

Shandong Weigao Group Medical Polymer Company Limited*
山東威高集團醫用高分子製品股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(在中華人民共和國註冊成立的股份有限公司)
(Stock Code 股票號碼 : 1066)

* For identification purposes only
僅供識別



Annual Report 2023 年報

WEGO 威高

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Directors and Supervisors

Executive Directors

Mr. LONG Jing (*Chairman*)
Mr. CONG Rinan (*Chief Executive Officer*)
Mr. LU Junqiang

Non-executive Directors

Mr. TANG Zhengpeng (*Vice Chairman*)
Mr. CHEN Lin

Independent Non-executive Directors

Mr. LI Guohui
Mrs. MENG Hong
Mr. LI Qiang

Supervisors

Mrs. GU Meijun
Mr. SONG Dapeng
Mr. ZHANG Zhuangqiu

Corporate Information

Registered office and principal place of business in the PRC

1 Weigao Road
Torch Hi-tech Science Park
Weihai
Shandong Province
PRC

Principal place of business in Hong Kong

29/F.
Two Chinachem Central
26 Des Voeux Road Central
Hong Kong

Company secretary

Mrs. WONG Miu Ling, Phillis, *FCG and HKFCG*

Compliance officer

Mr. LONG Jing

董事及監事

執行董事

龍經先生 (*主席*)
叢日楠先生 (*行政總裁*)
盧均強先生

非執行董事

湯正鵬先生 (*副主席*)
陳林先生

獨立非執行董事

李國輝先生
孟紅女士
李強先生

監事

谷美君女士
宋大鵬先生
張壯秋先生

公司資料

中國註冊辦事處及主要營業地點

中國
山東省
威海市
火炬高技術產業開發區
威高路1號

香港主要營業地點

香港
德輔道中26號
華懋中心II期29樓

公司秘書

黃妙玲女士 *FCG及HKFCG*

監察主任

龍經先生

Audit Committee

Mr. LI Guohui (*Chairman*)
Mrs. MENG Hong
Mr. LI Qiang
Mr. TANG Zhengpeng

Remuneration Committee

Mr. LI Guohui (*Chairman*)
Mrs. MENG Hong
Mr. LI Qiang
Mr. TANG Zhengpeng

Nomination Committee

Mr. LI Guohui (*Chairman*)
Mrs. MENG Hong
Mr. LI Qiang
Mr. TANG Zhengpeng

Corporate Governance Committee

Mr. LONG Jing (*Chairman*)
Mr. LI Guohui
Mrs. MENG Hong
Mr. LI Qiang

Authorised representatives

Mr. LONG Jing
Mrs. WONG Miu Ling, Phillis

Auditors

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditors

H share registrar and transfer office

Tricor Standard Limited
17th Floor, Fat East Finance Centre
16 Harcourt Road
Hong Kong

Principal bankers

Agriculture Bank of China, Weihai Branch
Bank of China, Weihai Branch

Website

www.weigaogroup.com

Stock code

1066

審核委員會

李國輝先生 (*主席*)
孟紅女士
李強先生
湯正鵬先生

薪酬委員會

李國輝先生 (*主席*)
孟紅女士
李強先生
湯正鵬先生

提名委員會

李國輝先生 (*主席*)
孟紅女士
李強先生
湯正鵬先生

企業管治委員會

龍經先生 (*主席*)
李國輝先生
孟紅女士
李強先生

授權代表

龍經先生
黃妙玲女士

核數師

德勤•關黃陳方會計師行
執業會計師
註冊公眾利益實體核數師

香港H股股份過戶登記處

卓佳標準有限公司
香港
夏慤道16號
遠東金融中心17樓

主要往來銀行

中國農業銀行－威海市分行
中國銀行－威海市分行

本公司網址

www.weigaogroup.com

股份代號

1066

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders, Partners and Colleagues,

2024 marks the 20th anniversary of the listing of Shandong Weigao Group Medical Polymer Company Limited ("Weigao" or the "Company") in Hong Kong. Through two decades of development, Weigao has grown to become an industry-leading enterprise in the medical devices and consumables sector in China, and its market share and position in the industry have improved tremendously in various business lines including clinical care consumables, orthopaedic consumables, pharmaceutical packaging and blood technology.

Compounded by various factors, the results growth of the Company was under pressure last year. However, the Company still secured hard-won achievements. Although fluctuations were seen in operating results, however, we are pleased to see strong sales growth across our major products and also continuous rapid growth in our market share. Despite such short-term headwinds, the management focused on high-quality development and a farsighted and long-term layout, which has underpinned Weigao's sustainable growth in the future.

As a leading domestic platform-based medical devices company, Weigao enjoys significant competitiveness in the following aspects:

1) Outstanding corporate culture and distinguished market reputation and brand influence.

The Company always practices the corporate culture of conscience, sincerity and loyalty to meet clinical demand. With rigid end-user market demand, the implementation of volume-based procurements and efficiency improvement in the industrial chain for medical devices and consumables have put the Company in a highly favourable position to rapidly expand its market share and enhance its position and influence in the industry.

2) Advantage of an open, inclusive and shared platform.

The Company promotes the synergy, cooperation and sharing of resources among various segments to fully revitalize the flexibility and vibrancy of all segments. Through strategic recalibration, the Company actively cultivates and deploys new business segments to foster them into new growth points.

尊敬的各位股東、各位合作夥伴、各位同事：

2024年是山東威高集團醫用高分子製品股份有限公司（「威高」或「公司」）在香港上市20周年紀念。經過這20年的發展，威高已經成長為中國醫療器械、耗材領域的行業龍頭企業，在臨床護理耗材、骨科耗材、藥品包裝、血液技術等各領域，市場份額和行業地位都得到了巨大提升。

去年，在各種因素疊加下，公司業績增長面臨壓力，但取得的成績也實屬不易。雖然經營業績有所波動，但我們欣然看到，各主要產品的銷量增長強勁，公司的市場份額在持續快速增長。雖然有短期的挫折，但管理層著眼於高質量發展，高瞻遠矚、佈局長遠，這是威高未來持續成長的基礎。

威高是國內領先的醫療器械平台型公司，在以下幾個方面有顯著的競爭力：

1) 優秀的企業文化、卓越的市場口碑和品牌影響力。

公司始終踐行良心、誠心、忠心的企業文化，滿足臨床需求。產品的市場剛需強，隨著帶量採購的實施，醫療器械、耗材的產業鏈效率優化，極大有利於公司快速提升市場份額，提升行業地位和影響力。

2) 開放、包容和共享的平台優勢。

公司推動各板塊的協同、合作和資源共享，充分激發各板塊的靈活性和活力。公司通過戰略梳理，積極培育和佈局新的業務板塊，以期成為新的增長點。

3) Solid manufacturing foundations.

The Company enjoys distinct advantages in automation, materials science, cost control, capacity layout and quality control and fully meets the demand for volume-based procurements on price and quality. The Company will continue to improve the standard of digital management in production and manufacturing and actively deploy new materials, new technologies and new processes to maintain and enhance the competitiveness of its manufacturing business.

4) Customer resources and channel coverage.

Thanks to diligent efforts over the years, the Company has developed a distinguished marketing regime catered to the PRC market, featuring in particular a large, comprehensive network for direct sales to hospitals. Through further integration of sales channels, its advantage in channels has been enhanced. The Company continues to step up with the improvement of product portfolios through R&D, product cooperation with domestic and foreign parties, and M&As to bring its channel strengths into full play.

In early July 2023, the Company held a strategic workshop and put forward the guiding principle of "Three Changes".

- Change in industrial concept: The Company shifted from the original concept of product mix adjustment to facilitate industrial structure adjustment to the concept of industrial structure adjustment to guide product mix adjustment, thereby driving the adjustment of institutional structure. By choosing what is good and holding fast to it, the Company strengthens the principal business of medical care and devotes itself to human health and decent well-being.
- Change in governance model: The Company shifted from the current independent corporate governance structure to a new model of intensive and shared digital platform-based governance, thereby achieving compliant and highly efficient development. By achieving mastery through a comprehensive study of the subject and a thorough understanding and focus on customer demands, the Company works together to construct an ecological chain of medical industry.

3) 扎實的製造業基礎。

公司在自動化水平、材料學、成本控制、產能佈局、質量控制等方面都有明顯優勢，充分滿足帶量採購對價格和質量的需求。公司將繼續提升生產製造的數字化管理水平，積極佈局新材料、新技術、新工藝，維持和提升製造業的競爭力優勢。

4) 客戶資源及渠道覆蓋。

通過多年的努力，公司打造了適用中國市場的優秀營銷體系，特別是龐大、完善的醫院直銷網絡。通過進一步的銷售渠道整合，提升渠道優勢。公司持續通過研發、國內外產品合作、並購等，加速完善產品組合，充分發揮渠道優勢。

2023年7月初，公司召開戰略研討會，提出了「三個轉變」的指導思想。

- 產業觀念的轉變：由原來的產品結構調整推動產業結構調整，轉變為以產業結構調整引導產品結構調整，進而帶動體制結構調整。擇善固執，做強醫療主業，致力人類健康和尊嚴福祉。
- 治理模式的轉變：由現行的獨立經營型的企業管理架構，轉變為集約共享數字化的平台治理新模式，從而實現合規高效發展。融會貫通，聚焦客戶需求，偕同共建醫療事業生態鏈。

CHAIRMAN'S STATEMENT

主席報告書

- Change in value embodiment: The Company shifted from the existing focus on improving the interests of the Company and all shareholders to the mutual benefit and sharing of all Weigao people and stakeholders, eventually reflecting the common value of the society. The Company accomplishes its corporate mission to create a community with a shared future.

Such Three Changes guide the sustainable and high-quality development of Weigao and are more aligned with the requirements of modern environmental, social and governance ("ESG").

The workshop further emphasized the platform-based strategy. The Company continues to systematically build the platform-based operation foundation and capabilities, the platform-based cornerstone structure and framework, and enhances the security and supporting role of organization and operation in strategy implementation. Leveraging the opportunities in digital transformation, the Company establishes and improves financial, human resources, supply chain, R&D and other platforms at the listed company level, strengthens business synergy among various segments, and fosters the betterment of new business growth points.

The Company continues to promote sales platform integration, focus its marketing resources on core customer development and maintenance, improve the product penetration rate of key accounts (especially tertiary hospitals), and increase the contribution rate of single customers.

We continue to develop new markets, capture the tremendous opportunities of volume-based procurement, rapidly increase the customer coverage rate in county-level hospitals, establish new offices at the prefecture level and city level, and strengthen customer service for county-level hospitals and below.

- 價值體現的轉變：由既有的注重公司和各方股東利益的提升，轉變為所有威高人和利益相關者互利共享，最終體現社會共同價值。彰顯企業使命，締造共有事業命運共同體。

這三個轉變，將指導威高的可持續、高質量發展，並更加符合現代環境、社會和企業管治（「ESG」）的要求。

研討會進一步強調了平台化的戰略。公司將持續系統地建設平台化的運營基礎和能力，平台化的基石架構和框架，提升組織、運營對戰略的保障和支撐作用。以數字化轉型為契機，建設和完善上市公司層面的財務、人力資源、供應鏈、研發等平台，加強各板塊之間的業務協同性，並更好培育新的業務增長點。

公司持續推動銷售平台整合，把營銷資源聚焦到核心客戶的開發和維持，提升大客戶（特別是三級醫院）的產品滲透率，提高了單客戶的貢獻率。

持續開發新市場，抓住帶量採購的重大機遇，快速增加縣級醫院客戶覆蓋率；增加地市級辦事處數量，加強對縣級及以下醫院的客戶服務。

On the R&D strategy front: The government continued to encourage innovation in medical devices. The R&D and approval of new products have been accelerated, and medical device innovative companies have shown unprecedented vitality. As the economic cycle changes, certain start-ups have also faced multiple challenges. The Company seizes the opportunity to increase in-house R&D investment and accelerates in-house R&D progress. Meanwhile, we strategically approached and collaborated with these innovative start-ups to accelerate new product launching and market access. The Company is accelerating the improvement of its product portfolio in response to the change in time.

On the internationalisation strategy aspect, we have integrated the overseas advantages of various segments and established an overseas platform under centralised management that has enormous potential after launching it.

On the ESG front, in December 2023, we were selected for the list of pilot programs for the construction of green, low-carbon and high-quality development zones in Shandong Province. As the first medical “green bond” client of the World Bank, the sustainable development strategy of the Company has received strong endorsement and high recognition by the World Bank.

We put the core corporate culture of “Conscience, Integrity and Loyalty” into practice when discharging our corporate and social responsibility. Working together with nearly 10,000 employees and their families at the Weihai headquarters, we jointly created “Blissful Weihai” and once again contributed to Weihai being shortlisted as “China’s the most blissful city in 2023”.

研發戰略方面：政府持續鼓勵醫療器械創新。新產品的研發、獲批速度加快，醫療器械創新企業展現出空前的活力。隨著經濟週期的變化，部分初創企業也受到了不少挑戰。公司抓住機遇，加大內部研發投入，加速內部研發進展。同時，策略性與這些創新型初創企業開展溝通、合作，以加速新產品上市和市場准入。公司加快完善產品組合，應對時代變化。

國際化戰略方面，我們整合了各板塊的海外優勢，組建統一管理的海外平台，大船出海，潛力巨大。

ESG方面，2023年12月入選山東省綠色低碳高質量發展先行區建設試點名單。作為世界銀行的第一家醫療「綠色債券」客戶，公司可持續發展的戰略，受到了世界銀行的大力支持和高度認可。

我們將「良心、誠心、忠心」的企業核心價值觀，落實到企業社會責任的實踐中去。攜手在威海總部的近萬名員工和家庭，共同締造「幸福威海」，再次助力威海上榜「2023年中國最具幸福感城市」。

CHAIRMAN'S STATEMENT 主席報告書

We continue to enhance our corporate governance. We insist on compliant management, abide by laws and regulations, fight against corruption, uphold integrity and advocate fair competition. We enhance transparency and strengthen engagement in the capital market. In active response to shareholders' demands, we increase the dividend payout ratio. We stay focused on gender equality and increase the proportion of female members on the Board and senior management. The Group actively provides sound and equal job opportunities for nearly 1,000 disabled people and helps them adapt to society.

We remain fully confident about the long-term development of the medical device industry and have made an extensive and long-term layout to achieve the long-term and sustainable development of the Company.

Once again, I would like to express my gratitude to all shareholders, partners and colleagues for their concerted efforts and continuous support.

Long Jing

Chairman

26 March 2024

我們持續提升企業治理水平。堅持合規經營，遵紀守法，反腐倡廉，倡導公平競爭。提升透明度，加強與資本市場的溝通；積極響應股東訴求，提升分紅比例。關注性別平等，提高女性在董事會、高管中的比例。本集團積極為近千名殘障人士提供良好、平等的就業機會，促進他們更好融入社會。

我們對醫療器械行業的長期發展充滿信心，我們做了充分、長遠的佈局，實現公司的長期、可持續發展。

再次感謝各位股東、合作夥伴和同事們的共同努力和持續支持。

董事長

龍經

二零二四年三月二十六日

FINANCIAL HIGHLIGHTS
財務概要

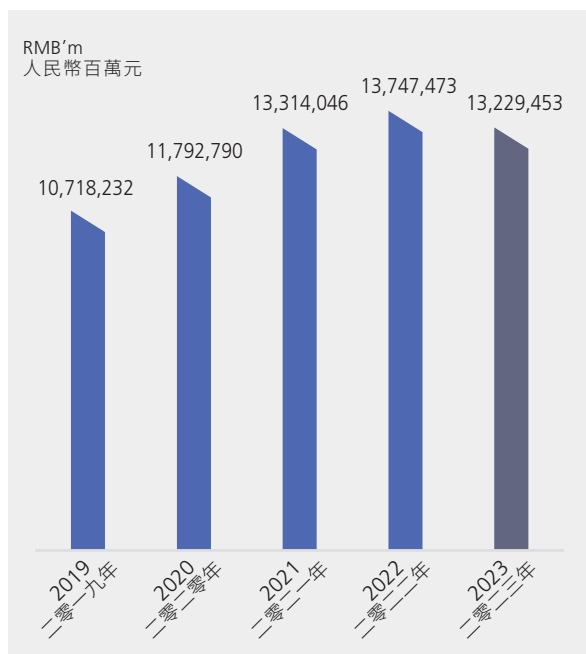
		For the year ended 31 December				2023
		2019	2020	2021	2022	RMB'000
		RMB'000	RMB'000	RMB'000	RMB'000	
		(restated)	(restated)	(restated)	(restated)	
		截至十二月三十一日止年度				
		二零一九年	二零二零年	二零二一年	二零二二年	二零二三年
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(經重列)	(經重列)	(經重列)	(經重列)	
RESULTS	業績					
Revenue	收入	10,718,232	11,792,790	13,314,046	13,747,473	13,229,453
Profit before taxation	除稅前溢利	2,332,315	2,701,667	2,933,274	3,385,739	2,369,187
Taxation	稅項	(340,740)	(349,924)	(430,829)	(435,589)	(307,585)
Profit for the year	本年度溢利	1,991,575	2,351,742	2,502,445	2,950,150	2,061,602
Profit for the year attributable to:	年內下列各項應佔溢利：					
Owners of the Company	本公司擁有人	1,916,278	2,226,367	2,320,595	2,764,093	2,001,906
Non-controlling interests	非控股權益	75,297	120,254	181,850	186,057	59,696
		1,991,575	2,346,621	2,502,445	2,950,150	2,061,602
		As at 31 December				2023
		2019	2020	2021	2022	RMB'000
		RMB'000	RMB'000	RMB'000	RMB'000	
		(restated)	(restated)	(restated)	(restated)	
		於十二月三十一日				
		二零一九年	二零二零年	二零二一年	二零二二年	二零二三年
		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
		(經重列)	(經重列)	(經重列)	(經重列)	
ASSETS AND LIABILITIES	資產及負債					
Total assets	總資產	27,037,426	28,243,727	30,740,714	33,402,242	33,670,231
Total liabilities	總負債	(9,529,277)	(9,184,650)	(9,614,597)	(9,819,957)	(9,677,526)
Non-controlling interests	非控股權益	(811,436)	(845,108)	(1,640,359)	(1,815,419)	(1,543,584)
Equity attributable to owners of the Company	本公司擁有人應佔權益	16,696,713	18,213,969	19,485,758	21,766,866	22,449,121

FINANCIAL HIGHLIGHTS

財務概要

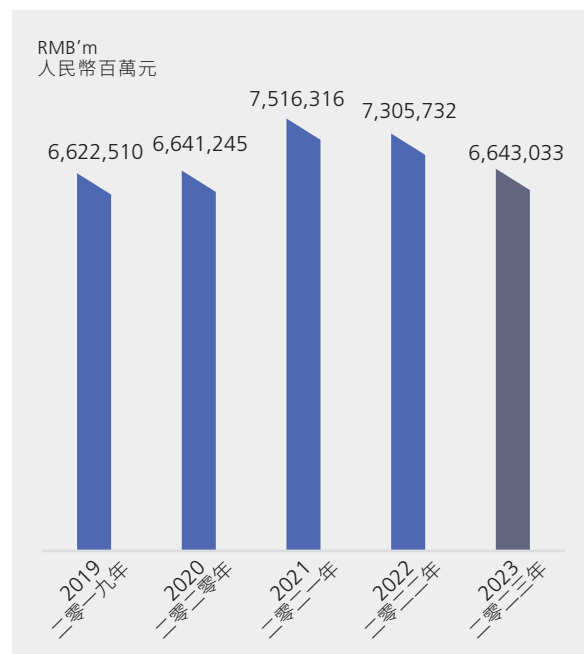
Revenue

收入



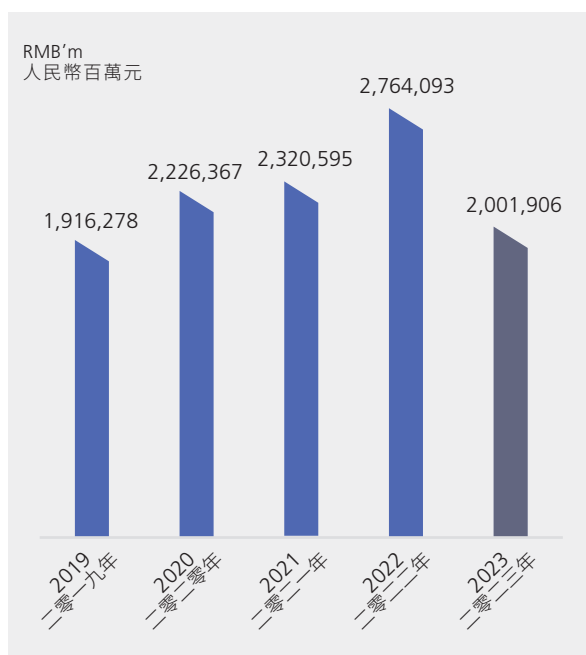
Gross Profit

毛利



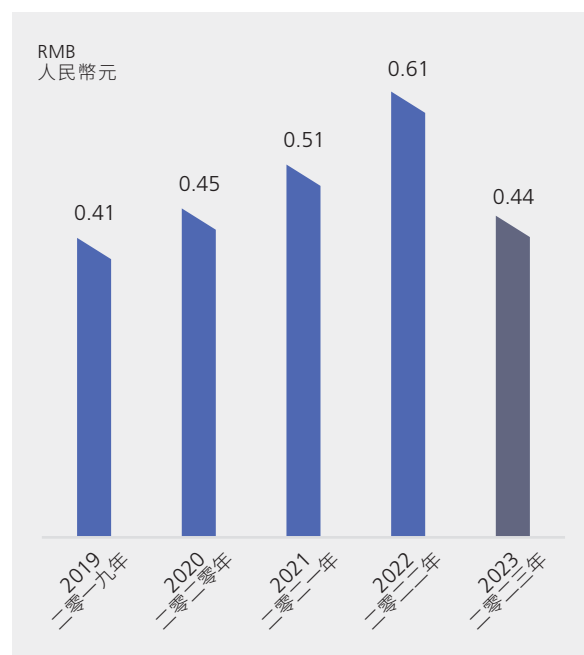
Profit Attributable to Owners of the Company

本公司擁有人應佔溢利

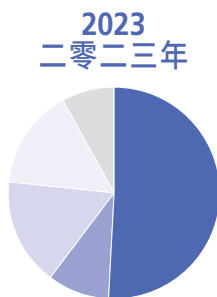


Basic Earnings Per Share

每股基本盈利



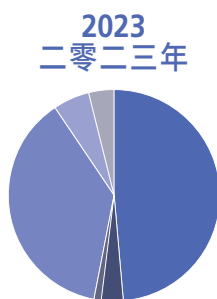
Revenue Breakdown



收入明細

	% of sales
	銷售佔比
● Sale of medical device products 銷售醫療器械產品	50.85%
● Sale of orthopaedic products 銷售骨科產品	9.61%
● Sale of interventional products 銷售介入產品	16.36%
● Sale of pharma packaging products 銷售藥品包裝產品	15.30%
● Sale of blood management products 銷售血液管理產品	7.88%

Segment Profit Breakdown



分部溢利明細

	% of segment profit
	分部溢利佔比
● Medical device products 醫療器械產品	48.65%
● Orthopaedic products 骨科產品	3.42%
● Interventional products 介入產品	1.08%
● Pharma packaging products 藥品包裝產品	37.48%
● Blood management products 血液管理產品	5.55%
● Others 其他	3.82%

Segmental revenues (RMB'000)

分部收入 (人民幣千元)

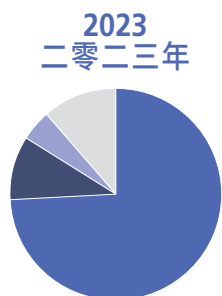
		2023	2022	% Change
		二零二三年	二零二二年	變動百分比
Sale of medical device products	銷售醫療器械產品	6,727,859	6,567,676	2.4%
Sale of orthopaedic products	銷售骨科產品	1,271,203	2,038,168	(37.6)%
Sale of interventional products	銷售介入產品	2,164,588	1,938,237	11.7%
Sale of pharma packaging products	銷售藥品包裝產品	2,023,809	2,105,432	(3.9)%
Sale of blood management products	銷售血液管理產品	1,041,994	1,097,960	(5.1)%
Total	總計	13,229,453	13,747,473	(3.8)%

FINANCIAL HIGHLIGHTS

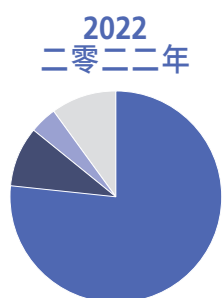
財務概要

Geographic breakdown

地區明細



	% of sales 銷售佔比
● PRC 中國	74.3%
● United States 美國	9.8%
● EMEA 歐洲、中東及非洲	4.6%
● Others 其他	11.3%



	% of sales 銷售佔比
● PRC 中國	77.0%
● United States 美國	9.3%
● EMEA 歐洲、中東及非洲	4.1%
● Others 其他	9.6%

Segmental revenues (RMB'000)

分部收入 (人民幣千元)

		2023 二零二三年	2022 二零二二年	% Change 變動百分比
PRC	中國	9,832,038	10,582,343	(7.1)%
United States	美國	1,300,576	1,272,330	2.2%
EMEA	歐洲、中東及非洲	611,304	563,217	8.5%
Others	其他	1,485,535	1,329,583	11.7%
Total	總計	13,229,453	13,747,473	(3.8)%

BUSINESS REVIEW

Optimisation of product mix

During the year ended 31 December 2023 (the “Year”), the gross profit margin of the Group decreased from 53.1% of last year to 50.2%, which was mainly attributable to the price reduction for certain products and change in product mix.

The existing major products of the Group under each business line are as follows:

- The medical device products business includes clinical care, medical testing equipment, anesthesia and surgical-related products
- The pharmaceutical packaging business includes prefilled syringes and pre-filled flush syringes
- The orthopaedic business includes trauma, spinal implant, artificial joints, sports injury, soft tissue repair, reconstruction implant, orthopaedic filling, and orthopaedic related surgical tools
- Interventional business includes tumor intervention, vascular intervention, and interventional imaging
- The blood management business includes blood collection, storage, separation, and sterilization of consumables and equipment

業務回顧

產品結構優化調整

於截至二零二三年十二月三十一日止年度（「年內」），本集團毛利率由去年的53.1%下降到50.2%，主要原因包括部分產品降價及產品結構變化。

本集團各業務領域現有主要產品如下：

- 醫療器械產品業務包括：臨床護理、醫學檢驗器械、麻醉及手術相關產品
- 藥品包裝業務包括：預灌封注射器、沖管注射器
- 骨科業務：創傷、脊柱植入物，人工關節，運動損傷、軟組織修復及重建植入物、骨填充材料、骨科相關手術工具
- 介入業務：腫瘤介入、血管介入、影像介入
- 血液管理業務包括：血液採集、貯存、分離、滅菌消毒耗材及設備

Optimisation of product mix (continued)

1. During the Year, the medical device products business recorded a turnover of approximately RMB6,727,859,000, representing an increase of 2.4% over last year. The higher sales base of supplies for epidemic prevention and control in the same period of last year affected the growth rate. The price of various products was reduced in volume-based procurements across different regions. However, the Group continued to maintain a dominant position in this market segment and continued to increase its market share as the sales volume of major products grew rapidly and the market share increased significantly, which compensated the impact of the price reduction on revenue.
2. During the Year, the pharmaceutical packaging business recorded a turnover of approximately RMB2,023,809,000, representing a decrease of 3.9% over last year. Shipment volume for prefilled syringes decreased year-on-year resulting from the high base of orders from COVID-19 vaccine packaging, and the average selling price also declined due to the adjustment of product and customer structure, resulting in a decrease in revenue. As an industry leader, we continued to enhance our service capability to bio-pharmaceutical downstream customers and improved customers' dependence. Sales volume of flushing syringes grew swiftly, exploring the potential of the downstream hospital market.
3. During the Year, the orthopaedic business recorded a turnover of approximately RMB1,271,203,000, representing a decrease of 37.6% over last year, which was mainly attributable to the decrease in the ex-factory price of the products caused by the volume-based procurements. The terminal surgical implantation volume of major orthopaedic products experienced high growth, continued to increase market share.
4. During the Year, the interventional business recorded a turnover of approximately RMB2,164,588,000, representing an increase of 11.7% over last year. Global business progressed in a steady manner, and the business in China continued to increase with great potential.

產品結構優化調整 (續)

1. 年內，醫療器械產品業務錄得營業額約為人民幣6,727,859,000元，較去年增長2.4%，去年同期防疫物資的銷售基數較高，影響了增速。不同產品在各地區的帶量採購中有所降價，但由於主要產品銷量快速增長，市場份額快速推進，彌補了降價對收入的影響，本集團繼續於該領域市場保持優勢地位，持續增加市場份額。
2. 年內，藥品包裝業務錄得營業額約為人民幣2,023,809,000元，較去年下降3.9%。受新冠疫苗包裝訂單高基數的影響，預灌封注射器的發貨量同比有所下降，且因產品及客戶結構的調整，平均售價也有所下降，收入有所下滑。作為行業龍頭，持續提升對生物製藥下游客戶的服務能力，提高了客戶黏性。沖管注射器銷量增長迅速，挖掘下沉醫院市場的潛力。
3. 年內，骨科業務營業額約為人民幣1,271,203,000元，較去年下降37.6%。主要是由於帶量採購執行引起產品出廠價格下降。主要骨科產品的終端手術植入量，都有較高增長，持續提升市場份額。
4. 年內，介入業務錄得營業額約為人民幣2,164,588,000元，較去年增長11.7%。全球業務穩步推進，中國業務持續增長，且潛力巨大。

Research and Development

For the year ended 31 December 2023, the Group obtained product registration certificates for 115 new products in the PRC. The research and development for 57 products were completed for which applications for product registration certificates are underway. 163 new patents were obtained and 166 new patents are under the application. For the year ended 31 December 2023, the Group had over 818 product registration certificates and 965 patents, of which 120 were patents on invention, in the PRC.

For the overseas market, 3 new patents are under application and the research and development for 163 products were completed for which application for product registration certificates are underway. For the year ended 31 December 2023, the Group had over 794 product registration certificates and 192 patents.

The strategy of placing a strong emphasis on research and development has enhanced the competitiveness and laid a foundation for the Company to fully leverage on its customer resources and provided the Group with new profit growth drivers.

In view of the need for strategic adjustments to the product mix, the Group continued to increase efforts on the improvement and subdivision of product layout in existing product series, so as to maintain its leading position in research and development capability in China.

In addition, the prices of major products decreased due to the impact of volume-based procurements. To adapt to the demand for cost reduction, the Group has strategically “reduced costs through R&D and design” and upgraded the design of some of its major products to better improve its competitiveness in the market and increase its profitability.

For the year ended 31 December 2023, total research and development expenses amounted to approximately RMB592,850,000 (2022: approximately RMB556,442,000), representing 4.5% (2022: 4.0%) of the revenue of the Group.

研究與開發

截至二零二三年十二月三十一日止年度，本集團中國國內新取得產品註冊證115項，已經研發完成、尚在取證過程中的有57項；新獲得專利163項，正在申請中的166項。截至二零二三年十二月三十一日止年度，本集團國內擁有逾818項產品註冊證，965項專利，其中120項是發明專利。

海外市場，正在申請中的專利3項，已經研發完成、尚在取證過程中的產品註冊證有163項。截至二零二三年十二月三十一日止年度，海外擁有逾794項產品註冊證，192項專利。

注重研發的策略提升了公司的競爭力，為充分利用客戶資源奠定了基礎，並為集團盈利提供了新的增長點。

基於產品結構戰略性調整的要求，本集團繼續加大在現有產品系列框架內完善細分產品佈局，持續保持本土研發實力的領先地位。

此外，受帶量採購的影響，主要產品的價格有所下降，為適應降低成本的需​​求，本集團策略性「從研發設計上降低成本」，對部分主要產品的設計，進行升級，以更好提升市場競爭力，並提升盈利能力。

截至二零二三年十二月三十一日止年度，研發之總開支約為人民幣592,850,000元（二零二二年：約人民幣556,442,000元），佔本集團收入的4.5%（二零二二年：4.0%）。

Production

During the Year, to constantly expand production capacity, the Group continued to expand its production facilities, including factories of syringes and prefilled syringes to satisfy the sales demand for future market growth. Meanwhile, the Group proactively promoted the improvement of production processes and enhanced intellectualization and automation of production equipment. The production costs were reduced through efficiency enhancement and scientific management, maintaining the Company's overall profitability.

Sales and Marketing

During the Year, the Group consolidated the marketing management system and further adhered to the strategy of sales channel integration and product mix adjustment and focused on marketing resources on customer development and maintenance in the core healthcare market. The Group achieved substantial results in key client accounts management. For the year ended 31 December 2023, the Group newly added 201 hospitals, 5 blood stations, 59 other medical institutions, and 402 distributors to its PRC customer base, and the Group has a PRC customer base of 9,770 in aggregate (including 3,802 hospitals, 419 blood stations, 1,178 other medical units, and 4,371 distributors) and an overseas customer base of 7,530 in aggregate (including 3,265 hospitals, 2,022 other medical units, and 2,243 distributors).

生產

年內，本集團為了持續擴大產能，繼續擴建了包括注射器製造廠、預充注射器製造廠等生產設施，以滿足未來市場增長的銷售需求。同時積極推進生產工藝改進，生產設備智能化、自動化水平，通過效率提升和科學管理降低生產成本，保持公司整體盈利能力。

銷售及市場推廣

年度內，本集團強化了營銷管理體系，繼續堅持銷售渠道整合與產品結構調整之策略，將營銷資源重點聚焦於核心醫療市場的客戶開發與維護。本集團開展大客戶管理取得顯著成效。截至二零二三年十二月三十一日止年度，本集團國內客戶新增201家醫院、5家血站、59家其他醫療機構以及402家經銷商，本集團的國內客戶總數為9,770家（包括醫院3,802家、血站419家、其他醫療單位1,178家和經銷商4,371家），海外客戶總數為7,530家（包括醫院3,265家、其他醫療單位2,022家和經銷商2,243家）。

Sales and Marketing (continued)

銷售及市場推廣 (續)

Sales comparison by geographical regions when compared with the last year is set out as follows:

各種產品在不同地區的銷售與去年對比如下：

Turnover by Geographical Information

營業收入地區資料

Regions	地區	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元	Increase or decrease over corresponding period % 較同期增減%
The PRC	國內			
– Eastern and Central	– 華東與華中	5,252,878	5,355,878	(1.9%)
– Northern	– 華北	1,869,986	2,215,310	(15.6%)
– Southern	– 華南	925,279	1,036,647	(10.7%)
– Northeastern	– 東北	837,745	991,513	(15.5%)
– Southwestern	– 西南	723,722	731,899	(1.1%)
– Northwestern	– 西北	222,428	251,096	(11.4%)
PRC sub-total	國內小計	9,832,038	10,582,343	(7.1%)
Overseas	海外			
– USA	– 美國	1,300,576	1,272,330	2.2%
– Asia	– 亞洲	1,086,374	930,581	16.7%
– Europe, Middle East and Africa	– 歐洲、中東及非洲	611,304	563,217	8.5%
– Others	– 其他	399,161	399,002	–
Overseas sub-total	海外小計	3,397,415	3,165,130	7.3%
Total	總計	13,229,453	13,747,473	(3.8%)

The integration of sales channels has strengthened the Group's market penetration and influence over the customers. It enhanced sales contribution per customer and continued to drive up the product penetration to high-end customers and was an important approach in generating revenue growth for the Group.

