Investment Ltd. (重慶金美投資有限公司), a limited liability company established in the PRC on January 5, 2001 and a VIE Entity of our Company 重慶金美投資有限公司，一家於2001年1月5日在中國成立的有限公司，為本公司的可變利益實體
“Chongqing Jiuyue” 「重慶久悅」	Chongqing Jiuyue Dental Clinic Co., Ltd. (重慶久悅口腔門診有限公司), a limited liability company established in the PRC on November 27, 2013 and a VIE Entity of our Company 重慶久悅口腔門診有限公司，一家於2013年11月27日在中國成立的有限公司，為本公司的可變利益實體

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釋義及技術詞彙

<p>“Chongqing Ruijing”</p> <p>「重慶瑞景」</p>	<p>Chongqing Ruijing Shengbin Medical Management Co., Ltd. (重慶瑞景聖彬醫療管理有限公司), a limited liability company established in the PRC on January 25, 2021 and a subsidiary of our Company</p> <p>重慶瑞景聖彬醫療管理有限公司，一家於2021年1月25日在中國成立的有限公司，為本公司的子公司</p>
<p>“Chongqing Ruitai”</p> <p>「重慶瑞泰」</p>	<p>Chongqing Ruitai Dental Hospital Co., Ltd. (重慶瑞泰口腔醫院有限公司), a limited liability company established in the PRC on June 28, 2017 and a VIE Entity of our Company</p> <p>重慶瑞泰口腔醫院有限公司，一家於2017年6月28日在中國成立的有限公司，為本公司的可變利益實體</p>
<p>“Companies Ordinance”</p> <p>「公司條例」</p>	<p>the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time</p> <p>公司條例(香港法例第622章)，經不時修訂、補充或以其他方式修改</p>
<p>“Company”, “our Company” or “the Company”</p> <p>「本公司」</p>	<p>Arrail Group Limited, an exempted company registered by way of continuation under the laws of the Cayman Islands with limited liability on November 16, 2020</p> <p>瑞爾集團有限公司，一家於2020年11月16日根據開曼群島法例以存續方式註冊的獲豁免有限公司</p>
<p>“connected person”</p> <p>「關連人士」</p>	<p>has the meaning ascribed thereto under the Listing Rules</p> <p>具有上市規則賦予的涵義</p>
<p>“connected transaction”</p> <p>「關連交易」</p>	<p>has the meaning ascribed thereto under the Listing Rules</p> <p>具有上市規則賦予的涵義</p>
<p>“Contractual Arrangements”</p> <p>「合同安排」</p>	<p>the series of contractual arrangements entered into by, among others, Beijing Ruier Shengbin Medical Technology Co., Ltd. (北京瑞爾聖彬醫療科技有限公司), Shenzhen Ruijian Consulting Management Co., Ltd. (深圳市瑞健諮詢管理有限公司) and Ms. ZOU Lifang</p> <p>由(其中包括)北京瑞爾聖彬醫療科技有限公司、深圳市瑞健諮詢管理有限公司及鄒立芳女士訂立的一系列合同安排</p>
<p>“Controlling Shareholder(s)”</p> <p>「控股股東」</p>	<p>has the meaning ascribed thereto under the Listing Rules, and unless the context otherwise requires, refers to Mr. ZOU Qifang, Rise Day Holdings Limited, Mingda International Limited, Beier Holdings Limited and Arrail Sunshine</p> <p>具有上市規則賦予的涵義，除文義另有所指外，指鄒其芳先生、Rise Day Holdings Limited、Mingda International Limited、Beier Holdings Limited及Arrail Sunshine</p>
<p>“Corporate Governance Code”</p> <p>「企業管治守則」</p>	<p>the Corporate Governance Code as set out in Appendix 14 to the Listing Rules</p> <p>上市規則附錄十四所載企業管治守則</p>
<p>“Director(s)”</p> <p>「董事」</p>	<p>the director(s) of the Company</p> <p>本公司董事</p>

