

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **ANGELALIGN TECHNOLOGY INC.**

**時代天使科技有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 6699)**

### **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024**

The board (the “**Board**”) of directors (the “**Directors**”) of Angelalign Technology Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2024 (the “**Reporting Period**”), together with the comparative figures for the year ended December 31, 2023, which have been reviewed by the Company’s audit committee (the “**Audit Committee**”).

In this announcement, “we,” “us,” “our” and “Angelalign” refer to the Company and where the context otherwise requires, the Group.

#### **RESULTS HIGHLIGHTS**

- Our total clear aligner case shipments increased by 46.7% from approximately 245,000 in the year ended December 31, 2023 to approximately 359,400 in the year ended December 31, 2024.
  - (i) In the non-China global markets, our clear aligner case shipments increased by 326.4% to approximately 140,700 in the year ended December 31, 2024, representing 39.1% of our total clear aligner case shipments. In the year ended December 31, 2024, under the strategy of “global organization + localized operations”, our non-China global business expanded rapidly and has spanned over more than 50 countries, serving as our major growth engine.
  - (ii) In the China market, our clear aligner case shipments increased by 3.2% to approximately 218,700 in the year ended December 31, 2024.
- Our revenue increased by 28.2% from approximately USD209.6 million for the year ended December 31, 2023 to approximately USD268.8 million for the year ended December 31, 2024.
  - (i) In the non-China global markets, our revenue increased by 290.4% from approximately USD20.6 million in the year ended December 31, 2023 to approximately USD80.5 million in the year ended December 31, 2024, accounting for 30.0% of our total revenue.
  - (ii) In the China market, our revenue was approximately USD188.2 million in the year ended December 31, 2024, comparing to approximately USD189.0 million in the year ended December 31, 2023.
- Our gross profit increased by 28.7% from approximately USD130.7 for the year ended December 31, 2023 to approximately USD168.2 for the year ended December 31, 2024.
  - (i) Our gross profit margin for the year ended December 31, 2024 was approximately 62.6%, comparing to approximately 62.4% for the year ended December 31, 2023.

- Our segment operating results for the year ended December 31, 2024 were as follows:
  - (i) Our adjusted segment loss in the non-China global markets was approximately USD29.7 million in the year ended December 31, 2024, due to our continuous expansion in the non-China global markets.<sup>(1)</sup>
  - (ii) Our adjusted segment profit and adjusted segment profit margin in the China market remained relatively stable at approximately USD36.6 million and 19.5% respectively in the year ended December 31, 2024<sup>(1)</sup>
- Our net profit increased by 46.6% from approximately USD6.8 million for the year ended December 31, 2023 to approximately USD10.0 million for the year ended December 31, 2024.
  - (i) Our adjusted net profit for the year ended December 31, 2024 was approximately USD26.9 million, as compared to approximately USD26.1 million for the year ended December 31, 2023.<sup>(2)</sup>
- The Board has resolved to recommend the payment of a special final dividend of Hong Kong Dollar (“**HKD**”) 0.38 per ordinary share of the Company (the “**Share**”) for the year ended December 31, 2024.

*Note*

- (1). Adjusted segment profit/loss and adjusted segment profit margin is defined as segment profit/loss and segment profit margin with adjustments of respective share-based payments. Please refer to pages 14-15 of this Announcement for more details.
- (2). Adjusted net profit is defined as net profit with adjustments of share-based payments, unrealized fair value (losses)/gains recognized in profit or loss in relation to unlisted equity investment, amortization in relation to acquisition and net foreign exchange gains. The yields from our treasury management are included in adjusted net profit. Please refer to pages 14-15 of this Announcement for more details.
- (3). On February 19, 2025, the Group has decided to adopt United States Dollar (“**USD**”) as the presentation currency for its consolidated financial statements, effective from this Announcement. Please refer to the announcement of the Company dated February 19, 2025 for further details.

## MANAGEMENT DISCUSSION AND ANALYSIS\*

### Business Review

In an increasingly complex environment, we have maintained our strategic focus on the long-term growth and the dual engines of digitalization and globalization. In 2024, our China business retained its leading position while our non-China global business experienced robust growth.

During the Reporting Period, our total clear aligner case shipments increased by 46.7% year-on-year to approximately 359,400 in the year ended December 31, 2024, among which, our clear aligner case shipments in the non-China global markets increased by 326.4% to approximately 140,700. Our revenue increased by 28.2% to approximately USD268.8 million for the year ended December 31, 2024, among which, our revenue in the non-China global markets increased by 290.4% to approximately USD80.5 million. Our gross profit increased by 28.7% year-on-year to approximately USD168.2 and the gross profit margin was approximately 62.6%. Our net profit increased by 46.6% to approximately USD10.0 million for the year ended December 31, 2024.

#### 1. Expanding Global Footprint with Local Solutions

Under our strategy of “global organization + localized operations”, we remain committed to enhancing the long-term value of our brand.

In the China market, we have strategically expanded our sales and clinical teams to reflect the characteristics of different tier cities. This expansion ensures comprehensive medical service support, including case-assisted diagnosis, 3D treatment plan interpretation, and follow-up monitoring suggestions for different types of dental professionals. Our commitment extends to ensuring the precise diagnosis and treatment of each case. Our medical design, customer service and other teams have also been upgraded to offer “7×12 hours” service, promptly addressing user needs. During the Reporting Period, we achieved approximately 218,700 clear aligner case shipments in the China market, solidifying our position as market leader.

In the non-China global markets, we prioritized dental professionals’ experience, maintained high quality medical design support, and had stable delivery cycles. During the Reporting Period, we recorded approximately 140,700 clear aligner case shipments in the non-China global markets, spanning over 50 countries.

- **EMEA region:** Angel Aligner has made significant inroads into mainstream orthodontic annual meetings including SEDO in Spain, BOC in London, UK, DGKFO in Germany, and JO in France, garnering substantial attention from orthodontists. We also launched the “Angel Aligner Education” APP. Our KOLs have published articles in international journals showcasing clinical applications and data-driven results of Angel Aligner’s products and medical technology solutions
- **APAC region:** During 2024, we interacted with dental professionals from many countries, including Australia, New Zealand, and Malaysia. We invited them to our state-of-the-art intelligent manufacturing base in Wuxi, China and talked to R&D, medical-design and other teams, spurring further cooperation

\* Products and technologies mentioned in this section are available in certain countries and regions.

- **South America region:** Angel Aligner made its debut at the Orto SPA Orthodontic Exhibition held in San Paolo, Brazil in October of 2024, where Angel Aligner brand products were officially launched
- **North America region:** Angel Aligner attracted attention at the 124th American Association of Orthodontists (AAO) meeting and the Canadian Association of Orthodontists (CAO) meeting. Orthodontists also shared insights on the differentiated functions and user experience of Angel Aligner’s products in industry periodicals such as OrthoTown and Orthodontic Practice. Our angelButton™ was awarded the “Best New Product” at Second Annual Orthodontic Awards in North America, spotlighting that Angel Aligner’s innovative technologies have received wide recognition from orthodontists in the region

## 2. User First by Enhancing Product Experience

In the field of adult orthodontic treatment, we pay significant attention to the efficiency and efficacy of our products and to providing high quality treatment planning services. For example, in China, we implemented the following initiatives:

- **Launched intelligent algorithm “Advanced A6 Occusal Block”:** The structure design disperses forces of the occlusal block more evenly and enhances the intensity of orthodontic forces, which improves the treatment in jaw misalignment correction, lower anterior teeth torque control and other clinical applications
- **Significantly upgraded “Classics” product line:** We integrated access to angelButton and the Intelligent Root System (IRS), while supporting A6 Mandibular Advancement Solution and other functions

In the field of early-stage orthodontic treatment, we use a “Teeth-bone-muscle Three-in-one Solution” and abide by the principles of “age-based treatment” and “symptom-specific treatment”. We focus on comprehensive oral health management for children and adolescents, which has driven rapid growth in our “KiD” product line during the Reporting Period. In China, we implemented the following initiatives:

- **Launched the sub-brand product lines of “KiD Max” and “Anti-caries KiD”:** We have developed a comprehensive early-stage orthodontic treatment portfolio that covers the entire lifecycle. Products such as “K1”, “K1 Pro” and “KiD Max” cater to the full-cycle management of teeth, jaw and oral function at different growth stages. Addressing the challenges of maintaining the oral health for children and adolescents, we launched “Anti-caries KiD”, which integrates the dual functions of tooth correction and protection, thereby expanding the product matrix of the “KiD”
- **Offered accompanying services for early-stage orthodontic treatment:** Leveraging the “iDiagnose Dental Health Report” (children’s edition), a dedicated team of medical experts, and the digital remote dental solution “Moeli” (children’s edition), we provide diagnosis and treatment support for dental professionals throughout the early, middle and late stages of orthodontic treatment

### **3. Advancing Digital Orthodontics**

Harnessing computer technology, we continue to develop digital orthodontics during initial patient consultation, case-assisted diagnosis, treatment plan design, and manufacturing to real-time process monitoring.

In the first half of 2024, we introduced a suite of digital tools designed to enhance dental professionals' capabilities in diagnosis and treatment, including:

- iSmile Maker
- iDiagnose
- Live Now
- Movement Evaluation
- Progress Analysis

In the second half, we expanded our offerings with advanced features for treatment planning, including:

- Flexible Virtual Jump
- Modify Passive Aligners
- Enter Figures to Modify Tooth
- angelButton Collision Detection
- Auto Save

These enhancements facilitate comprehensive case review and modification, streamlining workflows for dental professionals.

In January 2025, we officially launched the international edition of iOrtho App. This release retains key general features such as:

- Case Submission and Management
- 3D Treatment Planning Review and Approval

Additionally, it introduces new mobile-terminal functionalities, including:

- Portraits and Intraoral Photograph
- Upload of Intraoral Scan and CBCT Data

### **4. Embracing Innovation**

Our R&D efforts focus on underlying core technologies in the interdisciplinary fields covering key materials and processes, product design and development, software design and algorithms, as well as stomatology and biomechanics. In 2024, we invested approximately USD21.3 million in research and development, representing 7.9% of our total revenue. As of December 31, 2024, we have 241 patents and 22 software copyrights.