渠道的整合，增強了本集團在客戶群的滲透力、影響力，提高了單客戶的貢獻率，持續推進核心客戶的產品滲透率，是本集團拉動收入增長的一項重要手段。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Sales and Marketing (continued)

銷售及市場推廣 (續)

Turnover by Geographical Information (continued)

營業收入地區資料 (續)

Adjustment in product mix was another important factor in enhancing the results for the Year. Comparison of revenue of principal products with that in last year is as follows:

產品結構的調整為提升年內業績的另一項重要因素，各主導產品收入與上年對比情況如下：

Product category	產品類別	For the year ended 31 December 截至十二月三十一日止年度			For the six months ended 31 December 截至十二月三十一日止六個月		
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元	Over corresponding period 較同期 %	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元	Over corresponding period 較同期 %
Medical device products	醫療器械產品	6,727,859	6,567,676	2.4	3,273,519	3,126,420	4.7
Pharma packaging products	藥品包裝產品	2,023,809	2,105,432	(3.9)	962,690	1,049,258	(8.3)
Blood management	血液管理	1,041,994	1,097,960	(5.1)	518,506	608,477	(14.8)
Orthopaedic products	骨科產品	1,271,203	2,038,168	(37.6)	474,100	839,358	(43.5)
Interventional products	介入產品	2,164,588	1,938,237	11.7	1,102,938	1,045,271	5.5
Total	總計	13,229,453	13,747,473	(3.8)	6,331,753	6,668,784	(5.1)

Human Resources

As at 31 December 2023, the Group employed a total of 12,519 employees. The breakdown by departments when compared with last year is as follows:

Department

		2023 二零二三年	2022 二零二二年
Production	生產	6,183	6,281
Sales and marketing	銷售及市場推廣	3,265	2,896
Research and development	研發	1,370	1,272
Finance and administration	財務及行政	626	596
Quality control	質量控制	653	607
Management	管理	336	383
Purchasing	採購	86	87
Total	總計	12,519	12,122

There are a total of 1,337 overseas employees who reside in Hong Kong, USA and Europe. Other employees of the Group are resided in Mainland China. During the Year, the total cost of salaries, welfare and social benefits of the Group amounted to approximately RMB2,209,253,000 (2022: approximately RMB2,213,500,000).

Remuneration System

The Group's remuneration policy has been determined based on its performance, changes in the local consumption power and competition in the human resources market. The remuneration policy so determined has become the basis of determining the salary level of employees recruited for different positions. The salary of each employee is determined according to the employee's performance, ability, employment conditions and the salary standards set by the Company. Remuneration of directors is proposed by the Remuneration Committee with reference to the operating results of the Company, personal performance of the directors and market competition. The proposed remuneration of directors is proposed by the Board subject to approval by shareholders at the forthcoming annual general meeting.

人力資源

於二零二三年十二月三十一日，本集團共聘用12,519名僱員，與去年比較的部門分析如下：

部門

		2023 二零二三年	2022 二零二二年
Production	生產	6,183	6,281
Sales and marketing	銷售及市場推廣	3,265	2,896
Research and development	研發	1,370	1,272
Finance and administration	財務及行政	626	596
Quality control	質量控制	653	607
Management	管理	336	383
Purchasing	採購	86	87
Total	總計	12,519	12,122

海外僱員1,337名，分別於香港、美國、歐洲等地居住，本集團的其他僱員均位於中國內地。年內，本集團在員工薪資、福利、社會保障等的成本總額約為人民幣2,209,253,000元（二零二二年：約為人民幣2,213,500,000元）。

薪酬訂立制度

本集團的薪酬政策是根據其表現，本地的消費水平變化和人力資源市場競爭狀況釐定。該釐定的薪酬政策作為聘任不同崗位僱員薪資水平的基準。每位僱員的薪資視乎僱員的表現、能力、任職條件及本公司的預定薪資標準而定。董事的酬金是由薪酬委員會經參考本公司的經營業績、董事個人表現及市場競爭情況的基礎上制定薪酬方案，並經股東於股東週年大會上授權董事會釐定。

FINANCIAL REVIEW

Results

For the year ended 31 December 2023, the Group recorded a turnover for the year of approximately RMB13,229,453,000, representing a decrease of 3.8% over the previous financial year. Net profit attributable to the owners of the Company was approximately RMB2,001,906,000 (2022: approximately RMB2,764,093,000), representing a decrease of approximately 27.6% as compared with the previous year. Net profit attributable to the owners of the Company (excluding extraordinary items) was approximately RMB1,982,432,000 (2022: approximately RMB2,783,452,000), representing a decrease of approximately 28.8% over the previous year.

Financial Summary

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元	Increase (decrease) 增長(減少) %
Turnover	營業額	13,229,453	13,747,473	(3.8%)
Gross profit	毛利	6,643,033	7,305,732	(9.1%)
Net profit attributable to the owners of the Company	本公司擁有人應佔純利	2,001,906	2,764,093	(27.6%)
Net profit attributable to the owners of the Company (excluding extraordinary items)	不計特殊項目本公司擁有人應佔純利	1,982,432	2,783,452	(28.8%)

During the Year, extraordinary items include the post-tax gain of product liability claim including insurance recovery attributable to owners of the Company of RMB19,474,000 (extraordinary items in 2022: Weigao Blood Purification issued new shares to investors, and the Company's equity was diluted from 28.0871% to 26.55%, resulting in a gain of approximately RMB100,398,000. The Company recorded a post-tax gain of approximately RMB57,549,000 regarding the taking up by the government of the using rights of 2 state-owned construction sites and the buildings, structures, and other ancillary facilities thereon; and the post-tax expenses of litigation attributable to owners of the Company was approximately RMB177,306,000).

財務回顧

業績

截至二零二三年十二月三十一日止年度，年度營業額達至約人民幣13,229,453,000元，較上一財政年度下降3.8%。本公司擁有人應佔純利約人民幣2,001,906,000元（二零二二年：約人民幣2,764,093,000元），較上一年度下降約27.6%。不計特殊項目的本公司擁有人應佔純利約人民幣1,982,432,000元（二零二二年：約人民幣2,783,452,000元），較上一年度下降約28.8%。

財務摘要

年內，特殊項目為本公司擁有人應佔一項產品責任索賠（包括保險賠償）之稅後收益約人民幣19,474,000元（二零二二年特殊項目：威高血液淨化向投資者發行新股，本公司之股權由28.0871%攤薄至26.55%形成收益約人民幣100,398,000元；政府收回2宗國有建設用地使用權及地上建築物、構築物及其他附屬設施，本公司錄得稅後收益約人民幣57,549,000元；及本公司擁有人應佔一項訴訟之稅後費用約人民幣177,306,000元）。

Liquidity and Financial Resources

The Group has maintained a sound financial position. As of 31 December 2023, the Group's cash and bank balance amounted to approximately RMB6,988,731,000. For the year ended 31 December 2023, the net cash flow from operating activities of the Group amounted to approximately RMB2,798,529,000, representing a sound cash flow position.

For the year ended 31 December 2023, the total interest expenses of the Group amounted to approximately RMB272,971,000 (2022: total interest expenses of approximately RMB191,401,000).

Gearing Ratio

The gearing ratio of the Group as of the end of 2023 reduced to 18.6% (2022: 20.6%).

As of 31 December 2023, the total net cash of the Group amounted to approximately RMB2,819,414,000 (2022: net cash of approximately RMB2,473,089,000). The gearing ratio represents total debt as a percentage of total capital. Total debt is calculated as total borrowings. Total capital is calculated as the Group's shareholders' fund.

流動資金及財務資源

本集團於本年度維持良好的財務狀況。於二零二三年十二月三十一日，本集團現金及銀行結餘約為人民幣6,988,731,000元。截至二零二三年十二月三十一日止年度，本集團經營活動現金流量淨額約為人民幣2,798,529,000元，現金流量狀況良好。

截至二零二三年十二月三十一日止年度，本集團的利息支出總額約為人民幣272,971,000元（二零二二年：利息支出總額約為人民幣191,401,000元）。

資本負債比率

本集團二零二三年年末的資本負債比率下降至18.6%（二零二二年：為20.6%）。

於二零二三年十二月三十一日，本集團淨現金總額約為人民幣2,819,414,000元（二零二二年：淨現金約為人民幣2,473,089,000元）。資本負債比率指債務總額與資本總額之百分比。債務總額乃按借貸總額計算。資本總額乃按本集團之股東資金計算。

Foreign Exchange Risks

The Group's purchases and sales are mainly conducted in the PRC and the United States. Assets, liabilities, and transactions in the PRC are denominated in RMB, while overseas assets and transactions are mainly denominated in US dollars. Foreign exchange risk mainly arises from outstanding borrowings denominated in foreign currencies. The Group has adopted foreign currency hedging instruments to better manage foreign exchange risk. The objective of the hedge is to minimise the volatility of the RMB expenditures expected to be incurred in the future to meet foreign currency liabilities. The Group's risk management policy is to partially hedge the forecasted cash flows in foreign currencies by considering the appropriate hedging instruments and costs of hedging. The Group uses foreign exchange structured derivative financial contracts to hedge its foreign currency risk. For the year ended 31 December 2023, the Group had not encountered any material difficulty due to the fluctuation in exchange rates nor had it affected its funds for operation purposes.

Due to the fluctuation in exchange rates, the Company realised a foreign exchange loss equivalent to approximately RMB16,602,000 for the year ended 31 December 2023 (2022: foreign exchange gain equivalent to approximately RMB138,325,000).

Material Investments/Future Material Investment Plans

1. During the Year, the Group continued to invest approximately RMB644,632,000 in the purchase of properties and production facilities and plant construction for the purpose of enhancing the overall construction of the industrial zone for the Group's medical consumables.
2. The Group planned to invest RMB770,000,000 to acquire the 38.5% interest in the Songyuan Healthcare Industry Fund (松源健康醫療產業基金), which focuses on the investments in the medical and healthcare sector mainly covering medical devices, biopharmaceuticals, medical services and rehabilitation and elderly care, of which a total of RMB308,000,000 has been contributed.

匯率風險

本集團的採購和銷售以中國、美國兩地為主。中國境內資產、負債及交易以人民幣計值，海外資產及交易主要以美元計值，外匯風險主要來源於未償還的外幣借貸。本集團已採用了外幣對沖工具來達到更好的外匯風險管理。對沖保值的目標在於使預計未來可能發生的償還外幣負債需要的人民幣支出的波動性最小化。本集團的風險管理政策是在考慮合適的對沖工具以及對沖的成本後，部分對沖外幣預測現金流量。本集團通過外匯結構性衍生金融合同來對沖外匯風險。截至二零二三年十二月三十一日止年度，本集團並無因匯率波動而遇到重大困難或自身的營運資金受到影響。

由於匯率變動，本公司於截至二零二三年十二月三十一日止年度，形成匯兌損失折合人民幣約16,602,000元（二零二二年：形成匯兌收益折合人民幣約138,325,000元）。

重大投資／未來重大投資計劃

1. 本年度，本集團繼續投資約人民幣644,632,000元，用於購買物業、生產設備與建設廠房，為完善本集團醫療耗材工業園整體建設之用。
2. 本集團計劃出資人民幣770,000,000元投資松源健康醫療產業基金，佔比38.5%，該基金重點投資於以醫療器械、生物醫藥、醫療服務、康復養老為主的醫療健康領域，已累計出資人民幣308,000,000元。

Material Investments/Future Material Investment Plans (continued)

3. In January 2023, Weigao Orthopaedic, a subsidiary of the Company, acquired 100% equity interest in Shandong Weigao Newlife Medical Device Co., Ltd., a fellow subsidiary of the Company, which is principally engaged in the research and development, manufacture and sale of tissue repair product lines, at a consideration of RMB1,030,000,000. The transfer price is payable in installments, with a payment of RMB721,000,000 during the year and a payment of RMB103,000,000 will be expected to be made in 2024.
4. In 2024, the Group planned to invest approximately RMB200,000,000 in a new production line for pre-filled syringes, which is under the construction process, and is expected to be successively put in operation by 2025.
5. In 2024, the Group planned to further invest approximately RMB320,000,000 in the upgrading and reconfiguration of the single-use consumables and orthopaedic consumables equipment to further enhance the level of production automation.

Save for the above material investments and investment plans, the Group had no future plans involving significant investments or capital assets acquisition as of 31 December 2023.

Capital Commitment

As of 31 December 2023, the capital commitment including acquisition, investment, and purchase of property, plant and equipment which the Group and the Company had contracted for but not provided amounted to approximately RMB1,151,986,000 (2022: approximately RMB1,299,231,000). The above amounts will be financed by the internal resources of the Group.

重大投資／未來重大投資計劃 (續)

3. 二零二三年一月，本公司附屬公司威高骨科以人民幣1,030,000,000元收購本公司同系附屬公司山東威高新生醫療器械有限公司100%股權，該公司主要從事組織修復產品線的研發、製造及銷售。轉讓價款分期支付，年內已支付人民幣721,000,000元，二零二四年預計支付人民幣103,000,000元。
4. 二零二四年計劃投資約人民幣200,000,000元，用於正在投資設中的預灌封注射器新產綫，預計二零二五年可陸續投入生產。
5. 二零二四年計劃繼續投入約人民幣320,000,000元，持續用於一次性耗材及骨科耗材的設備更新與改造項目，進一步提升生產的自動化水平。

除上述重大投資與投資計劃外，於二零二三年十二月三十一日，本集團並無參與重大投資或購入資本資產之未來計劃。

資本承擔

於二零二三年十二月三十一日，本集團及本公司已經簽約但尚未作出撥備收購、投資及購置物業、廠房及設備等的資本承擔約為人民幣1,151,986,000元（二零二二年：約人民幣1,299,231,000元），上述款項將以本集團之內部資源支付。

Pledge of the Group's Assets

As of 31 December 2023, the Group had pledged the equity interest in Weihai Jierui Medical Products Company Ltd., Shandong Financial Leasing Company Ltd., and Shanghai Financial Leasing Company Ltd., wholly owned subsidiaries of the Group, as well as certain buildings and land use rights of the Company, to secure the long-term borrowings from International Finance Corporation, and pledged/restricted bank deposits of RMB754,975,000 (2022: RMB694,084,000) to secure short-term borrowing, bills and letters of credit granted to the Group.

The lease financing company pledged account receivables of approximately RMB8,913,000 (2022: RMB17,100,000) to secure bank facilities.

The Group had pledged bills receivable of RMB13,599,000 (2022: RMB107,611,000) to secure bank facilities.

As of 31 December 2023, the loan principal of Argon Medical Devices Holding, Inc. ("Argon") amounted to US\$311,067,000, which was secured by a security package of 100% equity interest in Argon and its subsidiaries as well as the property, plant and equipment, intangible assets, deposits, trade receivables, cash and bank balances of Argon. In the meantime, the Company provided a guarantee for Argon.

Reserves and Distributable Reserves

As of 31 December 2023, the total reserves of the Group amounted to RMB21,992,058,000 (2022: RMB21,309,803,000).

Under the PRC laws and regulations, the Company's distributable reserves will be based on the lower of the amount calculated according to the PRC accounting principles and rules and the amount calculated according to Hong Kong's generally accepted accounting principles. As of 31 December 2023, the distributable reserves of the Company were approximately RMB9,212,316,000 (2022: RMB8,315,208,000).

本集團資產抵押

於二零二三年十二月三十一日，本集團已質押對全資子公司威海潔瑞醫用製品有限公司、山東融資租賃公司有限公司、上海融資租賃公司有限公司的股權以及本公司的部分房屋、土地使用權以獲取國際金融公司的長期借款，及已抵押／受限制銀行存款人民幣754,975,000元（二零二二年：人民幣694,084,000元）以獲取授予本集團的短期借款、票據及信用證額度。

融資租賃公司質押應收賬款約人民幣8,913,000元（二零二二年：人民幣17,100,000元）以取得銀行信用額度。

本集團已質押應收票據人民幣13,599,000元（二零二二年：人民幣107,611,000元）以取得銀行信用額度。

於二零二三年十二月三十一日，愛琅醫療器械控股有限公司（「愛琅」）貸款本金311,067,000美元，以愛琅及其子公司的100%股權共同擔保，以愛琅的物業、廠房及設備、無形資產、存款、貿易應收款、現金及銀行結餘作為擔保物，同時本公司為愛琅提供擔保。

儲備及可供分派儲備

於二零二三年十二月三十一日，本集團儲備總額為人民幣21,992,058,000元（二零二二年：人民幣21,309,803,000元）。

根據中國的法律及條例，本公司可供分派的儲備將以按照中國會計原則及規則所計算金額與按照香港公認會計原則所計算金額中的較低者為基準。於二零二三年十二月三十一日，本公司可供分派的儲備約為人民幣9,212,316,000元（二零二二年：人民幣8,315,208,000元）。

REVIEW AND OUTLOOK

At the beginning of 2023, with the unleashing of epidemic control, the hospital diagnoses and treatment volume recovered gradually. However, the Group's profit for the whole year was significantly affected due to a combination of the following reasons.

Firstly, ex-factory prices for major products decreased due to the comprehensive implementation of volume-based procurement of orthopedic products, which substantially affected the revenue and net margin of the segment.

Secondly, although the sales volume of general consumables and pharmaceutical packaging products increased significantly, however, due to the impact of price and product structure, the growth in revenue was weaker than sales volume.

Thirdly, the rapid withdrawal of epidemic prevention-related products from the market had affected our overall performance growth for the whole year.

In addition, the year-on-year increase in the US dollar interest rate pushed up the finance costs, which also exerted a certain impact on the Group's profit.

The national healthcare reform policies continued to advance in full implementation, as initiatives such as medical insurance negotiations, centralised pharmaceutical procurement, volume-based procurements of high-value consumables and diagnosis-related groups' payment (DRGs)/diagnosis-intervention packet's payment (DIP), among others, continued to produce a profound impact on the medical industry. The volume-based procurement policies, in particular, have presented some challenges to the Group in the short term, although in the long run, it presents enormous opportunities for development.

回顧與展望

2023年初，隨著疫情管控放開，醫院診療量逐步恢復。但由於以下各種原因疊加，本集團的全年利潤受到了較大影響。

第一，骨科產品帶量採購全面執行，主要產品出廠價下降，大幅影響了板塊的收入和利潤率。

第二，通用耗材、藥品包裝類產品儘管銷量大幅提升，但由於價格及產品結構影響，導致收入增幅弱於銷量增幅。

第三，防疫類相關產品快速退出市場，影響了全年的整體業績增速。

此外，美元利率同比上升，使得融資成本上升，對本集團的利潤也產生了一定影響。

國家醫改政策持續全面推進，包括醫保談判、藥品集採、高值耗材帶量採購、按疾病診斷相關分組付費(DRGs)/按病種分值付費(DIP)等，持續對醫療行業產生深遠影響。特別是帶量採購政策給本集團帶來了一些短期的挑戰，但更帶來了長期的巨大發展機遇。

REVIEW AND OUTLOOK (continued)

In the clinical care segment, the volume-based procurement of different products by various provinces will continue to move forward. Leveraging its prolific product portfolio and extensive market coverage, the Company boasted strong capabilities to counter risks. Through various means such as product upgrading and iteration, sound cost control and mass market expansion, the Company seized opportunities to expand its market share rapidly and enhanced its competitiveness in the industry.

The digitalised clinical care products launched by the Group have enhanced the regulation and standardisation of clinical care and alleviated the magnitude of work of medical staff and reduced staff costs. Such products are widely commended and welcomed by hospitals and medical personnel. We believe that digitalised clinical care products hold immense market prospects and its performance contributions will be achieved one after another. Meanwhile, the digitalised clinical care services, together with the sales of the clinical care series products, represented a good synergy. Therefore, the Group's competitiveness in the industry has been further enhanced.

In the orthopedic segment, facing the continuous deepening of policy impact and the new stage of industry reshaping, the Group grasped the opportunity of reform and continued to facilitate sales model transformation. Our terminal service capabilities improved significantly and customer coverage continued to expand. Integrating with the market and technology development trend as well as clinical feedback, the Group continued to explore and develop new materials, new horizons and new technologies, so as to gradually improve the upstream and downstream orthopedics industrial layout.

In the pharmaceutical packaging business, the market position has been further reinforced. Customer loyalty was strengthened by continuously increasing production capacity to enhance its ability to serve downstream pharmaceutical manufacturers. The Group also grasped the opportunities from downstream enterprise products, business layout and product upgrading to expand sales. In addition, the Group continued to optimise production and supply chain management to reduce costs and adapt to the market environment better. The Group has taken the initiative to make arrangements for new pharmaceutical packaging products and accumulated a large number of customers at the research and development stage.

回顧與展望 (續)

臨床護理板塊，不同產品的各省帶量採購將會持續推進。憑借豐富的產品組合和市場覆蓋，有較強的風險應對能力。通過產品升級換代、良好的成本控制、基層市場開拓等各種措施，抓住機會，快速提升市場份額，增強行業競爭力。

本集團推出的臨床護理數字化產品，提升臨床護理的規範化、標準化水平，減輕醫護人員的工作強度，降低人員成本，受到了來自醫院及醫護人員的廣泛好評和歡迎。我們相信，臨床護理數字化產品的市場前景廣闊，業績貢獻將陸續呈現。同時，臨床護理數字化服務，與臨床護理系列產品的銷售，具有良好的協同性，進一步提升本集團的行業競爭力。

骨科板塊，面對政策影響的持續加深和行業重塑的新階段，本集團把握變革機遇，持續推進銷售模式轉型，終端服務能力顯著提升，客戶覆蓋持續增加。本集團結合市場、技術發展趨勢和臨床反饋，在新材料、新領域、新技術不斷探索發展，逐步完善骨科上下游產業佈局。

藥品包裝板塊，市場地位進一步鞏固。通過持續提升產能，加強對下游製藥企業的服務能力，提高客戶黏性。本集團亦把握下游企業產品、業務佈局及產品升級的機會擴大銷售。此外，本集團持續優化生產及供應鏈管理，降低成本，更好適應市場環境。本集團積極佈局新型藥品包裝產品，並已經積累了大量的研發階段客戶。

REVIEW AND OUTLOOK (continued)

In the interventional segment, the growth of revenue remained solid. New product arrangement continued, which was quickly introduced to the global markets such as Europe and the United States. The overseas market sales of the interventional segment have laid a sound foundation for the Group's overseas market layout. In addition, the interventional segment accounted for a low revenue share in the domestic market with huge potential for development.

As a leading medical device enterprise in China, the Group is committed to providing medical institutions with total solutions in various professional segments to help them improve their diagnostic and treatment capabilities and standards. The Group continued to expand and enrich its product portfolios in various specialty areas such as respiration and anesthesia, urology, endocrinology, endoscopy diagnosis and treatment, and rehabilitation.

The Group puts the corporate culture of "Conscience, Sincerity and Loyalty" into practice when discharging its corporate and social responsibility. The Group continued to improve and enhance corporate governance and propel strategies for sustainable development to facilitate long-term and high-quality development. As the first healthcare "Green Bond" customer of the International Finance Corporation (IFC) under the World Bank in Asia, the sustainable development strategy of the Group is strongly supported and highly recognised by the IFC. The Group highlights responsible operation and meets public demands for medical products with high-quality products. The Company puts emphasis on compliance operations and advocates fair competition. The Company stresses the green development concept and implements concepts, goals and initiatives in relation to energy conservation and emission reduction in production and operation. The Group advocates gender equality, promotes the rights and interests of female employees and increases the proportion of female executives. Meanwhile, the Group actively provides sound and equal job opportunities for nearly 1,000 disabled people and helps them adapt to society.

回顧與展望 (續)

介入板塊，收入增長持續穩健。持續佈局新產品並快速推向歐美等全球市場。介入板塊的海外市場銷售，為本集團的海外市場佈局，打下了良好的基礎。此外，介入板塊國內市場收入佔比低，開發潛力巨大。

作為中國領先的醫療器械企業，本集團致力為醫療機構提供在各專業領域的整體解決方案，協助其提升診療能力和水平。本集團持續拓展和豐富呼吸麻醉、泌尿、內分泌、內鏡診療、康復等各專科領域的產品組合。

本集團將「良心、誠心、忠心」的企業文化，落實到企業社會責任的實踐中去，持續完善、提升治理水平，推行可持續發展策略，助力長期高質量發展。作為世界銀行旗下國際金融公司(IFC)在亞洲的首家醫療行業「綠色債券」客戶，本集團的可持續發展的戰略，受到了IFC的大力支持和高度認可。本集團強調負責任經營，以優質的產品滿足社會對醫療產品的需求。強調合規經營，倡導公平競爭。強調綠色發展理念，將節能減排的理念、目標和行動措施，貫穿到公司運營中去。本集團倡導性別平等，提升女性職工權益，增加女性高管佔比。同時，本集團積極為近千名殘障人士提供良好、平等的就業機會，促進他們更好融入社會。

REVIEW AND OUTLOOK (continued)

The Group formulates development strategies and medium and long-term development plans on a rolling basis. Taking into account the changes in industry policies and the competitive landscape, clinical requirements and its own internal resources reserves, the Company proposed a three-pronged operational strategy of “platform-based”, “internationalised” and “digitalised” development and dual assurance strategies underpinned by “talents” and “innovation”. The Company intends to deliver long-term and stable value through the implementation of such strategies.

In 2023, although the Group’s operating results fluctuated, the management is glad to see strong sales growth in all major products, rapid growth in the Group’s market share and significant improvement in industry influence.

Amid various uncertainties in the macro-environment and international landscape, the management still remains fully confident about the future sustainable development and growth of the Company in the long term.

The management believes that on the back of its strategic presence in a wide range of business sectors and high-quality products, an operational strategy underpinned by persistent market adaptation and a future-oriented approach and initiatives that motivate employee creativity, the Group will continue to maintain and strengthen its leading position in the PRC market. Meanwhile, the Company will actively promote global resource sharing to achieve synergistic development in the domestic and foreign markets to support the stable growth of the Group’s operating results.

回顧與展望 (續)

本集團滾動制定發展戰略和中長期發展規劃。結合行業政策和競爭格局的變化、臨床需求、自身資源的積累等情況，提出「平台化」、「國際化」、「數字化」三大經營戰略和「人才」、「創新」兩大保障戰略。通過戰略的貫徹和實施創造長期穩健的價值。

雖然本集團在2023年經營業績有所波動，但管理層欣然看到，各主要產品的銷量增長強勁，本集團的市場份額在快速增長，行業影響力在大幅提升。

雖然宏觀及國際環境有諸多不確定性，但管理層對未來長期的可持續發展和增長仍然充滿信心。

管理層相信，憑借廣泛的業務領域戰略佈局及高質量產品，堅持適應市場、面向未來的經營策略，激發員工創造性，本集團將繼續保持並加強中國市場領先地位。同時積極推動全球資源共享，實現國內外市場協同發展，支持本集團經營業績穩健增長。

DIRECTORS

Executive Directors

Mr. LONG Jing, aged 50, is an executive director and the chairman of the Board of the Company. Mr. Long joined the Company in July 2005 and served as the manager of sales management department and vice-general manager of sales of the Company until August 2018. He was the chief executive officer of the Company from August 2018 to March 2021. He has been an executive director of the Company since December 2018 to date, a director of Shandong Weigao Orthopaedic Device Company Limited (“Weigao Orthopaedic”) (a subsidiary of the Company, stock code: 688161.SH) from March 2020 to date and the chairman of the Board of the Company from March 2021 to date. Prior to joining the Company, Mr. Long served as the sales chief of Shandong Plastic Materials Industry Company (山東省塑料工業總公司) from 1996 to 2002. Mr. Long obtained a bachelor degree in marketing from Shandong Economic University and a master degree in business administration from Shandong University. He also obtained the Chinese professional qualification of Certified Public Accountant (CPA), with nearly 20 years of experiences in sales and operation management in the medical device industry.

Mr. CONG Rinan, aged 43, is an executive director and chief executive officer of the Company. Mr. Cong joined the Company in August 2003. He served as supervisor, deputy manager and manager of the syringe production workshop until December 2013. During the period from January 2014 to December 2014, Mr. Cong served as the assistant to the chief executive officer of the Company. From January 2015 to December 2018, he served as the deputy general manager of the clinical care business unit of the Company; from January 2019 to March 2021, he has been the general manager of the clinical care business unit; he has been the chief executive officer of the Company from March 2021 until present; he has been the executive director of the Company from May 2021 until present; and he has been a director of Weihai Huadong Automation Co., Ltd., (“Huadong Automation”) (Stock code: 002248.SZ) from March 2024 until present. Mr. Cong obtained a bachelor’s degree in applied chemistry from Yantai University and a master’s degree in engineering from Harbin Institute of Technology. He completed the Master of Business Administration (MBA) program at Renmin University of China in 2019 and obtained the title of senior engineer of medical device professional, with nearly 20 years of experience in production and operation management in the medical device industry.

董事

執行董事

龍經先生，50歲，本公司執行董事兼董事會主席。龍先生於二零零五年七月加入本公司，至二零一八年八月，歷任本公司銷售管理部經理、銷售副總經理等職務；於二零一八年八月至二零二一年三月，任本公司行政總裁；於二零一八年十二月至今任本公司執行董事；於二零二零年三月至今，任本公司附屬公司山東威高骨科材料股份有限公司（「威高骨科」）（股份代碼：688161.SH）董事；於二零二一年三月至今，任本公司董事會主席。於加入本公司之前，龍先生於一九九六年至二零零二年在山東省塑料工業總公司擔任銷售主管。龍先生獲得山東經濟學院市場營銷專業學士學位，山東大學工商管理碩士學位，並取得中國註冊會計師（CPA）專業資格，擁有近二十年醫療器械行業銷售及運營管理經驗。

叢日楠先生，43歲，本公司執行董事兼行政總裁。叢先生於二零零三年八月加入本公司，至二零一三年十二月，歷任注射器生產車間主任、副經理、經理；於二零一四年一月至二零一四年十二月，任本公司行政總裁助理；於二零一五年一月至二零一八年十二月，任本公司臨床護理事業部副總經理；於二零一九年一月至二零二一年三月，任臨床護理事業部總經理；於二零二一年三月至今，任本公司行政總裁；於二零二一年五月至今，任本公司執行董事；於二零二四年三月至今，任威海華東數控股份有限公司（「華東數控」）（股份代碼：002248.SZ）董事。叢先生獲得煙台大學應用化學專業學士學位，哈爾濱工業大學工程碩士學位，並於二零一九年修讀完中國人民大學工商管理碩士（MBA）課程，取得醫療器械專業高級工程師職稱，擁有近二十年醫療器械行業生產及運營管理經驗。

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

DIRECTORS (continued)

Executive Directors (continued)

Mr. LU Junqiang, aged 50, is an executive director of the Company and a director and a general manager of Weigao Orthopaedic (stock code: 688161.SH), a subsidiary of the Company. Mr. Lu joined the Company in October 2000 and served as the regional manager, sales manager of Eastern China and deputy general manager of the medical devices products until January 2018. Mr. Lu was the deputy general manager of sales of Weigao Orthopaedic from January 2018 to September 2019; and the director of Weigao Orthopaedic in September 2018 and the general manager of Weigao Orthopaedic from September 2019 until present. Mr. Lu obtained a master's degree of business administration from the University of Wales in the United Kingdom and has more than 20 years of experience in sales and operation management in the medical device industry.

董事 (續)

執行董事 (續)

盧均強先生，50歲，本公司執行董事及本公司附屬公司威高骨科（股份代碼：688161.SH）董事兼總經理。盧先生於二零零零年十月加入本公司，至二零一八年一月，歷任本公司大區經理、華東區銷售經理及醫療器械產品事業部副總經理；於二零一八年一月至二零一九年九月任威高骨科銷售副總經理；於二零一八年九月及二零一九年九月至今，任威高骨科董事及總經理。盧先生獲得英國威爾士大學工商管理碩士學位，擁有超過二十年的醫療器械行業銷售及運營管理經驗。

DIRECTORS (continued)

Non-executive Directors

Mr. TANG Zhengpeng, aged 53, is a non-executive director and the vice chairman of the Board of the Company. Mr. Tang joined the Weigao Holding in December 2017 and currently is a director and the general manager of Weihai Weigao International Medical Investment Holdings Co., Ltd. and the vice chairman of Weigao Holding; and a director and vice chairman of Huadong Automation (stock code: 002248.SZ) in March 2018 and from July 2018 until present; and a non-executive director and the vice chairman of the Board of the Company from March 2021 until present. Prior to joining Weigao Holding, Mr. Tang was the assistant to the president of Bank of Communications, Weihai Branch, the president of Minsheng Bank, Weihai Branch and the assistant to the president of China Minsheng Bank, Qingdao Branch. Mr. Tang graduated from Shandong University majoring in business administration and completed the EMBA program of China Europe International Business School, with over 20 years of experience in banking and corporate finance management.

Mr. CHEN Lin, aged 48, is a non-executive director of the Company. Mr. Chen joined Weigao Holding in September 2000 and has served as assistant general manager and general manager of Weigao Holding and currently is the chairman of the board of Weihai Weigao International Medical Investment Holdings Co., Ltd. and the chairman of Weigao Holding. Mr. Chen is a non-executive director of the Company from March 2021 until present. Mr. Chen graduated from Weihai University majoring in economic management and completed a Master of Business Administration (MBA) program at Renmin University of China, with over 20 years of operation management experience in the medical device industry.

董事 (續)

非執行董事

湯正鵬先生，53歲，本公司非執行董事兼董事會副主席。湯先生於二零一七年十二月加入威高集團公司，現任威海威高國際醫療投資控股有限公司董事兼總經理、威高集團公司副董事長；於二零一八年三月及二零一八年七月至今，任華東數控（股份代碼：002248.SZ）董事及副董事長；於二零二一年三月至今任本公司非執行董事、董事會副主席。於加入威高集團公司之前，湯先生曾擔任交通銀行威海分行行長助理、民生銀行威海分行行長、民生銀行青島分行行長助理等職務。湯先生畢業於山東大學工商管理專業，並修讀完中歐國際工商學院EMBA課程，擁有超過二十年銀行業及公司財務管理方面的經驗。

陳林先生，48歲，本公司非執行董事。陳先生於二零零零年九月加入威高集團公司，曾任威高集團公司助理總經理、總經理等職務，現任威海威高國際醫療投資控股有限公司董事長、威高集團公司董事長。陳先生於二零二一年三月至今任本公司非執行董事。陳先生畢業於威海大學經濟管理專業，並修讀完中國人民大學工商管理碩士（MBA）課程，擁有超過二十年的醫療器械行業運營管理經驗。

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

DIRECTORS (continued)

Independent Non-executive Directors

Mr. LI Guohui, aged 52, is an independent non-executive Director of the Company and joined the Company in June 2022. Currently, Mr. Li is the chief strategy officer and co-chief financial officer of China Aircraft Leasing Group Holdings Limited (stock code: 1848.HK) and an independent non-executive director of Space Group Holdings Limited (stock code: 2448.HK).

From July 2019 to December 2022, Mr. Li worked in Zhongsheng Group Holdings Limited ("Zhongsheng Group", stock code: 0881.HK). His last position was joint chief financial officer. He was also an executive director of Zhongsheng Group from June 2020 to December 2022. From August 2013 to July 2019, Mr. Li was the vice president, chief financial officer and executive director of China Resources Pharmaceutical Group Limited (stock code: 3320.HK), a non-executive director of Dong-E E-Jiao Co., Ltd. (stock code: 000423.SZ) and China Resources Double Crane Pharmaceutical Co., Ltd. (stock code: 600062.SH) and a supervisor of Sanjiu Medical & Pharmaceutical Co., Ltd. (stock code: 000999.SZ). He was the accounting director of the finance department of China Resources (Holdings) Company Limited from September 2009 to August 2013; a senior analyst of IMC Development Management Company in Hong Kong from April 2006 to September 2009; and a M&A investment analyst in IMC Fanya, Singapore from October 2005 to April 2006.

Mr. Li obtained a bachelor's degree in naval architecture and marine engineering from Wuhan University of Technology, a master's degree in business administration from Wuhan University, a master's degree in financial management from Nanyang Technological University in Singapore and obtained professional qualifications as a Chartered Financial Analyst (CFA) qualified by the CFA Institute of Chartered Financial Analyst and a Certified Public Accountant (CPA) qualified by the Singapore Institute of Chartered Accountants.