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<p>“Frost & Sullivan”</p> <p>「弗若斯特沙利文」</p>	<p>Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a global market research and consulting company, which is an Independent Third Party</p> <p>弗若斯特沙利文(北京)諮詢有限公司上海分公司，為全球市場研究與諮詢公司及獨立第三方</p>
<p>“Global Offering”</p> <p>「全球發售」</p>	<p>On March 22, 2022, the shares of the Company were listed on the Main Board of the Stock Exchange and 46,527,500 new Shares were issued by way of global offering</p> <p>於2022年3月22日，本公司股份於聯交所主板上市及通過全球發售發行46,527,500股新股份</p>
<p>“Group”, “we” or “us”</p> <p>「本集團」或「我們」</p>	<p>our Company and all of the subsidiaries and the VIE Entities from time to time or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)</p> <p>本公司、全部子公司及不時的可變利益實體或(按文義所指)就本公司成為我們現時子公司的控股公司之前期間而言，指有關子公司或其前身(視情況而定)經營的業務</p>
<p>“Hangzhou Jarvis”</p> <p>「杭州佳沃思」</p>	<p>Hangzhou Jarvis Medical Technology Company Limited (杭州佳沃思醫療科技有限公司), a connected person of our Company</p> <p>杭州佳沃思醫療科技有限公司，本公司的關連人士</p>
<p>“Hangzhou Jarvis Group”</p> <p>「杭州佳沃思集團」</p>	<p>Hangzhou Jarvis together with its subsidiaries including Hangzhou Shengchao</p> <p>杭州佳沃思連同其子公司(包括杭州盛朝)</p>
<p>“Hangzhou Shengbin”</p> <p>「杭州聖彬」</p>	<p>Hangzhou Shengbin Health Management Consulting Co., Ltd. (杭州聖彬健康管理諮詢有限公司), a limited liability company established in the PRC on January 16, 2012 and a VIE Entity of our Company</p> <p>杭州聖彬健康管理諮詢有限公司，一家於2012年1月16日在中國成立的有限公司，為本公司的可變利益實體</p>
<p>“Hangzhou Shengchao”</p> <p>「杭州盛朝」</p>	<p>Hangzhou Shengchao Medical Technology Company Limited (杭州盛朝醫療科技有限公司), a subsidiary of Hangzhou Jarvis and a connected person of our Company</p> <p>杭州盛朝醫療科技有限公司，為杭州佳沃思的子公司及本公司的關連人士</p>
<p>“HK\$” or “Hong Kong Dollars”</p> <p>「港元」</p>	<p>Hong Kong dollars, the lawful currency of Hong Kong</p> <p>香港法定貨幣港元</p>
<p>“Hong Kong”</p> <p>「香港」</p>	<p>the Hong Kong Special Administrative Region of the PRC</p> <p>中國香港特別行政區</p>
<p>“IFRS”</p> <p>「國際財務報告準則」</p>	<p>International Financial Reporting Standards</p> <p>國際財務報告準則</p>

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“Independent Third Party(ies)” 「獨立第三方」	an individual or a company which, to the best of our Directors’ knowledge, information, and belief, having made all reasonable enquiries, is not a connected person of our Company within the meaning of the Listing Rules 據董事於作出一切合理查詢後所知、所悉及所信，並非本公司關連人士（定義見上市規則）的人士或公司
“Listing” or “IPO” 「上市」或「首次公开发售」	the listing of our Shares on the Stock Exchange 股份在聯交所上市
“Listing Date” 「上市日期」	March 22, 2022, the date on which dealings in our Shares first commence on the Stock Exchange 2022年3月22日，股份於聯交所首次開始買賣的日期
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time 聯交所證券上市規則，經不時修訂或補充
“Main Board” 「主板」	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange. For the avoidance of doubt, the Main Board excludes the Growth Enterprise Market of the Stock Exchange 由聯交所運營的證券交易所（不包括期權市場），獨立於聯交所GEM，並與聯交所GEM並行運作。為免生疑問，主板不包括聯交所GEM
“Model Code” 「標準守則」	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of 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
“Negative List” 「負面清單」	the List of Special Management Measures for the Market Entry of Foreign Investment (《外商投資准入特別管理措施(負面清單)》), which was last amended on December 27, 2021 and subsequently enforced on January 1, 2022 by the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會) and the Ministry of Commerce of the PRC (中華人民共和國商務部) 《外商投資准入特別管理措施(負面清單)》，由中華人民共和國國家發展和改革委員會及中華人民共和國商務部於2021年12月27日最後修訂，隨後於2022年1月1日執行
“Nomination Committee” 「提名委員會」	the nomination committee of the Board 董事會提名委員會