The project “Research and Development and Industrialization of Digital Aligner for Treatment of Children and Adolescents Retrognathia” co-developed with the orthodontics department team of Shanghai Ninth People’s Hospital, Shanghai Jiaotong University School of Medicine, won first prize as the Outstanding Industry-Academia-Research Cooperation Project in Shanghai. This innovative solution features the digital clear aligner mechanical interface “angelButton” and the active force reinforcement arm “angelArm”. The technology has been widely accepted in the market.

In collaboration with Zhejiang University, we have continued to make breakthroughs in medical computer technology. Throughout 2024, papers co-authored by both parties were published in top-tier international journals and conferences including Medical Image Analysis and IEEE TVCG. These publications span a wide range of research areas such as medical imaging, graphics, privacy protection, and natural language processing. Notable examples include:

- “LETA: Tooth Alignment Prediction Based on Dual-branch Latent Encoding”  
Published in *IEEE TVCG*, this paper introduces a new 3D tooth alignment method that breaks the traditional reliance on manual design
- “PX2Tooth: Reconstructing the 3D Point Cloud Teeth from a Single Panoramic X-ray”  
Published in *MICCAI 2024*, this work offers a new solution to improve the quality of reconstructing 3D point cloud models of teeth from 2D X-ray
- “Cross-Center Model Adaptive Tooth Segmentation”  
Published in *Medical Image Analysis*, this study proposes a cross-center model adaptive tooth segmentation framework (UMAT) to solve data distribution and privacy issues

## 5. Building A Green Intelligent Manufacturing System

We endeavor to build a world-class intelligent manufacturing system that prioritizes user-centricity, environmental sustainability, and scalability. In 2024, we advanced initiatives in “green manufacturing” and “intelligent unmanned production” to significantly improve the efficiency and reliability of scale-up production.

In the 3D printing process, we focus on “intelligent” and “unmanned” manufacturing. In 2024, we significantly improved the efficiency of 3D printing by optimizing the printing layout and upgrading the equipment and post-processing system. We introduced intelligent automated guided vehicles (AGV) to automate the receiving and dispatching of teeth molds. We also established an intelligent visual inspection and automatic distribution system to replace manual product defect checking and material distribution.

In the aligner trimming process, we have adopted laser technology to realize non-contact, noise-free and loss-free trimming. The technology ensures that the aligners have a round trimming edge without secondary polishing or dust generation, which is more environmentally friendly. Moreover, it can restore the gingival margin shape for more complete coverage and optimal mechanical expression of aligners.

## Outlook

Despite the uncertainties in the macro-environment, we are confident that the global clear aligner industry has potential for growth. In 2025, we will steadily implement the dual-engine strategy of digitalization and globalization. Key strategies include:

- Strengthen R&D capabilities and continue to innovate clear aligner treatment solutions
- Further digitalize our systems to increase operational efficiency
- Grow and optimize clinical services to enhance our user's experience
- Increase production capacity and improve production efficiency
- Enlarge the sales network and reinforce brand recognition and academic influence
- Further expand into the non-China global markets, including building new manufacturing facility in the US, and scaling treatment plan supporting capability and manufacturing capacity in Brazil

We must navigate the challenges brought about by macro-economic uncertainties, including a slower-than-expected global economic recovery, geopolitical tensions, and waning consumer confidence. These factors could potentially reduce the number of orthodontic treatment cases or lower consumers' discretionary spending on premium orthodontic solutions, thereby impacting our results. Therefore, it's imperative that we continuously monitor these external factors and assess their impact on our business, results of operations and financial position. We will develop timely strategies to address these uncertainties and challenges and ensure sustainable business growth.

## Financial Review

The following discussions are based on the financial information and notes set out in other sections of this announcement and should be read in conjunction with them.

### Revenue

Our revenue increased by 28.2% from approximately USD209.6 million for the year ended December 31, 2023 to approximately USD268.8 million for the year ended December 31, 2024. The following table sets forth a breakdown of our revenue, both in absolute amounts and as a percentage of total revenue, by business line for the years indicated.

	Year ended December 31,			
	2024		2023	
	<i>USD'000</i>	<i>%</i>	<i>USD'000</i> <i>(Restated)</i>	<i>%</i>
Clear aligner treatment solutions. . . . .	<b>179,625</b>	<b>66.8</b>	182,075	86.9
Sales of clear aligners . . . . .	<b>74,008</b>	<b>27.6</b>	14,867	7.1
Sales of other products . . . . .	<b>12,729</b>	<b>4.7</b>	10,124	4.8
Other services . . . . .	<b>2,425</b>	<b>0.9</b>	2,550	1.2
<b>Total. . . . .</b>	<b>268,787</b>	<b>100.0</b>	209,616	100.0

- *Clear aligner treatment solutions.* Revenue generated from clear aligner treatment solutions mainly represents the revenue generated from provision of clear aligner treatment solutions services to our clients in the China market. Our revenue generated from the provision of clear aligner treatment solutions slightly decreased by 1.3% from approximately USD182.1 million in the year ended December 31, 2023 to approximately USD179.6 million in the year ended December 31, 2024, primarily due to a decrease in the average selling price of our clear aligners as a result of the expansion into third- and fourth-tier cities in China. Our revenue is also affected by the frequency of delivery of clear aligners and the number of sets contained in each delivered batch, which are typically dependent on the product line involved and the complexity of the relevant treatment plan, subject to a number of factors, such as specific demand of our dental professionals and our production capacity in the Reporting Period.
- *Sales of clear aligners.* Revenue generated from sales of clear aligners mainly represents the revenue generated from sales of clear aligners to our clients in the non-China global markets. Our revenue generated from sales of clear aligners increased significantly by 397.8% from approximately USD14.9 million in the year ended December 31, 2023 to approximately USD74.0 million in the year ended December 31, 2024 with the fast and solid expansion of our non-China global business.
- *Sales of other products.* Revenue generated from sales of other products mainly represents the revenue generated from the sales of MOOELI, oral consumer goods and other products. Our revenue generated from sales of other products increased by 25.7% from approximately USD10.1 million in the year ended December 31, 2023 to approximately USD12.7 million in the year ended December 31, 2024, primarily due to the sales increase in oral consumer goods.
- *Other services.* Revenue generated from other services primarily represented service fees generated by our dental clinic for the provision of orthodontics and cosmetic dentistry services and other dental services to patients. Our revenue generated from other services decreased by 4.9% from approximately USD2.6 million in the year ended December 31, 2023 to approximately USD2.4 million in the year ended December 31, 2024.

### ***Cost of revenue***

Our cost of revenue increased by 27.4% from approximately USD78.9 million in the year ended December 31, 2023 to approximately USD100.6 million in the year ended December 31, 2024, primarily due to the cost increase incurred with the expansion of our non-China global business.

### ***Gross profit and gross profit margin***

Our gross profit increased by 28.7% from approximately USD130.7 million in the year ended December 31, 2023 to approximately USD168.2 million in the year ended December 31, 2024. The gross profit margin for the year ended December 31, 2024 was 62.6%, as compared with 62.4% for the year ended December 31, 2023.

### ***Selling and marketing expenses***

Our selling and marketing expenses increased by 49.9% from approximately USD70.1 million in the year ended December 31, 2023 to approximately USD105.0 million in the year ended December 31, 2024, primarily due to the increase in marketing expenses in relation to the expansion of our non-China global business.

### ***Administrative expenses***

Our administrative expenses increased by 16.2% from approximately USD39.8 million in the year ended December 31, 2023 to approximately USD46.2 million in the year ended December 31, 2024. The lower growth rate of administrative expenses compared to that of our revenue in the year 2024 reflected the increased efficiency in our business operations.

### ***Research and development expenses***

Our research and development expenses were approximately USD21.3 million in the year ended December 31, 2024, as compared with approximately USD24.6 million in the year ended December 31, 2023 with the progression of our various R&D projects.

### ***Other income***

We recorded other income of approximately USD12.5 million in the year ended December 31, 2024, as compared with approximately USD4.8 million in the year ended December 31, 2023, primarily due to the increase in interest on term deposits with initial terms over three months.

### ***Other losses – net***

We had other losses – net of approximately USD1.6 million in the year ended December 31, 2024, as compared with other losses – net of approximately USD4.3 million in the year ended December 31, 2023, primarily due to the narrowed losses collected in equity investment recorded in FVPL. We have purchased and disposed some wealth management products during the Reporting Period, the profits of which were also recorded in other (losses)/gains – net. None of the purchase or sale of wealth management products during the Reporting Period is large enough to constitute notifiable transactions as defined under Chapter 14 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

### ***Finance income***

Our finance income decreased by 48.5% from approximately USD13.6 million in the year ended December 31, 2023 to approximately USD7.0 million in the year ended December 31, 2024, primarily due to the decrease in interest income on bank deposits as we purchased more term deposits products with initial terms over three months, the interests on which were recorded in other income.

### ***Finance costs***

Our finance costs increased by 34.2% from approximately USD1.1 million in the year ended December 31, 2023 to approximately USD1.5 million in the year ended December 31, 2024, primarily due to increase in interest expenses on bank borrowings and lease liabilities.

### ***Profit before income tax***

As a result of the foregoing, we recorded profit before tax of approximately USD11.7 million in the year ended December 31, 2024, compared to approximately USD8.6 million in the year ended December 31, 2023.

### ***Income tax expenses***

Our income tax expenses remained relatively stable at approximately USD1.7 million in the year ended December 31, 2024, benefiting from the effective tax planning globally during the Reporting Period.

### ***Profit for the year***

As a result of the foregoing, our net profit increased by 46.6% from approximately USD6.8 million in the year ended December 31, 2023 to approximately USD10.0 million in the year ended December 31, 2024. The net profit margin for the year ended December 31, 2024 was 3.7%, as compared with 3.3% for the year ended December 31, 2023.