董事 (續)

獨立非執行董事

李國輝先生，52歲，本公司獨立非執行董事及於二零二二年六月加入本公司。李先生現為中國飛機租賃集團控股有限公司(股份代碼：1848.HK)首席戰略官和聯席首席財務官及恆宇集團控股有限公司(股份代碼：2448.HK)獨立非執行董事。

李先生於二零一九年七月至二零二二年十二月，任職於中升集團控股有限公司(「中升集團」，股份代碼：0881.HK)，其最後職位為聯席財務總監。彼於二零二零年六月至二零二二年十二月亦擔任中升集團執行董事。於二零一三年八月至二零一九年七月，李先生曾任華潤醫藥集團有限公司(股份代碼：3320.HK)副總裁、首席財務官及執行董事，東阿阿膠股份有限公司(股份代碼：000423.SZ)及華潤雙鶴藥業股份有限公司(股份代碼：600062.SH)的非執行董事，華潤三九醫藥股份有限公司(股份代碼：000999.SZ)的監事。於二零零九年九月至二零一三年八月，曾任華潤集團有限公司財務部會計總監；於二零零六年四月至二零零九年九月，曾任香港萬邦發展管理公司高級分析師；及於二零零五年十月至二零零六年四月，曾任新加坡萬邦泛亞併購投資分析師。

李先生獲得武漢理工大學船舶及海洋工程學士學位，武漢大學工商管理碩士學位，新加坡南洋理工大學財務管理碩士學位，並取得特許金融分析師學院認證的特許金融分析師(CFA)及新加坡特許會計師協會認證的註冊會計師(CPA)專業資格。

DIRECTORS (continued)

Independent Non-executive Directors (continued)

Mrs. MENG Hong, aged 57, is an independent non-executive director of the Company and joined the Company in September 2022. Mrs. Meng is currently an associate professor of the Accounting Department of the Business School of Shandong University (Weihai). She has over 20 years of experience in research and teaching at university. From 1994 to 1999, Mrs. Meng worked at Auditing Firm of Weihai High-tech Industrial Development Zone (威海高技術產業開發區審計師事務所), where she was responsible for auditing and appraising. From 2016 to 2022, she served as an independent director of Shandong Weida Machinery Co., Ltd. (stock code: 002026.SZ) and Zhuhai Winbase International Chemical Tank Terminal Co., Ltd. (stock code: 002492.SZ). From 2021 to 2023, she served as an independent director of Sunfly Intelligent Technology Co., Ltd. (stock code: 300423.SZ). Currently, Mrs. Meng is also an independent director of Weihai Guangwei Composite Co., Ltd. (stock code: 300699.SZ) and Tianrun Industrial Technology Co., Ltd (stock code: 002283.SZ). Mrs. Meng obtained a bachelor's and master's degree in economics from Shandong University and a doctorate degree in economics from Hoseo University in South Korea. She is an asset appraiser in China.

董事 (續)

獨立非執行董事 (續)

孟紅女士，57歲，本公司獨立非執行董事及於二零二二年九月加入本公司。孟女士現任山東大學(威海)商學院會計系副教授，擁有逾20年的大學研究及教學經驗。孟女士自一九九四年至一九九九年，在威海高技術產業開發區審計師事務所從事審計、評估工作。孟女士自二零一六年至二零二二年曾擔任山東威達機械股份有限公司(股份代碼：002026.SZ)及珠海恒基達鑫國際化工倉儲股份有限公司(股份代碼：002492.SZ)獨立董事，自二零二一年至二零二三年曾擔任昇輝智能科技股份有限公司(股份代碼：300423.SZ)獨立董事。孟女士現時亦擔任威海光威複合材料股份有限公司(股份代碼：300699.SZ)及天潤工業技術股份有限公司(股份代碼：002283.SZ)獨立董事。孟女士取得山東大學經濟學學士及碩士學位、韓國湖西大學經濟學博士學位。彼為中國資產評估師。

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

DIRECTORS (continued)

Independent Non-executive Directors (continued)

Mr. Li Qiang, aged 48, is an independent non-executive Director of the Company and joined the Company in December 2022. Mr. Li is currently the managing partner of Grandall Law Firm (Shanghai). Mr. Li is mainly engaged in the legal practice of capital markets, including private equity investment, corporate listing and M&A restructuring. Mr. Li is also the director of the Securities Business Research Committee of the Shanghai Bar Association and an arbitrator of Shanghai Arbitration Commission. Prior to joining Grandall Law Firm (Shanghai), Mr. Li worked as a paralegal at the Shanghai office of Boss & Young from March 2003 to April 2005; as a marketing manager at Lenovo Group Limited from September 1999 to August 2000; and as a staff member at China National Arts & Crafts (Group) Corporation from July 1997 to June 1999. Mr. Li has provided legal services to more than 40 companies in their domestic and overseas listing and restructurings. He has nearly 20 years of extensive legal experience in listing. Mr. Li was an independent director of Anhui Gourgen Traffic Construction Co., Ltd. (stock code: 603815.SH). Currently, Mr. Li is as independent directors of Shanghai Anoky Group Co., Ltd. (Stock Code: 300067.SZ) and Impulse (Qingdao) Health Tech Co., Ltd. (Stock Code: 002899.SZ).

Mr. Li obtained a bachelor of laws degree and a master of laws degrees from Shanghai University of International Business and Economics; a master of law degree from Chicago-Kent College of Law and EMBA degree from China Europe International Business School (CEIBS).

董事 (續)

獨立非執行董事 (續)

李強先生，48歲，本公司獨立非執行董事及於二零二二年十二月加入本公司。李先生現任國浩律師(上海)事務所管理合夥人。李先生主要從事資本市場領域的法律業務，包括私募股權投資、企業上市、併購重組。李先生同時擔任上海市律師協會證券業務研究委員會主任、上海仲裁委員會仲裁員。於加入國浩律師(上海)事務所之前，二零零三年三月至二零零五年四月，李先生就職於上海邦信陽中建中匯律師事務所擔任律師助理；一九九九年九月至二零零零年八月就職於聯想集團有限公司擔任市場經理；一九九七年七月至一九九九年六月就職於中國工藝集團有限公司擔任職員。李先生曾為超過四十家公司赴境內外上市、重組提供法律服務，具有近二十年豐富的上市法律經驗。李先生曾為安徽省交通建設股份有限公司(股份代碼：603815.SH)的獨立董事。李先生現時亦擔任上海安諾其集團股份有限公司(股份代碼：300067.SZ)、青島英派斯健康科技股份有限公司(股份代碼：002899.SZ)的獨立董事。

李先生獲得上海對外經貿大學法學學士及法學碩士；芝加哥肯特法學院法學碩士及中歐國際工商學院EMBA學位。

SUPERVISORS

Mrs. GU Meijun, aged 47, is a shareholder representative supervisor and the chairman of the Supervisory Committee of the Company, and is currently the chief accountant of Weigao Holding. Ms. Gu joined Weigao Holding in 1996 and held positions such as accounting supervisor, accounting manager, assistant to general manager of Weigao Holding. Ms. Gu has been a supervisor of Huadong Automation (stock code: 002248.SZ) from March 2021 to date. Ms. Gu graduated from Beijing Information Technology Institute majoring in financial management and passed the middle-level accountant title examination.

Mr. SONG Dapeng, aged 46, is a shareholder representative supervisor of the Company and is the director of the audit center of Weigao Holding. Mr. Song joined Weigao Holding in November 2009 and has served as the supervisor of the audit and risk management department, manager of the audit and risk management department and assistant to general manager of Weigao Holding. Prior to joining Weigao Holding, Mr. Song worked as the manager of the audit department of Weihai Jinzheng Accountancy* (威海金正會計師事務所) from January 2006 to October 2009. Mr. Song has been the chairman of the supervisory committee of Huadong Automation (stock code: 002248.SZ) from March 2021 to date. Mr. Song graduated from Shandong University of Finance and Economics* (山東經濟學院) majoring in accounting.

監事

谷美君女士，47歲，本公司股東代表監事兼監事會主席，現任威高集團公司總會計師。谷女士於一九九六年加入威高集團公司，歷任威高集團公司會計主管、會計經理、總經理助理。谷女士於二零二一年三月至今，任華東數控(股份代碼：002248.SZ)監事。谷女士畢業於北京信息工程專修學院財務管理專業，通過中級會計師職稱考試。

宋大鵬先生，46歲，本公司股東代表監事，現任威高集團公司審計中心總監。宋先生於二零零九年十一月加入威高集團公司，歷任威高集團公司審計與風險管理部主管、審計與風險管理部經理、總經理助理。於加入威高集團公司之前，二零零六年一月至二零零九年十月於威海金正會計師事務所擔任審計部經理。宋先生於二零二一年三月至今，任華東數控(股份代碼：002248.SZ)監事會主席。宋先生畢業於山東經濟學院會計專業。

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

董事、監事及高級管理人員

SUPERVISORS (continued)

Mr. ZHANG Zhuangqiu, aged 47, is an employee representative supervisor of the Company and is currently the vice general manager of the clinical care business division of the Company. Mr. Zhang joined the Company in January 2016 and successively served in different positions in the Company such as the assistant to general manager of the clinical care business division and vice general manager of production department. Prior to joining the Company, Mr. Zhang worked for Samsung Electronics (Shandong) Digital Printers Ltd. (三星電子(山東)數碼打印機有限公司) from July 1997 to January 2012 and worked for Weihai Weigao Medical Systems Co. Ltd. (威海威高醫療系統有限公司), a subsidiary of the Company's controlling shareholder, Weigao Holding Company Limited, as the vice general manager of production department from February 2012 to December 2015. Mr. Zhang graduated from University of Science and Technology Liaoning (遼寧科技大學) in July 1997 majoring in mechanical manufacturing.

SENIOR MANAGEMENT

Mr. WU Xuefeng, aged 46, is the chief financial officer of the Company. Mr. Wu joined the finance department of the Company in July 2001. He served as the manager of the manufacturing finance department and the manager of the sales finance department of the Company until July 2012; from July 2012 to October 2013, he was the manager of the risk management department of Weigao Holding; from October 2013 to February 2017, he was the financial controller of the pharmaceutical distribution business department of Weigao Holding; and from February 2017 to present, he has been the financial controller of the Company. Mr. Wu obtained a bachelor degree in finance management from the University of QiQiHar in Heilongjiang Province and obtained a master degree in business management from the Missouri State University, the United States, with more than 20 years of experience in the accounting and finance management.

Mrs. WONG Miu Ling, Phillis, aged 55, is the company secretary of the Company. Ms. Wong joined the Company in May 2006. She is a Chartered Secretary and fellow members of both The Hong Kong Chartered Governance Institute and the Chartered Governance Institute. Ms. Wong has over 25 years of experience in corporate finance and management.

監事 (續)

張壯秋先生，47歲，本公司職工代表監事，現任本公司臨床護理業務部副總經理。張先生於二零一六年一月加入本公司，歷任本公司臨床護理業務部總經理助理、生產副總。於加入本公司之前，張先生於一九九七年七月至二零一二年一月任職於三星電子(山東)數碼打印機有限公司；於二零一二年二月至二零一五年十二月擔任本公司控股股東威高集團公司之附屬公司威海威高醫療系統有限公司生產副總。張先生於一九九七年七月畢業於遼寧科技大學機械製造專業。

高級管理層

吳雪峰先生，46歲，本公司財務總監。吳先生於二零零一年七月加入本公司財務部，至二零一二年七月，歷任本公司製造財務部經理、銷售財務部經理；二零一二年七月至二零一三年十月，任威高集團公司風險管理部經理；二零一三年十月至二零一七年二月，任威高集團公司醫藥分銷事業部財務總監；二零一七年二月至今，任本公司財務總監。吳先生獲得黑龍江省齊齊哈爾大學財務管理學學士學位，美國密蘇里州立大學企業管理碩士學位，擁有超過二十年的會計及財務管理方面的經驗。

黃妙玲女士，55歲，本公司公司秘書，於二零零六年五月加入本公司。彼為特許秘書及香港公司治理公會及特許公司治理公會資深會員。黃女士於企業融資及管理方面積逾二十五年經驗。

To all shareholders:

The Supervisory Committee (the “Supervisory Committee”) of Shandong Weigao Group Medical Polymer Company Limited, in compliance with the relevant requirements of the Company Law and the articles of association of the Company, has conducted its work in accordance with the fiduciary principle, and has taken up an active role to work seriously and with diligence to protect the interests of the Company and its shareholders.

During the Year, the Supervisory Committee had reviewed cautiously the development plans of the Company and provided reasonable suggestions and opinions to the Board. It also strictly and effectively monitored and supervised the Company’s management in making significant policies and decisions to ensure that they are in compliance with the relevant requirements of the Company Law and the articles of association of the Company, and in the interests of its shareholders.

We have reviewed and agreed to the report of the Directors, audited consolidated financial statements and the dividend to be proposed by the Board for presentation at the forthcoming annual general meeting. We are of the opinion that the Directors, the chief executive officer and other senior management of the Company are able to strictly observe their fiduciary duty, to act diligently, to exercise their authority faithfully in the best interests of the Company and to work in accordance with the Articles of Association of the Company. The transactions between the Company and connected parties are in the interests of the shareholders as a whole and under fair and reasonable price.

As of today, none of the Directors, chief executive officer and senior management staff had been found to have abused their authority, damaged the interests of the Company or infringed upon the interests of its shareholders and employees. None of them was found to be in breach of any laws and regulations or the Articles of Association of the Company.

致各位股東：

山東威高集團醫用高分子製品股份有限公司監事會（「本監事會」）遵照公司法及本公司組織章程細則的有關規定，遵守誠信原則，認真履行職責，保護本公司及其股東利益，勤勉主動地開展工作。

在本年度內，本監事會對本公司的發展計劃進行謹慎審核，並向董事會提出合理的建議和意見，對本公司管理層的重大決策及決定是否符合公司法及本公司組織章程細則的有關規定，是否符合股東利益等，進行了嚴謹及有效的監督。

本監事會已審閱並同意董事會提呈予應屆股東週年大會的董事會報告、經審核綜合財務報表及建議派發的股息。本監事會認為本公司董事、行政總裁及其他高級管理人員能夠嚴格遵守誠信原則，工作勤勉盡職並真誠地以本公司最佳利益為出發點行使職權，並按照本公司組織章程細則開展各項工作。本公司與關連人士進行的交易均符合股東的整體利益，且價格公平合理。

本監事會至今並無發現董事、行政總裁及高級管理人員濫用職權，損害本公司利益或侵犯本公司股東和員工權益的行為，亦未發現上述人員違反任何法律法規或本公司的組織章程細則。

REPORT OF THE SUPERVISORY COMMITTEE 監事會報告書

The Supervisory Committee is satisfied with the achievement and cost-effectiveness of the Company in 2023 and has great confidence in the future prospect of the Company.

本監事會對本公司於二零二三年的各項工作和取得的成本效益表示滿意，並對本公司的未來前景充滿信心。

By Order of the Supervisory Committee
**Shandong Weigao Group Medical Polymer
Company Limited**
GU Meijun
Chairman of Supervisory Committee
Weihai, Shandong Province, the PRC

26 March 2024

承監事會命
**山東威高集團醫用高分子製品股份
有限公司**
監事會主席
谷美君
中國山東省威海市

二零二四年三月二十六日

The Directors are pleased to present this Annual Report together with the audited consolidated financial statements for the year ended 31 December 2023.

Principal Activities

Shandong Weigao Group Medical Polymer Company Limited (the "Company") is principally engaged in the research and development, production and sale of medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products, and operates financing business.

For management purposes, the Group is currently organised into six operating divisions – medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products and others, among which interventional products were produced by Argon Medical Devices Holding, Inc.. These divisions are the basis of the internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (Managing Director) in order to allocate resources to segments and to assess their performance.

Principal activities of the Group's operating and reportable segments are as follows:

Medical Device Products	– production and sale of clinical care, medical testing, anesthesia and surgical related products and other consumables
Orthopaedic Products	– production and sale of orthopaedic products
Interventional Products	– production and sale of tumour and blood vessel interventional instruments
Pharma Packaging Products	– production and sale of pre-filled syringes and flushing syringes
Blood Management Products	– production and sale of blood collection, irradiation, storage, separation and sterilization products
Others	– finance lease and factoring business

董事欣然提呈截至二零二三年十二月三十一日止年度的本年報連同經審核綜合財務報表。

主要業務

山東威高集團醫用高分子製品股份有限公司(「本公司」)主要從事研發、生產及銷售醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品，及經營融資業務。

就管理而言，本集團目前分為六個經營分部－醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品及其他，其中介入產品由愛琅醫療器械控股有限公司生產。該等分部乃按本集團各部的內部呈報基準劃分，定期由主要營運決策者(董事總經理)審核，以分配資源至分部並評估其表現。

本集團經營及可呈報分部的主要業務如下：

醫療器械產品	– 生產及銷售臨床護理、醫學檢驗、麻醉及手術相關產品以及其他耗材
骨科產品	– 生產及銷售骨科產品
介入產品	– 生產及銷售腫瘤及血管介入器械
藥品包裝產品	– 生產及銷售預灌封注射器及沖管注射器
血液管理產品	– 生產及銷售血液採集、輻射、貯存、分離及滅菌消毒產品
其他	– 融資租賃及保理業務

Business Review

A fair review of the business of the Group and a discussion and analysis of the Group's performance during the year and the material factors underlying its results and financial position are provided in the Chairman's Statement, Business Review and Financial Review sections respectively from pages 4 to 8, 13 to 19 and 20 to 24 of this Annual Report. The future development of the Group's business is discussed throughout this Annual Report including in the Review and Outlook sections from pages 25 to 28 of this Annual Report. In addition, more details regarding the Group's performance by reference to environmental and social-related key performance indicators and policies, as well as compliance with relevant laws and regulations which have a significant impact on the Group, are provided in the Corporate Governance Report and the Environmental, Social and Governance Report (the "ESG Report"), which will be published separately.

Dividend

The Board proposed the distribution of a final dividend for the year ended 31 December 2023 of RMB0.0943 (2022: RMB0.079) (before considering any tax effect) per share totaling approximately RMB431,011,000 (2022: RMB361,080,000), subject to the approval of shareholders of the Company at the Annual General Meeting. The final dividend will be denominated and declared in Renminbi.

Property, Plant and Equipment

Details of movements in property, plant and equipment of the Group during the Year are set out in note 15 to the consolidated financial statements.

Major Customers and Suppliers

During the Year, the combined value of the Group's contracts with its five largest suppliers, which were not of a capital nature, was less than 30 per cent of the total value of supplies purchased. The Group's five largest customers combined contributed less than 30 per cent of its total revenue and other income during the Year.

業務回顧

有關本集團業務的中肯回顧及本集團年內表現和與業績及財務狀況相關的重要因素的討論及分析，分別在本年報第4頁至第8頁的主席報告書、第13頁至第19頁的業務回顧及第20頁至第24頁的財務回顧各章節中闡述。本集團業務的未來發展於本年報不同部分討論，包括於本年報第25頁至第28頁的回顧與展望章節。此外，企業管治報告以及環境、社會及管治報告（「ESG報告」）亦載列有關本集團參照環境及社會相關主要表現指標及政策的表現詳情，以及遵守對本集團有重大影響的相關法律及法規的情況。ESG報告將單獨刊發。

股息

董事會建議派發截至二零二三年十二月三十一日止年度之末期股息每股人民幣0.0943元（二零二二年：人民幣0.079元（未考慮任何稅務影響）），涉及總額約為人民幣431,011,000元（二零二二年：人民幣361,080,000元），須於股東週年大會獲本公司股東批准後，方可作實。末期股息將以人民幣計值和宣派。

物業、廠房及設備

有關本集團本年度內物業、廠房及設備的變動詳情，載於綜合財務報表附註15。

主要客戶及供應商

本年度內，本集團與其五大供應商的合約總值（不屬於資本性質者）佔所採購的供應品總值少於30%。本集團五大客戶合共佔其本年度內收入及其他收益總額少於30%。

During the Year, none of the Directors, their associates or any shareholders (which to the knowledge of the Director owned more than 5% of the Company's issued share capital) has a beneficial interest in the Group's five largest customers or suppliers.

Results

The results of the Group for the year ended 31 December 2023 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 93 to 94 of this annual report.

Donations

During the Year, the Group made charitable donations amounted to RMB939,000 (2022: RMB677,000).

Share Capital

As at 31 December 2023, the total share capital of the Company was RMB457,063,232.4 divided into 4,570,632,324 ordinary shares with a nominal value of RMB0.1 per share, of which 4,522,332,324 shares were H shares and 48,300,000 shares were non-listed domestic shares.

Details of the movements in share capital of the Company during the Year are set out in note 37 to the consolidated financial statement.

Closure of Register of Member

For the purpose of determining who may attend the Annual General Meeting to be held on Tuesday, 28 May 2024, the register of holders of H Shares of the Company will be closed from Wednesday, 22 May 2024 to Tuesday, 28 May 2024 (both dates inclusive), during which no transfer of H Shares will be registered. In order to qualify for entitlement to attending and voting in the Annual General Meeting, all transfers of H Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's H Share registrar, Tricor Standard Limited for registration not later than 4:30 p.m. on Tuesday, 21 May 2024.

本年度內，本公司董事、其聯繫人或據董事所知擁有本公司已發行股本5%以上的任何股東概無於本集團五大客戶及供應商中擁有實益權益。

業績

本集團截至二零二三年十二月三十一日止年度的業績載於本年報第93頁至第94頁的綜合損益及其他全面收益表。

捐贈

本年度內，本集團作出慈善捐贈人民幣939,000元（二零二二年：人民幣677,000元）。

股本

於二零二三年十二月三十一日，本公司的股本總額為人民幣457,063,232.4元，分為4,570,632,324股每股面值為人民幣0.1元的普通股，其中4,522,332,324股股份為H股及48,300,000股股份為非上市內資股。

本公司本年度內的股本變動詳情載於綜合財務報表附註37。

暫停辦理股份過戶登記手續

為釐定有權出席將於二零二四年五月二十八日（星期二）舉行之股東週年大會的人士，本公司將於二零二四年五月二十二日（星期三）至二零二四年五月二十八日（星期二）（首尾兩日包括在內）暫停H股過戶登記，於該期間將不會辦理H股過戶登記手續。為符合資格出席股東週年大會並於會上投票，所有H股過戶文件連同有關股票及轉讓表格須不遲於二零二四年五月二十一日（星期二）下午四時三十分送交本公司的H股過戶登記處卓佳標準有限公司，以辦理登記手續。

REPORT OF THE DIRECTORS

董事會報告

In order to qualify for attending the Annual General Meeting:-

Latest time to lodge in transfer instrument accompanied by the share certificates for H Shares 4:30 p.m. on Tuesday, 21 May 2024

Closure of register of members of the Company for attending and voting in the Annual General Meeting Wednesday, 22 May 2024 to Tuesday, 28 May 2024

Date of Annual General Meeting . . . Tuesday, 28 May 2024

For the purpose of determining who may be entitled to receive the final dividend of the Company (subject to approval by the Shareholders at the Annual General Meeting), the register of holders of H Shares of the Company will be closed from Wednesday, 5 June 2024 to Tuesday, 11 June 2024 (both dates inclusive), during which no transfer of H Shares will be registered. In order to qualify for entitlement to the final dividend, all transfers of H Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's H Share Registrar, Tricor Standard Limited for registration not later than 4:30 p.m. on Tuesday, 4 June 2024.

In order to qualify to entitle the final dividend for the year ended 31 December 2023:-

Latest time to lodge in transfer instrument accompanied by the share certificates for H Shares and Domestic Shares 4:30 p.m. on Tuesday, 4 June 2024

Closure of register of members of the Company for entitlement of the final dividend for the year ended 31 December 2023. Wednesday, 5 June 2024 to Tuesday, 11 June 2024

Record date for the entitlement of the final dividend Tuesday, 11 June 2024

Expected dispatch date of the final dividend Friday, 12 July 2024

The final dividend will be despatched at the risk of those entitled thereto to their respective registered addresses on or before Friday, 12 July 2024.

為符合資格出席股東週年大會：—

交回過戶文件連同H股股票之最後時限 二零二四年五月二十一日 (星期二) 下午四時三十分

本公司暫停辦理股份過戶登記手續以出席股東週年大會並於會上投票 二零二四年五月二十二日 (星期三) 至二零二四年五月二十八日 (星期二)

股東週年大會日期 二零二四年五月二十八日 (星期二)

為釐定有權收取本公司末期股息 (須待股東於股東週年大會上批准方可作實) 的人士, 本公司將於二零二四年六月五日 (星期三) 至二零二四年六月十一日 (星期二) (首尾兩日包括在內) 暫停H股過戶登記, 於該期間將不會辦理H股過戶登記手續。為符合資格收取末期股息, 所有H股過戶文件連同有關股票及轉讓表格須不遲於二零二四年六月四日 (星期二) 下午四時三十分送交本公司的H股過戶登記處卓佳標準有限公司, 以辦理登記手續。

為符合資格獲派截至二零二三年十二月三十一日止年度之末期股息：—

交回過戶文件連同H股及內資股股票之最後時限 二零二四年六月四日 (星期二) 下午四時三十分

本公司暫停辦理股份過戶登記手續以釐定截至二零二三年十二月三十一日止年度之末期股息之權利 二零二四年六月五日 (星期三) 至二零二四年六月十一日 (星期二)

釐定末期股息權利之記錄日期 二零二四年六月十一日 (星期二)

預期末期股息寄發日期 二零二四年七月十二日 (星期五)

末期股息將於二零二四年七月十二日 (星期五) 或之前按有權獲派末期股息之持有人各自之登記地址寄發予彼等, 郵誤風險由彼等自行承擔。

Reserves and Distributable Reserves

As of 31 December 2023, the total reserves of the Group amounted to RMB21,992,058,000 (2022: RMB21,309,803,000).

Under the PRC laws and regulations, the Company's distributable reserves will be based on the lower of the amount calculated according to the PRC accounting principles and rules and the amount calculated according to Hong Kong's generally accepted accounting principles. As of 31 December 2023, the distributable reserves of the Company were approximately RMB9,212,316,000 (2022: RMB8,315,208,000).

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

During the Year, neither the Company nor any of its subsidiaries purchased, sold, or redeemed any of the Company's listed securities.

Directors and Directors' Service Contracts

The Directors during the Year and up to the date of this report were:

Executive Directors

Mr. LONG Jing (*Chairman*)
Mr. CONG Rinan (*Chief Executive Officer*)
Mr. LU Junqiang
Mr. NI Shili (resigned on 29 December 2023)

Non-executive Directors

Mr. TANG Zhengpeng (*Vice Chairman*)
Mr. CHEN Lin

Independent Non-executive Directors

Mr. LI Guohui
Mrs. MENG Hong
Mr. LI Qiang

儲備及可供分派儲備

於二零二三年十二月三十一日，本集團儲備總額為人民幣21,992,058,000元（二零二二年：人民幣21,309,803,000元）。

根據中國的法律及條例，本公司可供分派的儲備將以按照中國會計原則及規則所計算金額與按照香港公認會計原則所計算金額中的較低者為基準。截至二零二三年十二月三十一日，本公司可供分派的儲備約為人民幣9,212,316,000元（二零二二年：人民幣8,315,208,000元）。

購買、出售或贖回本公司上市證券

於年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

董事及董事服務合約

本年度內及直至本報告日期的董事為：

執行董事

龍經先生 (*主席*)
叢日楠先生 (*行政總裁*)
盧均強先生
倪世利先生 (於二零二三年十二月二十九日辭任)

非執行董事

湯正鵬先生 (*副主席*)
陳林先生

獨立非執行董事

李國輝先生
孟紅女士
李強先生

Directors and Directors' Service Contracts (continued)

Mr. Cong Rinan, Mr. Tang Zhenpeng and Mr. Chen Lin shall hold office to the 2024 AGM of the Company and, being eligible, offer themselves for re-election at the 2024 AGM.

No Director proposed for re-election at the 2024 AGM has a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Directors and Senior Management's Emoluments

The remunerations of the Directors are reviewed from time to time by the remuneration committee of the Company with reference to their professional qualifications, responsibilities, experiences, performances and the Group's operating results.

The Group's emolument policy is designed to attract, retain and motivate talented individuals to contribute to the success of the business. The emolument policy of the employees of the Group is formulated and reviewed by the remuneration committee of the Company on the basis of their merit, qualifications and competence.

Details of the remuneration of each of the Directors for the year ended 31 December 2023 are set out in note 12 to the consolidated financial statements.

董事及董事服務合約 (續)

叢日楠先生、湯正鵬先生及陳林先生的任期直至本公司二零二四年股東週年大會為止，彼等符合資格並願意於二零二四年股東週年大會上膺選連任。

擬於二零二四年股東週年大會上膺選連任的董事概無與本集團任何成員公司訂立本集團不可於一年內未有支付賠償(法定賠償除外)而終止的服務合約。

董事及高級管理層酬金

本公司薪酬委員會不時參照董事之專業資格、責任、經驗、表現及本集團之運營業績檢討董事之薪酬。

本集團的酬金政策旨在吸引、挽留及鼓勵人才為業務成功作出貢獻。本集團的僱員酬金政策乃由本公司薪酬委員會根據彼等的功績、資格及能力制訂及審閱。

各董事於截至二零二三年十二月三十一日止年度的薪酬詳情載於綜合財務報表附註12。

Directors' and Chief Executives' Interests and Short Position

As at 31 December 2023, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or of any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) of the Company, which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, as recorded in the register maintained 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 for Securities Transactions by Directors of Listed Issuers (the "Model Code") as contained in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

(i) Long positions in the shares and underlying shares of the Company:

Name of director	Nature of interest	Capacity	Number of H Shares held	% of H Shares in issue (note 1)	Number of Domestic Shares held	% of Domestic Shares in issue (note 1)	% of total issued share capital of the Company (note 1)
董事姓名	權益性質	身份	所持H股數目	佔已發行H股百分比(附註1)	所持內資股數目	佔已發行內資股百分比(附註1)	佔本公司已發行股本總額百分比(附註1)
Mr. Long Jing 龍經先生	Personal 個人	Beneficial Owner 實益擁有人	480,000	0.0106	6,000,000	12.42	0.1418
Mr. Cong Rinan 叢日楠先生	Personal 個人	Beneficial Owner 實益擁有人	200,000	0.0044	2,000,000	4.14	0.0481
Mr. Chen Lin 陳林先生	Personal 個人	Beneficial Owner 實益擁有人	196,000	0.0043	-	-	0.0043

Note:

- As at 31 December 2023, the number of total issued shares of the Company was 4,570,632,324, comprising 4,522,332,324 H Shares and 48,300,000 Domestic Shares.

董事及主要行政人員的權益及淡倉

於二零二三年十二月三十一日，董事及本公司主要行政人員於本公司或本公司任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及第8分部將須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關條文當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條將須登記於本公司存置的登記冊的權益及淡倉，或根據聯交所證券上市規則（「上市規則」）附錄C3所載上市發行人董事進行證券交易的標準守則（「標準守則」）另行知會本公司及聯交所的權益及淡倉如下：

(i) 於本公司股份及相關股份的好倉：

附註：

- 於二零二三年十二月三十一日，本公司已發行股份總數為4,570,632,324股，包括4,522,332,324股H股及48,300,000股內資股。

Directors' and Chief Executives' Interests and Short Position (continued)

董事及主要行政人員的權益及淡倉 (續)

(ii) Long positions in the shares and underlying shares of the associated corporations of the Company

(ii) 於本公司相聯法團之股份及相關股份的好倉

Name of director	Name of associated corporation	Capacity/Nature of interest	Amount of equity interest held/ registered capital/ underlying interest 所持股權數額/ 註冊資本/相關權益	% of interest in the associated corporation 於相聯法團 權益之百分比
董事姓名	相聯法團名稱	身份/權益性質		
Mr. Chen Lin	Weihai Weigao International Medical Investment Holding Co., Ltd. ^(Note i)	Beneficial owner	RMB1,100,800	6.90%
陳林先生	威海威高國際醫療投資控股有限公司 ^(附註i)	實益擁有人	人民幣1,100,800元	
Mr. ChenLin	Weigao Holding Company Limited ^(Note i)	Beneficial owner	RMB9,760,000	0.81%
陳林先生	威高集團有限公司 ^(附註i)	實益擁有人	人民幣9,760,000元	
Mr. Lu Junqiang	ShandongWeigao Orthopaedic Device Company Limited	Beneficial Owner	400,000 A shares ^(Note ii)	0.10%
盧均強先生	山東威高骨科材料股份有限公司	實益擁有人	400,000股A股 ^(附註ii)	

Notes:

- (i) Weihai Weigao International Medical Investment Holding Co., Ltd. ("Weihai Weigao International") holds 89.93% equity interest in Weigao Holding Company Limited ("Weigao Holding"), which is the controlling shareholder of the Company holding 45.94% equity interest in the Company.
- (ii) These underlying shares were incentive share options granted to Mr. Lu Junqiang and were vested pursuant to the share award scheme of Shandong Weigao Orthopaedic Device Company Limited, a subsidiary of the Company listed on the Shanghai Stock Exchange.

附註：

- (i) 威海威高國際醫療投資控股有限公司（「威海威高國際」）持有威高集團有限公司（「威高集團」）89.83%股權，而威高集團為持有本公司45.94%股權的本公司控股股東。
- (ii) 該等相關股份為授予盧均強先生並根據山東威高骨科材料股份有限公司（本公司於上海證券交易所上市之附屬公司）之股份獎勵計劃歸屬之激勵購股權。

Save as disclosed above, as at 31 December 2023, none of the Directors and chief executive of the Company had any interests or short position in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO (including the interests and short positions which the Director is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

Substantial Shareholders

As at 31 December 2023, so far as the Directors are aware, the following persons (other than the Directors and the chief executive of the Company) or institutions have interests or short positions of 5% or more in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

除上文所披露者外，於二零二三年十二月三十一日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例）的股份及相關股份中，擁有(a)根據證券及期貨條例第XV部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文董事被當作或視為擁有的權益及淡倉）；或(b)根據證券及期貨條例第352條須登記於該條所指登記冊的權益或淡倉；或(c)根據標準守則須知會本公司及聯交所的權益或淡倉。

主要股東

於二零二三年十二月三十一日，就董事所知，按證券及期貨條例第336條而須存置之登記冊所記錄，下列人士（董事及本公司主要行政人員除外）或機構擁有本公司股份或相關股份5%或以上之權益或淡倉：

Name of shareholder	Nature of interest	Number of H Shares held (Note 2)	% of total issued share capital (Note 1)
股東名稱	權益性質	所持H股數目 (附註2)	佔已發行股本總額百分比 (附註1)
Mr. Chen Xueli 陳學利先生	Interest of controlled corporation 受控法團權益	2,099,755,676 (L)	45.94
Weihai Weigao International 威海威高國際	Interest of controlled corporation 受控法團權益	2,099,755,676 (L)	45.94
Weigao Holding 威高集團	Beneficial owner 實益擁有人	2,099,755,676 (L)	45.94

Notes:

- As at 31 December 2023, the number of total issued shares of the Company was 4,570,632,324, comprising 4,522,332,324 H Shares and 48,300,000 Domestic Shares.
- The Company is owned as to 45.94% by Weigao Holding, which is 89.83% owned by Weihai Weigao International. Weihai Weigao International is 50.80% owned by Mr. Chen Xueli. Accordingly, Mr. Chen Xueli and Weihai Weigao International are deemed to be interested in the shares of the Company held by Weigao Holding for the purpose of Part XV of the SFO.

附註：

- 於二零二三年十二月三十一日，本公司已發行股份總數為4,570,632,324股，包括4,522,332,324股H股及48,300,000股內資股。
- 本公司由威高集團持有45.94%權益，而威高集團由威海威高國際持有89.83%權益。威海威高國際由陳學利先生持有50.80%權益。因此，根據證券及期貨條例第XV部，陳學利先生及威海威高國際被視為於威高集團所持本公司股份中擁有權益。

Save as disclosed above, as at 31 December 2023, no other persons (other than the Directors and chief executives of the Company) had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

Incentive Share Scheme

The Company adopted an incentive share scheme on 17 November 2014 (“Incentive Share Scheme”). The purposes of the Incentive Share Scheme are to: (i) enable the Company to provide incentive to the Eligible Participants (as defined below) in order to recognise and motivate the contributions they have made or will make to the Group; (ii) attract and retain quality talents for the business operation, management and development of the Group; (iii) align the interests of the management, the employees and the Group to ensure the realisation of the Group’s development strategy and business objectives; and (iv) attain a long-term relationship between the Group and its employees.

Subject to the relevant requirements under the Listing Rules, Eligible Participants are persons eligible to receive awards under the Incentive Share Scheme include any employee (whether full-time or part-time, but excluding any Excluded Employee as defined under the Incentive Share Scheme) of any member of the Group, or any person who, in the sole opinion of the remuneration committee of the Company, will contribute or has contributed to any member of the Group. The maximum number of the issuable Shares under the specific mandate of Incentive Share shall not exceed 223,818,616 Shares, representing 5% of the number of Shares in issue on the date of adoption of the Incentive Share Scheme.