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<p>“Principal Share Registrar” 「證券登記總處」</p>	<p>Maples Fund Services (Cayman) Limited, our principal share registrar in the Cayman Islands Maples Fund Services (Cayman) Limited，我們於開曼群島的證券登記總處</p>
<p>“Prospectus” 「招股章程」</p>	<p>the prospectus issued by the Company dated March 9, 2022 本公司於2022年3月9日刊發的招股章程</p>
<p>“Qingdao Ruiqi” 「青島瑞旗」</p>	<p>Qingdao Ruiqi Rytime Dental Hospital Co., Ltd. (青島瑞旗瑞泰口腔醫院有限公司), previously known as Qingdao Ruiqi Medical Management Co., Ltd. (青島瑞旗醫療管理有限公司), a limited liability company established in the PRC on November 29, 2017 and a VIE Entity of our Company 青島瑞旗瑞泰口腔醫院有限公司(前稱青島瑞旗醫療管理有限公司)，一家於2017年11月29日在中國成立的有限公司，為本公司的可變利益實體</p>
<p>“Registered Shareholder” 「登記股東」</p>	<p>being Ms. Zou Lifang, who is a PRC citizen and the sister of our founder Mr. ZOU Qifang. Ms. Zou holds 100% interest of Shenzhen Ruijian 鄒立芳女士，為中國公民及我們創始人鄒其芳先生的胞姐。鄒女士持有深圳瑞健100%的權益</p>
<p>“Remuneration Committee” 「薪酬委員會」</p>	<p>the remuneration committee of the Board 董事會薪酬委員會</p>
<p>“Renminbi” or “RMB” 「人民幣」</p>	<p>Renminbi Yuan, the lawful currency of China 中國法定貨幣人民幣元</p>
<p>“Reporting Period” 「報告期間」</p>	<p>the year ended March 31, 2023 截至2023年3月31日止年度</p>
<p>“RSU(s)” 「受限制股份單位」</p>	<p>the restricted share unit(s) award granted to participants under the RSU Scheme and 2022 RSU Scheme 根據受限制股份單位計劃及2022年受限制股份單位計劃授予參與者的受限制股份單位獎勵</p>
<p>“RSU Scheme” 「受限制股份單位計劃」</p>	<p>the restricted share units scheme adopted by our Company on August 3, 2021, as amended from time to time, the principal terms of which are set out in “Directors’ Report – RSU Scheme” to this annual report 本公司於2021年8月3日採納的受限制股份單位計劃，經不時修訂，其主要條款載於本年報「董事會報告－受限制股份單位計劃」</p>
<p>“SFO” 「證券及期貨條例」</p>	<p>the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第571章證券及期貨條例，經不時修訂或補充</p>