### ***Liquidity, capital resources and capital structure***

In the year ended December 31, 2024, our primary use of cash was to fund our working capital requirements and other recurring expenses. We financed our capital expenditures and working capital requirements primarily through cash generated from our operating activities and the proceeds from the Global Offering.

We have continued to maintain a healthy and sound financial position and have followed a set of funding and treasury policies to manage our capital resources and mitigate potential risks involved. Our current assets reached approximately USD491.7 million as at December 31, 2024, as compared to approximately USD525.1 million as at December 31, 2023.

### ***Cash and cash equivalents and term deposits with initial terms over three months***

Our cash and cash equivalents primarily consisted of cash at banks. Meanwhile, to enhance our treasury management efficiency while satisfying the needs of our daily operation, we purchased several term deposits products with initial terms over three months with higher yields during the Reporting Period. The total of our cash and cash equivalents and term deposits reached approximately USD339.1 million as at December 31, 2024 as compared to approximately USD379.7 million as at December 31, 2023 with the expansion of our business and the implementation of various investment activities.

The following table sets forth our cash flows for the years indicated.

	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<i>USD'000</i>	<i>USD'000</i> <i>(Restated)</i>
Net cash generated from operating activities	<b>16,917</b>	22,288
Net cash used in investing activities	<b>(138,825)</b>	(138,761)
Net cash used in financing activities	<b>(28,460)</b>	(26,312)
Net decrease in cash and cash equivalents	<b>(150,368)</b>	(142,785)
Cash and cash equivalents at beginning of the year	<b>379,734</b>	523,989
Exchange gains on cash and cash equivalents	<b>(2,263)</b>	(1,470)
Cash and cash equivalents at the end of the year	<b>227,103</b>	379,734

### ***Exposure to exchange rate fluctuation***

Our businesses are principally conducted in RMB, USD, EUR and Brazilian Real (“**BRL**”). The majority of our assets are denominated in USD and RMB. We are mainly subject to foreign exchange risks arising from translation exposure and commercial transactions made under foreign currencies. We do not have other significant exposure to foreign exchange risks.

We have not implemented any hedging arrangements during the Reporting Period based on our current exchange risk evaluation. We are managing our foreign exchange risks by closely monitoring the movements of the foreign currency rates, and will make certain arrangements to hedge the risks when necessary according to our treasury management strategy.

We recognized net foreign exchange losses of approximately USD2.9 million in the year ended December 31, 2024, as compared to net foreign exchange gains of approximately USD1.6 million in the year ended December 31, 2023. In addition, in the year ended December 31, 2024, we recorded exchange differences on translation of the Company of approximately USD2.9 million as other comprehensive income, as compared with approximately USD2.4 million in the year ended December 31, 2023, primarily due to the exchange rate fluctuation.

### ***Capital expenditure***

For the year ended December 31, 2024, our total capital expenditure amounted to approximately USD28.3 million, which primarily consisted of the cash paid for the purchase of property, plant and equipment in Chuangmei Center.

### ***Capital commitments***

Our capital commitments primarily consisted of acquisitions of property, plant and equipment. The following table sets forth a summary of our capital commitments as of the dates indicated.

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>USD'000</b>	<b>USD'000</b> <i>(Restated)</i>
Property, plant and equipment. . . . .	<b>1,788</b>	358
Intangible asset . . . . .	<b>521</b>	–
<b>Total. . . . .</b>	<b><u>2,309</u></b>	<b><u>358</u></b>

### ***Contingent liabilities***

As at December 31, 2024, we did not have any material contingent liability, guarantee or any litigation or claim of material importance, pending or threatened against any member of the Group.

### ***Future plans for material investments and capital assets***

Save as disclosed in the Prospectus and this announcement, as at December 31, 2024, we did not have other substantial future plans for material investments and capital assets.

### ***Material acquisitions and disposals of subsidiaries and affiliated companies***

On March 19, 2024, Angelalign Technology Pte. Ltd. (“**Angelalign SG**”), a wholly owned entity of the Company, CareCapital Aligner Tech L.P. (the “**Partnership**”) and CareCapital Orthodontics Development (“**CC Orthodontics**”) entered into a share purchase agreement, pursuant to which, Angelalign SG agreed to purchase, and the Partnership, as the sole shareholder of CC Orthodontics, agreed to transfer, 100% of the equity interests of CC Orthodontics at nil consideration, after which, CC Orthodontics will be a wholly-owned subsidiary of Angelalign SG. For details, please refer to the announcement of the Company dated March 19, 2024.

Save as disclosed in this announcement, in the year ended December 31, 2024, we did not have any other material acquisitions or disposals of subsidiaries and affiliated companies.

### ***Significant investments and acquisition of capital assets***

Save as disclosed in this announcement, in the year ended December 31, 2024, we did not make any significant investments nor made any significant acquisition of capital assets.

### ***Charge on group's assets***

As at December 31, 2024, we had pledged trade receivables, and property, plant and equipment that were attributable to the operations of Aditek with a net carrying value of BRL25.1 million, equivalent to approximately USD4.1 million.

Save as disclosed above, as at December 31, 2024, we had no other charges on our assets.

### ***Bank borrowings***

As at December 31, 2024, our bank borrowings amounted to approximately USD3.3 million, all of which were made by Aditek in Brazil for its business operation.

### ***Key financial indicators***

The following table sets forth certain of our key financial ratios as of the dates and for the years indicated.

	<b>As at/for the year ended</b>	
	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Profitability ratios</b>		
Gross profit margin <sup>(1)</sup> . . . . .	<b>62.6%</b>	62.4%
Net profit margin <sup>(2)</sup> . . . . .	<b>3.7%</b>	3.3%
Adjusted net profit margin <sup>(3)</sup> . . . . .	<b>10.0%</b>	12.1%
<b>Liquidity ratios</b>		
Current ratio <sup>(4)</sup> . . . . .	<b>3.8</b>	4.2

- (1) The calculation of gross profit margin is based on gross profit divided by revenue for the year indicated and multiplied by 100.0%.
- (2) The calculation of net profit margin is based on net profit divided by revenue for the year indicated and multiplied by 100.0%.
- (3) The calculation of adjusted net profit margin, a non-IFRS measure, is based on adjusted net profit divided by revenue for the year indicated and multiplied by 100.0%.
- (4) The calculation of current ratio is based on current assets divided by current liabilities.

## NON-IFRS MEASURES

To supplement our condensed consolidated financial statements which are presented in accordance with the IFRS, we use adjusted EBITDA and adjusted net profit as additional financial measures, which are not required by or presented in accordance with the IFRS. To help the users of the financial statements to have a better understanding on the operating results of the Company, we define: (1) adjusted EBITDA as EBITDA (which is profit before income tax plus depreciation of property, plant and equipment, depreciation of right-of-use assets, and amortization of intangible assets, less interest income recorded as finance income) for the year with adjustments of certain items which are not closely related to major operations including share-based payments, unrealized fair value (losses)/gains of investment in relation to unlisted equity investments and net foreign exchange gain, and (2) adjusted net profit as profit for the year adjusted by certain items, including share-based payments, amortization of intangible assets related to certain acquisitions, unrealized fair value (losses)/gains of investment in relation to unlisted equity investments and net foreign exchange gain. The yields from our treasury management are included in adjusted net profit.

We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that our management does not consider indicative of our operating performance.

The following table reconciles our adjusted segment profit for the years indicated.

	Year ended December 31, 2024		Year ended December 31, 2023	
	Mainland China <i>USD'000</i>	Other countries and regions <i>USD'000</i>	Mainland China <i>USD'000</i> <i>(Restated)</i>	Other countries and regions <i>USD'000</i> <i>(Restated)</i>
<b>Segment profit/(loss)</b>	<b>26,846</b>	<b>(31,155)</b>	26,992	(30,752)
<i>Add:</i>				
Share-based payments	<b>9,789</b>	<b>1,501</b>	9,594	601
<b>Adjusted segment profit/(loss)</b>	<b><u>36,635</u></b>	<b><u>(29,654)</u></b>	<b><u>36,586</u></b>	<b><u>(30,151)</u></b>

The following table reconciles our adjusted EBITDA and adjusted net profit for the years indicated.

	<b>Year ended December 31, 2024 USD'000</b>	Year ended December 31, 2023 USD'000 (Restated)
<b>Profit for the year</b>	<u>10,016</u>	<u>6,833</u>
<i>Add:</i>		
Income tax expenses	1,651	1,743
<b>Profit before income tax</b>	<u>11,667</u>	<u>8,576</u>
<i>Add:</i>		
(Finance income-net)	(5,458)	(12,437)
Depreciation of property, plant and equipment	8,859	7,366
Depreciation of right-of-use assets	4,661	2,676
Amortization of intangible assets	2,139	2,082
<b>EBITDA</b>	<u>21,868</u>	<u>8,263</u>
<i>Add:</i>		
Share-based payments	11,290	10,195
(Unrealized fair value (losses)/gains recognized in profit or loss in relation to unlisted equity investment)	1,663	9,413
(Net foreign exchange gains)	<u>2,922</u>	<u>(1,614)</u>
<b>Adjusted EBITDA</b>	<u><u>37,743</u></u>	<u><u>26,257</u></u>
<b>Profit for the year</b>	10,016	6,833
<i>Add:</i>		
Share-based payments	11,290	10,195
(Unrealized fair value (losses)/gains recognized in profit or loss in relation to unlisted equity investment)	1,663	9,413
Amortization in relation to acquisition	964	1,281
(Net foreign exchange gains)	<u>2,922</u>	<u>(1,614)</u>
<b>Adjusted net profit</b>	<u><u>26,855</u></u>	<u><u>26,108</u></u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<i>Note</i>	Year ended December 31, 2024 <i>USD'000</i>	Year ended December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Revenue	1	268,787	209,616
Cost of revenue		<u>(100,559)</u>	<u>(78,908)</u>
<b>Gross profit</b>		<b>168,228</b>	130,708
Selling and marketing expenses		(105,004)	(70,068)
Administrative expenses		(46,210)	(39,755)
Research and development expenses		(21,323)	(24,645)
Net impairment losses on financial assets		(150)	(651)
Other income	2	12,451	4,798
Other expenses	2	(143)	–
Other losses – net	2	<u>(1,568)</u>	<u>(4,313)</u>
<b>Operating profit/(loss)</b>		<b>6,281</b>	(3,926)
Finance income		7,000	13,586
Finance costs		(1,542)	(1,149)
Finance income – net		5,458	12,437
Share of results of investments accounted for using the equity method		<u>(72)</u>	<u>65</u>
<b>Profit before income tax</b>		<b>11,667</b>	8,576
Income tax expense	3	<u>(1,651)</u>	<u>(1,743)</u>
<b>Profit for the year</b>		<b><u>10,016</u></b>	<b><u>6,833</u></b>
<b>Profit attributable to</b>			
– Owners of the Company		12,114	7,530
– Non-controlling interests		<u>(2,098)</u>	<u>(697)</u>
		<b>10,016</b>	6,833
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Exchange differences on translation of the Company and of subsidiaries attributable non-controlling interests		1,101	2,981
<i>Items that may be subsequently reclassified to profit or loss</i>			
Exchange differences on translation of subsidiaries		<u>(7,170)</u>	<u>(5,608)</u>
		<b>(6,069)</b>	(2,627)
<b>Total comprehensive income for the year</b>		<b><u>3,947</u></b>	<b><u>4,206</u></b>