除上文所披露者外，於二零二三年十二月三十一日，概無其他人士（董事及本公司主要行政人員除外）於本公司的股份或相關股份中擁有根據證券及期貨條例第336條而須存置之登記冊所記錄的任何權益或淡倉。

激勵股份計劃

本公司於二零一四年十一月十七日採納一項激勵股份計劃（「激勵股份計劃」）。激勵股份計劃的目的為：(i)使本公司向合資格參與者（定義見下文）授予股票作為激勵及獎勵其為集團已作出或將作出的貢獻；(ii)為本集團的業務經營、管理及發展吸引及挽留優秀人才；(iii)將管理團隊的利益、員工利益與本集團利益結合起來，保證本集團發展戰略和經營目標的實現；及(iv)建立本集團與員工之間長期的穩定關係。

在上市規則相關要求的規限下，合資格參與者指根據激勵股份計劃合資格獲得獎勵的人士，包括任何本集團成員公司的任何全職或兼職的僱員，但不包括激勵股份計劃界定的任何除外人員，或由本公司薪酬委員會全權認為將會或曾經對任何本集團成員公司作出貢獻的任何人士。激勵股份特別授權項下可發行股份數目最多將不超過223,818,616股，佔批准激勵股份計劃日期已發行股份數目的5%。

Incentive Share Scheme (continued)

The Company issued 94,260,000 Shares in total under the specific mandate. As at 31 December 2023, 129,558,616 outstanding Shares remain available to issue under the specific mandate, representing approximately 2.83% of the total issue share capital of the Company. The maximum number of Shares that may be granted to the Eligible Participant selected by the remuneration committee of the Company to participate in the Incentive Share Scheme (“Selected Employees”) must not exceed 0.5% of the issued share capital of the Company at the date of the grant. The length of the vesting period, vesting and other conditions (such as the length of the lock-up period) that must be satisfied for the exercise of the subscription right will be determined by the remuneration committee of the Company at its discretion, and may vary among the Selected Employees depending on their position, length of service with the Group and performance. No exercise period for awarded shares was set. The Selected Employees can exercise the share awards in anytime upon vesting. Save for the subscription price, participants are not required to pay any amount upon participation of the Incentive Share Scheme. The subscription price represents the net asset value per Share as set out in the audited consolidated financial statements of the Company in the last financial year immediately preceding the grant date of the share awards. Subject to an early termination of the Incentive Share Scheme as determined by the Remuneration Committee, the Incentive Share Scheme will be effective for a term of 10 years commencing from the Adoption Date, until 16 November 2024. Details of the Incentive Share Scheme of the Company is set out in Note 38(a) to the consolidated financial statements.

激勵股份計劃 (續)

本公司根據特別授權合共已發行94,260,000股股份。於二零二三年十二月三十一日，129,558,616股未發行股份仍可根據特別授權發行，佔本公司已發行股本總額約2.83%。可授予由本公司薪酬委員會指定參加激勵股份計劃的合資格參與者（「受益人」）的股份最高數目不得超過本公司於授出日期已發行股本的0.5%。就行使認購權而須達致的歸屬期限、歸屬及其他條件（如鎖定期）將由本公司薪酬委員會酌情釐定，並視乎受益人的狀況、於本集團的服務年期及表現而有所不同。獎勵股份並無設定行使期。受益人可於歸屬後隨時行使股份獎勵。除認購價外，參與者在參加激勵股份計劃時無需支付任何金額。認購價代表本公司於緊接股份獎勵授出日期前最近財政年度之經審核合併財務報表所載每股淨資產價值。於薪酬委員會決定提前終止激勵股份計劃的情況下，激勵股份計劃之有效期自採納日期起至二零二四年十一月十六日止，為期10年。本公司的激勵股份計劃詳情載於綜合財務報表附註38(a)。

Incentive Share Scheme (continued)

激勵股份計劃 (續)

Details of the movement of the share awards granted pursuant to the Incentive Share Scheme during the Year were as follows:

年內，根據激勵股份計劃授予的股份獎勵變動詳情如下：

Name of grantee	Date of grant	Number of share awards 股份獎勵數目					Exercisable as at 31 December 2023	Subscription price upon grant (RMB)	Weighted average closing price of the shares immediately before the dates the awards were exercised or vested (HKD) 股份於緊接獎勵獲行使或歸屬日期前的加權平均收市價 (港元)
		Exercisable as at 1 January 2023	Vested during the Year	Exercised during the Year	Cancelled during the Year	Lapsed during the Year			
承授人姓名	授出日期	於二零二三年一月一日可行使	年內已歸屬	年內已行使	年內已註銷	年內已失效	於二零二三年十二月三十一日可行使	授出時之認購價 (人民幣)	平均收市價 (港元)
Directors									
董事									
Mr. Long Jing 龍經先生	11/12/2015 (batch 1) 11/12/2015 (第一批)	480,000	0	0	0	0	480,000	2.2	5.59
	24/12/2021 (batch 2) 24/12/2021 (第二批)	2,400,000	1,200,000	0	0	0	3,600,000	3.58	9.38
Mr. Cong Rinan 叢日楠先生	11/12/2015 (batch 1) 11/12/2015 (第一批)	200,000	0	0	0	0	200,000	2.2	5.59
	24/12/2021 (batch 2) 24/12/2021 (第二批)	800,000	400,000	0	0	0	1,200,000	3.58	9.38
Other Eligible Participants									
其他合資格參與者									
employees 僱員	11/12/2015 (batch 1) 11/12/2015 (第一批)	430,000	0	0	0	0	430,000	2.2	5.59
	24/12/2021 (batch 2) 24/12/2021 (第二批)	16,120,000	8,060,000	0	0	0	24,180,000	3.58	9.38

Notes:

附註：

- With respect to batch 1 of the share awards granted in 2015, a total of 1,110,000 shares were exercisable as at 31 December 2023. Such shares, together with (i) 8,812,000 shares that were repurchased by the trustee upon exercise by the directors and employees during 2023; (ii) 4,534,000 shares that were lapsed and retained by the trustee prior to 1 January 2023 pursuant to the Incentive Share Scheme, represent the total outstanding incentive shares of 14,456,000 held by the trustee for the benefit of the Incentive Share Scheme (batch 1).
- The number of share awards and the shares are calculated on a 1:1 basis (i.e. 1 share award = 1 Shares).

- 就二零一五年授出的第一批股份獎勵而言，於二零二三年十二月一日，合共1,110,000股股份可行使。有關股份，連同(i)二零二三年董事及僱員行使後由受託人回購的8,812,000股股份；及(ii)根據激勵股份計劃於二零二三年一月一日前失效及由受託人保留的4,534,000股股份，代表受託人為激勵股份計劃(第一批)的利益持有的合共14,456,000股未行使激勵股份。
- 股份獎勵及股份的數目乃按一比一基準(即1份股份獎勵=1股股份)計算。

Internal Control

Directors are responsible for reviewing the internal control and risk management system of the Company periodically to ensure its effectiveness and efficiency. With the support of the internal audit department, they will review the practices, procedures, expenditure and internal control of the Company and its subsidiaries on a regular basis. The management will regularly monitor the concerns as reported by the internal audit department to ensure appropriate remedial measures have been implemented. The Board or senior management can also request the internal audit group to review the specific scope of concerns and report the significant findings of such review to the Board and the audit committee.

Directors' Interests in Competing Business

Saved as disclosed in this annual report, as at 31 December 2023, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or may compete with the business of the Group.

Directors' Interests in Transactions, Arrangements and Contracts

Save as disclosed in this annual report, there was no transaction, arrangement or contract of significance subsisted in which a Director or an entity connected with a Director was materially interested, whether directly or indirectly, during or at the end of the year ended 31 December 2023.

Independence of Independent Non-Executive Directors

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all the independent non-executive Directors are independent.

內部監控

董事負責定期檢討本公司的內部監控及風險管理系統，確保其有效性及效率。在內部核數部門的支持下，董事定期對本公司及其附屬公司的常規、程序、開支及內部監控進行檢討。管理層將定期監察內部核數部門所匯報的關注事項，確保實施適當的補救措施。董事會或高級管理人員亦可要求內部審核小組對特定的關注範圍進行檢討，並向董事會及審核委員會匯報重要的檢討結果。

董事於競爭業務中的權益

除本年報所披露者外，於二零二三年十二月三十一日，概無董事或彼等各自的聯繫人從事與本集團業務構成競爭或可能構成競爭的任何業務，或於當中擁有任何權益。

董事於交易、安排及合約中的權益

除本年報所披露者外，於截至二零二三年十二月三十一日止年度或年末，概無董事或與董事相關連的實體於任何重大交易、安排或合約直接或間接擁有重大權益。

獨立非執行董事的獨立性

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認書。本公司認為，全體獨立非執行董事均屬獨立。

Directors' Rights to Acquire Shares or Debentures

Save for the share options granted to the Directors, at no time during the Year was the Company, or its holding company, subsidiaries or fellow 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.

Management Contracts

No contracts in respect of the management or administration of the whole or any substantial part of the business of the Company and its subsidiaries were entered into or subsisted during the Year.

Connected Transactions

Details of the connected transaction of the Group during the Year are as follows:

On 3 January 2023, Shandong Weigao Orthopedic Materials Company Limited ("Weigao Ortho"), a subsidiary of the Company, entered into the equity transfer agreement (the "Equity Transfer Agreement") with Weihai Weigao Biotechnology Co., Ltd. (威海威高生物科技有限公司), Weihai Weigao Fusen Medical Materials Co., Ltd. (威海威高富森醫用材料有限公司), Weihai Weigao Medical Imaging Technology Co., Ltd. (威海威高醫療影像科技有限公司) and Weihai Weigao Qiquan Medical Equipment Co., Ltd. (威海威高齊全醫療設備有限公司) (all of which are subsidiaries of Weihai Weigao International Medical Investment Holding Company Limited ("Weihai Weigao International", collectively the "Vendors")), pursuant to which Weigao Ortho agreed to acquire, and the Vendors agreed to transfer to Weigao Ortho their respective equity interests for a total of 100% in Shandong Weigao New Life Medical Device Co., Ltd., at a cash consideration of RMB1,030,000,000.

董事購入股份或債券的權利

除已向董事授出的購股權外，本公司或其控股公司、附屬公司或同系附屬公司於年內任何時間概無作出任何安排，致令董事可藉購入本公司或其他法人團體之股份或債券而獲益。

管理合約

年內，本公司及其附屬公司並無就整體業務或任何重要業務之管理或行政工作簽訂或存在任何管理或行政合約。

關連交易

本集團於年內的關連交易情況如下：

於二零二三年一月三日，本公司的附屬公司山東威高骨科材料股份有限公司（「威高骨科」）與威海威高生物科技有限公司、威海威高富森醫用材料有限公司、威海威高醫療影像科技有限公司及威海威高齊全醫療設備有限公司（全部均為威海威高國際醫療投資控股有限公司（「威海威高國際」的附屬公司，統稱為「賣方」）訂立股權轉讓協議（「股權轉讓協議」），據此，威高骨科同意收購，而賣方同意向威高骨科轉讓彼等各自於山東威高新生醫療器械有限公司之合共100%的股權，現金代價為人民幣1,030,000,000元。

Connected Transactions (continued)

Weihai Weigao International holds approximately 89.83% equity interest in Weigao Holding, which is a substantial shareholder of the Company. As such, the entering into the Equity Transfer Agreement constituted a connected transaction of the Company and was subject to the reporting and announcement requirement under Chapter 14A of the Listing Rules. During the year ended 31 December 2023, the registration of Weigao Ortho as the registered owner of Shandong Weigao New Life Medical Device Co., Ltd. has been completed.

Please refer to the Company's announcements dated 3 January 2023 and 15 February 2023 for further details.

Continuing Connected Transactions

Details of the continuing connected transactions of the Group which required reporting and annual review in 2023 were as follows:

1. Supplemental Purchase Framework Agreement

The Company and Weigao Holding entered into a purchase framework agreement dated 5 December 2018 (as supplemented by supplemental agreements dated 27 September 2019, 18 December 2019, 26 August 2020, 28 October 2020 and 16 November 2021) (the "Purchase Framework Agreement") in relation to the purchase of the medical based products, including but not limited to, medical equipment, medical raw materials, medical packaging materials, pharmaceutical and medical devices by the Group from Weigao Holding Group.

關連交易 (續)

威海威高國際持有本公司主要股東威高集團約89.83%股權，因此，根據上市規則第14A章，訂立股權轉讓協議構成本公司之一項關連交易並須遵報告及公告規定。截至二零二三年十二月三十一日止年度，威高骨科作為山東威高新生醫療器械有限公司註冊擁有人的註冊已完成。

詳情請參閱本公司日期為二零二三年一月三日及二零二三年二月十五日之公告。

持續關連交易

本集團於二零二三年須報告及年度審查的持續關連交易詳情如下：

1. 補充採購框架協議

本公司與高集團公司訂立日期為二零一八年十二月五日的採購框架協議（經日期為二零一九年九月二十七日、二零一九年十二月十八日、二零二零年八月二十六日、二零二零年十月二十八日及二零二一年十一月十六日之補充協議所補充）（「採購框架協議」），內容有關本集團向威高集團採購醫療產品，包括（但不限於）醫療設備、醫療原材料、醫療包裝材料、藥品及醫療器械。

Continuing Connected Transactions (continued)

1. Supplemental Purchase Framework Agreement (continued)

On 16 November 2021, the Company entered into a supplemental purchase framework agreement with Weigao Holding (the "2021 Supplemental Purchase Framework Agreement") to extend the agreement terms of the Purchase Framework Agreement for two years to 31 December 2023 and propose new annual caps of RMB1,300 million and RMB1,500 million for the years ended 31 December 2022 and 2023, respectively. The term of 2021 Supplemental Framework Agreement expired on 31 December 2023. On 23 August 2023, the Company entered into a supplement framework agreement with Weigao Holding (the "2023 Supplemental Purchase Framework Agreement") to extend the agreement term for two years to 31 December 2025 and propose new annual caps of RMB1,500 million for each of the financial years ending December 2024 and 2025.

During the Year, the actual amount of transactions contemplated under the 2021 Supplemental Purchase Framework Agreement was approximately RMB1,201.8 million (2022: RMB1,249.9 million).

持續關連交易 (續)

1. 補充採購框架協議 (續)

於二零二一年十一月十六日，本公司與威高集團公司訂立補充採購框架協議（「二零二一年補充採購框架協議」），將採購框架協議延長兩年，至二零二三年十二月三十一日及截至二零二零二二年及二零二三年十二月三十一日止年度建議新年度上限分別為人民幣1,300,000,000元及人民幣1,500,000,000元。二零二一年補充採購框架協議於二零二三年十二月三十一日到期。於二零二三年八月二十三日，本公司與威高集團公司訂立補充框架協議（「二零二三年補充採購框架協議」），將協議期限延長兩年，至二零二五年十二月三十一日，截至二零二四年及二零二五年十二月三十一日止財政年度各年的建議新年度上限為人民幣1,500,000,000元。

年內，二零二一年補充採購框架協議項下擬進行交易的實際金額約為人民幣1,201,800,000元（二零二二年：人民幣1,249,900,000元）。

Continuing Connected Transactions

(continued)

2. Supplemental Logistic Support Services Framework Agreement

On 16 November 2021, the Company entered into a logistic support services framework agreement (“Logistic Support Services Framework Agreement”) with Shandong Weigao Medical Company Limited (山東威高醫藥有限公司) (the “Logistic Company”), a subsidiary of Weigao Holding, for a term of two years commencing from 1 January 2022. Under the Logistic Support Services Framework Agreement, Weigao Holding Group shall provide logistic support services to the Group by delivering the Group’s products to its customers (such as hospitals), collecting payment from the customers on behalf of the Group and settling the amount paid by the customers (net of the logistic service fees charged by Weigao Holding Group) with the Group on a back-to-back basis. Annual caps for transactions contemplated under the Logistic Support Services Framework Agreement in respect of the total amount settled by the Logistic Company Group for the Group’s sales to hospitals through Logistic Company Group were RMB5,000 million and RMB6,000 million for the years ended 31 December 2022 and 2023, respectively. Annual caps in respect of the logistic service fees charged by the Logistic Company were RMB155.0 million and RMB186.0 million for the years ended 31 December 2022 and 2023, respectively. The Logistic Support Services Framework Agreement expired on 31 December 2023.

持續關連交易 (續)

2. 補充物流支持服務框架協議

於二零二一年十一月十六日，本公司與威高集團公司的附屬公司山東威高醫藥有限公司（「物流公司」）訂立物流支持服務框架協議（「物流支持服務框架協議」），自二零二二年一月一日為期兩年。根據物流支持服務框架協議，威高集團將向本集團物流支持服務，將本集團的產品交付予其客戶（如醫院），代本集團向客戶收取款項並按背對背基準與本集團結算客戶支付的金額（扣除威高集團收取的物流服務費）。截至二零二二年及二零二三年十二月三十一日止年度，物流支持服務框架協議項下擬進行交易有關物流公司集團就本集團透過物流公司集團向醫院銷售產品所結算的總額的年度上限分別為人民幣5,000,000,000元及人民幣6,000,000,000元。截至二零二二年及二零二三年十二月三十一日止年度，有關物流公司所收取物流服務費的年度上限分別為人民幣155,000,000元及人民幣186,000,000元。物流支持服務框架協議於二零二三年十二月三十一日到期。

Continuing Connected Transactions (continued)

2. Supplemental Logistic Support Services Framework Agreement (continued)

On 30 August 2023, the Company entered into a supplemental logistic support services framework agreement with the Logistic Company (“Supplemental Logistic Support Services Framework Agreement”) to extend the agreement term of the Logistic Support Services Framework Agreement for two years to 31 December 2025, proposed new annual caps in respect of the total amount settled by Logistic Company Group for Group’s sales to customers through Logistic Company Group of RMB4,400 million and RMB5,200 million for the financial years ending 31 December 2024 and 2025 respectively and adjusted the pricing of the logistic service fee to not more than 3%. Annual caps for the logistic service fees charged by Logistic Company are RMB132.0 million and RMB156.0 million for the years ended 31 December 2024 and 2025, respectively.

During the Year, the total amount settled by the Logistic Company Group for the Group’s sales to customers through Logistic Company Group was RMB3,542.5 million (2022: RMB3,346.9 million) with a logistic service fee of RMB105.9 million (2022: RMB78.2 million).

持續關連交易 (續)

2. 補充物流支持服務框架協議 (續)

於二零二三年八月三十日，本公司與物流公司訂立補充物流支持服務框架協議（「補充物流支持服務框架協議」），以將物流支持服務框架協議期限延長兩年為二零二五年十二月三十一日、建議截至二零二四年及二零二五年十二月三十一日止財政年度有關物流公司集團就本集團透過物流公司集團向客戶銷售產品所結算的總額的新年度上限分別為人民幣4,400,000,000元及人民幣5,200,000,000元及調整物流服務費的定價為不超過3%。截至二零二四年及二零二五年十二月三十一日止年度，有關物流公司所收取物流服務費的年度上限分別為人民幣132,000,000元及人民幣156,000,000元。

年內，物流公司集團就本集團透過物流公司集團向客戶銷售產品所結算的總額為人民幣3,542,500,000元（二零二二年：人民幣3,346,900,000元）及物流服務費人民幣105,900,000元（二零二二年：人民幣78,200,000元）。

Continuing Connected Transactions (continued)

3. Supplemental Deposit Services Agreement

The Company entered into a deposit services agreement dated 23 August 2017 with Weihai Lanhai Banking Corporation (威海藍海銀行股份有限公司) (“Lanhai Bank”) (as amended by the supplemental agreement dated 20 December 2019 and 16 November 2021) (“Deposit Services Agreement”), pursuant to which Lanhai Bank agreed to provide deposit services to the Group and the Group agrees to utilise such deposit services. In accordance with the supplemental deposit services agreement entered with between the Company and Lanhai Bank dated 16 November 2021 (“2021 Supplemental Deposit Services Agreement”), the annual cap for the maximum daily balance of deposits (including the interests accrued thereon) for the year ended 31 December 2023 was RMB300 million. The 2021 Supplemental Deposit Services Agreement expired on 31 December 2023.

On 30 August 2023, the Company entered into a supplemental deposit services agreement with Lanhai Bank (“2023 Supplemental Deposit Services Agreement”) to extend the agreement term for two years to 31 December 2025. Pursuant to the 2023 Supplemental Deposit Services Agreement, the proposed annual caps for the maximum daily balance of deposits (including the interests accrued thereon) shall not exceed RMB200.0 million for each of the financial years ending 31 December 2024 and 2025.

For the year ended 31 December 2023, the actual maximum daily balance of deposits (including the interests accrued thereon) was approximately RMB80.7 million (2022: RMB162.6 million).

持續關連交易 (續)

3. 補充存款服務協議

本公司與威海藍海銀行股份有限公司(「藍海銀行」)訂立日期為二零一七年八月二十三日的存款服務協議(經日期為二零一九年十二月二十日及二零二一年十一月十六日的補充協議修訂)(「存款服務協議」),據此,藍海銀行同意向本集團提供存款服務,而本集團同意使用有關存款服務。根據本公司與藍海銀行訂立的日期為二零二一年十一月十六日的補充存款服務協議(「二零二一年補充存款服務協議」),截至二零二三年十二月三十一日止年度,每日最高存款結餘(包括其應計利息)的年度上限為人民幣300,000,000元。二零二一年補充存款服務協議於二零二三年十二月三十一日到期。

於二零二三年八月三十日,本公司與藍海銀行訂立補充存款服務協議(「二零二三年補充存款服務協議」),以將協議期限延長兩年,至二零二五年十二月三十一日。根據二零二三年補充存款服務協議,截至二零二四年及二零二五年十二月三十一日止財政年度各年,每日最高存款結餘(包括其應計利息)的建議年度上限將不超過人民幣200,000,000元。

截至二零二三年十二月三十一日止年度,實際每日最高存款結餘(包括其應計利息)約為人民幣80,700,000元(二零二二年:人民幣162,600,000元)。

Continuing Connected Transactions (continued)

4. Supplemental Finance Leasing and Factoring Framework Agreement

The Group entered into an agreement dated 5 December 2018 (as supplemented by the supplemental agreements dated 27 September 2019, 2 November 2020 and 16 November 2021) with Weigao Holding, pursuant to which the Group agreed to provide finance leasing and recourse and non-recourse factoring and other commercial factoring services to Weigao Holding Group. In accordance with the supplemental finance leasing and factoring framework agreement dated 16 November 2021 (“2021 Supplemental Finance Leasing and Factoring Framework Agreement”), the annual cap for transactions contemplated under the 2021 Supplemental Finance Leasing and Factoring Framework Agreement for the year ended 31 December 2023 was RMB500.0 million. The 2021 Supplemental Finance Leasing and Factoring Framework Agreement expired on 31 December 2023.

On 30 August 2023, 山東威高融資租賃有限公司 (Shandong Weigao Financial Leasing Co., Ltd.) and 上海威高融資租賃有限公司 (Shanghai Weigao Financing Lease Co., Ltd.), both are subsidiaries of the Company, entered into the supplemental finance leasing and factoring framework agreement with Weigao Holding (the “2023 Supplemental Finance Leasing and Factoring Framework Agreement”) to extend the agreement term for two years to 31 December 2025 and propose new annual caps of RMB600.0 million for each of the financial years ending 31 December 2024 and 2025.

During the Year, the actual aggregate value of finance leasing and factoring amount was RMB130.6 million (2022: RMB347.4 million).

持續關連交易 (續)

4. 補充融資租賃及保理框架協議

本集團與威高集團公司訂立日期為二零一八年十二月五日的協議（經日期為二零一九年九月二十七日、二零二零年十一月二日及二零二一年十一月十六日的補充協議補充），據此，本集團同意向威高集團提供融資租賃和有追索權及無追索權保理以及其他商業保理服務。根據日期為二零二一年十一月十六日的補充融資租賃及保理框架協議（「二零二一年補充融資租賃及保理框架協議」），截至二零二三年十二月三十一日止年度，二零二一年補充融資租賃及保理框架協議項下擬進行交易的年度上限為人民幣500,000,000元。二零二一年補充融資租賃及保理框架協議於二零二三年十二月三十一日到期。

於二零二三年八月三十日，山東威高融資租賃有限公司及上海威高融資租賃有限公司（均為本公司之附屬公司）與威高集團公司訂立補充融資租賃及保理框架協議（「二零二三年補充融資租賃及保理框架協議」），以將協議期限延長兩年及建議截至二零二五年十二月三十一日及建議截至二零二四年及二零二五年十二月三十一日止財政年度各年的新年度上限為人民幣600,000,000元。

年內，融資租賃及保理金額的實際總值為人民幣130,600,000元（二零二二年：人民幣347,400,000元）。

Continuing Connected Transactions (continued)

5. Supplemental Sales Framework Agreement

The Company entered into an agreement dated 5 December 2018 (as supplemented by the supplemental agreements dated 18 December 2019, 2 November 2020 and 16 November 2021) (“Sales Framework Agreement”), pursuant to which the Company agrees to sell or procure its subsidiaries to sell, and Weigao Holding agrees to purchase or procure its subsidiaries or associates to purchase products including but not limited to, medical devices, carton box and moulding. In accordance with the supplemental sales framework agreement dated 16 November 2021 (“2021 Supplemental Sales Framework Agreement”), the annual cap for transactions contemplated under the 2021 Supplemental Sales Framework Agreement for the year ended 31 December 2023 was RMB500.0 million. The 2021 Supplemental Sales Agreement expired on 31 December 2023.

On 30 August 2023, the Company entered into the supplemental sales framework agreement with Weigao Holding (the “2023 Supplemental Sales Framework Agreement”) to extend the agreement term for two years to 31 December 2025 and propose new annual caps of RMB600.0 million for each of the financial years ending 31 December 2024 and 2025.

During the Year, the actual amount of transaction contemplated under the Sales Framework Agreement was RMB452.2 million (2022: RMB444.8 million).

持續關連交易 (續)

5. 補充銷售框架協議

本集團訂立日期為二零一八年十二月五日的協議(經日期為二零一九年十二月十八日、二零二零年十一月二日及二零二一年十一月十六日的補充協議補充) (「銷售框架協議」)，據此，本公司同意出售或促使其附屬公司出售，而威高集團公司同意採購或促使其附屬公司或聯營公司採購產品，包括(但不限於)醫療器械、硬紙盒及模具。根據日期為二零二一年十一月十六日的補充銷售框架協議(「二零二一年補充銷售框架協議」)，截至二零二三年十二月三十一日止年度，二零二一年補充銷售框架協議項下擬進行交易的年度上限為人民幣500,000,000元。二零二一年補充銷售框架協議於二零二三年十二月三十一日到期。

於二零二三年八月三十日，本公司與威高集團公司訂立補充銷售框架協議(「二零二三年補充銷售框架協議」)，以將協議期限延長兩年及建議截至二零二五年十二月三十一日及建議截至二零二四年及二零二五年十二月三十一日止財政年度各年的新年度上限為人民幣600,000,000元。

年內，銷售框架協議項下擬進行交易的實際金額為人民幣452,200,000元(二零二二年：人民幣444,800,000元)。

Continuing Connected Transactions (continued)

6. Supplemental Services Framework Agreement

The Company entered into an agreement dated 5 December 2018 (as supplemented by the supplemental agreements dated 2 November 2020 and 16 November 2021) (“Services Framework Agreement”) with Weigao Holding, pursuant to which in relation to the provision of services by Weigao Holding Group to the Group; the Company agrees to purchase or procure its subsidiaries to purchase, and Weigao Holding agrees to provide or procure its subsidiaries or associates to provide services including but not limited to, transportation, dormitory, premises, security, catering services and hotel services. In accordance with the supplemental services framework agreement dated 16 November 2021 (“2021 Supplemental Services Framework Agreement”), the annual cap for transactions contemplated under the 2021 Supplemental Services Framework Agreement for the year ended 31 December 2023 was RMB50.0 million. The 2021 Supplemental Services Agreement expired on 31 December 2023.

On 30 August 2023, the Company entered into the supplemental services framework agreement with Weigao Holding (“2023 Supplemental Services Framework Agreement”) to extend the agreement term for two years to 31 December 2025; and propose new annual caps of RMB65.0 million for each of the financial years ending 31 December 2024 and 2025, respectively.

During the Year, The actual transaction amounts for the services provided by Weigao Holding Group to the Group contemplated under the Services Framework Agreement was RMB48.9 million (2022: RMB19.7 million).

持續關連交易 (續)

6. 補充服務框架協議

本集團與威高集團公司訂立日期為二零一八年十二月五日的協議(經日期為二零二零年十一月二日及二零二一年十一月十六日的補充協議補充) (「服務框架協議」)，據此，本公司同意採購或促使其附屬公司採購，而威高集團公司同意提供或促使其附屬公司或聯營公司提供服務，包括(但不限於)運輸、宿舍、物業、安保、餐飲服務及酒店服務。根據日期為二零二一年十一月十六日的補充服務框架協議(「二零二一年補充服務框架協議」)，截至二零二三年十二月三十一日止年度，二零二一年補充服務框架協議項下擬進行交易的年度上限為人民幣50,000,000元。二零二一年補充服務框架協議於二零二三年十二月三十一日到期。

於二零二三年八月三十日，本公司與威高集團公司訂立補充服務框架協議(「二零二三年補充服務框架協議」)，以將協議期限延長兩年，至二零二五年十二月三十一日；及建議截至二零二四年及二零二五年十二月三十一日止財政年度各年的新年度上限為人民幣65,000,000元。

年內，服務框架協議項下威高集團向本集團提供服務的實際交易金額為人民幣48,900,000元(二零二二年：人民幣19,700,000元)。

Continuing Connected Transactions (continued)

持續關連交易 (續)

7. Supplemental Tenancy Framework Agreement

The Company entered into an agreement dated 5 December 2018 (as supplemented by the supplemental agreements dated 2 November 2020 and 16 November 2021) (“Tenancy Framework Agreement”) with Weigao Holding, pursuant to which the Group agrees to lease its premises located at industrial zone at Chucun Town, Weihai, Shandong Province, the PRC and sublease its leased premises in various sales market areas to Weigao Holding Group and receive rentals therefrom. In accordance with the supplemental tenancy framework agreement dated 16 November 2021 (“2021 Supplemental Tenancy Framework Agreement”), the annual cap for transactions contemplated under the 2021 Supplemental Tenancy Framework Agreement for the year ended 31 December 2023 was RMB25.0 million. The 2021 Supplemental Tenancy Framework Agreement expired on 31 December 2023.

On 30 August 2023, the Company entered into the supplemental tenancy framework agreement with Weigao Holding (“2023 Supplemental Tenancy Framework Agreement”) to extend the agreement term for two years to 31 December 2025; and propose new annual caps of RMB38.0 million for each of the financial years ending 31 December 2024 and 2025, respectively.

During the Year, the actual transaction amounts for the rental received by the Group from Weigao Holding Group contemplated under the Tenancy Framework Agreement was RMB11.4 million (2022: RMB9.4 million).

7. 補充租賃框架協議

本集團與威高集團公司訂立日期為二零一八年十二月五日的協議(經日期為二零二零年十一月二日及二零二一年十一月十六日的補充協議補充) (「租賃框架協議」)，據此，本集團同意向威高集團出租其位於中國山東省威海初村工業區之物業、轉租其於各銷售市場區域已承租之物業，並從中收取租金。根據日期為二零二一年十一月十六日的補充租賃框架協議 (「二零二一年補充租賃框架協議」)，截至二零二三年十二月三十一日止年度，二零二一年補充租賃框架協議項下擬進行交易的年度上限為人民幣25,000,000元。二零二一年補充租賃框架協議於二零二三年十二月三十一日到期。

於二零二三年八月三十日，本公司與威高集團公司訂立補充租賃框架協議 (「二零二三年補充租賃框架協議」)，以將協議期限延長兩年，至二零二五年十二月三十一日；及建議截至二零二四年及二零二五年十二月三十一日止財政年度各年的新年度上限為人民幣38,000,000元。

年內，本集團於租賃框架協議項下擬自威高集團收取租金之實際交易金額為人民幣11,400,000元 (二零二二年：人民幣9,400,000元)。

Continuing Connected Transactions (continued)

8. Supplemental Services Provision Framework Agreement

The Company entered into a services provision framework agreement dated 16 November 2021 (“Services Provision Framework Agreement”) with Weigao Holding, pursuant to which the Company agrees to provide or procure its subsidiaries to provide, and Weigao Holding agrees to purchase or procure its subsidiaries or associates to purchase medical related services including but not limited to, sterilization, examination, radiation validation, market management and maintenance services for a term of two years. In accordance with the supplemental services provision framework agreement dated 16 November 2021 (“2021 Supplemental Services Provision Framework Agreement”), the annual cap for the transactions contemplated under the 2021 Supplemental Services Provision Framework Agreement for the year ended 31 December 2023 was RMB40.0 million. The 2021 Supplemental Services Provision Framework Agreement expired on 31 December 2023.

On 30 August 2023, the Company entered into the supplemental services provision framework agreement with Weigao Holding (“2023 Supplemental Services Provision Framework Agreement”) to extend the agreement term for two years to 31 December 2025; and propose new annual caps of RMB60.0 million and RMB65.0 million for each of the financial years ending 31 December 2024 and 2025, respectively.

During the Year, the actual transaction amounts for the for the medical related services provided by the Group to Weigao Holding contemplated under the Services Provision Framework Agreement was RMB15.9 million (2022: RMB23.6 million).

持續關連交易 (續)

8. 補充服務提供框架協議

本公司與威高集團公司訂立日期為二零二一年十一月十六日的服務提供框架協議(「服務提供框架協議」)，據此，本公司同意提供或促使其附屬公司提供，而威高集團公司同意認購或促使其附屬公司或聯營公司認購醫療相關服務，包括但不限於消毒、檢查及輻射驗證服務、市場管理和維護服務，為期兩年。根據日期為二零二一年十一月十六日的補充服務提供框架協議(「二零二一年補充服務提供框架協議」)，截至二零二三年十二月三十一日止年度，二零二一年補充服務提供框架協議擬進行交易的建議年度上限為人民幣40,000,000元。二零二一年補充服務提供框架協議於二零二三年十二月三十一日到期。

於二零二三年八月三十日，本公司與威高集團公司訂立補充服務提供框架協議(「二零二三年補充服務提供框架協議」)，以將協議期限延長兩年，至二零二五年十二月三十一日；及建議截至二零二四年及二零二五年十二月三十一日止財政年度各年的新年度上限分別為人民幣60,000,000元及人民幣65,000,000元。

年內，服務提供框架協議項下本集團擬向威高集團公司提供醫療相關服務之實際交易金額為人民幣15,900,000元(二零二二年：人民幣23,600,000元)。

Continuing Connected Transactions

(continued)

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors had reviewed the above continuing connected transactions and confirmed that the transactions had been entered into:

- (i) in the ordinary and usual course of the Group's business;
- (ii) on normal commercial terms or better; and
- (iii) in accordance with the terms of the respective agreements governing such transactions that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, Deloitte Touche Tohmatsu, the auditor of the Company, have reviewed the above continuing connected transactions and provided a letter to the Board, confirming that nothing has come to their attention that causes them to believe the continuing connected transactions abovementioned:

- (i) have not been approved by the Board;
- (ii) are not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve provision of goods and services by the Group;
- (iii) have not been entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and
- (iv) have exceeded the annual caps as disclosed in previous announcements.

持續關連交易 (續)

根據上市規則第14A.55條，本公司的獨立非執行董事已審閱上述持續關連交易，並確認該等交易：

- (i) 於本集團一般及日常業務過程中訂立；
- (ii) 一般商業條款或更佳條款訂立；及
- (iii) 按照公平合理及符合本公司及股東整體利益的條款根據規管交易的各協議訂立。

根據上市規則第14A.56條，本公司的核數師德勤•關黃陳方會計師行已審閱上述持續關連交易，並致函董事會，確認概無注意到任何事情，可使彼等認為上述持續關連交易：

- (i) 並未獲董事會批准；
- (ii) 若交易涉及由本集團提供貨品及服務，在各重大方面沒有按照本集團的定價政策進行；
- (iii) 在各重大方面沒有根據規管交易的有關協議進行；及
- (iv) 超逾過往公佈所披露的上限。

Continuing Connected Transactions (continued)

The Directors confirm that the Company has complied with the requirements set out under Chapter 14A of the Listing Rules for the abovementioned connected transactions or continuing connected transactions. Save as disclosed above, other related parties transactions disclosed in note 45 to the consolidated financial statement do not fall under connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.

Dividend Policy

The Company has adopted a dividend policy (the “Dividend Policy”), whereby the shareholders of the Company are entitled to the dividends declared by the Company. The payment and any amount of dividends shall be formulated at the discretion of the Board. Any dividend distribution is subject to the approval by the general meeting of the Company. Pursuant to the PRC Company Law and the Articles of Association of the Company, all shareholders of the Company shall be equally entitled to dividends and distribution. Dividends paid to holders of Domestic Shares, if any, shall be calculated and declared and payable in Renminbi. Cash dividends paid to holders of H Shares, if any, shall be calculated and declared in Renminbi and payable in Hong Kong Dollars.