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<p>“Shanghai Ruicheng” 「上海瑞城」</p>	<p>Shanghai Ruicheng Hospital Management Co., Ltd. (上海瑞城醫院管理有限公司), previously known as Shanghai Ruicheng Dental Hospital Co., Ltd. (上海瑞程口腔醫院有限公司), a limited liability company established in the PRC on November 11, 2018 and a subsidiary of our Company 上海瑞城醫院管理有限公司(前稱上海瑞程口腔醫院有限公司), 一家於2018年11月11日在中國成立的有限公司, 為本公司的子公司</p>
<p>“Shanghai Ruitai” 「上海瑞泰」</p>	<p>Shanghai Ruitai Jiasheng Dental Clinic Co., Ltd. (上海瑞泰佳盛口腔門診部有限公司), a limited liability company established in the PRC on January 22, 2019 and a VIE Entity of our Company 上海瑞泰佳盛口腔門診部有限公司, 一家於2019年1月22日在中國成立的有限公司, 為本公司的可變利益實體</p>
<p>“Shanghai Shengbin” 「上海聖彬」</p>	<p>Shanghai Shengbin Medical Consulting Service Co., Ltd. (上海聖彬醫療諮詢服務有限公司), a limited liability company established in the PRC on September 26, 2001 and a VIE Entity of our Company 上海聖彬醫療諮詢服務有限公司, 一家於2001年9月26日在中國成立的有限公司, 為本公司的可變利益實體</p>
<p>“Shanghai Yazheng” 「上海亞正」</p>	<p>Shanghai Yazheng Medical Consulting Service Co., Ltd. (上海亞正醫療諮詢服務有限公司), a limited liability company established in the PRC on May 24, 2002 and a VIE Entity of our Company 上海亞正醫療諮詢服務有限公司, 一家於2002年5月24日在中國成立的有限公司, 為本公司的可變利益實體</p>
<p>“Share(s)” 「股份」</p>	<p>shares in the share capital of our Company, with a nominal value of US\$0.02 each 本公司股本中每股面值0.02美元的股份</p>
<p>“Shareholder(s)” 「股東」</p>	<p>holder(s) of the Share(s) 股份持有人</p>
<p>“Shenzhen Ruier” 「深圳瑞爾」</p>	<p>Shenzhen Ruier Hospital Management Co., Ltd. (深圳瑞爾醫院管理有限公司), previously known as *Shenzhen Meixia Hospital Management Co., Ltd. (深圳美霞醫院管理有限公司), a limited liability company established in the PRC on December 21, 2006 and a VIE Entity of our Company 深圳瑞爾醫院管理有限公司(前稱深圳美霞醫院管理有限公司), 一家於2006年12月21日在中國成立的有限公司, 為本公司的可變利益實體</p>
<p>“Shenzhen Ruijian” 「深圳瑞健」</p>	<p>Shenzhen Ruijian Consulting Management Co., Ltd. (深圳市瑞健諮詢管理有限公司), a limited liability company established under the laws of the PRC on October 11, 2005 深圳市瑞健諮詢管理有限公司, 一家於2005年10月11日根據中國法律成立的有限公司</p>
<p>“Stock Exchange” 「聯交所」</p>	<p>The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司</p>

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“subsidiary(ies)” 「子公司」	has the meaning ascribed to it in section 15 of the Companies Ordinance 具有公司條例第15條賦予的涵義
“Substantial Shareholder(s)” 「主要股東」	has the meaning ascribed to it under the Listing Rules 具有上市規則賦予的涵義
“U.S.” or “United States” 「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、屬地及歸其管轄的所有地區
“U.S. dollars” or “US\$” 「美元」	United States dollars, the lawful currency of the United States 美國的法定貨幣美元
“VIE Entities” 「可變利益實體」	the non-wholly owned subsidiaries of the WFOE in which Shenzhen Ruijian owns minority interest directly or indirectly through the Contractual Arrangements (each, a “VIE Entity”) 深圳瑞健通過合同安排直接或間接持有少數權益的外商獨資企業的非全資子公司（各為「可變利益實體」）
“WFOE” or “Beijing Ruier” 「外商獨資企業」或「北京瑞爾」	Beijing Ruier Shengbin Medical Technology Co., Ltd. (北京瑞爾聖彬醫療科技有限公司), a limited liability company established under the laws of the PRC on March 25, 1999, and an indirect wholly-owned subsidiary of the Company 北京瑞爾聖彬醫療科技有限公司，一家於1999年3月25日根據中國法律成立的有限公司，並為本公司的間接全資子公司
“%” 「%」	per cent 百分比

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