	<i>Note</i>	<b>Year ended December 31, 2024 USD'000</b>	Year ended December 31, 2023 USD'000 <i>(Restated)</i>
<b>Total comprehensive income for the year attributable to:</b>			
– Owners of the Company		<b>7,866</b>	4,309
– Non-controlling interests		<b>(3,919)</b>	(103)
		<u><b>3,947</b></u>	<u>4,206</u>
<b>Earnings per share for profit attributable to owners of the Company (expressed in USD per share)</b>			
– Basic	<i>4</i>	<u><b>0.07</b></u>	<u>0.04</u>
– Diluted	<i>4</i>	<u><b>0.07</b></u>	<u>0.04</u>

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Note</i>	As at <b>December 31, 2024</b> <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>	As at January 1, 2023 <i>USD'000</i> <i>(Restated)</i>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5	75,295	60,548	49,868
Right-of-use assets		17,924	14,011	11,769
Intangible assets		18,365	22,539	2,327
Investments accounted for using the equity method		5,237	2,721	2,074
Deferred tax assets		7,491	5,329	2,742
Financial assets at fair value through profit or loss	7	38,615	35,534	17,406
Term deposits with initial terms over three months	7	14,345	–	–
Trade and other receivables and prepayments	6	9,167	5,850	2,175
		<u>186,439</u>	<u>146,532</u>	<u>88,361</u>
<b>Current assets</b>				
Inventories		18,360	13,454	16,247
Trade and other receivables and prepayments	6	36,384	25,977	15,546
Financial assets at fair value through profit or loss	7	97,778	105,904	–
Restricted cash		99	–	–
Term deposits with initial terms over three months		111,948	–	–
Cash and cash equivalents		227,103	379,734	523,989
		<u>491,672</u>	<u>525,069</u>	<u>555,782</u>
<b>Total assets</b>		<u><b>678,111</b></u>	<u><b>671,601</b></u>	<u><b>644,143</b></u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to owners of the Company</b>				
Share capital		17	17	17
Share premium		415,426	439,086	458,460
Shares held for employee share scheme		*	*	(158)
Other reserves		(17,835)	(35,577)	(4,266)
Retained earnings		76,495	67,546	63,847
		<u>474,103</u>	<u>471,072</u>	<u>517,900</u>
Non-controlling interests		6,139	10,058	(685)
<b>Total equity</b>		<u><b>480,242</b></u>	<u><b>481,130</b></u>	<u><b>517,215</b></u>

	<b>As at December 31, 2024</b>	<b>As at December 31, 2023</b>	<b>As at January 1, 2023</b>
<i>Note</i>	<b>USD'000</b>	<b>USD'000</b>	<b>USD'000</b>
		<i>(Restated)</i>	<i>(Restated)</i>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Contract liabilities	<b>21,168</b>	10,087	8,000
Lease liabilities	<b>6,959</b>	4,284	2,133
Deferred income	<b>4,240</b>	4,766	4,481
Deferred tax liabilities	<b>2,553</b>	3,850	105
Bank borrowings	<b>488</b>	886	–
Other non-current liabilities	<b>34,368</b>	42,479	–
	<b>69,776</b>	66,352	14,719
<b>Current liabilities</b>			
Bank borrowings	<b>2,860</b>	1,564	–
Trade and other payables	<b>63,432</b>	52,976	52,496
Contract liabilities	<b>56,672</b>	63,619	51,641
Current income tax liabilities	<b>953</b>	3,477	5,832
Lease liabilities	<b>4,176</b>	2,483	1,916
Deferred income	<b>–</b>	–	324
	<b>128,093</b>	124,119	112,209
<b>Total liabilities</b>	<b>197,869</b>	190,471	126,928
<b>Total equity and liabilities</b>	<b>678,111</b>	671,601	644,143

\* The balance represents an amount less than USD1,000.

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CASH FLOWS

	<i>Note</i>	<b>Year ended December 31, 2024 USD'000</b>	<b>Year ended December 31, 2023 USD'000 (Restated)</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations		24,175	29,108
Income tax paid		(7,258)	(6,820)
		<u>16,917</u>	<u>22,288</u>
<b>Net cash generated from operating activities</b>			
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(27,436)	(13,390)
Purchases of intangible assets		(855)	(2,359)
Proceeds from disposal of property, plant and equipment		589	568
Purchases of financial assets at fair value through profit or loss	7	(602,921)	(849,128)
Proceeds from disposals of financial assets at fair value through profit or loss	7	607,895	719,784
Purchase of term deposit with initial terms over three months		(383,802)	(70,000)
Proceeds from term deposit with initial terms over three months		258,757	70,000
Consideration paid for the acquisition of subsidiaries, net of cash acquired		(514)	(3,753)
Investment in an associate		(706)	–
Investment in a joint venture		(2,111)	–
Proceeds from disposals of a joint venture		21	–
Consideration paid for the derivative financial asset	7	–	(870)
Loans provided to third parties		(3,891)	–
Loans provided to employees		–	(14,490)
Proceeds of loans repaid by employees		964	10,200
Interest received		15,185	14,677
		<u>(138,825)</u>	<u>(138,761)</u>
<b>Net cash used in investing activities</b>			

<i>Note</i>	<b>Year ended December 31, 2024 USD'000</b>	Year ended December 31, 2023 USD'000 (Restated)
<b>Cash flows from financing activities</b>		
Proceeds from new shares issued for options exercised	144	216
Payments for shares bought back	(130)	(5,004)
Dividend paid	(23,837)	(14,831)
Proceeds from a bank borrowing	49,888	–
Repayments of bank borrowings	(48,222)	(3,223)
Borrowing interest paid	(746)	(771)
Principal elements of lease payments	(4,698)	(2,321)
Interest paid of lease liabilities	(659)	(378)
	<u>(28,460)</u>	<u>(26,312)</u>
<b>Net cash used in financing activities</b>		
	<u>(28,460)</u>	<u>(26,312)</u>
<b>Net decrease in cash and cash equivalents</b>		
	<u>(150,368)</u>	<u>(142,785)</u>
Cash and cash equivalents at beginning of the year	379,734	523,989
Exchange gains on cash and cash equivalents	(2,263)	(1,470)
	<u>(2,263)</u>	<u>(1,470)</u>
<b>Cash and cash equivalents at the end of the year</b>		
	<u><u>227,103</u></u>	<u><u>379,734</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

## SELECTED NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

### 1 REVENUE AND SEGMENT INFORMATION

	Year ended December 31, 2024 <i>USD'000</i>	Year ended December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Revenue from external customers is recognized over time and is derived from the rendering of:		
– Clear aligner treatment solutions	179,625	182,075
– Other services	<u>2,425</u>	<u>2,550</u>
Revenue from external customers is recognized at a point in time and is derived from:		
– Sales of clear aligners	74,008	14,867
– Sales of other products	<u>12,729</u>	<u>10,124</u>
Total revenue	<u><u>268,787</u></u>	<u><u>209,616</u></u>

The CODM identifies operating segments based on the internal organization structure, management requirements and internal reporting system, and discloses segment information of reportable segments which is determined on the basis of operating segments. An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to earn revenues and incur expenses from its ordinary activities; (2) whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance, and (3) for which the information on financial position, operating results and cash flows is available to the Group.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the reportable segment profit, which is measured consistently with the Group's profit before tax except that other unallocated income, gains and losses, net impairment losses on financial assets, finance income-net, and share of results of investments accounted for using the equity method are excluded from such measurement.

## Segment revenue and results

As a result of this evaluation, the Group has the following reportable segments for year ended December 31, 2024:

	Year ended December 31, 2024		
	Mainland China <i>USD'000</i>	Other countries and regions <i>USD'000</i>	Consolidated <i>USD'000</i>
Revenue	188,238	80,549	268,787
Cost of sales	(69,043)	(31,516)	(100,559)
Gross profit	<u>119,195</u>	<u>49,033</u>	<u>168,228</u>
Segment profit/(loss)	<u>26,846</u>	<u>(31,155)</u>	<u>(4,309)</u>
Other unallocated income, gains and losses			10,740
Net impairment losses on financial assets			(150)
Finance income – net			5,458
Share of results of investments accounted for using the equity method			<u>(72)</u>
Profit before tax			11,667
Income tax expense			<u>(1,651)</u>
Profit for the year			<u>10,016</u>

As a result of this evaluation, the Group has the following reportable segments for year ended December 31, 2023:

	Year ended December 31, 2023 (Restated)		
	Mainland China <i>USD'000</i> <i>(Restated)</i>	Other countries and regions <i>USD'000</i> <i>(Restated)</i>	Consolidated <i>USD'000</i> <i>(Restated)</i>
Revenue	188,986	20,630	209,616
Cost of sales	(68,545)	(10,363)	(78,908)
Gross profit	<u>120,441</u>	<u>10,267</u>	<u>130,708</u>
Segment profit/(loss)	<u>26,992</u>	<u>(30,752)</u>	<u>(3,760)</u>
Other unallocated income, gains and losses			485
Net impairment losses on financial assets			(651)
Finance income – net			12,437
Share of results of investments accounted for using the equity method			<u>65</u>
Profit before tax			8,576
Income tax expense			<u>(1,743)</u>
Profit for the year			<u>6,833</u>

## Geographical information

Information about the Group's non-current assets other than financial instruments, deferred tax assets is presented based on the geographical locations of the assets.