Corporate Governance

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report contained in this annual report.

Change of Board Composition and Senior Management

Mr. Ni Shili has tendered his resignation as an executive Director with effect from 29 December 2023.

Save as disclosed above, there is no change of information on directors and supervisors of the Company during the year ended 31 December 2023 pursuant to Rule 13.51B of the Listing Rules.

持續關連交易 (續)

董事確認，本公司已就上述關連交易或持續關連交易遵守上市規則第14A章所載的規定。除上文所披露者外，綜合財務報表附註45所披露的其他關聯方交易並不屬於上市規則第14A章項下的關連交易或持續關連交易。

股息政策

本公司已採納股息政策（「股息政策」），據此，本公司股東將有權收取本公司宣派的股息。股息的派付及任何股息的金額將由董事會酌情制訂。任何股息分派均須經本公司股東大會批准。根據中國公司法及本公司的組織章程細則，本公司所有股東擁有平等的股息及分派權利。支付予內資股股東的股息（如有）將以人民幣計價和宣派，並以人民幣支付。支付予H股持有人的現金股息（如有）將以人民幣計價和宣派，並以港元支付。

企業管治

本公司採納的主要企業管治常規載於本年報所載的企業管治報告。

董事會組成及高級管理層之變動

倪世利先生已辭任執行董事，自二零二三年十二月二十九日起生效。

除上文所披露者外，根據上市規則第13.51B條，截至二零二三年十二月三十一日止年度，本公司董事及監事的資料並無任何變動。

Compliance with Laws and Regulations

For the year ended 31 December 2023, so far as the Company is aware, the Company has complied with relevant laws and regulations that have material effect on the Company in all material aspects. The Company's compliance with relevant environmental protection laws and regulations are provided in the 2023 Environmental, Social, and Governance Report separately issued by the company.

Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix C3 of the Listing Rules as the standard for securities transactions by Directors. The Company had made specific enquiry of all Directors whether they have complied with the required standard set out in the Model Code during the year ended 31 December 2023 and all Directors confirmed that they have complied with the Model Code during the year ended 31 December 2023.

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of its Directors, the Company has maintained sufficient public float as required under the Listing Rules throughout the year ended 31 December 2023 and up to the latest practicable date prior to the issue of this annual report.

Permitted Indemnity Provision

The Company has arranged appropriate liability insurance to indemnify the Directors of the Group and the persons who served as the Directors of the Group in 2023 for their liabilities arising out of corporate activities.

遵守法律法規

截至二零二三年十二月三十一日止年度，據本公司所知，本公司在各重大方面已遵守對本公司有重大影響的相關法律法規。本公司遵守環保相關法律法規的情況載於本公司另行刊發的二零二三年環境、社會及管治報告。

董事進行證券交易

本公司已採納上市規則附錄C3所載的《上市發行人董事進行證券交易的標準守則》（「標準守則」）作為董事進行證券交易的標準。本公司已就董事於截至二零二三年十二月三十一日止年度有否遵守標準守則所載的規定標準向全體董事作出具體查詢，而全體董事已確認彼等於截至二零二三年十二月三十一日止年度均遵守標準守則。

足夠公眾持股量

基於本公司所得公開資料及據董事所知，於截至二零二三年十二月三十一日止年度及截至本年報發佈前的最後實際可行日期為止，本公司已按上市規則規定於整個期間一直維持足夠公眾持股量。

獲准許的彌償條文

本公司已投購適當責任險以彌償本集團董事及在二零二三年於本集團擔任董事的人士因進行公司活動而產生的責任。

REPORT OF THE DIRECTORS 董事會報告

Auditors

The financial statements for the year ended 31 December 2023 have been audited by Deloitte Touche Tohmatsu, which retires and, being eligible, offers itself for re-appointment at the forthcoming annual general meeting of the Company. A resolution to re-appoint Deloitte Touche Tohmatsu as the auditors of the Company and to authorise the Board to fix its remuneration will be proposed at 2024 AGM.

On behalf of the Board

LONG Jing

Chairman

Weihai, Shandong, the PRC
26 March 2024

核數師

截至二零二三年十二月三十一日止年度的財務報表已由德勤•關黃陳方會計師行審核，其將於本公司應屆股東週年大會上退任，並符合資格及願意膺選連任。續聘德勤•關黃陳方會計師行為本公司的核數師及授權董事會釐定其酬金的決議案將於二零二四年股東週年大會上提呈。

代表董事會

龍經

主席

中國山東威海
二零二四年三月二十六日

The Board is committed to high standards of corporate governance and recognises that good governance is vital for the long-term success and sustainability of the Group's businesses. The Company has adopted the code provisions as set out in the Corporate Governance Code (the "Code") contained in Appendix C1 to the Listing Rules. For the year ended 31 December 2023, the Company has complied with all the code provisions as set out in the Code. The Company's key corporate governance practices and activities during the year ended 31 December 2023 are highlighted in this report.

Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix C3 of the Listing Rules as the standard for securities transactions by Directors. The Company had made specific enquiry of all Directors whether they have complied with the required standard set out in the Model Code during the year ended 31 December 2023 and all Directors confirmed that they have complied with the Model Code during the year ended 31 December 2023.

Board of Directors

The Board takes responsibility to oversee all major matters of the Company, including the formulation and approval of overall business strategies, internal control and risk management systems, and monitoring the performance of the senior management. The management is responsible for the daily operations of the Group under the leadership of the Chief Executive Officer. The Directors have the responsibility to act objectively in the interests of the Company.

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business and regularly reviews the contribution required from a Director to perform his/her responsibilities to the Company and whether the Director is spending sufficient time in performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of executive directors and non-executive directors (including independent non-executive directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

董事會致力維持高水準的企業管治，並深信良好的管治對本集團業務的長遠成功及可持續發展至為關鍵。本公司已採納上市規則附錄C1內《企業管治守則》（「守則」）所載的守則條文。截至二零二三年十二月三十一日止年度，本公司一直遵守守則所載的所有守則條文。本報告重點介紹本公司截至二零二三年十二月三十一日止年度內的主要企業管治常規及活動。

董事進行證券交易

本公司已採納上市規則附錄C3所載的《上市發行人董事進行證券交易的標準守則》（「標準守則」），作為董事進行證券交易的準則。本公司已就董事於截至二零二三年十二月三十一日止年度有否遵守標準守則所載的規定標準向全體董事作出具體查詢，而全體董事已確認彼等於截至二零二三年十二月三十一日止年度均遵守標準守則。

董事會

董事會負責監察本公司的所有重要事宜，包括制定及批准整體業務策略、內部監控及風險管理系統，以及監督高級管理人員的表現。管理層在行政總裁的領導下負責本集團的日常營運。董事負責以本公司利益客觀行事。

董事會在配合本公司業務要求的技能、經驗及多元化觀點方面保持平衡，並定期檢討董事履行對本公司職責所需及董事是否投入足夠時間履行與其角色及董事會職責相稱的貢獻。董事會內執行董事與非執行董事（包括獨立非執行董事）的組合應保持均衡，以使董事會擁有強大的獨立元素，能夠有效地作出獨立判斷。

Board of Directors (continued)

The Board currently comprises the following Directors:

Executive Directors

Mr. LONG Jing (*Chairman*)
Mr. CONG Rinan (*Chief Executive Officer*)
Mr. LU Junqiang

Non-executive Directors

Mr. TANG Zhengpeng (*Vice Chairman*)
Mr. CHEN Lin

Independent Non-executive Directors

Mr. LI Guohui
Mrs. MENG Hong
Mr. LI Qiang

Biographical details of the Directors are set out in the section headed "Directors, Supervisors and Senior Management" on page 29 to 36 of this report.

Chairman and Chief Executive Officer

The positions of chairman and chief executive officer are held by Mr. Long Jing and Mr. Cong Rinan respectively. The Chairman provides leadership and is responsible for the effective functioning and leadership of the Board as well as provides overall guidance on the business, strategy and corporate development of the Group. The Chief Executive Officer focuses on the overall management of the business, strategy and corporate development of the Group.

The Chairman, the Chief Executive Officer and other Directors do not have any financial, business, family, material or other relevant relationships with each other.

Independent Non-executive Directors

The Board currently comprises three independent non-executive Directors. The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his/her independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

董事會 (續)

董事會現時由以下董事組成：

執行董事

龍經先生 (*主席*)
叢日楠先生 (*行政總裁*)
盧均強先生

非執行董事

湯正鵬先生 (*副主席*)
陳林先生

獨立非執行董事

李國輝先生
孟紅女士
李強先生

董事履歷詳情載於本報告第29至36頁「董事、監事及高級管理人員」一節。

主席與行政總裁

主席與行政總裁職位分別由龍經先生及叢日楠先生擔任。主席發揮領導角色，負責確保董事會有效運作及帶領董事會為本集團提供業務、策略及企業發展方面的整體指引。行政總裁專注於本集團業務、策略及企業發展方面的整體管理。

主席、行政總裁以及其他董事之間並無任何財務、業務、家屬、重大或其他相關的關係。

獨立非執行董事

董事會現時包括三名獨立非執行董事。本公司已根據上市規則第3.13條所載的獨立性指引，收到各獨立非執行董事就其獨立性提交的書面年度確認書。本公司認為，所有獨立非執行董事均屬獨立。

Board of Directors (continued)

Induction and Development

Upon appointment to the Board, Directors are provided with comprehensive induction training conducted by senior executives and/or external legal advisers to ensure that they have a thorough understanding of the Group's operations and governance policies, as well as their role and responsibilities as Board members.

Ongoing training helps Directors keep abreast of current trends and issues facing the Group, while enabling them to update and refresh the skills and knowledge necessary for the performance of their duties. The Directors are regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. In addition, the Company has been encouraging the Directors and senior executives to enroll in a wide range of professional development courses or seminars relating to the Listing Rules, companies ordinance or act and corporate governance practices organised by professional bodies and independent auditors so that they can continuously update and further improve their relevant knowledge and skills. From time to time, Directors are provided with written materials to develop and refresh their professional skills. The company secretary also organises and arranges seminars on the latest development of applicable laws, rules and regulations for the Directors to assist them in discharging their duties.

董事會 (續)

入職培訓及發展

董事獲委任時會獲安排參加由高級行政人員及／或外部法律顧問進行的全面入職培訓計劃，確保其對本集團營運及管治政策以至其作為董事會成員的角色和職責有深入的認識和了解。

持續培訓能讓董事緊貼本集團當前所面對的趨勢及重要議題，同時亦可讓董事更新其履行職責所需的技能和知識。董事定期均會獲知會相關法例、規則及規例之修訂或更新資料。此外，本公司鼓勵董事及高級行政人員報讀由專業團體及獨立核數師舉辦有關上市規則、公司條例或法例及企業管治常規之廣泛專業發展課程或／及研討會，使彼等可持續更新及進一步提高相關知識及技能。董事不時獲提供旨在發展及更新其專業技能之書面材料。公司秘書亦為董事舉辦及安排有關適用法例、規則及規例最新發展之研討會，以協助彼等履行其職責。

Board of Directors (continued)

Induction and Development (continued)

For the year ended 31 December 2023, all directors have participated in continuous professional development by attending seminars and/or studying materials to director's duties and responsibility and provided a record of training they received to the Company.

董事會 (續)

入職培訓及發展 (續)

截至二零二三年十二月三十一日止年度，全體董事均透過出席與董事職責及責任有關之研討會及／或研習資料以參與持續專業發展，並已向本公司提供其所接受培訓之記錄。

**Corporate Governance/Updates on
Laws, Rules and Regulations**
企業管治／關於法例、規則及規例之更新

Read materials 閱讀材料	Attend workshops 出席研討會
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Executive Directors

Mr. Long Jing (*Chairman*)

Mr. Cong Rinan

Mr. Lu Junqiang

Mr. Ni Shili

(resigned on 29 December 2023)

執行董事

龍經先生 (主席)

叢日楠先生

盧均強先生

倪世利先生 (於二零二三年
十二月二十九日辭任)

✓

✓

✓

✓

✓

✓

✓

✓

Non-executive Directors

Mr. Tang Zhengpeng (*Vice Chairman*)

Mr. Chen Lin

非執行董事

湯正鵬先生 (副主席)

陳林先生

✓

✓

✓

✓

**Independent Non-executive
Directors**

Mr. Li Guohui

Mrs. Meng Hong

Mr. Li Qiang

獨立非執行董事

李國輝先生

孟紅女士

李強先生

✓

✓

✓

✓

✓

✓

Board of Directors (continued)

Board Meetings

Regular Board meetings were held two times during this year to review and approve financial and operating performance, interim and annual results. Ad-hoc meetings will also be convened if necessary to discuss the overall strategy as well as the operation and financial performance of the Group. Notice of board meeting will be sent to all Directors at least 14 days prior to a regular board meeting. Reasonable notice will be given to Directors for ad-hoc board meetings. Directors may participate either in person or through electronic means of communications. The Company will adopt the practice to provide relevant materials to all the Directors relating to the matters brought before the meetings. All the Directors will be provided with sufficient resources to discharge their duties, and, upon reasonable requests, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expenses. All Directors will have the opportunity to include matters in the agenda for Board meetings.

During the year, four board meetings were held. The attendance of each Director is set out below:

董事會 (續)

董事會會議

年內，本公司舉行兩次董事會定期會議，以審核及批准財務及經營業績、中期及年度業績。需要時亦會召開臨時會議，以商討整體策略以及本集團的營運和財務表現。全體董事將於舉行定期董事會會議前最少十四天獲發董事會會議通告，而臨時董事會會議通告則於合理時間內派發予董事。董事可親身或通過電子通訊方式出席。本公司於大會前向所有董事提供會上討論事項的相關資料。全體董事將獲得充分的資源以履行其職責，並在合理的要求下，董事可於合適情況下尋求獨立專業意見，費用由本公司承擔。全體董事均有機會於董事會會議議程內加入議題。

於本年度，董事會共召開四次會議。各董事的出席情況如下：

Name of Directors	董事姓名	Attendance 出席情況
Executive Directors		
Mr. Long Jing (<i>Chairman</i>)	龍經先生 (主席)	4/4
Mr. Cong Rinan	叢日楠先生	4/4
Mr. Lu Junqiang	盧均強先生	4/4
Mr. Ni Shili (resigned on 29 December 2023)	倪世利先生 (於二零二三年十二月二十九日辭任)	3/3
Non-executive Directors		
Mr. Tang Zhengpeng (<i>Vice Chairman</i>)	湯正鵬先生 (副主席)	4/4
Mr. Chen Lin	陳林先生	4/4
Independent Non-executive Directors		
Mr. Li Guohui	李國輝先生	4/4
Mrs. Meng Hong	孟紅女士	4/4
Mr. Li Qiang	李強先生	4/4

Board of Directors (continued)

Remuneration Committee

The Company established a remuneration committee on 12 August 2005 in accordance with the requirement of the Code. The remuneration committee currently comprises three independent non-executive Directors, namely Mr. Li Guohui (chairman of remuneration committee), Mrs. Meng Hong, Mr. Li Qiang and one non-executive Director, namely Mr. Tang Zhengpeng.

The remuneration committee has reviewed the remuneration policy, the performance and the remuneration of executive Directors and members of senior management, the existing terms of service contracts of the executive Directors. The objective of the remuneration policy is to ensure that the Company is able to attract, retain and motivate high-caliber staff, which is vital to the success of the Company.

In reviewing and determining the remuneration packages of the executive Directors and members of senior management, the remuneration committee considers their responsibilities, skills, expertise and contribution to the Group's performance and whether remuneration packages are competitive and sufficient to ensure that the Group is able to attract and retain the best available executive talent.

Remuneration of Directors is subject to annual assessment and recommendation by the remuneration committee to the Board for further review and approval, which is subsequently subject to shareholders' approval at annual general meeting. The primary goal of the remuneration policy on executive Directors' remuneration packages is to enable the Company to retain and motivate executive Directors by linking their compensation with performance as measured against corporate objectives. Under the policy, a Director is not allowed to approve his own remuneration.

董事會 (續)

薪酬委員會

本公司已根據守則規定於二零零五年八月十二日成立薪酬委員會。薪酬委員會目前由三名獨立非執行董事李國輝先生（薪酬委員會主席）、孟紅女士、李強先生及一名非執行董事湯正鵬先生組成。

薪酬委員會已檢討薪酬政策、執行董事及高級管理層成員的表現及薪酬，以及執行董事的服務合約現有條款。薪酬政策的目標是確保本公司能吸納、挽留及激勵優秀員工，而此對本公司的成功十分重要。

在審閱及釐定執行董事及高級管理層成員的薪酬時，薪酬委員會將考慮他們的職責、技能、專業知識及對本集團業績作出的貢獻，以及薪酬待遇是否具競爭能力，以及是否足以保證本集團能吸引及挽留頂尖的行政人才。

董事酬金須由薪酬委員會進行年度評估並將建議提交董事會，董事會進一步審議並批准之後再提呈股東週年大會經股東批准後方可作實。執行董事的酬金組合政策主旨是使本公司執行董事的酬金及其表現與公司目標掛鉤，有助激勵執行董事的工作表現及留任。根據該政策，董事不可批准其本身的薪酬。

Board of Directors (continued)

Remuneration Committee (continued)

During the Year, two meetings have been held by the remuneration committee. All members of the remuneration committee attended the meeting during which the remuneration package of directors, supervisors and senior management of the Company were reviewed. The chairman of the remuneration committee reports the findings and provides recommendations to the Board after each meeting.

During the Year, the remuneration committee has convened two meeting to review the remuneration package of Directors, supervisors and senior management of the Company for the Year and the attendance of each remuneration committee member is set out below:

董事會 (續)

薪酬委員會 (續)

於本年度，薪酬委員會舉行過兩次會議。所有薪酬委員會成員均參加了會議。會議檢討了本公司董事、監事及高級管理人員薪金方案。薪酬委員會主席於每次會議後向董事會匯報討論結果，並提供建議。

於本年度，薪酬委員會共召開兩次會議，以檢討本公司本年度董事、監事及高級管理人員薪金方案，薪酬委員會各成員的出席情況如下：

Member of Remuneration Committee	薪酬委員會成員	Attendance 出席情況
Non-executive Director	非執行董事	
Mr. Tang Zhengpeng	湯正鵬先生	2/2
Independent Non-executive Directors	獨立非執行董事	
Mr. Li Guohui (<i>Chairman</i>)	李國輝先生 (<i>主席</i>)	2/2
Mrs. Meng Hong	孟紅女士	2/2
Mr. Li Qiang	李強先生	2/2

Board of Directors (continued)

Nomination Committee

The Company established a nomination committee on 21 May 2012 in accordance with the requirement of the Code. The nomination committee comprises three independent non-executive Director, namely Mr. Li Guohui (chairman of the nomination committee), Mrs. Meng Hong, Mr. Li Qiang and one non-executive Director, namely Mr. Tang Zhengpeng. The terms of reference of the nomination committee are of no less exacting terms than those set out in the Code. The principal duties of the nomination committee include:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) 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 identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) to assess the independence of independent non-executive directors; and
- (d) to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman of the Board and the chief executive.

In assessing the Board composition, the nomination committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity Policy. The nomination committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

董事會 (續)

提名委員會

本公司已根據守則規定於二零一二年五月二十一日成立提名委員會。提名委員會由三名獨立非執行董事李國輝先生(提名委員會主席)、孟紅女士、李強先生及一名非執行董事湯正鵬先生組成。提名委員會之職權範圍不遜於守則所載者。提名委員會之主要職責包括：

- (a) 至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司的公司策略而擬對董事會作出的任何變動提出建議。
- (b) 物色具備合適資格成為董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- (c) 評核獨立非執行董事的獨立性；及
- (d) 就董事委任或重新委任以及董事(尤其是董事會主席及行政總裁)繼任計劃向董事會提出建議。

於評估董事會組成時，提名委員會將考慮本公司董事會多元化政策所載有關董事會多元化的多個方面及因素。提名委員會將討論及協定達致董事會多元化的可計量目標(如需要)，並向董事會推薦該等目標以供採納。

Board of Directors (continued)

Nomination Committee (continued)

In identifying and selecting suitable candidates for directorships, the nomination committee would consider the candidate's relevant criteria that are necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

During the Year, the nomination committee has convened one meeting to review the structure, size and composition of the Board, to consider the qualifications of the retiring directors standing for election at the 2023 annual general meeting and candidate who was proposed to be appointed as the Director. Attendance of each nomination committee member is set out below:

董事會 (續)

提名委員會 (續)

在物色及甄選合適的董事候選人時，提名委員會將考慮候選人相關標準，而該等標準對補充公司策略及實現董事會多元化而言乃屬必要，然後在適合情況下向董事會提出建議。

於本年度，提名委員會共召開一次會議，以檢討董事會的架構、規模及組成，考慮在二零二三年股東週年大會上候選的退任董事及擬獲委任為董事的候選人的資格。提名委員會各成員的出席情況如下：

Member of Nomination Committee	提名委員會成員	Attendance 出席情況
Non-executive Director Mr. Tang Zhengpeng	非執行董事 湯正鵬先生	1/1
Independent Non-executive Directors Mr. Li Guohui (<i>Chairman</i>) Mrs. Meng Hong Mr. Li Qiang	獨立非執行董事 李國輝先生 (<i>主席</i>) 孟紅女士 李強先生	1/1 1/1 1/1

Board of Directors (continued)

Corporate Governance Committee

The Company established a corporate governance committee on 30 May 2013. The corporate governance committee comprises Mr. Long Jing (chairman of the corporate governance committee), Mr. Li Guohui, Mrs. Meng Hong and Mr. Li Qiang.

The principal duties include:

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

During the Year, the corporate governance committee has convened one meeting. The attendance of each corporate governance committee member is set out below:

Member of Corporate Governance Committee	企業管治委員會成員	Attendance 出席情況
Executive Director Mr. Long Jing (<i>Chairman</i>)	執行董事 龍經先生 (<i>主席</i>)	1/1
Independent Non-executive Directors Mr. Li Guohui Mrs. Meng Hong Mr. Li Qiang	獨立非執行董事 李國輝先生 孟紅女士 李強先生	1/1 1/1 1/1

董事會 (續)

企業管治委員會

本公司於二零一三年五月三十日成立企業管治委員會。企業管治委員會由龍經先生(企業管治委員會主席)、李國輝先生、孟紅女士及李強先生組成。

主要職責包括：

- (a) 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事的操守準則及合規手冊；及
- (e) 檢討本公司遵守守則的情況及在企業管治報告內的披露。

於本年度，企業管治委員會共召開一次會議。企業管治委員會各成員的出席情況載列如下：

Board of Directors (continued)

Audit Committee

The Company established an audit committee on 15 March 2012. Currently, the audit committee comprises three independent non-executive Directors, namely Mr. Li Guohui (chairman of the audit committee), Mrs. Meng Hong, and Mr. Li Qiang and one non-executive Director, namely Mr. Tang Zhengpeng. The terms of reference of the audit committee are of no less exacting terms than those set out in the Code. The principal responsibilities of the audit committee includes:

- (a) To be primarily responsible for making recommendations to the Board regarding the appointment, reappointment and removal of external auditors; to formulate the remuneration and terms of engagement of external auditors and to propose the Board to submit the same at the general meeting for consideration. To approve the remuneration and terms of engagement of the external auditors when the general meeting is authorizing the Board to determine the remuneration of the auditors, and to address any questions regarding the resignation or retirement of that auditor.
- (b) To review and oversee the independence and objectivity of engaging external auditors and the effectiveness of the audit process in accordance with applicable standards. The Committee shall discuss with the auditors regarding the nature and scope of the audit and the relevant reporting obligations before commencing the audit.
- (c) To develop and implement policy in engaging external auditors to provide non-auditing services. For the purpose of this requirement, external auditors includes any entity that is under common control, ownership or management with that audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm domestically or internationally. The Committee shall report to the Board, in respect of any matters in which it considers that an action or improvement is needed and to make recommendations as to the steps to be taken.

董事會 (續)

審核委員會

本公司於二零一二年三月十五日成立審核委員會。目前，審核委員會由三位獨立非執行董事李國輝先生(審核委員會主席)、孟紅女士及李強先生及一名非執行董事湯正鵬先生組成。審核委員會的職權範圍不遜於守則所載者。審核委員會的主要職責包括：

- (a) 主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議；制訂外聘核數師的薪酬及聘用條款，並提請董事會提交股東大會審議。在股東大會授權董事會釐定核數師的薪酬時，批准外聘核數師的薪酬及聘用條款；及處理任何有關核數師辭職或退任的問題。
- (b) 按適用的標準檢討及監察委聘外聘核數師是否獨立客觀及核數程序是否有效。委員會應於核數工作開始前先與核數師討論核數性質及範疇及有關申報責任。
- (c) 就外聘核數師提供非核數服務制定政策，並予以執行。就此規定而言，外聘核數師包括與該核數公司處於同一控制權、所有權或管理權之下的任何機構，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該機構屬於該核數公司的本土或國際業務的一部分的任何機構。委員會應就其認為必須採取的行動或改善的事項向董事會報告，並建議可採取的步驟。

Board of Directors (continued)

Audit Committee (continued)

- (d) To monitor the completeness of the financial statements of the Company and the annual report and accounts and half-year report of the Company and to review the significant opinion of the respective financial reporting contained therein. In this regard, the committee will review the relevant statements and reports of the respective annual report and accounts and half-year report of the Company before submitting the same to the Board.
- (e) To oversee the financial reporting system and internal control procedures of the Company.

During the Year, the audit committee has convened three meetings, at which, they have primarily discussed and reviewed the interim and annual results and have discussed and considered the internal control procedures of the Group. The attendance of each audit committee member is set out below:

Member of Audit Committee	審核委員會成員	Attendance 出席情況
Non-executive Director Mr. Tang Zhengpeng	非執行董事 湯正鵬先生	3/3
Independent Non-executive Directors Mr. Li Guohui (<i>Chairman</i>) Mrs. Meng Hong Mr. Li Qiang	獨立非執行董事 李國輝先生 (<i>主席</i>) 孟紅女士 李強先生	3/3 3/3 3/3

Directors' Liabilities Insurance

The Company has arranged appropriate directors' liability insurance coverage for the Directors during the year ended 31 December 2023, which is still in force.

董事會 (續)

審核委員會 (續)

- (d) 監察本公司的財務報表及本公司年度報告及賬目及半年度報告的完整性，並審閱當中所載有關財務申報的重大意見。在這方面，委員會在向董事會提交有關本公司年度報告及賬目及半年度報告前審閱有關報表及報告。
- (e) 監管本公司財務申報制度及內部監控程序。

於本年度，審核委員會共召開三次會議，會上主要討論與審閱中期及年度業績，並就本集團內部監控程序進行了討論與審議。審核委員會各成員的出席情況如下：

董事責任保險

截至二零二三年十二月三十一日止年度，本公司已為董事安排投購適當的董事責任保險，該保險仍在生效。

Re-election of Directors

In accordance with the articles of association of the Company, the term of office for all Directors (including the non-executive Directors) is three years. In accordance with provision B.2.2 of the Code, Directors are subject to retirement by rotation at least once every three years.

Diversity of Directors

The Company has adopted a Board Diversity Policy with respect to the composition of the Board. In assessing candidates running for directorships, the Nomination Committee will consider a number of factors, including but not limited to gender, age, educational background, professional experience, technical expertise and the ability to fulfill the requirements of the Board. At present, the Nomination Committee considered that the Board is sufficiently diverse and the Board has not set any measurable objectives. The Nomination Committee reviews the Board Diversity Policy annually to ensure its effectiveness. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

Gender Diversity

The Company values gender diversity across all levels of the Group. As at 31 December 2023, the gender ratio in the workforce (including the senior management of the Company) of the Group comprised 57.4% male and 42.6% female.

As at 31 December 2023, the Board has one female member, out of a total of eight members. The Group believes that the gender ratio of the workforce is within the reasonable range. The Group will review the effectiveness of the measures and practices against the actual circumstances of the Group and will adopt new policies when considered necessary. In particular, it will continue to monitor the gender ratio and will aim at achieving a greater gender diversity in hiring all positions across the Group.

董事重選

根據本公司組織章程細則，全體董事（包括非執行董事）的任期為三年。根據守則條文第B.2.2條，董事須至少每三年輪值退任一次。

董事多元化

本公司已採納有關董事會組成之董事會成員多元化政策。提名委員會於評估董事候選人時將考慮多項因素，包括但不限於性別、年齡、教育背景、專業經驗、技術專長及達至董事會之要求之能力。目前，提名委員會認為董事會已充分多元化，董事會亦未制定任何可衡量目標。提名委員會每年審閱董事會多元化政策，以確保本政策的有效性。如有需要，提名委員會將討論任何有關的修訂，並將相關修訂提交董事會審議和批准。

性別多元化

本公司重視本集團各個層級的性別多元化。於二零二三年十二月三十一日，本集團員工（包括本公司的高級管理人員）的性別比例為57.4%男性對42.6%女性。

於二零二三年十二月三十一日，董事會共有八名成員，其中有一名女性成員。本集團相信員工性別比率在合理範圍內。本集團將根據本集團的實際情況檢討該等措施與實踐的有效性，並將在認為必要時採納新的政策。特別是，其將持續監控上述性別比例，並致力於在僱用本集團內所有職位時實現最佳的性別多元化。

Auditors' Remuneration

An analysis of the remuneration paid/payable to the external auditors of the Company in respect of audit services and non-audit services for the year ended 31 December 2023 is set out below:

Service Category	服務類別	Fees Paid/ Payable 已付／應付費用 RMB'000 人民幣千元
Audit services for the Group	為本集團提供核數服務	8,533
Audit services for subsidiaries of the Group	為本集團之附屬公司提供核數服務	6,430
Non-audit services (Note)	非核數服務(附註)	2,243

Note:

Non-audit services included due diligence services for the Group's potential acquisition and tax advisory services.

核數師酬金

截至二零二三年十二月三十一日止年度，本公司就核數服務及非核數服務已支付／應支付予本公司外聘核數師的酬金分析如下：

附註：

非核數服務包括本集團潛在收購事項的盡職調查服務及稅務顧問服務。

Company Secretary

Mrs. Wong Miu Ling, Phillis was appointed as the company secretary of the Company with effective from 26 May 2006. All Directors have access to the advice and services of the company secretary. During the year ended 31 December 2023, Mrs. Wong Miu Ling, Phillis has taken no less than 15 hours of relevant professional training to update her skills and knowledge.

Risk Management and Internal Control

The Board acknowledges that it is their responsibility for the risk management and internal control systems and reviewing their effectiveness, and such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. The Audit Committee assists the Board in fulfilling its oversight and corporate governance roles in relation to the Group's financial, operational, compliance, risk management and internal controls, and internal audit functions. The Board has responsibility to ensure the Group maintains sound and effective controls to safeguard its assets and shareholders' investment.

公司秘書

黃妙玲女士已獲委任為本公司公司秘書，自二零零六年五月二十六日起生效。所有董事均可獲公司秘書提供意見及服務。截至二零二三年十二月三十一日止年度，黃妙玲女士已接受不少於15個小時的相關專業培訓以更新其技能及知識。

風險管理及內部監控

董事會承認其須對風險管理及內部監控系統負責，並有責任檢討該等系統的有效性。該等系統旨在管理而非消除未能達成業務目標的風險。審核委員會協助董事會履行其於本集團財務、營運、合規、風險管理及內部監控以及內部審核功能方面的監管及企業管治角色。董事會有責任確保本集團維持健全有效的監控以保障其資產及股東投資。

Risk Management and Internal Control (continued)

The Group has internal control systems to formalize the risk management of the Group, to build up a standard and effective risk management system to manage risk and to provide reasonable but not absolute assurance against material misstatement or loss. Appropriate policies and controls have been designed and established to ensure the assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirement and key risks that may impact on the Group's performance are appropriately managed.

The Group has established an organizational structure with defined levels of responsibility and reporting procedures. The Company has retained an independent professional firm as external advisor to assist the Company to perform an assessment on risk management and internal control mechanism of the Group. We have our own Internal Audit Department to fulfil the requirement of internal audit function. Together with the supports from the external advisor, the internal audit function can facilitate the Audit Committee and the Board of Directors in ascertaining the effectiveness of the Group's risk management and internal control systems on an annual and ongoing basis. During the year ended 31 December 2023, the Group has conducted an annual risk assessment which identified respective strategic risks, operational risks, financial risks, and compliance risks for each of the major business segment of the Group. Risk factors were analyzed and consolidated at the Group level. Based on the risk assessment results, following a risk-based methodology audit approach, an annual internal audit plan was devised which prioritized the risks identified into annual audit projects. The Group's internal audit department performed the annual reviews in accordance with the audit plan with a view to assisting the Board and the Audit Committee to evaluate the effectiveness of the Group's risk management and internal control systems.

風險管理及內部監控 (續)

本集團擁有內部監控系統以規範本集團的風險管理，建立標準及有效的風險管理系統以管理風險及合理保證並無重大失實陳述或損失。適當的政策及監控經已訂立及制定，以確保保障資產不會在未經許可下使用或處置，依從及遵守相關規則及規例，根據相關會計標準及監管申報規定保存可靠的財務及會計記錄，以及適當地管理可能影響本集團表現的主要風險。

本集團已建立一個具備明確職責等級及報告程序的組織架構。本公司已委聘獨立專業公司擔任外部顧問，協助本公司對本集團風險管理及內部監控機制進行評估。我們擁有自己的內部審核部門履行內部審核功能規定。連同外部顧問的支持，內部審核部門可幫助審核委員會及董事會，每年及持續地確定本集團風險管理及內部監控系統的有效性。截至二零二三年十二月三十一日止年度，本集團已進行年度風險評估，可識別本集團各主要業務分部的相關策略風險、經營風險、財務風險及合規風險。風險因素乃於本集團層面進行分析及綜合。根據風險評估結果及風險導向的審核方法，本集團已制定一個三年審核計劃，可據此將所識別之風險優先列入年度審核項目。本集團內部審核部門根據審核計劃進行年度檢討，旨在協助董事會及審核委員會評估本集團風險管理及內部監控系統的有效性。

Risk Management and Internal Control (continued)

The Group strictly regulates the handling and dissemination of inside information as set out in information disclosure policy to ensure potential inside information remains confidential until such information is appropriately approved and the dissemination of such information is efficiently and consistently made.

Based on the risk management and internal control systems established and maintained by the Group, the work performed by the internal audit department, the Audit Committee and the Board are of the view that the Group has maintained adequate and effective risk management and internal control system during the year ended 31 December 2023.

Directors' Responsibilities In Respect of the Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2023.

The Directors have prepared the financial statements in accordance with Hong Kong Financial Reporting Standards issued by Hong Kong Institute of Certified Public Accountants. Appropriate accounting policies have also been used and applied consistently except the adoption of revised standards, amendments to standards and interpretation.

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

The statement of the independent auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 87 to 92 of this annual report.

風險管理及內部監控 (續)

誠如信息披露政策所載，本集團嚴格監管內幕消息的處理及發佈，以確保潛在內幕消息在獲適當批准披露前維持保密，並以有效率及一致的方式發佈有關消息。

根據本集團建立及維持的風險管理及內部監控系統，有關工作由內部審核部門進行，審核委員會及董事會認為，本集團已於截至二零二三年十二月三十一日止年度維持有效及充分的風險管理及內部監控系統。

董事就財務報表承擔之責任

董事承認其有編製本公司截至二零二三年十二月三十一日止年度財務報表的責任。

董事已根據香港會計師公會頒佈之香港財務報告準則編製財務報表，亦一直貫徹使用及應用合適之會計政策，惟採納經修訂準則、準則修訂本及詮釋除外。

董事並不知悉任何與可能對本公司持續經營能力構成重大疑問的事件或情況相關的重大不明朗因素。

本公司獨立核數師有關對財務報表申報責任的聲明載於本年報第87頁至92頁的獨立核數師報告。

Shareholders' Rights

Pursuant to the provisions of the Articles, the specific rights of shareholders of the Company in the following three aspects are as follows:

Convening Extraordinary General Meetings

When two or more shareholders collectively holding ten percent or more of the issued and outstanding voting shares of the Company request in writing to convene an extraordinary general meeting, the Board shall convene an extraordinary general meeting as soon as practicable and include the proposals put forward by the requestor in the agenda of the meeting.