	As at December 31, 2024 USD'000	As at December 31, 2023 USD'000 (Restated)
Mainland China	87,280	66,437
Other countries and regions	29,541	33,382
	<u>116,821</u>	<u>99,819</u>

## Information about major customers

Since none of the Group's provision of services to a single customer amounting to 10% or more of the Group's total revenue for the year, no major customer information is presented in accordance with IFRS 8 "Operating Segments".

### (a) Unsatisfied long-term contracts

The following table shows unsatisfied performance obligations resulting from fixed-price long-term contracts of clear aligner treatment solutions and sales of clear aligners:

	As at December 31, 2024 USD'000	As at December 31, 2023 USD'000 (Restated)
<b>Mainland China</b>		
– Within 1 year	45,599	69,569
– Over 1 year	30,291	8,672
	<u>75,890</u>	<u>78,241</u>
<b>Other countries and regions</b>		
– Within 1 year	39,734	2,955
– Over 1 year	18,263	887
	<u>57,997</u>	<u>3,842</u>
	<u>133,887</u>	<u>82,083</u>

Management expects that unsatisfied performance obligations of approximately USD85,333,000 as at December 31, 2024 will be recognized as revenue within 1 year. The remaining unsatisfied performance obligations of approximately USD48,554,000 will be mainly recognized in 1 to 3 years.

All other contracts of products and services are for periods of one year or less. As permitted under IFRS 15, the transaction prices allocated to these unsatisfied contracts are not disclosed.

## 2 OTHER INCOME, OTHER EXPENSES AND OTHER LOSSES – NET

	Year ended December 31, 2024 <i>USD'000</i>	Year ended December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
<b>Other income</b>		
Government grants (i)	3,805	2,170
Interest income on term deposits with initial terms over three months	8,252	2,628
Others	394	–
	<u>12,451</u>	<u>4,798</u>
<b>Other expenses</b>		
Donations	(143)	–
<b>Other losses – net</b>		
Net foreign exchange (losses)/gains	(2,922)	1,614
Realized and unrealized gains/(losses) on financial assets at FVPL – net	1,436	(5,458)
Losses on disposals of a joint venture	(25)	–
Losses on disposals of property, plant and equipment	(58)	(137)
Others	1	(332)
	<u>(1,568)</u>	<u>(4,313)</u>

- (i) These represented government grants received from certain municipal governments of Mainland China as an encouragement of the Group's contributions to the development of the local economy.

## 3 INCOME TAX EXPENSE

	Year ended December 31, 2024 <i>USD'000</i>	Year ended December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
<b>Current income tax</b>		
– Mainland China corporate income tax	4,891	4,779
– Hong Kong profits tax	4	6
– Other countries and regions taxes	1	26
	<u>4,896</u>	<u>4,811</u>
<b>Deferred income tax</b>		
– Mainland China corporate income tax	(1,498)	(1,873)
– Other countries and regions taxes	(1,747)	(1,195)
	<u>(3,245)</u>	<u>(3,068)</u>
	<u>1,651</u>	<u>1,743</u>

**(a) Cayman Islands income tax**

Under the prevailing laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, no Cayman Islands withholding tax is payable on dividend payments by the Company to its shareholders.

**(b) Mainland China corporate income tax (“CIT”)**

CIT provision was made on the estimated assessable profits of entities within the Group incorporated in Mainland China and was calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits from refunds and allowance. The general Mainland China CIT rate is 25% during the year ended December 31, 2024.

The Company’s subsidiary, Wuxi EA Medical Instruments Co., Ltd. (無錫時代天使醫療器械有限公司, “**Wuxi EA**”), was approved as High and New Technology Enterprise (“**HNTE**”) under the relevant tax rules and regulations of the PRC in 2014 and it has renewed the qualification of HNTE in 2017, 2020 and 2023, and accordingly, is subject to a reduced preferential CIT rate of 15% during the year ended December 31, 2024.

The Company’s subsidiary, Shanghai EA Medical Instruments Co., Ltd. (上海時代天使醫療器械有限公司, “**Shanghai EA**”), was approved as HNTE under the relevant tax rules and regulations of the PRC in 2019 and it has renewed the qualification of HNTE in 2022, and accordingly, is subject to a reduced preferential CIT rate of 15% for the year ended December 31, 2024.

The Company’s subsidiary, Wuxi EA Bio-Tech Co., Ltd. (無錫時代天使生物科技股份有限公司), was approved as HNTE under the relevant tax rules and regulations of the PRC in 2023 and accordingly, is subject to a reduced preferential CIT rate of 15% for the year ended December 31, 2024.

According to the CIT laws and Detailed Implementation Rules, an enterprise is allowed to claim research and development expenses incurred for the development of new technologies, new products and new craftsmanship from 2008 onwards. From 2022, according to Cai Shui [2022] No. 16 (財稅[2022] 16號), an extra 100% of the amount of research and development expenses can be deducted before tax.

**(c) Hong Kong profit tax**

The Hong Kong profits tax rate of the subsidiaries of the Group incorporated in Hong Kong is 16.5%.

(d) **Profit/income tax rate in other jurisdictions as shown below:**

Countries	At December 31, 2024 and December 31, 2023	
	Income/profits tax rate	
United States	27.67%-29.84%	
Singapore	17%	
Brazil	15% and 34%	
	Corporation tax standard rate: 15.83%	
	Trade tax standard rate: 16.63%	
Germany	25%	
Netherlands	25%	
France	25%	
Spain	25%	
Australia	30%	

(e) **Withholding tax**

According to the relevant regulations of the CIT laws of Mainland China, when a foreign investment enterprise in Mainland China distributes dividends out of the profits earned from January 1, 2008 onwards to its investors in other countries and regions, such dividends are subject to withholding tax at a rate of 10%.

As at December 31, 2024, the retained earnings of the Group's subsidiaries in Mainland China not yet remitted to holding companies incorporated outside Mainland China, for which no deferred tax liability had been provided, were approximately USD125,841,000 (2023 (restated): USD100,344,000). Such earnings are expected to be retained by the subsidiaries in Mainland China for reinvestment purposes and would not be remitted to their holding companies outside Mainland China in the foreseeable future based on management's best estimates of the Group's funding requirements in other countries and regions.

#### 4 EARNINGS PER SHARE

(a) **Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year ended December 31, 2024.

	Year ended December 31, 2024	Year ended December 31, 2023 (Restated)
Profit attributable to owners of the Company (USD'000)	12,114	7,530
Weighted average number of ordinary shares outstanding	<u>168,238,930</u>	<u>168,094,354</u>
Basic earnings per share (in USD)	<u>0.07</u>	<u>0.04</u>

(b) **Diluted earnings per share**

Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares (collectively forming the denominator for computing the diluted EPS), which is determined under the treasury stock method.

The Group has three categories of potential ordinary shares for the year ended December 31, 2024 which were the restricted shares and share options granted before IPO ("the Pre-IPO Share Award Schemes") (Note 23(a)), the restricted shares granted after IPO ("the Post-IPO RSU Schemes") (Note 23(b)) and the share options granted after IPO ("the Post-IPO Share Option Scheme") (Note 23(c)).

The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options and the vest of restricted shares.

	<b>Year ended December 31, 2024</b>	Year ended December 31, 2023 <i>(Restated)</i>
Profit attributable to owners of the Company (USD'000)	<b>12,114</b>	7,530
Weighted average number of ordinary shares outstanding	<b>168,238,930</b>	168,094,354
Adjustments for share options and awarded shares	<b>804,379</b>	625,543
Weighted average number of ordinary shares for diluted earnings per share	<b>169,043,309</b>	168,719,897
Diluted earnings per share (in USD)	<b>0.07</b>	0.04

## 5 PROPERTY, PLANT AND EQUIPMENT

	Buildings <i>USD'000</i>	Plant and machinery <i>USD'000</i>	Transportation equipment <i>USD'000</i>	Furniture, fixtures and equipment <i>USD'000</i>	Leasehold improvements <i>USD'000</i>	CIP <i>USD'000</i>	Total <i>USD'000</i>
<b>At January 1, 2023 (Restated)</b>							
Cost	27,240	26,559	257	2,125	9,068	417	65,666
Accumulated depreciation	(1,323)	(7,501)	(185)	(791)	(5,998)	-	(15,798)
Closing net book amount	<u>25,917</u>	<u>19,058</u>	<u>72</u>	<u>1,334</u>	<u>3,070</u>	<u>417</u>	<u>49,868</u>
<b>Year ended December 31, 2023 (Restated)</b>							
Opening net book amount	25,917	19,058	72	1,334	3,070	417	49,868
Acquisition of a subsidiary	-	1,839	99	34	-	2,886	4,858
Additions	1,250	1,717	140	96	282	10,994	14,479
Transfers	37	5,749	-	360	1,307	(7,453)	-
Disposals	-	(611)	(3)	(91)	-	-	(705)
Depreciation	(1,302)	(3,705)	(154)	(502)	(1,703)	-	(7,366)
Currency translation differences	(432)	(166)	5	(23)	(41)	71	(586)
Closing net book amount	<u>25,470</u>	<u>23,881</u>	<u>159</u>	<u>1,208</u>	<u>2,915</u>	<u>6,915</u>	<u>60,548</u>
<b>At December 31, 2023 (Restated)</b>							
Cost	28,066	36,509	513	2,319	8,781	6,915	83,103
Accumulated depreciation	(2,596)	(12,628)	(354)	(1,111)	(5,866)	-	(22,555)
Closing net book amount	<u>25,470</u>	<u>23,881</u>	<u>159</u>	<u>1,208</u>	<u>2,915</u>	<u>6,915</u>	<u>60,548</u>