Procedures for Putting Forward Proposals at General Meetings

Where a general meeting is being convened by the Company, shareholders individually or collectively holding three percent or more of the total voting shares of the Company shall be entitled to put forward and submit interim proposals in writing ten days before the date of the general meeting to the convener of the general meeting, who shall issue a supplementary notice of the general meeting within two days after receipt of the same to all other shareholders and include matters in the proposals that fall within the scope of duties of the general meeting in the meeting agenda for consideration by the general meeting.

Proposals for a general meeting shall satisfy the following conditions: (1) the contents of the proposals shall not contravene the provisions of laws and regulations and shall fall within the scope of business and the duties of the general meeting of the Company; (2) the proposals shall have clear topics for discussion and specific matters to be resolved upon; and (3) the proposals shall be submitted or delivered to the Board in writing.

Such proposals and the written requisitions from the aforesaid requestors calling for the convening of an extraordinary general meeting may be delivered to the Board or company secretary of the Company by hand, mail or courier at the following address: 29/F., Two Chinachem Central, 26 Des Voeux Road Central, Hong Kong.

股東權利

根據細則的規定，本公司股東在下述三個方面擁有的具體權利如下：

召集股東特別大會

合計持有本公司發行在外的有表決權的股份百分之十以上(含百分之十)的兩名或以上股東以書面形式要求召開股東特別大會時，則董事會應當在可行情況下盡快召開股東特別大會，並應把召集請求人所提出的會議議題列入大會議程。

在股東大會上提出議案的程序

本公司召開股東大會，單獨或合計持有本公司有表決權的股份總額百分之三以上(含百分之三)的股東，有權在股東大會召開十日以前以書面形式提出臨時提案並提交召集人，股東大會召集人應當在收到提案後二日內發出股東大會補充通知，通知其它股東，並將提案中屬於股東大會職責範圍內的事項，列入該次會議的議程提交股東大會審議。

股東大會提案應當符合下列條件：(1)內容與法律、法規的規定不相抵觸，並且屬於本公司經營範圍和股東大會職責範圍；(2)有明確議題和具體決議事項；(3)以書面形式提交或送達董事會。

有關提案及前述召集請求人要求召開股東特別大會之書面要求可以通過個人遞交、郵寄或者快遞方式寄交本公司董事會或者公司秘書。地址為：香港德輔道中26號華懋中心II期29樓。

Procedures for Making Enquiries to the Board and Information Available Thereon

Shareholders of the Company may obtain such relevant information as stipulated in the articles of association of the Company after payment of fees at cost in accordance with the provisions therein, and may raise their concerns with or make enquiries about the aforesaid information to the Board via the email address, postal address and telephone numbers posted on the Company's website.

If shareholders have any enquiries in respect of their shareholdings and entitlements to dividends, they may contact Tricor Standard Limited, the Company's H share registrar, from time to time.

Communication with Shareholders and Investors

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an ongoing dialogue with shareholders and in particular, through annual general meetings and other general meetings. At the general meetings, directors (or their delegates as appropriate) are available to meet shareholders and answer their enquiries.

向董事會提出查詢的程序和可獲取的資料

本公司股東可依照本公司組織章程細則的規定在繳付成本費用後獲得其中規定的相關資料，也可通過本公司網站上提供的電郵地址、郵寄地址及電話號碼向董事會提出其關注事項或者查詢上述資料。

倘股東對其股權及獲取股息的權利有垂詢，可隨時聯絡本公司的H股過戶登記處卓佳標準有限公司。

與股東及投資者的溝通

本公司認為，與股東有效溝通對加強投資者關係及投資者對本集團業務表現及策略的了解相當重要。本公司盡力保持與股東之間的對話，尤其是透過股東週年大會及其他股東大會。董事（或其代表（如適用））將出席股東大會與股東會面並回答彼等的查詢。

Communication with Shareholders and Investors (continued)

與股東及投資者的溝通 (續)

During the year, four general meetings were held. The attendance of each Directors is set out below:

於本年度，股東大會共召開四次會議。各董事出席情況如下：

Name of Directors	董事姓名	Attendance 出席情況
Executive Directors		
Mr. Long Jing (<i>Chairman</i>)	龍經先生 (<i>主席</i>)	3/4
Mr. Cong Rinan	叢日楠先生	4/4
Mr. Lu Junqiang	盧均強先生	4/4
Mr. Ni Shili (resigned on 29 December 2023)	倪世利先生 (於二零二三年十二月二十九日辭任)	4/4
Non-executive Directors		
Mr. Tang Zhengpeng (<i>Vice Chairman</i>)	湯正鵬先生 (<i>副主席</i>)	3/4
Mr. Chen Lin	陳林先生	4/4
Independent Non-executive Directors		
Mr. Li Guohui	李國輝先生	4/4
Mrs. Meng Hong	孟紅女士	4/4
Mr. Li Qiang	李強先生	4/4

The independent non-executive Directors and non-executive Directors have attended general meetings of the Company to gain and develop a balanced understanding of the view of the Shareholders.

獨立非執行董事及非執行董事已出席本公司股東大會，以全面了解股東的看法。

The Company maintains a website at www.weigaogroup.com as a communication platform with shareholders of the Company and investors, where the financial information and other relevant information of the Company are available for public access.

本公司設有網站，網址為 www.weigaogroup.com，作為與本公司股東及投資者的溝通平台，本公司的財務資料及其他相關資料刊登於該網站內，可供公眾查閱。

The Company actively responds to enquiries raised by the shareholders and investors through emails and phone calls. The Company collects and analyzes, in a timely manner, the respective opinions and recommendations on the operations of the Company given by securities analysts and investors and compiling them into reports periodically, and selectively adopting them in the operations of the Company. During the Year, the Company had arranged company meetings, telephone conferences, investors meetings, site visits, held a number of non-deal road shows and organized briefings, press conferences and one-on-one interviews with investment institutions.

本公司透過電郵及電話積極回應股東及投資者的查詢。本公司及時收集並分析證券分析員及投資者對本公司營運的各種意見及建議，定期匯集成報告，並在本公司的營運中有選擇地加以採納。年內，本公司安排公司會議、電話會議、投資者會議、實地考察，舉行多次非交易路演，並組織簡報會、新聞發佈會和與投資機構的一對一訪談。

Constitution Documents

During the Year, the Company proposed to amend its articles of association which has been approved by the shareholders at the extraordinary general meeting held on 13 October 2023. The adoption of the amendment to the articles of association is subject to the fulfilment of all the relevant conditions and/or all necessary approvals and/or consents from the relevant PRC authorities and bodies being obtained and/or the procedures as required under the laws and regulations of the PRC being completed. As at the date of this report, the above conditions have not been fulfilled. The Company will publish an up-to-date version of the articles of association of the Company on the websites of the Company and the Stock Exchange once the amendments becomes effective. Details of the amendments are set out in the circular of the Company dated 18 September 2023.

憲章文件

年內，本公司建議修訂其組織章程細則，並已於二零二三年十月十三日舉行的股東特別大會上獲股東批准。採納組織章程細則的修訂須待達成所有相關條件及／或自中國有關當局及機構獲得所有必要批准及／或同意及／或完成中國法律法規所規定之程序後，方可作實。於本報告日期，上述條件尚未達成。本公司將於修訂生效後於本公司及聯交所網站刊發本公司組織章程細則的最新版本。有關修訂的詳情載於本公司日期為二零二三年九月十八日的通函。



**TO THE SHAREHOLDERS OF
SHANDONG WEIGAO GROUP MEDICAL POLYMER
COMPANY LIMITED**

山東威高集團醫用高分子製品股份有限公司

(A joint stock limited company established in the People's Republic of China)

**致山東威高集團醫用高分子製品股份
有限公司股東**

(於中華人民共和國成立的股份有限公司)

OPINION

We have audited the consolidated financial statements of Shandong Weigao Group Medical Polymer Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 93 to 284, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本行已完成審核第93至284頁所載山東威高集團醫用高分子製品股份有限公司（「貴公司」）及其附屬公司（統稱為「貴集團」）的綜合財務報表，該等綜合財務報表包括於二零二三年十二月三十一日的綜合財務狀況表、及截至該日止年度的綜合損益及其他全面收入報表、綜合權益變動報表及綜合現金流量報表，及該等綜合財務報表附註（包括重大會計政策資料及其他說明資料）。

本行認為，綜合財務報表按照香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）真實及公平地反映貴集團於二零二三年十二月三十一日的綜合財務狀況，以及截至該日止年度的綜合財務表現及其綜合現金流量狀況，並已依據香港公司條例的披露規定妥為編製。

意見基準

本行是按照香港會計師公會頒佈的香港核數準則（「香港核數準則」）進行審核工作。本行於該等標準項下之責任進一步詳述於本報告「核數師就審核綜合財務報表須承擔的責任」一節。根據香港會計師公會的專業會計師道德守則（「守則」），本行獨立於貴集團，並根據守則履行吾等其他道德責任。本行相信，吾等所取得的審核憑證已足夠及適當地為吾等的審核意見提供基礎。

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 matter 關鍵審核事項

Impairment assessment of goodwill 商譽減值評估

We identified impairment assessment of the goodwill of interventional products cash-generating unit with amount of RMB3,249,640,000, including Argon Medical Devices Holding, Inc. ("Argon"), as a key audit matter due to its significance to the consolidated financial statements and the significant management estimate involved in assessing the impairment of goodwill.

吾等已確認介入產品現金產生單位之商譽(金額為人民幣3,249,640,000元)減值評估(包括愛琅醫療器械控股有限公司(「愛琅」))作為關鍵審核事項,乃由於其對於綜合財務報表具有重大影響及評估商譽減值時涉及重大的管理層估計。

In estimating the recoverable amount of the cash generating unit to which goodwill has been allocated, the management has made a number of significant assumptions in the value in use calculation. The key assumptions mainly include discount rate and growth rate applied. 於估計商譽獲分配的現金產生單位之可回收金額時,管理層於使用價值計算中使用若干重大假設。關鍵假設主要包括所使用的貼現率和增長率。

Details of significant judgments and assumptions in the impairment assessment are disclosed in Notes 5 and 18 to the consolidated financial statements.

減值評估中的重大判斷及假設詳情於綜合財務報表附註5及18中披露。

關鍵審核事項

關鍵審核事項為吾等的專業判斷中,審核本期綜合財務報表中最重要的事項。本行於審核整體綜合財務報表及就此形成意見時處理此等事項,而不會就此等事項單獨發表意見。

How our audit addressed the key audit matter 處理關鍵審核事項之方法

Our procedures in relation to the impairment assessment of the goodwill of interventional products cash-generating unit from acquisition of Argon included:

吾等就收購愛琅的介入產品現金產生單位之商譽減值評估的審核程序包括:

- Understanding the internal controls relevant to the impairment assessment of goodwill;
- 了解與商譽減值評估有關之內部控制;
- Evaluating the valuation methodology and long-term growth rate with the assistance of our internal valuation specialists;
- 在內部估值專家的協助下評估估值方法及長期增長率;
- Evaluating the discount rate, including developing a range of independent estimates and comparing those with the discount rate selected by the management, with the assistance of our internal valuation specialists; and
- 在我們內部估值專家的協助下評估貼現率,包括編製一系列獨立估算,並將其與管理層選擇的貼現率比較;及
- Evaluating the growth rate by comparing with historical performance and industry data.
- 通過與過往表現及行業數據比較評估增長率。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE 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 HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事對其他資料負責。其他資料包括年報內所載的資料，惟不包括綜合財務報表及吾等就此作出之核數師報告。

吾等對綜合財務報表作出的意見並未涵蓋其他資料。吾等不對其他資料發表任何形式的核證結論。

就審核綜合財務報表而言，吾等的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已完成的工作認為其他資料出現重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對董事認為為使綜合財務報表的編製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。

在編製綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督貴集團的財務報告過程。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism 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.

核數師就審核綜合財務報表須承擔的責任

本行的目標乃對綜合財務報表整體是否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，並出具包括本行意見的核數師報告，並按照協定的委聘條款僅向閣下（作為整體）報告，除此之外本報告別無其他目的。本行概不就本報告的內容對任何其他人士負責或承擔責任。合理保證為高水平的保證，但不能保證按照香港核數準則進行的審核總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者依賴綜合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。

作為根據香港核數準則進行審核其中一環，本行運用專業判斷，保持專業懷疑態度。本行亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及獲取充足及適當的審核憑證，作為本行意見的基礎。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出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計在有關情況下屬適當的審核程序，但目的並非對集團內部控制的有效性發表意見。

**AUDITOR'S RESPONSIBILITIES FOR THE
AUDIT OF THE CONSOLIDATED FINANCIAL
STATEMENTS** (continued)

**核數師就審核綜合財務報表須承
擔的責任 (續)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。
- 對董事採用持續經營會計基礎的適當性作出結論，並根據所獲取的審核憑證，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 貴集團的持續經營能力產生重大疑慮。倘本行認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則修訂本行的意見。本行的結論乃基於直至核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致 貴集團不能持續經營業務。
- 評估綜合財務報表的整體列報方式、結構及內容(包括披露)事項以及綜合財務報表是否公平反映相關交易及事項。
- 貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以便對綜合財務報表發表意見。本行負責 貴集團審核的方向、監督及執行。本行為審核意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

We communicate with those charged with governance 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 those charged with governance 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 those charged with governance, 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 the independent auditor's report is Lam Kam Chiu.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
26 March 2024

核數師就審核綜合財務報表須承 擔的責任 (續)

本行與治理層溝通審核的計劃範圍及時間以及重大審核發現等，其中包括本行在審核中識別出內部控制的任何重大不足之處。

本行亦向治理層提交聲明，表明本行已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理被認為會影響本行獨立性的所有關係及其他事項，以及在適用的情況下為消除威脅而採取的行動或相關的防範措施。

從與治理層溝通的事項中，本行確定該等對本期綜合財務報表的審計最為重要的事項，因而構成關鍵審計事項。本行在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見的情況下，合理預期倘於本行之報告中註明某事項造成的負面後果超過產生的公眾利益，則本行決定不應在報告中註明該事項。

出具獨立核數師報告的審核項目合夥人為林錦照。

德勤•關黃陳方會計師行
執業會計師

香港
二零二四年三月二十六日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收入報表

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

		NOTES	Year ended 31/12/2023 RMB'000 截至 二零二三年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2022 RMB'000 (restated) 截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
		附註		
Revenue	收入	6	13,229,453	13,747,473
Cost of sales	銷售成本		(6,586,420)	(6,441,741)
Gross profit	毛利		6,643,033	7,305,732
Other income, gains and losses	其他收入、收益及虧損	7	352,682	445,702
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模型下之減值虧損 (扣除撥回)	8	(5,343)	(33,930)
Selling expenses	銷售開支		(2,582,237)	(2,536,450)
Administrative expenses	行政開支		(1,249,983)	(1,122,577)
Research and development expenses	研發開支		(592,850)	(556,442)
Finance costs	融資成本	9	(272,971)	(191,401)
Share of results of associates	應佔聯營公司業績		86,079	77,906
Share of results of joint ventures	應佔合營企業業績		(9,223)	(2,801)
Profit before tax	除稅前溢利		2,369,187	3,385,739
Income tax expense	所得稅開支	10	(307,585)	(435,589)
Profit for the year	年內溢利	11	2,061,602	2,950,150
Other comprehensive income <i>Item that may be reclassified subsequently to profit or loss:</i> Exchange differences arising on translation of foreign operations	其他全面收入 其後可重新分類至損益之項目： 換算海外業務產生之匯兌差額		58,182	356,458
Total comprehensive income for the year	年內全面收入總額		2,119,784	3,306,608

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收入報表

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

	NOTES	Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000 (restated)
	附註	截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
Profit for the year attributable to:	下列各項應佔年內溢利：		
Owners of the Company	本公司擁有人	2,001,906	2,764,093
Non-controlling interests	非控股權益	59,696	186,057
		2,061,602	2,950,150
Total comprehensive income for the year attributable to:	下列各項應佔年內全面收入總額：		
Owners of the Company	本公司擁有人	2,051,260	3,093,925
Non-controlling interests	非控股權益	68,524	212,683
		2,119,784	3,306,608
Earnings per share	每股盈利	14	
Basic (RMB per share)	基本 (每股人民幣元)	0.44	0.61
Diluted (RMB per share)	攤薄 (每股人民幣元)	0.44	0.61

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2023 於二零二三年十二月三十一日

			31/12/2023	31/12/2022
	NOTES		RMB'000	RMB'000 (restated)
			二零二三年 十二月 三十一日	二零二二年 十二月 三十一日
	附註		人民幣千元	人民幣千元 (經重列)
Non-current assets		非流動資產		
Property, plant and equipment	15	物業、廠房及設備	6,512,423	6,344,161
Right-of-use assets	16	使用權資產	494,308	515,221
Investment properties	17	投資物業	135,611	140,785
Goodwill	18	商譽	3,727,790	3,638,741
Deposits paid for acquiring property, plant and equipment		就收購物業、廠房及設備之已付按金	328,302	461,041
Other intangible assets	19	其他無形資產	1,507,337	1,722,176
Interests in associates	20	於聯營公司的權益	1,461,381	1,375,302
Interests in joint ventures	21	於合營企業的權益	349,318	358,035
Financial assets at fair value through profit or loss	22	按公平值計入損益計量之金融資產	86,910	120,301
Deferred tax assets	23	遞延稅項資產	207,102	161,241
Finance lease receivables	24	應收融資租賃款項	15,302	23,037
Loan receivables	25	應收貸款	147,191	184,165
Prepayments	27	預付款項	62,965	70,536
			15,035,940	15,114,742
Current assets		流動資產		
Inventories	26	存貨	2,495,352	2,323,755
Loan receivables	25	應收貸款	642,476	627,626
Trade and other receivables	27	應收貿易賬款及其他應收款項	7,365,212	7,085,067
Financial assets at fair value through profit or loss	22	按公平值計入損益計量之金融資產	371	-
Debt instruments at fair value through other comprehensive income	28	按公平值計入其他全面收益計量之債務工具	344,211	521,651
Finance lease receivables	24	應收融資租賃款項	42,963	70,831
Pledged/restricted bank deposits	29	已抵押／受限制銀行存款	754,975	694,084
Cash and bank balances	30	現金及銀行結餘	6,988,731	6,964,486
			18,634,291	18,287,500
Current liabilities		流動負債		
Trade and other payables	31	應付貿易賬款及其他應付款項	4,319,784	4,415,899
Contract liabilities	32	合約負債	424,492	380,444
Borrowings	33	借款	2,546,750	960,808
Financial liabilities at fair value through profit or loss	22	按公平值計入損益計量之金融負債	7,653	-
Tax payable	35	應付稅項	239,964	193,918
Deferred income	36	遞延收入	7,369	13,110
Lease liabilities	36	租賃負債	26,587	29,323
Provisions		撥備	9,442	11,655
			7,582,041	6,005,157
Net current assets		流動資產淨額	11,052,250	12,282,343
Total assets less current liabilities		總資產減流動負債	26,088,190	27,397,085

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2023 於二零二三年十二月三十一日

		NOTES	31/12/2023 RMB'000	31/12/2022 RMB'000 (restated)
		附註	二零二三年 十二月 三十一日 人民幣千元	二零二二年 十二月 三十一日 人民幣千元 (經重列)
Capital and Reserves	資本及儲備			
Share capital	股本	37	457,063	457,063
Reserves	儲備		21,992,058	21,309,803
Equity attributable to owners of the Company	本公司擁有人應佔權益		22,449,121	21,766,866
Non-controlling interests	非控股權益		1,543,584	1,815,419
Total equity	權益總額		23,992,705	23,582,285
Non-current liabilities	非流動負債			
Borrowings	借款	33	499,894	2,403,212
Bonds payable	應付債券	34	995,405	993,977
Trade and other payables	應付貿易賬款及其他 應付款項	31	226,363	–
Deferred income	遞延收入	35	59,977	69,094
Deferred tax liabilities	遞延稅項負債	23	165,794	199,797
Lease liabilities	租賃負債	36	100,681	104,077
Contract liabilities	合約負債	32	9,730	7,642
Provisions	撥備		37,641	37,001
			2,095,485	3,814,800
			26,088,190	27,397,085

The consolidated financial statements on pages 93 to 284 were approved and authorised for issue by the board of directors on 26 March 2024 and are signed on its behalf by:

第93至284頁的綜合財務報表已獲董事會於二零二四年三月二十六日批准及授權刊發，並由以下董事代表董事會簽署：

LONG Jing
龍經

DIRECTOR
董事

CONG Rinan
叢日楠

DIRECTOR
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動報表

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium reserve	Statutory surplus reserve	Translation reserve	Share- based payments reserve	Other reserves	Retained profits	Total	Non- controlling interests	Total Equity
		RMB'000	RMB'000	RMB'000 (Note a)	RMB'000	RMB'000	RMB'000 (Note b)	RMB'000	RMB'000	RMB'000	RMB'000
		股本	股份溢價 儲備	法定盈餘 儲備	匯兌儲備	以股份 為基礎付款 儲備	其他儲備	保留溢利	總計	非控股權益	權益總額
		人民幣千元	人民幣千元	人民幣千元 (附註a)	人民幣千元	人民幣千元	人民幣千元 (附註b)	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2022	於二零二二年一月一日	457,063	2,743,144	261,271	(163,072)	151,500	774,128	15,182,612	19,406,646	1,640,359	21,047,005
Restatements due to business combination under common control in 2023 (Note 3(a))	因二零二三年同一控制下的業務合併而重列 (附註3(a))	-	-	-	-	-	10,905	46,240	57,145	22,021	79,166
At 1 January 2022 (restated)	於二零二二年一月一日 (經重列)	457,063	2,743,144	261,271	(163,072)	151,500	785,033	15,228,852	19,463,791	1,662,380	21,126,171
Profit for the year (restated)	本年度溢利 (經重列)	-	-	-	-	-	-	2,764,093	2,764,093	186,057	2,950,150
Other comprehensive income for the year	年內其他全面收入	-	-	-	329,832	-	-	-	329,832	26,626	356,458
Total comprehensive income for the year (restated)	年內全面收入總額 (經重列)	-	-	-	329,832	-	-	2,764,093	3,093,925	212,683	3,306,608
Consideration for business combination under common control in 2022 (Note 3 (b))	二零二二年同一控制下的業務合併之代價 (附註3(b))	-	-	-	-	-	(288,000)	-	(288,000)	-	(288,000)
Adoption of share award scheme (Note 38 (a) (c))	採納股份激勵計劃 (附註38(a)(c))	-	-	-	-	-	46,958	-	46,958	-	46,958
Recognition of equity-settled share-based payments (Note 38)	確認以權益結算之以股份為基礎付款 (附註38)	-	-	-	-	90,092	-	-	90,092	1,675	91,767
Repurchase of shares under a share award scheme (Note 38 (a))	根據股份激勵計劃回購股份 (附註38(a))	-	-	-	-	(19,965)	(15,283)	-	(35,248)	-	(35,248)
Recognition of sales of repurchased shares under a share award scheme (Note 38 (a))	確認出售根據股份激勵計劃回購的股份 (附註38(a))	-	-	-	-	-	25,572	-	25,572	-	25,572
Dividends recognised as distribution (Note 13)	確認為分派的股息 (附註13)	-	-	-	-	-	-	(680,319)	(680,319)	(61,319)	(741,638)
Other equity changes of an associate	聯營公司其他權益變動	-	-	-	-	-	50,095	-	50,095	-	50,095
At 31 December 2022 (restated)	於二零二二年十二月三十一日 (經重列)	457,063	2,743,144	261,271	166,760	221,627	604,375	17,312,626	21,766,866	1,815,419	23,582,285
At 31 December 2022 (restated)	於二零二二年十二月三十一日 (經重列)	457,063	2,743,144	261,271	166,760	221,627	604,375	17,312,626	21,766,866	1,815,419	23,582,285
Profit for the year	本年度溢利	-	-	-	-	-	-	2,001,906	2,001,906	59,696	2,061,602
Other comprehensive income for the year	年內其他全面收入	-	-	-	49,354	-	-	-	49,354	8,828	58,182
Total comprehensive income for the year	年內全面收入總額	-	-	-	49,354	-	-	2,001,906	2,051,260	68,524	2,119,784
Consideration for business combination under common control in 2023 (Note 3 (a))	二零二三年同一控制下的業務合併之代價 (附註3(a))	-	-	-	-	-	(743,407)	-	(743,407)	(286,593)	(1,030,000)
Adoption of share award scheme (Note 38 (a) (c))	採納股份激勵計劃 (附註38(a)(c))	-	-	-	-	-	46,958	-	46,958	-	46,958
Recognition of equity-settled share-based payments (Note 38)	確認以權益結算之以股份為基礎付款 (附註38)	-	-	-	-	53,977	-	-	53,977	1,482	55,459
Repurchase of shares of a subsidiary (Note 38 (d))	回購一間附屬公司股份 (附註38(d))	-	-	-	-	-	(19,962)	-	(19,962)	(16,568)	(36,530)
Dividends recognised as distribution (Note 13)	確認為分派的股息 (附註13)	-	-	-	-	-	-	(687,000)	(687,000)	(45,632)	(732,632)
Acquisition of a subsidiary (Note 39)	收購一間附屬公司 (附註39)	-	-	-	-	-	(19,571)	-	(19,571)	6,952	(12,619)
At 31 December 2023	於二零二三年十二月三十一日	457,063	2,743,144	261,271	216,114	275,604	(131,607)	18,627,532	22,449,121	1,543,584	23,992,705

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動報表

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

Notes:

- (a) The Articles of Association of the Company and its subsidiaries established in the PRC (as defined in Note 1) require the appropriation of 10% of profit after taxation (prepared under the generally accepted accounting principles in the PRC) each year to the statutory surplus reserve until the balance reaches 50% of the registered share capital. According to the provisions of the Articles of Association of the PRC companies, in normal circumstances, the statutory surplus reserve shall only be used for making up losses, capitalisation into capital and expansion of its production and operation. For the capitalisation of statutory surplus reserve into capital, the remaining amount of such reserve shall not be less than 25% of the registered capital.
- (b) Other reserves mainly includes the difference between the amounts by which the non-controlling interests are adjusted and the fair value of the consideration paid to acquire the additional interest in subsidiaries, the cost of the ordinary shares held by the trustees under share award scheme and the reserves arised from differences between the consideration of business combination under common control and the net assets of the combining entities.

附註：

- (a) 本公司及其於中國成立之附屬公司的組織章程細則(定義見附註1)規定將其各年稅後溢利(根據中國公認會計原則編製)的10%分派至法定盈餘儲備,直至法定盈餘儲備的結餘達註冊股本的50%為止。根據中國公司的組織章程細則的條文規定,在一般情況下,法定盈餘儲備僅可用作彌補虧損、撥充股本及擴充生產及營運。將法定盈餘儲備撥充股本後,該儲備的餘額不得低於註冊股本的25%。
- (b) 其他儲備主要包括就收購附屬公司額外權益經調整的非控股權益的金額與所支付的代價的公平值之間的差額、受託人根據股份激勵計劃持有普通股的成本,以及共同控制下業務合併的代價與合併實體資產淨值之間的差額產生的儲備。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

	Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000 (restated)
	截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
OPERATING ACTIVITIES		
Profit before tax	2,369,187	3,385,739
Adjustments for:		
Interest income	(130,087)	(117,540)
Finance costs	272,971	191,401
Depreciation of property, plant and equipment	587,745	511,630
Depreciation of right-of-use assets	42,322	37,160
Depreciation of investment properties	5,399	3,853
Allowances for credit losses	5,343	33,930
Impairment losses on property, plant and equipment	1,679	-
Impairment losses on inventories	32,223	13,078
Impairment losses on other intangible assets	8,020	10,806
Amortisation of other intangible assets	276,238	250,501
Share-based payment expenses	55,459	91,767
Share of results of associates	(86,079)	(77,906)
Share of results of joint ventures	9,223	2,801
Gain on deemed disposal of investment in an associate	-	(100,398)
Gain on disposal of financial instruments measured at FVTPL	(5,968)	36,757
Gain on deregistration/disposal of investments in subsidiaries	(593)	(47,832)
Loss/(gain) on disposal of property, plant and equipment	2,147	(60,919)
Release of deferred income	(29,741)	(24,097)
Loss/(gain) from changes in fair value of financial assets at fair value through profit or loss	28,037	(19,557)
Exchange loss/(gain)	14,422	(145,228)
	3,457,947	3,902,432
Movements in working capital		
Increase in inventories	(202,090)	(538,698)
Increase in trade and other receivables	(234,753)	(807,330)
Decrease in finance lease receivables	38,926	29,659
Decrease/(increase) in loan receivables	21,974	(61,291)
Decrease/(increase) in debt instruments at fair value through other comprehensive income	177,440	(78,179)
Decrease in other non-current assets	-	296,995
(Decrease)/increase in trade and other payables	(175,273)	455,831
Increase in contract liabilities	46,136	61,266
Increase in deferred income	14,883	6,337
Decrease in provisions	(2,475)	(485,649)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

		Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000 (restated)
		截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
Cash generated from operations	經營所得現金	3,142,715	2,781,373
Income taxes paid	已付所得稅	(344,186)	(486,493)
NET CASH FROM OPERATING ACTIVITIES	經營業務所得現金淨額	2,798,529	2,294,880
INVESTING ACTIVITIES	投資業務		
Purchases of property, plant and equipment	購買物業、廠房及設備	(319,275)	(614,605)
Purchases of other intangible assets	購買其他無形資產	(38,087)	(43,669)
Payments of right-for-use assets	使用權資產付款	-	(2,934)
Deposits paid for acquiring property, plant and equipment	就收購物業、廠房及設備支付的按金	(328,302)	(455,570)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	6,741	6,680
Interest received	已收利息	130,547	107,385
Withdrawal of pledged/restricted bank deposits	提取已抵押／受限制銀行存款	651,655	573,134
Placement of pledged/restricted bank deposits	存入已抵押／受限制銀行存款	(712,546)	(506,323)
Withdrawal of term deposits	提取定期存款	1,252,541	-
Placement of term deposits	存放定期存款	(2,000,376)	(1,443,435)
Disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產	18,604	(29,937)
Net cash outflow on acquisition of a subsidiary (Note 39)	收購一間附屬公司所產生的現金流出淨額(附註39)	(43,217)	-
Investments in joint ventures	於合營企業的投資	-	(179,000)
Investment in an associate	於一間聯營企業的投資	-	(8,000)
Disposal of an associate	出售一間聯營企業	-	790
Deregistration/disposal of subsidiaries	終止確認／出售附屬公司	593	26,915
Payments of loan receivables	支付應收貸款	(8,548)	-
Repayment of loan receivables	償還應收貸款	1,078	21,502
NET CASH USED IN INVESTING ACTIVITIES	投資業務所用現金淨額	(1,388,592)	(2,547,067)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

		Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000 (restated)
		截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
FINANCING ACTIVITIES	融資業務		
Repayments of borrowings	償還借款	(757,234)	(874,672)
Repayments of lease liabilities	償還租賃負債	(44,982)	(32,724)
New borrowings raised	新增加之借款	392,704	967,944
Interest paid	已付利息	(258,183)	(184,619)
Dividends paid	已付股息	(732,633)	(741,638)
Repurchase of shares under a share award scheme	根據股份激勵計劃回購股份	-	(35,248)
Repurchase of shares of a subsidiary	回購一間附屬公司股份	(36,530)	-
Net cash flow on business combination under common control (Note 3)	共同控制下的業務合併之現金流量淨額 (附註3)	(721,000)	(120,000)
NET CASH USED IN FINANCING ACTIVITIES	融資業務所用之現金淨額	(2,157,858)	(1,020,957)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(747,921)	(1,273,144)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	於年初的現金及現金等價物	5,521,051	6,698,035
Effect of foreign exchange rate changes	外匯匯率變動的影響	24,331	96,160
CASH AND CASH EQUIVALENTS AT END OF YEAR	於年末的現金及現金等價物	4,797,461	5,521,051

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

1. GENERAL INFORMATION

Shandong Weigao Group Medical Polymer Company Limited (the “Company”) was established and registered as a joint stock company with limited liability in the People’s Republic of China (the “PRC”) under the Company Law of the PRC on 28 December 2000 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is Weigao Holding Company Limited (“Weigao Holding”), and its ultimate holding company is Weihai Weigao International Medical Investment Holding Company Limited (“Weihai Weigao International”). Both Weigao Holding and Weihai Weigao International are registered in the PRC with limited liability. Its ultimate controlling party is Chen Xue Li. The address of the registered office and principal place of business of the Company is No. 1, Weihai Road, Weihai Torch Hi-Tech Science Park, Weihai, Shandong Province, PRC.

The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in the research and development, production and sale of medical device products, orthopaedic products, interventional products, pharma packaging products and blood management products, and operate financing business.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the functional currency of the Company.

1. 一般資料

山東威高集團醫用高分子製品股份有限公司(「本公司»)於二零零零年十二月二十八日根據中華人民共和國(「中國»)公司法在中國成立及註冊為股份有限公司，及其股份於香港聯合交易所有限公司(「聯交所»)主板上市。本公司直接控股公司為威高集團有限公司(「威高集團公司»),且其最終控股公司為威海威高國際醫療投資控股有限公司(「威海威高國際»)。威高集團公司及威海威高國際均為於中國註冊的有限責任公司。其最終控股方為陳學利。本公司之註冊辦事處及主要營業地點為中國山東省威海市威海火炬高技術產業開發區威海路1號。

本公司及其附屬公司(以下統稱「本集團»)主要從事研究及開發、生產及銷售醫療器械產品、骨科產品、介入產品、藥品包裝產品及血液管理產品，及經營融資業務。

綜合財務報表以本公司的功能貨幣人民幣(「人民幣»)呈列。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

New and amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKFRS 8	Definition of Accounting Estimates
Amendments to HKFRS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform-Pillar Two model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本

於本年度強制生效的新訂香港財務報告準則及修訂本

於本年度，本集團已首次應用下列由香港會計師公會（「香港會計師公會」）頒佈之新訂香港財務報告準則及其修訂本，用於編製綜合財務報表，相關準則於二零二三年一月一日開始之本集團年度期間強制生效：

香港財務報告準則第17號（包括二零二零年十月及二零二二年二月的香港財務報告準則第17號（修訂本））	保險合約
香港財務報告準則第8號（修訂本）	會計估計的定義
香港財務報告準則第12號（修訂本）	與單一交易產生的資產及負債有關的遞延稅項
香港會計準則第12號（修訂本）	國際稅務改革一支柱二規則範本
香港會計準則第1號及香港財務報告準則實務公告第2號（修訂本）	會計政策披露

除下文所述者外，於本年度應用新訂香港財務報告準則及其修訂本對本集團本年度及過往年度之財務狀況以及表現及／或對該等綜合財務報表所載之披露並無重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

Impacts on application of Amendments to HKAS 12 International Tax Reform-Pillar Two model Rules

The Group has applied the amendments for the first time in the current year. HKAS 12 is amended to add the exception to recognising and disclosing information about deferred tax assets and liabilities that are related to tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (the “Pillar Two legislation”). The amendments require that entities apply the amendments immediately upon issuance and retrospectively. The amendments also require that entities to disclose separately its current tax expense/income related to Pillar Two income taxes in periods which the Pillar Two legislation is in effect, and the qualitative and quantitative information about its exposure to Pillar Two income taxes in periods in which the Pillar Two legislation is enacted or substantially enacted but not yet in effect in annual reporting periods beginning on or after 1 January 2023.

The Group is yet to apply the temporary exception during the current year because the Group’s entities are operating in jurisdictions which the Pillar Two legislation has not yet been enacted or substantially enacted. The Group will disclose known or reasonably estimable information that helps users of financial statements to understand the Group’s exposure to Pillar Two income taxes in the Group’s annual consolidated financial statements when the Pillar Two legislation is enacted or substantially enacted and will disclose separately current tax expense/income related to Pillar Two income taxes when it is in effect.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

於本年度強制生效的新訂香港財務報告準則及修訂本（續）

應用香港會計準則第12號（修訂本）國際稅務改革—支柱二規則範本的影響

本集團已於本年度首次應用該等修訂本。香港會計準則第12號已修訂，加入確認及披露遞延稅項資產及負債資料的例外情況，該等資產及負債與為實施經濟合作與發展組織所頒佈的支柱二規則範本（「支柱二法例」）而頒佈或實際上頒佈的稅法有關。該等修訂要求各實體於頒佈修訂後立即及追溯性應用。該等修訂亦要求各實體於二零二三年一月一日或之後開始的年度報告期間，分別披露在支柱二法例生效期間與支柱二所得稅有關的即期稅項支出／收入，以及在支柱二法例已頒佈或實質上已頒佈但尚未生效期間支柱二所得稅風險的定性及定量資料。

由於本集團旗下實體在支柱二法例尚未頒佈或實質上尚未頒佈之司法權區經營業務，本集團於本年度尚未應用暫行例外情況。當支柱二法例已頒佈或實質上已頒佈時，本集團將在本集團年度綜合財務報表中披露已知或合理估計的資料，有助財務報表使用者了解本集團面臨之支柱二所得稅風險，並將在支柱二法例生效時另行披露與支柱二所得稅有關的即期稅項支出／收入。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

Impacts on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies

The Group has applied the amendments for the first time in the current year. HKAS 1 *Presentation of Financial Statements* is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 *Making Materiality Judgements* (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments has had no material impact on the Group’s financial positions and performance but has affected the disclosure of the Group’s accounting policies set out in Note 4 to the consolidated financial statements.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

於本年度強制生效的新訂香港財務報告準則及修訂本（續）

應用香港會計準則第1號及香港財務報告準則實務公告第2號（修訂本）「會計政策披露」的影響

本集團已於本年度首次應用該等修訂本。香港會計準則第1號「財務報表的呈列」已修訂，以「重大會計政策資料」取代「主要會計政策」一詞的所有情況。倘連同實體財務報表內其他資料一併考慮，會計政策資料可以合理預期會影響通用財務報表的主要使用者根據該等財務報表所作出的決定，則該會計政策資料屬重大。

該等修訂本亦澄清，即使涉及款項並不重大，但基於相關交易性質、其他事項或情況，會計政策資料仍可屬重大。然而，並非所有與重大交易、其他事項或情況有關的會計政策資料本身即屬重大。倘一間實體選擇披露非重大會計政策資料，有關資料不得掩蓋重大會計政策資料。

香港財務報告準則實務報告第2號「作出重大性判斷」（「實務報告」）亦經修訂，以說明一間實體如何將「四步法評估重大性流程」應用於會計政策披露及判斷有關一項會計政策的資料對其財務報表是否屬重大。實務報告已增加指導意見及實例。

應用該等修訂本並無對本集團的財務狀況及表現產生重大影響，但已影響綜合財務報表附註4所載本集團的會計政策披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ²
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ²
Amendments to HKAS 1	Non-current Liabilities with Covenants ²
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ²
Amendments to HKAS 21	Lack of Exchangeability ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2024.

³ Effective for annual periods beginning on or after 1 January 2025.

Except for the amendments to HKFRSs mentioned below, the directors of the Company (the “Directors”) anticipate that the application of all other amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及修訂本(續)

已頒佈但尚未生效的香港財務報告準則修訂本

本集團尚未提早應用下列已頒佈但尚未生效的香港財務報告準則修訂本：

香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之資產出售或投入 ¹
香港財務報告準則第16號(修訂本)	售後租回交易中的租賃負債 ²
香港會計準則第1號(修訂本)	負債分類為流動或非流動及相關香港詮釋第5號的修訂本(二零二零年) ²
香港會計準則第1號(修訂本)	附帶契諾的非流動負債 ²
香港會計準則第7號及香港財務報告準則第7號(修訂本)	供應商融資安排 ²
香港會計準則第21號(修訂本)	缺乏可交換性 ³

¹ 於待釐定日期或之後開始的年度期間生效。

² 於二零二四年一月一日或之後開始的年度期間生效。

³ 於二零二五年一月一日或之後開始的年度期間生效。

除下文所述的香港財務報告準則修訂本外，本公司董事(「董事」)預期應用所有其他香港財務報告準則修訂本，於可預見未來將不會對綜合財務報表構成重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”)

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation*.
- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that the classification should not be affected by management intentions or expectations to settle the liability within 12 months.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

已頒佈但尚未生效的香港財務報告準則修訂本（續）

香港會計準則第1號（修訂本）負債分類為流動或非流動及相關香港詮釋第5號的修訂本（二零二零年）（「二零二零年修訂本」）及香港會計準則第1號（修訂本）附帶契諾的非流動負債（「二零二二年修訂本」）

該等二零二零年修訂就評估自報告日期起至少十二個月之延遲結算權利提供澄清及額外指引，以將負債分類為流動或非流動，當中：

- 澄清倘負債具有可由對手選擇透過轉讓實體本身的權益工具進行結清之條款，則僅當實體採用香港會計準則第32號「金融工具：呈列」將選擇權單獨確認為權益工具時，該等條款方不會影響其分類為流動或非流動。
- 訂明負債應根據報告期末存有之權利分類為流動或非流動。該等修訂特別澄清該分類不受管理層在十二個月內結清負債之意圖或預期所影響。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”) (continued)

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the requirements introduced by the 2020 Amendments have been modified by the 2022 Amendments. The 2022 Amendments specify that only covenants with which an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date. Covenants which are required to comply with only after the reporting period do not affect whether that right exists at the end of the reporting period.

In addition, the 2022 Amendments specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if the entity classifies liabilities arising from loan arrangements as non-current when the entity's right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

已頒佈但尚未生效的香港財務報告準則修訂本（續）

香港會計準則第1號（修訂本）負債分類為流動或非流動及相關香港詮釋第5號的修訂本（二零二零年）（「二零二零年修訂本」）及香港會計準則第1號（修訂本）附帶契諾的非流動負債（「二零二二年修訂本」）（續）

就以遵守契約為條件的自報告日期起至少十二個月的延遲結付權利而言，二零二零年修訂本所引入的要求已被二零二二年修訂本修改。二零二二年修訂本訂明，實體須於報告期間末或之前遵守的契約方會影響實體於報告日期後至少十二個月內延遲結付負債的權利。僅須於報告期間後遵守的契約對該權利於報告期間末是否存在並無影響。

此外，二零二二年修訂本訂明有關資料的披露要求，使財務報表使用者了解在該實體將貸款安排產生的負債分類為非流動，而實體延遲結付該等負債的權利視乎實體於報告期間後十二個月內是否遵守契約的情況下，則負債可能須於報告期間後十二個月內償還的風險。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”) (continued)

The 2022 Amendments also defer the effective date of applying the 2020 Amendments to annual reporting periods beginning on or after 1 January 2024. The 2022 Amendments, together with the 2020 Amendments, are effective for annual reporting periods beginning on or after 1 January 2024, with early application permitted. If an entity applies the 2020 Amendments for an earlier period after the issue of the 2022 Amendments, the entity should also apply the 2022 Amendments for that period.

As at 31 December 2023, the Group’s right to defer settlement for bonds payable of RMB995,405,000 are subject to compliance with certain financial ratios based on the Group’s financial position at the end of the reporting period but assessed for compliance only after the reporting period when the audited consolidated financial statements of the Group are available. Such bonds payable were classified as non-current as the Group met such ratios as at 31 December 2023. The application of the 2020 and 2022 Amendments will not result in reclassification of the Group’s liabilities.

Except as described above, the application of the 2020 and 2022 Amendments will not affect the classification of the Group’s other liabilities as at 31 December 2023.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

已頒佈但尚未生效的香港財務報告準則修訂本（續）

香港會計準則第1號（修訂本）負債分類為流動或非流動及相關香港詮釋第5號的修訂本（二零二零年）（「二零二零年修訂本」）及香港會計準則第1號（修訂本）附帶契諾的非流動負債（「二零二二年修訂本」）（續）

二零二二年修訂本亦將應用二零二零年修訂本的生效日期推遲到二零二四年一月一日或之後開始的年度報告期間。二零二二年修訂本連同二零二零年修訂本於二零二四年一月一日或之後開始的年度報告期間生效，並允許提早應用。倘實體在頒佈二零二二年修訂本後的早期應用二零二零年修訂本，該實體亦應在該期間應用二零二二年修訂本。

於二零二三年十二月三十一日，本集團遞延結算應付債券人民幣995,405,000元的權利受限於遵守若干財務比率（基於本集團於報告期末的財務狀況），惟僅於報告期後本集團可獲得經審核綜合財務報表時評估合規情況。於二零二三年十二月三十一日，該等債券分類為非流動，原因為本集團滿足有關比率。應用二零二零年及二零二二年修訂本將不會導致本集團負債的重新分類。

除上文所述者外，應用二零二零年及二零二二年修訂本將不會影響本集團於二零二三年十二月三十一日的其他負債分類。

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綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

3. MERGER ACCOUNTING AND RESTATEMENTS

The Group accounts for all its business combinations involving entities under common control using the principles of merger accounting.

(a) Merger accounting in the year ended 31 December 2023

In the current year, Shandong Weigao Orthopaedic Materials Company Limited (“Weigao Orthopaedic”), a subsidiary of the Company, acquired 100% interests in Weigao New Life Medical Equipment Co., Ltd. (“Weigao New Life”) from fellow subsidiaries, Weihai Weigao Biotechnology Co., Ltd.; Weihai Weigao Fusen Medical Materials Co., Ltd.; Weihai Weigao Medical Imaging Technology Co., Ltd. and Weihai Weigao Qiquan Medical Equipment Co., Ltd. with a total cash consideration of RMB1,030,000,000 (the “Acquisition”). Weigao Orthopaedic acquired control over Weigao New Life on 3 January 2023.

Weigao New Life is engaged in the research and development, manufacturing and sales of tissue repair products. The principal products include platelet-rich plasma preparation kits and closed trauma negative pressure drainage set.

Weigao New Life was established on 8 April 2008, which was indirectly held by Weihai Weigao International, and thereby the Group and Weigao New Life came under common control of Weihai Weigao International. Since Weigao New Life and the Group have been under common control by Weihai Weigao International before and after the Acquisition, the Group has applied the principles of merger accounting with reference to Accounting Guideline 5 *Merger Accounting for Common Control Combinations to the Acquisition* (the “AG5”) issued by the HKICPA as if the common control combination had been effected since the establishment of Weigao New Life.

3. 合併會計與重列

本集團對其所有涉及共同控制下實體之業務合併，均採用合併會計法原則入賬。

(a) 截至二零二三年十二月三十一日止年度之合併會計

於本年度，本公司附屬公司山東威高骨科材料股份有限公司（「威高骨科」）自同系附屬公司威海威高生物科技有限公司、威海威高富森醫用材料有限公司、威海威高醫療影像科技有限公司及威海威高齊全醫療設備有限公司收購威高新生醫療器械有限公司（「威高新生」）的100%權益，總現金代價為人民幣1,030,000,000元（「收購事項」）。威高骨科於二零二三年一月三日收購威高新生的控制權。

威高新生從事組織修復產品線的研發、製造及銷售。主要產品包括富血小板血漿製備用套裝及封閉創傷負壓引流套裝。

威高新生於二零零八年四月八日成立，由威海威高國際間接持有，因此本集團與威高新生受威海威高國際共同控制。由於威高新生及本集團於收購事項前後一直受威海威高國際共同控制，故本集團已就收購事項應用合併會計準則並參考香港會計師公會頒佈的會計指引第5號*共同控制下業務合併的合併會計處理*（「會計指引第5號」），猶如共同控制下的業務合併已自威高新生成立起生效。

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綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

3. MERGER ACCOUNTING AND RESTATEMENTS (continued)

(a) Merger accounting in the year ended 31 December 2023 (continued)

The consolidated statement of financial position of the Group as at 31 December 2022 have been restated to include the assets and liabilities of Weigao New Life as if they were within the Group since 8 April 2008. The consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows for the year ended 31 December 2022 have also been restated to include the results and the cash flows of Weigao New Life.

The effects of the application of merger accounting on the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2022 are as follows. Line items that were not affected by the changes have not been included.

3. 合併會計與重列 (續)

(a) 截至二零二三年十二月三十一日止年度之合併會計 (續)

本集團於二零二二年十二月三十一日的綜合財務狀況表已重列，以包括威高新生的資產及負債，猶如該等資產及負債自二零零八年四月八日起已在本集團內。截至二零二二年十二月三十一日止年度的綜合損益及其他全面收入報表及綜合現金流量報表亦已重列，以包括威高新生的業績及現金流量。

採用合併會計法對截至二零二二年十二月三十一日止年度之綜合損益及其他全面收入報表之影響如下。未受變動影響的項目並未列入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

3. MERGER ACCOUNTING AND RESTATEMENTS (continued)

(a) Merger accounting in the year ended 31 December 2023 (continued)

		The year ended 31 December 2022 as previously reported RMB'000 截至 二零二二年 十二月三十一 止年度 (如先前呈報) 人民幣千元	Adjustments RMB'000 調整 人民幣千元	The year ended 31 December 2022 as restated RMB'000 截至 二零二二年 十二月三十一 止年度 (經重列) 人民幣千元
Revenue	收入	13,619,007	128,466	13,747,473
Cost of sales	銷售成本	(6,505,925)	64,184	(6,441,741)
Gross profit	毛利	7,113,082	192,650	7,305,732
Other income, gains and losses	其他收入、收益及虧損	444,765	937	445,702
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模型下之減值虧損(扣除撥回)	(33,332)	(598)	(33,930)
Selling expense	銷售開支	(2,427,077)	(109,373)	(2,536,450)
Administrative expenses	行政開支	(1,116,689)	(5,888)	(1,122,577)
Research and development expenses	研發開支	(546,552)	(9,890)	(556,442)
Profit before tax	除稅前溢利	3,317,901	67,838	3,385,739
Income tax expense	所得稅開支	(424,267)	(11,322)	(435,589)
Profit for the year	年內溢利	2,893,634	56,516	2,950,150
Total comprehensive income for the year	年內全面收入總額	3,250,092	56,516	3,306,608
Profit for the year attributable to:	下列各項應佔年內溢利：			
Owners of the Company	本公司擁有人	2,723,309	40,784	2,764,093
Non-controlling interests	非控股權益	170,325	15,732	186,057
Total comprehensive income for the year attributable to:	下列各項應佔年內全面收入總額：			
Owners of the Company	本公司擁有人	3,053,141	40,784	3,093,925
Non-controlling interests	非控股權益	196,951	15,732	212,683

The basic earnings per share during the year ended 31 December 2022 changed from RMB0.60 per share to RMB0.61 per share due to the application of merger accounting.

3. 合併會計與重列 (續)

(a) 截至二零二三年十二月三十一日止年度之合併會計 (續)

由於採用合併會計法，截至二零二二年十二月三十一日止年度的每股基本盈利自每股人民幣0.60元變為每股人民幣0.61元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

3. MERGER ACCOUNTING AND RESTATEMENTS (continued)

3. 合併會計與重列 (續)

(a) Merger accounting in the year ended 31 December 2023 (continued)

The effects of the application of merger accounting on the consolidated statement of financial position as at 31 December 2022 are summarised below. Line items that were not affected by the changes have not been included.

(a) 截至二零二三年十二月三十一日止年度之合併會計 (續)

採用合併會計法對於二零二二年十二月三十一日之綜合財務狀況表之影響概列如下。未受變動影響的項目並未列入。

		As at 31 December 2022 as previously reported RMB'000 於二零二二年 十二月三十一日 (如先前呈報) 人民幣千元	Adjustments RMB'000 調整 人民幣千元	As at 31 December 2022 as restated RMB'000 於二零二二年 十二月三十一日 (經重列) 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	6,342,212	1,949	6,344,161
Deposits paid for acquiring property, plant and equipment	就收購物業、廠房及設備支付的按金	455,570	5,471	461,041
Deferred tax assets	遞延稅項資產	159,453	1,788	161,241
Total Non-current assets	非流動資產總額	15,105,534	9,208	15,114,742
Current assets	流動資產			
Inventories	存貨	2,315,343	8,412	2,323,755
Trade and other receivables	應收貿易賬款及其他應收款項	7,024,893	60,174	7,085,067
Debt instruments at fair value through other comprehensive income	按公平值計入其他全面收入計量之債務工具	495,337	26,314	521,651
Cash and cash equivalents	現金及現金等價物	6,862,278	102,208	6,964,486
Total Current assets	流動資產總額	18,090,392	197,108	18,287,500
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他應付款項	4,370,333	45,566	4,415,899
Contract liabilities	合約負債	370,150	10,294	380,444
Tax payable	應付稅項	179,144	14,774	193,918

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

3. MERGER ACCOUNTING AND RESTATEMENTS (continued)

(a) Merger accounting in the year ended 31 December 2023 (continued)

3. 合併會計與重列 (續)

(a) 截至二零二三年十二月三十一日止年度之合併會計 (續)

		As at 31 December 2022 as previously reported RMB'000 於二零二二年 十二月三十一日 (如先前呈報) 人民幣千元	Adjustments RMB'000 調整 人民幣千元	As at 31 December 2022 as restated RMB'000 於二零二二年 十二月三十一日 (經重列) 人民幣千元
Total Current liabilities	流動負債總額	5,934,523	70,634	6,005,157
Net Current Assets	流動資產淨額	12,155,869	126,474	12,282,343
Total Assets less Current Liabilities	總資產減流動負債	27,261,403	135,682	27,397,085
Capital and reserves Reserves	資本及儲備 儲備	21,211,874	97,929	21,309,803
Equity attributable to owners of the Company	本公司擁有人應佔權益	21,668,937	97,929	21,766,866
Non-controlling interests	非控股權益	1,777,666	37,753	1,815,419
Total Equity	權益總額	23,446,603	135,682	23,582,285

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

3. MERGER ACCOUNTING AND RESTATEMENTS (continued)

(a) Merger accounting in the year ended 31 December 2023 (continued)

The effect of the application of merger accounting on the consolidated statement of cash flows for the year ended 31 December 2022 are increasing the net cash from operating activities with amount of RMB80,306,000, increasing net cash from investing activities with amount of RMB21,896,000, and increasing cash and cash equivalents at the end of the year with amount of RMB102,208,000.

(b) Merger accounting in the year ended 31 December 2022

During the year ended 31 December 2022, the Company acquired 100% interests in Weihai Weigao Medical Materials Co., Ltd. ("Weigao Medical Materials") from Weigao Holding with a total cash consideration of RMB288,000,000. The Company acquired control over Weigao Medical Materials on 9 September 2022.

Weigao Medical Materials is engaged in the research and development, manufacturing and sales of infection protection products, disposable interventional surgery auxiliary kits, disposable sterile surgical kits and disease control protection products.

Weigao Medical Materials was established on 13 March 2002, which was held by Weigao Holding, and thereby the Group and Weigao Medical Materials came under common control of Weigao Holding. Since Weigao Medical Materials and the Group have been under common control by Weigao Holding before and after the acquisition, the Group has applied the principles of merger accounting with reference to AG 5 as if the common control combination had been effected since the establishment of Weigao Medical Materials.

3. 合併會計與重列 (續)

(a) 截至二零二三年十二月三十一日止年度之合併會計 (續)

應用合併會計對截至二零二二年十二月三十一日止年度的綜合現金流量表的影響為經營業務所得現金淨額增加人民幣80,306,000元、投資業務所得現金淨額增加人民幣21,896,000元及於年末的現金及現金等價物增加人民幣102,208,000元。

(b) 截至二零二二年十二月三十一日止年度之合併會計

截至二零二二年十二月三十一日止年度，本公司以總現金代價人民幣288,000,000元向威高集團公司收購威海威高醫用材料有限公司（「威高醫用材料」）的100%股權。本公司於二零二二年九月九日取得對威高醫用材料的控制權。

威高醫用材料從事感染防護產品、一次性使用介入手術輔助包、一次性使用無菌手術包及疾控防護產品的研發、製造及銷售。

威高醫用材料於二零零二年三月十三日成立，由威高集團公司持有，因此本集團與威高醫用材料受威高集團公司共同控制。由於威高醫用材料及本集團於收購前後一直受威高集團公司共同控制，故本集團已就收購事項應用合併會計準則並參考香港會計師公會頒佈的會計指引第5號，猶如共同制下的業務合併已自威高醫用材料成立起生效。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

4.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

4. 編製綜合財務報表基準及主要會計政策資料

4.1 編製綜合財務報表基準

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。就編製綜合財務報表之目的而言，當可合理預期該等資料會影響主要使用者之決策，該等資料則被視為屬重大。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例規定的適用披露。

4.2 主要會計政策資料

綜合基準

綜合財務報表包含本公司以及本公司及其附屬公司所控制的實體的財務報表。當本公司符合以下情況，即取得控制權：

- 有權控制被投資方；
- 因其參與被投資方業務而獲得或有權獲得可變回報；及
- 有能力以其權力影響其回報。

倘有事實及情況顯示上述三項控制權要素有一項或多項出現變動，則本集團會重新評估其是否控制被投資方。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Basis of consolidation (continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

綜合基準 (續)

附屬公司於本集團取得附屬公司的控制權時開始綜合入賬，並於本集團喪失對附屬公司的控制權時終止。特別是，年內收購或出售附屬公司的收入及開支自本集團取得控制權當日起直至本集團不再控制附屬公司之日止於綜合損益及其他全面收入表列賬。

損益及各其他全面收入項目歸屬於本公司擁有人及非控股權益。附屬公司的全面收入總額會歸屬於本公司擁有人及非控股權益，即使其將導致非控股權益為赤字結餘。

本集團於必要時會對附屬公司的財務報表作出調整，以使附屬公司的會計政策與本集團的會計政策相符一致。

與本集團成員公司間交易有關的所有集團內資產及負債、權益、收入、開支及現金流量均於綜合賬目時悉數對銷。

於附屬公司之非控股權益與本集團於當中的權益分開呈列，指現時擁有之權益且賦予持有人權利於清盤時按比例分佔相關附屬公司淨資產。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses, other than business combination under common control, are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

業務合併

業務為一組綜合活動及資產，包括一項輸入及一個實質流程，且兩者可為創造輸出的能力作出重大貢獻。倘所收購流程對持續生產產出的能力至關重要，包括擁有執行相關流程所需技能、知識或經驗的有組織員工，或對持續生產產出的能力有重大貢獻，且被視為獨特或稀缺，或在持續生產產出的能力方面沒有重大成本、努力或延遲的情況下無法被替代，則所收購流程被視為實質性。

收購業務（共同控制下的業務合併除外）以收購法入賬。於業務合併轉移之代價以公平值計量，其計算乃按於收購日期本集團轉移資產、本集團向被收購方之前擁有人所承擔之負債及本集團用以換取被收購方之控制權而發行之股本權益之公平值總和。收購相關成本一般在發生時於損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Business combinations (continued)

The identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the *Conceptual Framework for Financial Reporting* (the "Conceptual Framework") except for transactions and events within the scope of HKAS 37 or HK(IFRIC)-Int 21, in which the Group applies HKAS 37 or HK(IFRIC)-Int 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognised.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

業務合併 (續)

所收購的可識別資產及所承擔的負債必須符合財務報告概念框架(「概念框架」)內資產及負債的定義，惟香港會計準則第37號或香港(國際財務報告詮釋委員會)一詮釋第21號範圍內的交易及事件除外，於該情況下，本集團應用香港會計準則第37號或香港(國際財務報告詮釋委員會)一詮釋第21號而非概念框架以識別其於業務合併中所承擔的負債。或然資產不予確認。

於收購日期，可識別之已收購資產及已承擔負債乃按公平值確認。

商譽乃按已轉移之代價，被收購方之非控股權益金額及收購方以往持有被收購方之股本權益(如有)之公平值的總和，超出於收購日期可識別之已收購資產及已承擔負債之淨額計量。倘重新評估後，可識別之已收購資產及已承擔負債之淨額，超出已轉移之代價、被收購方之非控股權益金額及收購方以往持有被收購方之股本權益(如有)之公平值的總和時，超出之金額即時於損益中確認為議價收購收益。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Business combinations (continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value.

Merger accounting for business combination involving businesses under common control

The consolidated financial statements incorporate the financial statements items of the combining businesses in which the common control combination occurs as if they had been combined from the date when the combining businesses first came under the control of the controlling party.

The net assets of the combining businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

業務合併 (續)

現有擁有權益並賦予持有人可於清盤時按比例攤佔相關附屬公司之資產淨額之非控股權益，按非控股權益比例攤佔被收購方之可識別淨資產之已確認金額或按公平值作初始計量。

涉及共同控制業務的業務合併的合併會計法

綜合財務報表包括發生共同控制合併的合併業務的財務報表項目，猶如該等合併業務自其首次受控制方控制當日起已經合併。

對於控制方而言，合併業務的資產淨值乃按現有賬面值進行合併。共同控制合併時並無就商譽或溢價收購利得確認金額。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Merger accounting for business combination involving businesses under common control (continued)

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining businesses from the earliest date presented or since the date when the combining businesses first came under the common control, where this is a shorter period.

The comparative amounts in the consolidated financial statements are presented as if the businesses had been combined at the beginning of the previous reporting period or when they first came under common control, whichever is shorter.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's relevant cash-generating units ("CGUs") (or group of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

涉及共同控制業務的業務合併的合併會計法 (續)

綜合損益及其他全面收入報表包括自最早呈列日期或合併業務首次受共同控制當日 (以期限較短者為準) 起各合併業務的業績。

合併財務報表中的比較數額乃按猶如有關業務已於先前報告期初或首次受共同控制時 (以期限較短者為準) 合併的方式呈列。

商譽

收購業務產生之商譽按收購業務日期的成本 (見上述會計政策) 減任何累計減值虧損 (如有) 列賬。

就減值測試而言，商譽會分配至預期可受惠於收購的協同效益的本集團之各有關現金產生單位 (「現金產生單位」) 或現金產生單位組合，而該單位或單位組合指就內部管理目的監控商譽的最低水平且不過經營分類。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Goodwill (continued)

A CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of CGUs).

The Group's policy for goodwill arising on the acquisition of an associate and joint venture is described below.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

商譽 (續)

獲分配商譽的現金產生單位 (或現金產生單位組合) 會每年或於有跡象顯示該單位可能出現減值時更頻繁進行減值測試。就報告期內收購所產生的商譽而言, 獲分配商譽的現金產生單位 (或現金產生單位組合) 會於該報告期末前進行減值測試。倘可收回金額低於其賬面值, 則減值虧損會先分配以調減任何商譽的賬面值, 其後則按該單位 (或現金產生單位組合) 內各項資產的賬面值的比例分配至該單位的其他資產。

本集團有關收購聯營公司及合營企業產生的商譽的政策載於下文。

於聯營公司及合營企業的投資

聯營公司指本集團對其擁有重大影響力的實體。重大影響力是有權參與被投資方的財務及經營決策, 而不是控制或共同控制該等政策。

合營企業指一項合營安排, 對安排擁有共同控制權之訂約方據此對合營安排之資產淨值擁有權利。共同控制指按照合約協定對一項安排所共有之控制, 共同控制僅在有關活動要求享有控制權之訂約方作出一致同意之決定時存在。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Investments in associates and joint ventures (continued)

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate or joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

於聯營公司及合營企業的投資 (續)

聯營公司及合營企業之業績、資產及負債利用權益會計法載入該等綜合財務報表內。作會計權益法用途的聯營公司及合營企業的財務報表乃按與本集團就同類交易及同類情況下事項的統一會計政策編製。根據權益法，於聯營公司或合營企業的投資乃初步於綜合財務狀況表按成本值確認，並於其後作出調整以確認本集團應佔聯營公司或合營企業的損益及其他全面收入。損益及其他全面收入除外，聯營公司或合營企業的淨資產變動不會入賬，除非該等變動導致本集團持有的所有權權益出現變動。當本集團應佔一間聯營公司或合營企業虧損超出本集團於該聯營公司或合營企業的權益時（包括任何實際上構成本集團於聯營公司或合營企業投資淨值一部分的長期權益），本集團會終止確認其應佔的進一步虧損。當本集團產生法定或推定責任或代表聯營公司或合營企業付款時，方會確認額外虧損。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Investments in associates and joint ventures (continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

於聯營公司及合營企業的投資 (續)

於被投資方成為一家聯營公司或合營企業當日，對於聯營公司或合營企業的投資採用權益法入賬。於收購一間聯營公司或合營企業的投資時，投資成本超過本集團分佔該被投資方可識別資產及負債公平淨值的任何部分乃確認為商譽，並計入投資之賬面值。本集團應佔可識別資產及負債的公平淨值超出投資成本的任何差額，於重新評估後即時於投資被收購之期間於損益確認。

本集團評估是否有客觀證據表明於聯營公司或合營企業的權益可能出現減值。如存在任何客觀證據，則將投資的全部賬面值(包括商譽)作為單一資產根據香港會計準則第36號*資產減值*，透過比較其可收回金額(使用價值與公平值減銷售成本之較高者)與賬面值而測試有否減值。任何確認的減值虧損並未分配予任何資產(包括商譽)，屬投資賬面值之一部份。倘其後投資的可收回金額增加，則根據香港會計準則第36號確認該減值虧損的撥回。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Investments in associates and joint ventures (continued)

When the Group reduces its ownership interest in an associate or joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

於聯營公司及合營企業的投資 (續)

當本集團減少其於聯營公司或合營企業之所有者權益但本集團繼續採用權益法時，本集團將此前計入其他全面收入內與任何減少所有者權益相關之收益或虧損部份重新分類至損益（前提為此項收益或虧損於出售相關資產或負債時將重新分類至損益）。

倘集團實體與本集團聯營公司或合營企業進行交易，則與聯營公司或合營企業進行交易所產生之溢利及虧損乃按與本集團無關之於聯營公司或合營企業之權益於本集團之綜合財務報表內確認。

客戶合約收入

本集團於完成履約責任時（即當貨品或服務按特定履約責任之「控制權」轉移予客戶時）確認收入。

履約責任指個別的商品或服務（或一組商品或服務）或一系列大致相同的個別商品或服務。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Revenue from contracts with customers

(continued)

The revenue of the Group mainly comes from sales of goods. Revenue is recognised at a point in time upon control of the goods has been transferred, being when the goods have been accepted by the customers. Following acceptance, the customer bears the risks of obsolescence and loss in relation to the goods.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests in associates and joint ventures.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

客戶合約收入 (續)

本集團的收入主要來自銷售商品。收入於商品控制權轉移後某一時間點(即客戶接納商品時)確認。驗收後,客戶承擔與商品相關的過時及失風險。

外幣

在編製各個別集團實體的財務報表時,以實體功能貨幣以外貨幣(外幣)進行的交易按交易日通用的匯率記錄。於報告期末,以外幣列值的貨幣項目以該日通用的匯率重新換算。以外幣歷史成本計算的非貨幣項目不會重新換算。

結算及重新換算貨幣項目時產生的匯兌差額會於產生期間在損益確認,惟應收或應付海外業務的貨幣項目的匯兌差額除外,就此,有關結算未納入計劃中亦無可能產生(因此形成海外業務投資淨額部分),且就出售或部份出售本集團於聯營公司及合營企業權益而初步於其他全面收入中確認並自權益中重新分類至損益。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Foreign currencies (continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rate prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Goodwill and fair value adjustments on identifiable assets acquired and liabilities assumed arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

外幣 (續)

為呈報綜合財務報表，本集團海外業務的資產及負債乃按報告期末的通用匯率換算為本集團的呈列貨幣（即人民幣），而其收支按年內平均匯率換算。所產生的匯兌差額（如有）會在其他全面收入確認並於權益內的匯兌儲備項下累計（倘適用，則歸屬於非控股權益）。

收購境外業務及承擔負債產生的可辨認資產商譽及公平值調整均視為該境外業務的資產及負債，按各報告期末的現行匯率換算。所產生的匯兌差額於其他全面收入確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Share-based payments

Equity-settled share-based payment transactions

Shares/Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration of all non-market vesting considerations is expensed on a straight-line basis over the vesting period based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of the reporting period, the Group revises its estimates of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting condition. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share-based payments reserve.

When the award shares/share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to other reserve. When the award shares/share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to retained profits.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

以股份為基礎付款

以股權結算之股份基礎付款交易

授予僱員之股份/購股權計劃

向僱員及提供類似服務之其他人士作出之以股權結算之股份基礎付款乃按股本工具於授出日期之公平值計量。

不計及所有非市場歸屬代價，以股權結算之股份基礎付款於授出日期釐定之公平值乃於歸屬期內按直線法根據本集團將最終歸屬的股本工具的估計支銷，並相應增加權益（股份付款儲備）。於報告期末，本集團根據對所有相關非市場歸屬條件的評估修訂其對預期歸屬的股本工具數目的估計。修訂原先估計的影響（如有）於損益內確認，因此，累計開支反映經修訂估計，並對以股份為基礎付款儲備作相應調整。

倘獎勵股份／購股權獲行使，先前於股份付款儲備內確認之金額將轉撥至其他儲備。倘獎勵股份／購股權於歸屬日期後或直至到期日仍未獲行使而獲沒收，先前於股份付款儲備內確認之金額將轉撥至保留溢利。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Share-based payments (continued)

Equity-settled share-based payment transactions
(continued)

Shares/Share options granted to employees
(continued)

When shares granted are vested, the amount previously recognised in share-based payments reserve will be transferred to other reserve.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

以股份為基礎付款 (續)

以股權結算之股份基礎付款交易 (續)

授予僱員之股份/購股權計劃
(續)

倘授出的股份獲歸屬，先前於股份付款儲備內確認之金額將轉撥至其他儲備。

稅項

所得稅開支指即期及遞延所得稅開支總和。

現時應付的稅項以年內的應納稅溢利為基礎。由於於其他年度應納稅或可扣稅的收支及不應納稅或不可扣稅的項目，應納稅溢利有別於除稅前溢利。本集團目前的稅務責任乃採用報告期末已製定或大致上已製定的稅率計算。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Taxation (continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and an associate and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

稅項 (續)

遞延稅項就綜合財務報表內資產及負債的賬面值與用以計算應納稅溢利的相關稅基的暫時差額而確認。遞延稅項負債一般就所有應納稅暫時差額確認。倘有應納稅溢利將可用以抵銷可動用可扣稅暫時差額，遞延稅項資產一般就所有可扣稅暫時差額確認。倘暫時差額來自一項不會影響應納稅溢利或會計溢利的交易的其他資產及負債的初步確認（業務合併除外），則該等資產及負債不會予以確認且交易時不會產生等額的應課稅暫時性差異及可扣減之暫時性差異。此外，倘初步確認商譽產生暫時差額，則遞延稅項負債不予以確認。

遞延稅項負債乃按因於附屬公司及聯營公司之投資及於合營企業的權益而產生的應課稅暫時差額而確認，惟若本集團可令暫時差額撥回及暫時差額有可能未必於可見將來撥回之情況除外。與該等投資及權益相關的可扣稅暫時差額所產生的遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差額的益處且預計於可見將來可以撥回時確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Taxation (continued)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

稅項 (續)

於各報告期末審閱遞延稅項資產的賬面值，及倘應納稅溢利不再足夠收回全部或部分資產，即減少遞延稅項資產的賬面值。

遞延稅項資產及負債乃根據於報告期末已實施或大致上已實施的稅率(及稅法)，按預期於負債清償或資產變現期間適用的稅率計算。

遞延稅項負債與資產的計算，反映按照本集團於報告期末時預期收回或清償資產及負債賬面值的方式所產生稅務結果。

當有法定可執行權利將當期稅項資產抵銷當期稅項負債時，以及當它們與同一稅務機關對同一應課稅實體徵收的所得稅有關時，遞延所得稅資產和負債均予以抵銷。

即期及遞延稅項於損益內確認，惟倘即期及遞延稅項涉及於其他全面收入或直接在權益確認項目，則即期及遞延稅項亦會分別於其他全面收入或直接於權益內確認。倘因業務合併之初步會計方法而產生即期或遞延稅項，有關稅務影響會計入業務合併之會計方法內。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Freehold land is stated at cost less any recognised impairment loss. Freehold land is not depreciated.

Surgical instruments produced by the Group that are dedicated for use with the Group's orthopaedic implant products commence depreciation upon they are provided to the distributors that in the location for their intended use.