	Buildings <i>USD'000</i>	Plant and machinery <i>USD'000</i>	Transportation equipment <i>USD'000</i>	Furniture, fixtures and equipment <i>USD'000</i>	Leasehold improvements <i>USD'000</i>	CIP <i>USD'000</i>	Total <i>USD'000</i>
<b>Year ended December 31, 2024</b>							
Opening net book amount	25,470	23,881	159	1,208	2,915	6,915	60,548
Additions	112	5,925	318	771	491	19,891	27,508
Transfers	831	12,721	-	-	725	(14,277)	-
Disposals	(30)	(575)	-	(11)	(31)	-	(647)
Depreciation	(1,358)	(5,330)	(70)	(464)	(1,637)	-	(8,859)
Currency translation differences	(371)	(1,419)	(9)	(54)	(50)	(1,352)	(3,255)
Closing net book amount	<u>24,654</u>	<u>35,203</u>	<u>398</u>	<u>1,450</u>	<u>2,413</u>	<u>11,177</u>	<u>75,295</u>
<b>At December 31, 2024</b>							
Cost	28,556	51,714	739	2,937	7,321	11,177	102,444
Accumulated depreciation	(3,902)	(16,511)	(341)	(1,487)	(4,908)	-	(27,149)
Closing net book amount	<u>24,654</u>	<u>35,203</u>	<u>398</u>	<u>1,450</u>	<u>2,413</u>	<u>11,177</u>	<u>75,295</u>

As at December 31, 2024, the Group has pledged certain property, plants and equipment including CIP and plant and machinery in Brazil with a net carrying amount of BRL11,377,000 (equivalent to approximately USD1,871,000) (2023 (restated): BRL31,517,000 (equivalent to approximately USD6,521,000)) for the banking facilities granted to a subsidiary of the Group to finance the subsidiary's daily working capital and capital expenditure plans. (Note 26).

Depreciation expenses were charged to the following categories in the consolidated statement of comprehensive income:

	Year ended December 31, 2024 <i>USD'000</i>	Year ended December 31, 2023 <i>USD'000</i> (Restated)
Cost of revenue	4,498	3,521
Selling and marketing expenses	1,234	888
Administrative expenses	2,664	2,483
Research and development expenses	463	474
	<u>8,859</u>	<u>7,366</u>

## 6 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
<b>Included in current assets</b>		
Trade receivables ( <i>Note (a)</i> )		
– Due from third parties	17,979	20,530
– Due from related parties ( <i>Note 35(e)</i> )	<u>282</u>	<u>220</u>
	18,261	20,750
Less: allowance for impairment of trade receivables	<u>(3,823)</u>	<u>(4,591)</u>
	<u>14,438</u>	<u>16,159</u>
Other receivables ( <i>Note (b)</i> )		
– Receivables from payment platforms	590	484
– Interest receivables	0	1,537
– Deposits receivables	1,787	1,289
– Loans to third parties	4,706	–
– Others	<u>1,967</u>	<u>354</u>
	9,050	3,664
Less: allowance for impairment of other receivables	<u>(788)</u>	<u>(38)</u>
	<u>8,262</u>	<u>3,626</u>
<b>Prepayments for</b>		
– Taxes	5,405	1,567
– Suppliers	<u>8,279</u>	<u>4,625</u>
	<u>13,684</u>	<u>6,192</u>
	<u><b>36,384</b></u>	<u><b>25,977</b></u>
<b>Included in non-current assets</b>		
Trade receivables ( <i>Note (a)</i> )		
– Due from third parties	251	451
Less: allowance for impairment of trade receivables	<u>(15)</u>	<u>(13)</u>
	<u>236</u>	<u>438</u>

	As at December 31, 2024 USD'000	As at December 31, 2023 USD'000 (Restated)
Other receivables ( <i>Note (b)</i> )		
– Loans provided to employees	3,544	4,374
Less: allowance for impairment of other receivables	<u>(32)</u>	<u>(39)</u>
	<u>3,512</u>	<u>4,335</u>
Prepayments for		
– Suppliers	4,799	–
– Property, plant and equipment	620	1,018
– Taxes	<u>–</u>	<u>59</u>
	<u>5,419</u>	<u>1,077</u>
	<u><b>9,167</b></u>	<u><b>5,850</b></u>

- (a) Trade receivables mainly arise from rendering of clear aligner treatment solutions. The Group generally received advances prior to the rendering of services or sales, while certain customers are mainly given a credit term of 30 to 60 days.

The following is an aging analysis of trade receivables presented based on invoice date:

	As at December 31, 2024 USD'000	As at December 31, 2023 USD'000 (Restated)
Within a year	13,284	15,362
1 to 2 years	2,037	1,642
2 to 3 years	289	939
Over 3 years	<u>2,902</u>	<u>3,258</u>
	<u><b>18,512</b></u>	<u><b>21,201</b></u>

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9.

Trade receivables are denominated in the following currencies.

	<b>As at December 31, 2024 USD'000</b>	As at December 31, 2023 USD'000 (Restated)
RMB	9,484	11,856
BRL	3,698	2,809
Australian Dollar (“AUD”)	2,275	900
USD	901	1,596
JPY	739	–
CHF	546	604
Great Britain Pound	466	469
New Zealand Dollar	202	114
HKD	128	–
EUR	73	2,853
	<b>18,512</b>	<b>21,201</b>

As at December 31, 2024, the Group has pledged certain trade receivables in Brazil with a carrying amount of BRL13,734,000 (equivalent to approximately USD2,259,000) (2023 (restated): BRL3,189,000 (equivalent to approximately USD660,000)) for the banking facilities granted to the subsidiary of the Group to finance the subsidiary’s daily working capital and capital expenditure plans.

- (b) All other receivables excluding loans receivables were unsecured, interest-free and collectable on demand.

Other receivables are denominated in the following currencies.

	<b>As at December 31, 2024 USD'000</b>	As at December 31, 2023 USD'000 (Restated)
RMB	5,100	5,771
USD	3,635	1,588
EUR	710	251
BRL	112	302
Others	3,037	126
	<b>12,594</b>	<b>8,038</b>

## 7 FINANCIAL ASSETS AT FVPL

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Wealth management products with variable return ( <i>Note a</i> )	97,778	106,018
Associate ( <i>Note b</i> )	2,287	–
Other investees ( <i>Note c</i> )	35,645	34,206
Derivative financial asset – Call option in a subsidiary ( <i>Note d</i> )	683	1,214
	<u>136,393</u>	<u>141,438</u>

### (a) Wealth management products with variable return

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Balance at the beginning of the year	106,018	–
Additions ( <i>Note i</i> )	597,401	823,258
Realized fair value gains recognized in profit or loss	3,421	3,090
Disposals	(607,895)	(719,784)
Currency translation differences	(1,167)	(546)
Balance at the end of the year	<u>97,778</u>	<u>106,018</u>
– Included in current assets	97,778	105,904
– Included in non-current assets	–	114

### (b) Associates

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Balance at the beginning of the year	–	–
Addition	2,112	–
Unrealized fair value gains recognized in profit or loss	202	–
Currency translation differences	(27)	–
Balance at the end of the year	<u>2,287</u>	<u>–</u>
– Included in non-current assets	<u>2,287</u>	<u>–</u>

All investments in associates measured at fair value through profit or loss are in the form of convertible redeemable preferred instruments or ordinary shares with preferential rights.

(c) **Other investees**

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Balance at the beginning of the year	34,206	17,364
Additions	3,408	25,870
Unrealized fair value losses recognized in profit or loss	(1,865)	(9,413)
Currency translation differences	(104)	385
	<hr/>	<hr/>
Balance at the end of the year	<b>35,645</b>	<b>34,206</b>
	<hr/> <hr/>	<hr/> <hr/>
– Included in non-current assets	<b>35,645</b>	<b>34,206</b>
	<hr/> <hr/>	<hr/> <hr/>

(d) **Derivative financial asset – Call option in a subsidiary**

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Balance at the beginning of the year	1,214	–
Additions	–	870
Unrealized fair value (losses)/gains recognized in profit or loss	(322)	286
Currency translation differences	(209)	58
	<hr/>	<hr/>
Balance at the end of the year	<b>683</b>	<b>1,214</b>
	<hr/> <hr/>	<hr/> <hr/>
– Included in non-current assets	<b>683</b>	<b>1,214</b>
	<hr/> <hr/>	<hr/> <hr/>

## 8 TRADE AND OTHER PAYABLES

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Employee benefits payable	26,919	21,777
Trade payables <i>(Note (a))</i>	11,425	9,888
Other taxes payable	9,944	6,983
Accrued expenses payable	4,585	5,154
Payables in relation with acquisition of non-current assets	3,574	3,417
Deposits payable	3,078	2,047
Professional service fees payable	1,220	1,462
Advertising and promotion expenses payable	958	926
Provision for contingencies	760	629
Others	969	693
	<u>63,432</u>	<u>52,976</u>

- (a) The credit period granted by suppliers mainly ranges from 30 to 60 days. The following is an aging analysis of trade payables presented based on the invoice date:

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Within a year	10,911	9,741
Over 1 year	514	147
	<u>11,425</u>	<u>9,888</u>

The carrying amount of the Group's trade payables is denominated in the following currencies:

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
RMB	7,804	8,401
EUR	43	375
Others	3,578	1,112
	<u>11,425</u>	<u>9,888</u>

- (b) As at December 31, 2024, trade and other payables of the Group were interest-free.

## 9 COMMITMENTS

### (a) Commitments relating to short-term leases

The Group has recognized right-of-use assets and lease liabilities for these leases, except for short-term leases.

The future aggregate minimum lease payments under non-cancellable short-term leases contracted for at the end of the year but not recognized as liabilities, are as follows:

	<b>As at December 31, 2024 USD'000</b>	As at December 31, 2023 USD'000 (Restated)
No later than 1 year	<b>321</b>	671

### (b) Capital commitments

The Group's capital expenditure contracted for at the end of the year but not yet incurred is as follows:

	<b>As at December 31, 2024 USD'000</b>	As at December 31, 2023 USD'000 (Restated)
Property, plant and equipment	<b>1,788</b>	358
Intangible assets	<b>521</b>	–
	<b>2,309</b>	358

## 10 RELATED PARTY TRANSACTIONS

### (a) Names and relationships with related parties

Below is the summary of the Group's related parties during the year ended December 2024:

	<b>Name of the related party</b>	<b>Relationship with the Group</b>
1	CareCapital Group	The ultimate holder of the Company
2	Astro Science do Brasil Pesquisa e Desenvolvimento S.A. (" <b>Astro Science</b> ")	Joint venture held by the Group
3	Shanghai Songbai Xingqi Enterprise Management Consulting Co., LTD (" <b>Songbai Xingqi</b> ")	An entity controlled by CareCapital Group
4	Huizhou Dental Hospital	An entity controlled by CareCapital Group
5	Guiyang Jinxin Medical Instrument Co., Ltd. (" <b>Guiyang Jinxin</b> ")	An entity controlled by CareCapital Group
6	Zhengzhou Smile Songbai Industrial Co., Ltd. (" <b>Zhengzhou Smile</b> ")	An entity controlled by CareCapital Group
7	Changsha Minjian Medical Equipment Co., Ltd. (" <b>Changsha Minjian</b> ")	An entity significantly influenced by CareCapital Group
8	Henan Red Sun Medical Instrument Co., Ltd. (" <b>Henan Red Sun</b> ")	An entity controlled by CareCapital Group
9	Taiyuan Yishunkang Medical Device Co., Ltd. (" <b>Yishunkang</b> ")	An entity controlled by CareCapital Group
10	Guangzhou Yilu Precision Medical Devices Co., Ltd. (" <b>Guangzhou Yilu</b> ")	An entity controlled by CareCapital Group
11	Luoyang Smile Songbai Medical Equipment Co., Ltd. (" <b>Luoyang Smile</b> ")	An entity controlled by CareCapital Group
12	Songbai Leye Medical Equipment (Ningbo) Co., Ltd. (" <b>Songbai Leye</b> ")	An entity controlled by CareCapital Group
13	Zhenjiang Wenjie Medical Equipment Co., Ltd. (" <b>Zhenjiang Wenjie</b> ")	An entity controlled by CareCapital Group
14	Songbai Maishi (Shaanxi) Medical Instrument Co., Ltd. (" <b>Songbai Maishi</b> ")	An entity controlled by CareCapital Group
15	Songbai Oukang (Liaoning) Medical Instrument Co., Ltd. (" <b>Songbai Oukang</b> ")	An entity controlled by CareCapital Group
16	Shanghai Qimei Dental Clinic Co., Ltd. (" <b>Shanghai Qimei</b> ")	An entity controlled by CareCapital Group
17	Songbaiqihai (Qingdao) Medical Instrument Co., Ltd. (" <b>Songbai Qihai</b> ")	An entity controlled by CareCapital Group
18	Songbai Zhongman (Fujian) Medical Instrument Co., Ltd. (" <b>Songbai Zhongman</b> ")	An entity controlled by CareCapital Group
19	Songbai Huaren (Shaanxi) Medical Instrument Co., Ltd. (" <b>Songbai Huaren</b> ")	An entity controlled by CareCapital Group
20	Chengdu YaFei Dental Co., Ltd. (" <b>Chengdu Yafei</b> ")	An entity controlled by CareCapital Group
21	Shanghai Maxflex Medical Technology Co., Ltd. (" <b>Shanghai Maxflex</b> ")	An entity significantly influenced by CareCapital Group (After July 28, 2023)
22	Hunan Songbei Medical Technology Co., Ltd (" <b>Hunan Songbei</b> ")	An entity controlled by CareCapital Group
23	Nogueira & Lopes Holding Ltda. (" <b>Nogueira</b> ")	An entity controlled by Aditek's minority shareholders

**(b) Transactions with related parties**

During the year ended December 31, 2024, save as disclosed elsewhere in this report, the following is a summary of the significant transactions carried out between the Group and its related parties.

	<b>Year ended December 31, 2024 USD'000</b>	Year ended December 31, 2023 USD'000 <i>(Restated)</i>
<b>Sales of clear aligner treatment solutions</b>		
Guangzhou Yilu	6,234	5,673
Zhengzhou Smile	4,111	4,496
Zhenjiang Wenjie	1,223	1,159
Songbai Oukang	1,163	646
Yishunkang	1,042	905
Songbai Leye	329	255
Changsha Minjian	141	187
Songbai Maishi	106	47
Songbai Qihai	41	8
Guiyang Jinxin	16	102
Luoyang Smile	15	40
Chengdu Yafei	9	109
Henan Red Sun	4	25
Huizhou Dental Hospital	1	2
Songbai Huaren	1	–
Shanghai Qimei	1	–
	<u>14,437</u>	<u>13,654</u>
<b>Sales of intraoral scanners</b>		
Zhengzhou Smile	257	405
Songbai Oukang	152	–
Guangzhou Yilu	46	77
Zhenjiang Wenjie	21	75
Songbai Zhongman	–	79
Songbai Maishi	–	54
Yishunkang	–	4
Songbai Leye	–	–
	<u>476</u>	<u>694</u>
<b>Purchase of raw materials</b>		
Astro Science	217	504
Shanghai Maxflex	371	63
Hunan Songbei	5	–
	<u>588</u>	<u>567</u>
<b>Payment of property leases</b>		
Nogueira	<u>56</u>	<u>121</u>

	Year ended December 31, 2024 <i>USD'000</i>	Year ended December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
<b>Purchase of consulting services</b>		
CareCapital Orthotech	252	–
Songbai Xingqi	119	–
	<u>371</u>	<u>–</u>
<b>Acquisition of a Subsidiary</b>		
Jolly Oralcare	520	–
	<u>520</u>	<u>–</u>
<b>Capital injection</b>		
Shanghai Maxflex	647	–
	<u>647</u>	<u>–</u>

(c) **Key management compensation**

Key management comprise the Company's directors and senior management. The compensation paid or payable to key management for employee services is shown below:

	Year ended December 31, 2024 <i>USD'000</i>	Year ended December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Fees	282	297
Salaries and wages	2,070	1,672
Bonuses	1,086	564
Share-based compensation expenses	4,808	4,423
Pension costs – defined contribution plans	88	49
Other social security costs, housing benefits and other employee benefits	254	310
	<u>8,588</u>	<u>7,315</u>

(d) **Loans provided to key management**

	Year ended December 31, 2024 <i>USD'000</i>	Year ended December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
Loans provided to key management	–	3,835
Interests incurred	94	53
Proceeds of loans repaid by key management	(194)	(1,138)
	<u>(100)</u>	<u>(100)</u>

(e) **Outstanding balances arising from sales of goods and services**

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
<b>Trade receivables</b>		
Guangzhou Yilu	87	66
Guiyang Jinxin	54	77
Changsha Minjian	49	55
Zhenjiang Wenjie	47	17
Zhengzhou Smile	29	5
Songbai Leye	8	–
Chengdu Yafei	6	–
Songbai Oukang	1	–
Yishunkang	1	–
	<hr/>	<hr/>
	<b>282</b>	<b>220</b>
	<hr/> <hr/>	<hr/> <hr/>

As at December 31, 2024, the balances were with trade nature, unsecured, interest-free, and repayable on demand.

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
<b>Contract liabilities</b>		
Zhengzhou Smile	1,944	1,893
Guangzhou Yilu	1,858	1,517
Yishunkang	457	376
Zhenjiang Wenjie	433	395
Songbai Oukang	390	272
Songbai Leye	140	93
Songbai Maishi	52	25
Songbai Qihai	27	4
Luoyang Smile	14	32
Henan Red Sun	10	35
Changsha Minjian	–	41
Guiyang Jinxin	–	17
Huizhou Dental Hospital	–	1
Shanghai Qimei	–	1
	<hr/>	<hr/>
	<b>5,325</b>	<b>4,702</b>
	<hr/> <hr/>	<hr/> <hr/>

Contract liabilities of the Group mainly arose from the advance payments made by customers while the underlying goods or services are yet to be provided.

(f) **Outstanding balances arising from purchase of raw materials**

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
<b>Trade payables</b>		
Astro Science	<u>64</u>	<u>58</u>

(g) **Outstanding balances arising from loans provided to key management**

	As at December 31, 2024 <i>USD'000</i>	As at December 31, 2023 <i>USD'000</i> <i>(Restated)</i>
<b><i>Other receivables</i></b>		
Loans provided to key management	<u>2,596</u>	<u>2,735</u>

## OTHER INFORMATION

### Use of Proceeds

The ordinary shares of the Company (the “Shares”) were listed on the Main Board of the Stock Exchange on June 16, 2021, whereby 16,829,600 new Shares were issued at the offer price of HKD173.0 each by the Company. On July 8, 2021, the Joint Global Coordinators, on behalf of the International Underwriters, fully exercised the Over-allotment Option at the offer price of HKD173.0, pursuant to which the Company issued an addition of 2,524,400 Shares. The aggregate net proceeds from the Company’s Global Offering, including the net proceeds from the full exercise of the Over-allotment Option and after deduction of the underwriting fees and other related expenses, was approximately HKD3,139.0 million. The net proceeds from the Global Offering (adjusted on a pro rata basis based on the actual net proceeds) have been and will be utilized in that same manner, proportion and the expected timeframe as set out in the Prospectus under the section headed “Future Plans and Use of Proceeds”. The table below sets out the planned and actual applications of the net proceeds up to December 31, 2024.

	Net proceeds from the Global Offering	Unutilized proceeds as at December 31, 2023	Utilized proceeds during the Reporting Period	Utilized proceeds up to December 31, 2024	Unutilized proceeds as at December 31, 2024
	<i>(HKD in millions)</i>				
Funding the construction of Chuangmei Center . . . . .	1,252.5	785.6	118.7	585.6	666.9
Strengthening our research and development capabilities and funding our in-house and collaborative R&D initiatives . . . . .	574.4	250.8	122.8	446.4	128.0
Developing a flexible and scalable intelligent information technology system. . . . .	339.0	195.6	88.7	232.1	106.9
Expanding our in-house sales team and providing sales personnel with training sessions . . . . .	329.6	0	0	329.6	0
Funding marketing and branding activities . . . . .	301.4	0	0	301.4	0
Optimizing medical services . . . . .	194.6	0	0	194.6	0
Working capital and other general corporate purposes . . . . .	147.5	0	0	147.5	0
<b>Total . . . . .</b>	<b>3,139.0</b>	<b>1,232.0</b>	<b>330.2</b>	<b>2,237.2</b>	<b>901.8</b>

To the extent that the net proceeds have not been immediately utilized, the balance has been placed with banks. There has been no change in the intended use of net proceeds as previously disclosed in the Prospectus and the Group will apply the remaining net proceeds in the manner set out in the Prospectus. However, additional time will be required to utilize the remaining proceeds due to the impact of the macro-economy in the past few years. Considering the needs of future development of the Group, we expect the remaining proceeds would be used by the end of 2026.

### Employees, Training and Remuneration Policies

As at December 31, 2024, we had 3,576 employees. The staff costs including Directors’ emoluments and share-based payment expenses were approximately USD141.5 million in the year ended December 31, 2024.

Our employees' compensation includes basic salary, performance-based cash bonuses, incentive shares and other incentives. We determine our employees' compensation based on each employee's performance, qualifications, position and seniority.

We recognize the importance of keeping the Directors updated with the latest information of duties and obligations of a director of a company whose shares are listed on the Stock Exchange and the general regulatory and environmental requirements for such listed company. To meet this goal, we are committed to the continuing education and development of the Directors.

The Directors and senior management receive remuneration from the Company in the form of fees, salaries, contributions to pension schemes, discretionary bonuses, allowances and other benefits in kind. The Board has established the remuneration committee (the "**Remuneration Committee**") to review and recommend the remuneration and compensation packages of the Directors and senior management of the Company, and the Board, with the advice from the Remuneration Committee, will review and determine the remuneration and compensation packages taking into account salaries paid by comparable companies, time commitment and responsibilities of the Directors and senior management and performance of the Group.

In accordance with the labour laws and regulations in China and other countries in which we conduct business, our local corporate entities have respectively established labour relationships with the local employees and, where applicable, entered into labour contracts covering matters such as wages, bonuses, employee benefits, workplace safety, confidentiality obligations, non-competition obligations and reasons for termination.

To incentivize its employees and promote the long-term growth of the Company, we have also conditionally adopted several share award schemes to provide equity incentive to the Group's employees, Directors and senior management.

We provide pre-employment and regular continuing management and technical training to our employees, which we believe are effective in equipping them with the skill set and work ethics that we require.

We believe that we have maintained a good working relationship with our employees and we had not experienced any material labor disputes or any difficulty in recruiting staff for our operations during the Reporting Period.

## Purchase, Sale or Redemption of the Company's Listed Securities

The Company has repurchased an aggregate of 19,400 Shares on the Stock Exchange at an aggregate consideration of approximately HKD1.0 million after expenses during the Reporting Period. The repurchased Shares were subsequently cancelled on May 16, 2024. The Board considered that the share repurchase was in the interest of the Company and its Shareholders as a whole. Particulars of the Shares repurchased are as follows:

Month of Repurchase in 2024	No. of Shares Repurchased	Price Paid per Share		Aggregate Consideration Paid
		Highest (HKD)	Lowest (HKD)	
February .....	19,400	53.05	49.80	1,012,439.44
	<u>19,400</u>			<u>1,012,439.44</u>

Other than disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities, including sales of treasury shares as defined in the Listing Rules, during the Reporting Period. As at the end of the Reporting Period, the Company did not hold any treasury shares as defined in the Listing Rules.

### Public Float

According to the information that is publicly available to the Company and within the knowledge of the Board, as of the date of this announcement, the Company has maintained to comply with the minimum percentage prescribed in the conditions imposed in the waiver granted by the Stock Exchange from strict compliance with Rule 8.08(1) of the Listing Rules.

### Compliance with Corporate Governance Code

The Group is committed to maintaining high standards of corporate governance practices. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the shareholders of the Company (the "Shareholders") and corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the "CG Code") under Appendix C1 of the Listing Rules as its own code of corporate governance. During the Reporting Period, the Company has complied with all applicable code provisions under the CG Code.

## **Compliance with the Model Code for Securities Transactions**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ securities transactions.

Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the requirements of the Model Code during the Reporting Period.

## **Annual General Meeting (the “AGM”)**

The AGM will be held on Friday, May 23, 2025. A notice convening the AGM will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.angelalign.com](http://www.angelalign.com)) in accordance with the requirements of the Listing Rules in due course.

## **Special Final Dividend**

The Board has resolved to recommend the payment of a special final dividend of HKD0.38 per Share for the year ended December 31, 2024 to the Shareholders whose names appeared on the register of members of the Company on Monday, June 2, 2025, subject to the approval of the Shareholders at the AGM. Once the resolution in respect of payment of the special final dividend is passed at the AGM, the proposed special final dividend is expected to be paid on Friday, June 20, 2025.

## **Closure of Register of Members**

For determining the entitlement of Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, May 20, 2025 to Friday, May 23, 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all share transfer documents accompanied by the corresponding share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Monday, May 19, 2025.

For determining the entitlement of Shareholders to receive the proposed special final dividend, the register of members of the Company will be closed from Thursday, May 29, 2025 to Monday, June 2, 2025, both days inclusive, during which period no transfer of Shares will be registered. To qualify for the proposed special final dividend, all share transfer documents accompanied by the corresponding share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Wednesday, May 28, 2025.

## **Audit Committee and Review of Annual Results**

As of the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely, Mr. ZHOU Hao, Mr. HAN Xiaojing and Mr. SHI Zi, and Mr. ZHOU Hao serves as the chairman of the Audit Committee.

The Audit Committee has reviewed the annual results of the Group for the year ended December 31, 2024 and has recommended for the Board's approval thereof. The Audit Committee has also reviewed together with the management the accounting principles and policies adopted by the Group and the consolidated financial statements of the Group for the year ended December 31, 2024 and discussed matters in relation to, among others, risk management, internal control and financial reporting of the Group with the management and PricewaterhouseCoopers, the independent auditor of the Company. Based on this review and discussions with the management and the independent auditor of the Company, the Audit Committee was satisfied that the annual results of the Group were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the year ended December 31, 2024.

This annual results announcement is based on the audited consolidated financial statements of the Group for the year ended December 31, 2024.

### **Scope of Work of the Auditor**

The financial figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2024 as set out in this preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, Certified Public Accountants, to the amounts set out in the Group's audited consolidated financial statements for the year ended December 31, 2024 and the amounts were found to be in agreement. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this annual results announcement.

### **Events after the Reporting Period**

On January 17, 2025, the Company granted 34,590 options to one grantee with the rights to subscribe for an aggregate of 34,590 ordinary shares of the Company upon exercise of such options in accordance with the terms of Post-IPO Share Option Scheme, subject to the acceptance of the grantee with an exercise price of HKD52.55 per Share. The options granted shall vest in four tranches of 30%, 30%, 20% and 20% on September 30, 2025, September 30, 2026, September 30, 2027 and September 30, 2028, respectively. Please refer to the announcement of the Company dated January 17, 2025 for details.

On February 19, 2025, Wuxi EA Medical Instruments Technologies Limited (無錫時代天使醫療器械科技有限公司) (“**Wuxi EA**”), a wholly-owned subsidiary of the Company, entered into a product purchase cooperation framework agreement with Shanghai Maxflex Medical Technology Co., Ltd. (上海馬可菲斯醫療技術有限公司) (“**Shanghai Maxflex**”), an associate (as defined under the Listing Rules) of CareCapital Group, pursuant to which Wuxi EA shall purchase from Shanghai Maxflex certain raw materials for the production of clear aligners. The annual caps set for the purchases of products by the Group from Shanghai Maxflex as raw materials for the production of clear aligners for the years ending December 31, 2025, 2026 and 2027 are RMB30.0 million, RMB42.0 million and RMB58.8 million, respectively. Please refer to the announcement of the Company dated February 19, 2025 for details.

As of the date of this announcement, save as disclosed above and in this announcement, there has been no significant event since the end of the Reporting Period that is required to be disclosed by the Company.

## **PUBLICATION OF 2024 ANNUAL RESULTS AND 2024 ANNUAL REPORT**

This announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.angelalign.com](http://www.angelalign.com)). The annual report of the Company for the year ended December 31, 2024 will be dispatched to the Shareholders, if necessary, and published on the aforesaid websites in due course.

## **APPRECIATION**

On behalf of the Board, I would like to express our sincere gratitude to dental professionals, patients and business partners for their trust in the Company, our staff and management team for their diligence, dedication, loyalty and integrity, and our Shareholders for their continuous support.

By order of the Board of Directors  
**Angelalign Technology Inc.**  
**Mr. FENG Dai**  
*Chairman*

Hong Kong, March 20, 2025

*As at the date of this announcement, the Board comprises Mr. HU Jiezhong, Mr. HUANG Kun, Mr. SONG Xin and Ms. DONG Li as executive Directors; Mr. FENG Dai as a non-executive Director; Mr. HAN Xiaojing, Mr. SHI Zi and Mr. ZHOU Hao as independent non-executive Directors.*