Buildings in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

物業、廠房及設備

物業、廠房及設備為持有用於生產或供應貨物或服務的有形資產，或用於行政用途之樓宇（不包括下文所述的在建物業），物業、廠房及設備乃按照成本減其後累計折舊及其後累計減值虧損（如有）於綜合財務狀況表列賬。

自由保有土地按成本減任何已確認減值虧損列賬。自由保有土地未折舊。

本集團所生產專門配合本集團的骨科植入物產品使用的手術工具將於提供予所在地的分銷商作其擬定用途時開始計提折舊。

在建以作生產、供應及行政用途的樓宇按成本減任何已確認減值虧損列賬。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Property, plant and equipment (continued)

Ownership interests in leasehold land and building

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as “right-of-use assets” in the consolidated statement of financial position.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

物業、廠房及設備 (續)

於租賃土地及樓宇的擁有權權益

當本集團就於物業的擁有權權益 (包括租賃土地及樓宇成分) 付款時，全部代價於租賃土地及樓宇成分之間按初始確認時的相對公平值的比例分配。於相關付款能夠可靠分配的情況下，租賃土地的權益於綜合財務狀況表內呈列為「使用權資產」。

折舊乃確認以撇銷按直線法在其估計可使用年期內的資產 (自由土地及在建資產除外) 成本減其剩餘價值。估計可使用年期、殘值和折舊方法會在每個報告期末覆核，並採用未來適用法對任何估計變更的影響進行核算。

物業、廠房及設備項目於出售或預期日後繼續使用資產時不再產生經濟利益時終止確認。處置或報廢物業、廠房及設備項目所產生的損益釐定為資產的銷售所得款項與賬面值的差額並於損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Transfers

Transfers to, or from, investment property when, and only when, there is a change in use, evidenced by end of owner-occupation, for a transfer from owner-occupied property to investment property; or commencement of owner-occupation, for a transfer from investment property to owner-occupied property.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

投資物業

投資物業指持作賺取租金及／或作資本增值的物業。

投資物業初步乃以成本(包括任何直接應佔開支)計值。初步確認後,投資物業乃按成本減其後累計折舊及任何累計減值虧損計值。確認折舊以便於經考慮投資物業的估計剩餘價值後採用直線法按估計使用年限撇銷其成本。

當投資物業出售或永久停止使用及預計不會從出售該項物業中獲得未來經濟收益時,即取消確認該項投資物業。取消確認某項物業所產生的任何收益或虧損(按出售所得款項淨額與該資產的賬面值兩者之差額計算),於取消確認物業的期間於損益表中確認。

轉移

當且僅當存在業主佔用結束而自業主佔用物業轉至投資物業;或開始業主佔用而自投資物業轉至業主佔用物業證明用途改變時,才可轉入或轉出投資物業。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

無形資產

獨立收購的無形資產

個別收購且具備有限可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損入賬。攤銷於其估計可使用年期內按直線基準確認。估計可使用年期及攤銷法於各報告期末檢討，而估計之任何變動影響按未來適用法予以入賬。

內部產生無形資產—研發開支

研究活動的支出在其產生的期間內列為一項開支。

當且僅當以下所有各項得到證明時，開發活動（或內部項目的開發階段）引致的內部產生的無形資產方予以確認：

- 在技術上可完成該無形資產以使其能使用或出售；
- 有完成該無形資產並使用或出售的意圖；
- 有能力使用或出售該無形資產；

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Intangible assets (continued)

Internally-generated intangible assets – research and development expenditure (continued)

- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

無形資產 (續)

內部產生無形資產—研發開支 (續)

- 該無形資產如何產生潛在未來經濟利益；
- 具有足夠技術、財務及其他資源，以完成該無形資產的開發，並使用或出售該無形資產；及
- 歸屬於該無形資產開發階段的支出能可靠計量。

內部產生的無形資產的初步確認金額是自無形資產首次滿足上述確認條件的日期後所產生支出的總額。如果不能確認內部產生的無形資產，則開發支出應於其產生期間於損益中確認。

在初步確認後，內部產生的無形資產採用與獨立收購的無形資產相同的基準，按成本減累計攤銷及累計減值虧損 (如有) 呈報。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Intangible assets (continued)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Impairment on property, plant and equipment, right-of-use assets, and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, intangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, (if any).

The recoverable amount of property, plant and equipment, right-of-use assets, and intangible assets are estimated individually, when it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

無形資產 (續)

於業務合併中收購的無形資產

於業務合併中收購的無形資產乃以獨立於商譽的方式確認，並於收購日期初步按公平值 (被視為其成本) 確認。

於初步確認後，於業務合併中收購且具備有限可使用年期的無形資產按成本減累計攤銷及累計減值虧損根據與獨立收購無形資產的相同基準呈報。

除商譽外之物業、廠房及設備、使用權資產及無形資產減值

於報告期末，本集團審閱其有限使用年期之物業、廠房及設備、使用權資產及無形資產之賬面值，以確定是否有任何跡象顯示該等資產出現減值虧損。倘有任何該等跡象存在，將估計相關資產之可收回金額以釐定其減值虧損 (如有)。

物業、廠房及設備、使用權資產及無形資產的可回收金額單獨估計，倘不能估計個別資產之可收回金額時，本集團則估計該資產所屬之現金產生單位之可收回金額。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Impairment on property, plant and equipment, right-of-use assets, and intangible assets other than goodwill

(continued)

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

除商譽外之物業、廠房及設備、使用權資產及無形資產減值 (續)

此外，本集團對是否有跡象顯示公司資產可能出現減值進行評估。倘存在有關跡象，於可識別合理及一致的分配基準時，公司資產亦會分配至個別現金產生單位，否則會被分配至最小之現金產生單位組合（就其可制定合理及一致的分配基準時）。

可收回金額為公平值減出售成本及使用價值之較高者。評估使用價值時，乃使用能反映現行市場所評估金錢之時間價值之稅前貼現率貼現至其現在價值，而該資產（或現金產生單位）之預計未來現金流量則未有調整相關風險。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Impairment on property, plant and equipment, right-of-use assets, and intangible assets other than goodwill

(continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

除商譽外之物業、廠房及設備、使用權資產及無形資產減值 (續)

倘一項資產 (或現金產生單位) 之估計可收回金額低於其賬面值, 則該資產 (或現金產生單位) 之賬面值將調低至其可收回金額。就未能按合理一致的基準分配至現金產生單位的企業資產或部分企業資產, 本集團會比較一個組別的現金產生單位賬面值 (包括已分配至該組現金產生單位的企業資產或部分企業資產的賬面值) 與該組現金產生單位的可收回金額。於分配減值虧損時, 首先分配減值虧損以減少任何商譽的賬面值 (如適用), 然後按比例根據該單位或本集團現金產生單位各資產的賬面值分配至其他資產。資產賬面值不得減少至低於其公平值減出售成本 (如可計量)、其使用價值 (如可釐定) 及零之中的最高值。已另行分配至資產之減值虧損數額按比例分配至該單位其他資產。減值虧損會即時於損益確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Impairment on property, plant and equipment, right-of-use assets, and intangible assets other than goodwill

(continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or A group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or the group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprise of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

除商譽外之物業、廠房及設備、使用權資產及無形資產減值 (續)

倘減值虧損其後撥回，該項資產（或現金產生單位或本集團現金產生單位）之賬面值將增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超過倘若該資產（或現金產生單位或本集團現金產生單位）於過往年度並無確認減值虧損所釐定之賬面值。減值虧損撥回隨即於損益內確認。

現金及現金等價物

現金及現金等價物於綜合財務狀況表呈列，包括：

- (a) 現金，其包括手頭現金及活期存款，不包括受監管限制而導致有關結餘不再符合現金定義的銀行結餘；及
- (b) 現金等價物，其包括短期（通常原到期日為三個月或更短）、可隨時轉換為確切數額現金且價值變動風險不大的高流動性投資。現金等價物持作滿足短期現金承擔，而非用於投資或其他目的。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Cash and cash equivalents (continued)

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

現金及現金等價物 (續)

就綜合現金流量表而言，現金及現金等價物包括上文定義的現金及現金等價物。

存貨

存貨按成本與可變現淨值兩者中較低者列賬。存貨成本按加權平均法釐定。可變現淨值指存貨估計售價減所有估計完成成本及就進行銷售而言屬必要的成本。進行銷售的必要成本包括銷售直接應佔的增量成本及為進行銷售本集團須產生的非增量成本。

金融工具

金融資產及金融負債乃於某集團實體成為工具合約條文的訂約方時確認。金融資產的所有日常買賣乃按交易日基準確認及終止確認。常規方式買賣乃指遵循一般法規或市場慣例在設定的時限內交付資產的金融資產買賣。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 *Revenue from Contracts with Customers*. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest/dividend income which are derived from the Group's ordinary course of business are presented as other income.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產及金融負債初步按公平值計量，根據香港財務報告準則第15號客戶合約收入初始計量的來自客戶合約的應收貿易賬款除外。收購或發行金融資產及金融負債（按公平值計入損益（「按公平值計入損益」）計量的金融資產或金融負債除外）直接應佔的交易成本乃於初步確認時，計入金融資產或金融負債的公平值內或自當中扣除（如適用）。收購按公平值計入損益計量的金融資產或金融負債直接產生的交易成本即時於損益中確認。

實際利率法是計算金融資產或金融負債攤銷成本及按有關期間分配利息收入及利息開支的方法。實際利率是將估計日後現金收入及付款（包括所付或所收屬於實際利率組成部分的一切費用及代價、交易成本及其他溢價或折扣）按金融資產或金融負債的預期年期或（如適用）較短期間準確貼現至初步確認時賬面淨值的利率。

本集團日常業務產生的利息／股息收入列示為其他收入。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產

金融資產的分類及後續計量

符合下列條件的金融資產其後按攤銷成本計量：

- 金融資產乃按旨在收取合約現金流量的業務模式持有；及
- 合約條款於指定日期產生純粹為支付未償還本金及利息的現金流量。

符合下列條件的金融資產其後按公平值計入其他全面收入計量(「按公平值計入其他全面收入計量」)：

- 金融資產乃按旨在同時出售及收取合約現金流量的金融資產的業務模式持有；及
- 合約條款於指定日期產生純粹為支付未償還本金及利息的現金流量。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

All other financial assets are subsequently measured at FVTPL.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及後續計量 (續)

所有其他金融資產其後按公平值計入損益計量。

(i) 攤銷成本及利息收入

其後按攤銷成本及債務工具計量的金融資產及其後按公平值計入其他全面收入計量的應收款項的利息收入乃使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外（見下文）。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

- (ii) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method are recognised in profit or loss. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts of these debt instruments. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及後續計量 (續)

- (ii) 分類為按公平值計入其他全面收入計量之債務工具

由於按實際利率法計算的利息收入而分類為按公平值計入其他全面收入計量之債務工具的賬面值的後續變動在損益中確認。該等債務工具賬面值的的所有其他變動均於其他全面收入中確認，並於儲備項下累計。減值準備於損益中確認，並在不減少該等債務工具賬面值的的情況下對其他全面收入作出相應調整。當終止確認該等債務工具時，先前於其他全面收入確認的累計收益或虧損將重新分類至損益。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other income, gains and losses” line item.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及後續計量 (續)

(iii) 按公平值計入損益計量之金融資產

金融資產如不符合按攤銷成本計量或按公平值計入其他全面收入計量的計量標準，則按公平值計入損益計量。

於各報告期末，按公平值計入損益計量之金融資產按公平值計量，而任何公平值收益或虧損於損益中確認。於損益中確認的收益或虧損淨額包括就金融資產所賺取的任何股息或利息，並計入「其他收入、收益及虧損」項目內。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including trade and other receivables, receivables from factoring business, loan receivables and debt instruments at FVTOCI, pledged/restricted bank deposits, cash and bank balances), and other items (finance lease receivables and financial guarantee contracts) which are subject to impairment assessment under HKFRS 9 *Financial Instruments*. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值

本集團根據預期信貸虧損(「預期信貸虧損」)模式對根據香港財務報告準則第9號金融工具進行減值評估的金融資產(包括應收貿易賬款及其他應收款項、保理業務應收款項、應收貸款及按公平值計入其他全面收入計量之債務工具、已抵押/受限制銀行存款以及現金銀行結餘)及其他項目(應收融資租賃款項及金融擔保合約)進行減值評估。預期信貸虧損的金額於各呈報日期更新,以反映自首次確認起的信貸風險變動。

整個週期的預期信貸虧損指相關工具於預計年期內所有可能的違約事件將產生的預期信貸虧損。相反,12個月預期信貸虧損(「12個月預期信貸虧損」)指於呈報日期後12個月內可能發生的違約事件預計產生的該部分整個週期的預期信貸虧損。評估乃根據本集團過往信貸虧損經驗為基礎,並就債務人特定因素、整體經濟環境及報告日期當前及未來情況預測的評估作出調整。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

The Group always recognises lifetime ECL for trade receivables and lease receivables. The ECL for these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

本集團一直就應收貿易賬款及應收租賃款項確認整個週期的預期信貸虧損。對債務人具有重大結餘的該等資產的預期信貸虧損單獨進行評估及／或一併使用合適組別的撥備矩陣進行評估。

對於所有其他工具，本集團按12個月預期信貸虧損的相同金額計量該財務工具的損失撥備，除非當自首次確認以來信貸風險顯著上升，在此情況下，本集團確認整個週期的預期信貸虧損。評估整個週期的預期信貸虧損是否應確認乃基於自首次確認以來發生違約的可能性或風險顯著上升。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(i) 信貸風險顯著上升

於評估信貸風險是否自初始確認以來顯著上升時，本集團會將金融工具於呈報日期發生違約的風險與金融工具於初始確認日期發生違約的風險進行比較。作出評估時，本集團會考慮合理及具支持性的定量及定性資料，包括過往經驗及可以合理成本及努力獲得的前瞻性資料。

具體而言，在評估信貸風險是否顯著上升時，會考慮以下資料：

- 金融工具外部 (如有) 或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外界市場指標顯著惡化，例如：債務人的信貸息差、信貸違約掉期價格大幅上升；

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk (continued)

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(i) 信貸風險顯著上升 (續)

- 現有或預期的商業、金融或經濟狀況的不利變動，導致債務人償還債項能力大幅下降；
- 債務人經營業績的實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境有實際或預期的重大不利變動，導致債務人償還債項的能力大幅下降。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk (continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group's debt instruments at FVTOCI only comprise bank bills receivable that are issued and guaranteed by the reputable PRC banks and therefore are considered to be low credit risk.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(i) 信貸風險顯著上升 (續)

儘管如此，倘債務工具於呈報日期被確定信貸風險較低，則本集團假設該債務工具的信貸風險自初始確認以來並無大幅上升。倘若債務工具符合以下條件，則被確定信貸風險較低：i) 違約風險低，ii) 借款人於近期內具有雄厚實力履行其合約現金流責任，及iii) 經濟及商業狀況的不利變化從長遠來看，可能但未必會降低借款人履行合約現金流責任的能力。本集團之按公平值計入其他全面收入計量之債務工具僅包括由聲譽良好的中國銀行發行及擔保的應收銀行票據且因此被視為具有較低信貸風險。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk (continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing impairment. The Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(i) 信貸風險顯著上升 (續)

就財務擔保合約而言，本集團不可撤回成為該承擔的相關方當日，被視為評估減值的首次確認日。本集團會考慮該特定債務人違約所引起的風險變動。

本集團定期監控用以識別信貸風險有否顯著增加的標準之效益，且修訂標準（如適當）來確保標準能在金額逾期前識別信貸風險顯著增加。

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人（包括本集團）還款（未計及本集團所持任何抵押品）時發生。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- a) significant financial difficulty of the issuer or the borrower;
- b) a breach of contract, such as a default or past due event;
- c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) the disappearance of an active market for that financial asset because of financial difficulties.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(iii) 信用減值金融資產

金融資產在一項或以上事件 (對該金融資產估計未來現金流量構成不利影響) 發生時維持信用減值。金融資產維持信用減值的證據包括有關下列事件的可觀察數據：

- a) 發行人或借款人的重大財困；
- b) 違反合約 (如違約或逾期事件)；
- c) 借款人的貸款人因有關借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠；
- d) 借款人將可能陷入破產或其他財務重組；或
- e) 由於出現財務困難，金融資產活躍市場消失。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(iv) 撇銷政策

資料顯示對手方處於嚴重財困及無實際收回可能時 (例如對手方被清盤或已進入破產程序時)，本集團則撇銷金融資產。經考慮法律意見後 (倘合適)，遭撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成取消確認事項。任何其後收回在損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables and finance lease receivables using a provision matrix taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16 *Leases*.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(v) 預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約虧損 (即違約時虧損大小) 及違約時風險敞口之函數。違約概率及違約虧損之評估乃基於歷史數據及前瞻性資料。預期信貸虧損的預估乃無偏概率加權平均金額，以各自發生違約的風險為權重確定。本集團使用可行權宜方法，運用撥備矩陣預估應收貿易賬款之預期信貸虧損及應收融資租賃款項，當中考慮過往信貸損失經驗及毋須繁苛成本或工作即可獲得之前瞻性資料。

一般而言，預期信貸虧損為根據合約應付本集團的所有合約現金流與本集團預期將收取的現金流之間的差額，並按初始確認時釐定的實際利率貼現。就租賃應收款項而言，釐定預期信貸虧損所用的現金流與根據香港財務報告準則第16號租賃計量租賃應收款項所用的現金流一致。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

- (v) Measurement and recognition of ECL (continued)

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

Lifetime ECL for certain trade receivables and finance lease receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

- (v) 預期信貸虧損之計量及確認 (續)

就財務擔保合約而言，本集團僅須在債務人違反所擔保工具條款的情況下付款。因此，預期信貸虧損乃補償持有人就所產生信貸損失之預期款項之現值，減任何本集團預期從該持有人、債務人或任何其他方所收取之任何金額。

若干應收貿易賬款及應收融資租賃款項的存續期預期信貸虧損為計及逾期資料及相關信貸資料 (包括前瞻性宏觀經濟資料) 共同作考慮。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(v) Measurement and recognition of ECL (continued)

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

(v) 預期信貸虧損之計量及確認 (續)

就共同評估而言，本集團於制定分組時將計及以下特點：

- 逾期狀況；
- 貸方性質、規模及所處行業；及
- 外部信貸評級（倘有）。

歸類工作經管理層定期檢討，以確保各組別成份繼續分擔類似信貸風險特性。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

- (v) Measurement and recognition of ECL (continued)

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

Except for investments in debt instruments that are measured at FVTOCI and financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of receivables from factoring business, loan receivables and trade and other receivables where the corresponding adjustment through a loss allowance account.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

- (v) 預期信貸虧損之計量及確認 (續)

利息收入乃根據金融資產的總賬面值計算，惟金融資產出現信貸減值則除外，在此情況下，利息收入根據金融資產的攤銷成本計算。

就財務擔保合約而言，虧損撥備乃根據香港財務報告準則第9號釐定之虧損撥備與初步確認金額當中較高者，減去(倘適用)擔保期間所確認累計收入。

除按公平值計入其他全面收入計量的債務工具及金融擔保合約的投資外，本集團通過調整金融資產的賬面值於損益中確認所有金融工具的減值收益或虧損，惟保理業務應收款項、應收貸款以及應收貿易賬款及其他應收款項除外，在此情況下，有關相應調整透過虧損撥備賬確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the reserve is reclassified to profit or loss.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融資產 (續)

終止確認金融資產

倘從資產收取現金流量之合約權利已到期，或金融資產已轉讓且本集團已將其於金融資產擁有權之絕大部份風險及回報轉移至另一實體，則金融資產將被取消確認。倘若本集團保留已轉讓金融資產擁有權之絕大部份風險及回報，則本集團繼續確認金融資產並同時就所得收益確認抵押借款。

當以攤銷成本計量的金融資產終止確認時，資產的賬面值與已收及應收代價款項總額之間的差額將於損益中確認。

於終止確認分類為按公平值計入其他全面收入計量的債務工具投資時，先前於儲備中累計的累計收益或虧損將重新分類至損益。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies, (ii) held for trading or (iii) it is designated as at FVTPL.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融負債及權益

分類為負債或權益

負債及股本工具乃根據合約安排的性質與金融負債及股本工具的定義分類為金融負債或權益。

股本工具

股本工具乃證明實體於扣減所有負債後的資產中擁有剩餘權益之任何合約。

本公司自身股本工具之回購直接於權益內確認及扣除。在購買、出售、發行或註銷本公司自身之股本工具時，不會於損益確認任何收益或虧損。

按公平值計入損益計量之金融負債

倘金融負債是(i)香港財務報告準則第3號業務合併所適用的企業合併中通過收購方確認的或有對價，(ii)為交易而持有或(iii)被指定為按公平值計入損益計量，則應歸類為按公平值計入損益計量之金融負債。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at FVTPL (continued)

A financial liability is held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at amortised cost

Financial liabilities including borrowings, bonds payable and trade and other payables are subsequently measured at amortised cost, using the effective interest method.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融負債及權益 (續)

按公平值計入損益計量之金融負債 (續)

滿足下述條件的金融負債應被歸類為交易而持有之金融負債：

- 發生金融負債的目的主要是為近期購回；或
- 在初始確認時是本集團集中管理的可辨認金融工具組合的一部分，並且近期實際採用短期獲利方式對該組合進行管理；或
- 是一項衍生工具，但為金融擔保合約或被指定為有效對沖工具的衍生工具除外。

按攤銷成本計量之金融負債

金融負債 (包括借款、應付債券以及應付貿易賬款及其他應付款項) 其後按攤銷成本採用實際利率法計量。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融負債及權益 (續)

財務擔保合約

財務擔保合約乃要求發行人根據一項債務工具之條款，因特定債務人未能於到期日償還款項而需支付特定款項以補償合約持有人所招致損失之一項合約。財務擔保合約於首次確認時以其公平值計量。於首次確認後則以下列較高者計量：

- 按香港財務報告準則第9號所確定虧損撥備金額；及
- 於首次確認之金額減於擔保期間之累計攤銷(如適用)。

終止確認金融負債

當及僅當本集團的責任獲解除、取消或屆滿時，本集團便會終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價之間的差額於損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Changes in the basis for determining the contractual cash flows as a result of interest rate benchmark reform

For changes in the basis for determining the contractual cash flows of a financial liability to which the amortised cost measurement applies as a result of interest rate benchmark reform, the Group applies the practical expedient to account for these changes by updating the effective interest rate, such change in effective interest rate normally has no significant effect on the carrying amount of the relevant financial liability.

A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if and only if, both these conditions are met:

- the change is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis (ie the basis immediately preceding the change).

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融負債及權益 (續)

因利率基準改革而導致釐定合約現金流基準之變動

就因利率基準改革而導致釐定按攤銷成本計量之金融負債之合約現金流基準之變動而言，本集團採用可行權宜方法，以更新實際利率將該等變動入賬。此實際利率之變動一般而言對相關金融負債之賬面值並無顯著影響。

僅當符合下述兩個條件時，釐定合約現金流之基準須因應利率基準改革而變動：

- 該變動是利率基準改革之直接後果；及
- 釐定合約現金流之新基準在經濟上等同於先前基準（即緊接變動前之基準）。

衍生金融工具

衍生工具初步按衍生工具合約訂立日期的公平值確認，其後按其於報告期末的公平值重新計量。所產生的收益或虧損即時於損益中確認。

4. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(continued)

4.2 Material accounting policy information

(continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Derivative financial instruments (continued)

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment assessment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the CGU (or group of CGUs) to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU (or group of CGUs) and a suitable discount rate in order to calculate the present value.

Where the actual future cash flows are less than expected, or changes in facts and circumstances which results in downward revision of future cash flows or upward revision of the discount rate, a material impairment loss may arise. Details of the recoverable amount calculation are disclosed in Note 18.

4. 編製綜合財務報表基準及主要會計政策資料 (續)

4.2 主要會計政策資料 (續)

金融工具 (續)

金融負債及權益 (續)

衍生金融工具 (續)

倘衍生工具的剩餘年期超過12個月，且預期不會於12個月內到期變現或結清，則該衍生工具呈列為非流動資產或非流動負債。其他衍生工具則呈列為流動資產或流動負債。

5. 估計不明朗因素的主要來源

以下為有關未來的主要假設，而於各報告期末具有重大風險會導致資產及負債的賬面值於未來財政年度內需要作出重大調整的估計不確定因素的其他主要來源。

商譽減值評估

釐定商譽是否減值需要估計獲分配有關商譽之現金產生單位 (或一組現金產生單位) 之可收回金額，即使用價值或公允值減出售成本兩者之較高者。計算使用價值須要本集團對預期可自現金產生單位 (或本集團現金產生單位) 獲得之未來現金流量，以及適合計算所得現值之折現率作出估計。

倘未來實際現金流量較預期為少，或事實及情況有變以致未來現金流量向下調整或折現率向上調整，則可能產生重大減值虧損。可回收金額計算詳情於附註18中披露。

6. REVENUE AND SEGMENT INFORMATION**6. 收入及分部資料**

For management purposes, the Group is currently organised into six operating divisions – medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products and others, among which interventional products were produced by Argon. These divisions are the basis of the internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (Managing Director) in order to allocate resources to segments and to assess their performance.

就管理而言，本集團目前分為六個經營分部－醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品及其他，其中介入產品由愛琅生產。該等分部乃按本集團各部的內部呈報基準劃分，定期由主要營運決策者（董事總經理）審核，以分配資源至分部並評估其表現。

Principal activities of the Group's operating and reportable segments are as follows:

本集團經營及可呈報分部的主要業務如下：

Medical device products – production and sale of clinical care, medical testing, anesthesia and surgical related products and other consumables

醫療器械產品 – 生產及銷售臨床護理、醫學檢驗、麻醉及手術相關產品以及其他耗材

Orthopaedic products – production and sale of orthopaedic products, including tissue repair product line

骨科產品 – 生產及銷售骨科產品（包括組織修復產品線）

Interventional products – production and sale of tumour and blood vessel interventional instruments

介入產品 – 生產及銷售腫瘤及血管介入器械

Pharma packaging products – production and sale of pre-filled syringes and flushing syringes

藥品包裝產品 – 生產及銷售預充式注射器及沖管注射器

Blood management products – production and sale of blood collection, irradiation, storage, separation and sterilization products

血液管理產品 – 生產及銷售血液採集、輻射、貯存、分離及滅菌消毒產品

Others – finance lease and factoring business

其他 – 融資租賃及保理業務

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

6. REVENUE AND SEGMENT INFORMATION (continued)

6. 收入及分部資料 (續)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments:

分部收入及業績

本集團按可報告分部分析之收入及業績如下：

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

		Medical device products	Orthopaedic products	Interventional products	Pharma packaging products	Blood management products	Others	Eliminations	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收入								
External sales	外部銷售	6,961,407	1,271,203	1,931,040	2,023,809	1,041,994	-	-	13,229,453
Inter-segment sales	內部分部銷售	45,797	-	-	-	-	-	(45,797)	-
Total	合計	7,007,204	1,271,203	1,931,040	2,023,809	1,041,994	-	(45,797)	13,229,453
Segment profit	分部溢利	1,053,863	74,159	23,454	811,783	120,203	82,732	-	2,166,194
Depreciation of investment properties	投資物業之折舊								(5,399)
Unallocated other income, gains and losses	未分配其他收入、收益及虧損								(3,031)
Rental income of investment properties	投資物業之租金收入								11,412
Interest income from bank deposits	銀行存款之利息收入								158,509
Loss from changes in fair value of financial instruments at FVTPL	按公平值計入損益計量之金融工具公平值變動虧損								(28,037)
Gain on disposal of financial instruments measured at FVTPL	出售按公平值計入損益計量之金融工具之收益								5,968
Share of results of associates	應佔聯營公司業績								86,079
Share of results of joint ventures	應佔合營企業業績								(9,223)
Share-based payment expenses	以股份為基礎的付款開支								(42,426)
Gain on deregistration of investments in subsidiaries	撤銷對附屬公司投資之收益								593
Net gain of litigation	訴訟收益淨額								28,548
Profit before tax	除稅前溢利								2,369,187

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6. REVENUE AND SEGMENT INFORMATION (continued) 6. 收入及分部資料 (續)

Segment revenues and results (continued)

分部收入及業績 (續)

For the year ended 31 December 2022

截至二零二二年十二月三十一日止年度

		Medical device products RMB'000 (restated) 醫療器械產品 人民幣千元 (經重列)	Orthopaedic products RMB'000 (restated) 骨科產品 人民幣千元 (經重列)	Interventional products RMB'000 介入產品 人民幣千元	Pharma packaging products RMB'000 藥品包裝產品 人民幣千元	Blood management products RMB'000 血液管理產品 人民幣千元	Others RMB'000 其他 人民幣千元	Eliminations RMB'000 抵減 人民幣千元	Total RMB'000 (restated) 合計 人民幣千元 (經重列)
Revenue	收入								
External sales	外部銷售	6,779,746	2,038,168	1,726,167	2,105,432	1,097,960	-	-	13,747,473
Inter-segment sales	內部分部銷售	50,802	-	-	-	-	-	(50,802)	-
Total	合計	6,830,548	2,038,168	1,726,167	2,105,432	1,097,960	-	(50,802)	13,747,473
Segment profit	分部溢利	1,297,951	643,144	147,448	895,983	210,587	64,017	-	3,259,130
Depreciation of investment properties	投資物業之折舊								(3,853)
Unallocated other income, gains and losses	未分配其他收入、收益及虧損								62,147
Rental income of investment properties	投資物業之租金收入								11,812
Interest income from bank deposits	銀行存款之利息收入								117,540
Gain on disposal of investments in subsidiaries	出售於附屬公司投資之收益								47,832
Gain from changes in fair value of financial instruments at FVTPL	按公平值計入損益計量之金融工具公平值變動收益								19,557
Gain on disposal of financial instruments at FVTPL	出售按公平值計入損益計量之金融工具之收益								36,757
Gain on deemed disposal of investments in an associate	視為出售於一間聯營公司投資之收益								100,398
Share of results of associates	應佔聯營公司業績								77,906
Share of results of joint ventures	應佔合營企業業績								(2,801)
Share-based payment expenses	以股份為基礎的付款開支								(81,077)
Net loss of litigation	訴訟損失淨額								(259,609)
Profit before tax	除稅前溢利								<u>3,385,739</u>

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6. REVENUE AND SEGMENT INFORMATION (continued)

Segment revenues and results (continued)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of depreciation and rental income of investment properties, unallocated other income, gains and losses of the corporate function, interest income from bank deposits, gain on disposal of investments in subsidiaries, gain from changes in fair value of financial instruments at FVTPL, gain on disposal of financial instruments at FVTPL, gain on deemed disposal of investments in an associates, share of results of associates/joint ventures, share-based payment expenses recognised for grantees of the management of the Group and net gain/(loss) of litigation. This is the measure reported to the Managing Director for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

6. 收入及分部資料 (續)

分部收入及業績 (續)

經營分部的會計政策與本集團會計政策相同。分部溢利指各分部所賺取的溢利，未計及投資物業之折舊及租金收入、企業職能的未分配其他收入、收益及虧損、銀行存款利息收入、出售於附屬公司投資之收益、按公平值計入損益計量之金融工具公平值變動收益、出售按公平值計入損益計量之金融工具之收益、視為出售於一間聯營公司投資之收益、應佔聯營公司／合營企業業績、就本集團管理層之承授人確認之以股份為基礎的付款開支以及訴訟收益／(損失)淨額。此為向董事總經理就資源分配及表現評估呈報的計量方式。

內部分部銷售按現行市場價格收取。

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綜合財務報表附註

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6. REVENUE AND SEGMENT INFORMATION (continued) **6. 收入及分部資料** (續)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

Segment assets

分部資產及負債

本集團按可報告及經營分部分析之資產及負債如下：

分部資產

		31/12/2023	31/12/2022
		RMB'000	RMB'000
			(restated)
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Medical device products	醫療器械產品	11,095,372	10,439,913
Orthopaedic products	骨科產品	2,994,546	3,143,920
Interventional products	介入產品	5,600,529	5,918,361
Pharma packaging products	藥品包裝產品	2,970,487	2,853,330
Blood management products	血液管理產品	825,519	1,051,854
Others	其他	1,103,765	1,169,640
Total segment assets	分部總資產	24,590,218	24,577,018
Financial assets at FVTPL	按公平值計入損益計量之金融資產	87,281	120,301
Interests in associates	於聯營公司的權益	1,461,381	1,375,302
Interests in joint ventures	於合營企業的權益	349,318	358,035
Investment properties	投資物業	135,611	140,785
Deferred tax assets	遞延稅項資產	207,102	161,241
Pledged/restricted bank deposits	已抵押／受限制銀行存款	754,975	694,084
Cash and bank balances	現金及銀行結餘	6,084,345	5,975,476
Consolidated assets	綜合資產	33,670,231	33,402,242

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綜合財務報表附註

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6. REVENUE AND SEGMENT INFORMATION

(continued)

Segment assets and liabilities (continued)

Segment liabilities

6. 收入及分部資料 (續)

分部資產及負債 (續)

分部負債

		31/12/2023	31/12/2022
		RMB'000	RMB'000
			(restated)
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Medical device products	醫療器械產品	4,953,772	4,771,335
Orthopaedic products	骨科產品	1,217,784	997,992
Interventional products	介入產品	2,598,068	2,886,469
Pharma packaging products	藥品包裝產品	289,710	419,208
Blood management products	血液管理產品	287,674	323,020
Others	其他	53,323	59,055
Total segment liabilities	分部總負債	9,400,331	9,457,079
Deferred tax liabilities	遞延稅項負債	165,794	199,797
Financial liabilities at FVTPL	按公平值計入損益計量之金融負債	7,653	-
Unallocated other payables	未分配其他應付款項	103,748	163,081
Consolidated liabilities	綜合負債	9,677,526	9,819,957

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than financial assets at FVTPL, interests in associates, interests in joint ventures, investment properties, deferred tax assets, pledged/restricted bank deposits and part of cash and bank balances.
- all liabilities are allocated to operating segments other than deferred tax liabilities, financial liabilities at FVTPL, and unallocated other payables.

為監控分部表現及在分部之間分配資源：

- 所有資產分配至經營分部，惟按公平值計入損益計量之金融資產、於聯營公司的權益、於合營企業的權益、投資物業、遞延稅項資產、已抵押／受限制銀行存款以及部分現金及銀行結餘除外。
- 所有負債分配至經營分部，惟遞延稅項負債、按公平值計入損益計量之金融負債及未分配其他應付款項除外。

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綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

6. REVENUE AND SEGMENT INFORMATION (continued)

6. 收入及分部資料 (續)

Other segment information

其他分部資料

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

		Medical device products	Orthopaedic products	Interventional products	Pharma packaging products	Blood management products	Others	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		醫療器械產品	骨科產品	介入產品	藥品包裝產品	血液管理產品	其他	合計
		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
Amounts included in the measure of segment profit or segment assets:	計量分部溢利或分部資產時應計款項：							
Additions to property, plant and equipment	新增物業、廠房及設備	278,952	147,048	30,271	220,077	69,175	-	745,523
Allowances for credit losses	信貸虧損撥備	23,037	(16,043)	1,381	(1,656)	(1,721)	345	5,343
Impairment losses on inventories	存貨減值虧損	1,571	27,944	2,708	-	-	-	32,223
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	-	1,679	-	-	-	-	1,679
Impairment losses on other intangible assets	其他無形資產減值虧損	-	-	8,020	-	-	-	8,020
Amortisation of other intangible assets	其他無形資產攤銷	612	5,232	257,425	25	12,944	-	276,238
Depreciation of property, plant and equipment	物業、廠房及設備折舊	274,520	102,934	26,524	132,839	50,920	8	587,745
Depreciation of right-of-use assets	使用權資產折舊	26,082	4,358	6,869	-	5,013	-	42,322
Loss/(gain)/on disposal of property, plant and equipment	出售物業、廠房及設備虧損/(收益)	444	17	1,423	(20)	283	-	2,147
Research and development expenditure	研發開支	304,007	130,310	50,339	65,213	42,981	-	592,850
Share-based payment expenses	以股份為基礎的付款開支	-	1,105	11,928	-	-	-	13,033
Government grants	政府補助	(50,162)	(8,477)	(6,992)	(7,286)	(154)	(6,071)	(79,142)
Rebate of value added tax ("VAT")	增值稅(「增值稅」)退款	(75,683)	-	-	(46)	-	(3,012)	(78,741)

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6. REVENUE AND SEGMENT INFORMATION (continued)

6. 收入及分部資料 (續)

Other segment information (continued)

其他分部資料 (續)

For the year ended 31 December 2022

截至二零二二年十二月三十一日止 年度

	Medical device products RMB'000 (restated) 醫療器械產品 人民幣千元 (經重列)	Orthopaedic products RMB'000 (restated) 骨科產品 人民幣千元 (經重列)	Interventional products RMB'000 (restated) 介入產品 人民幣千元 (經重列)	Pharma packaging products RMB'000 (restated) 藥品包裝產品 人民幣千元 (經重列)	Blood management products RMB'000 (restated) 血液管理產品 人民幣千元 (經重列)	Others RMB'000 (restated) 其他 人民幣千元 (經重列)	Total RMB'000 (restated) 合計 人民幣千元 (經重列)
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Amounts included in the measure of segment profit or segment assets:	計量分部溢利或分部資產時 應計款項：							
Additions to property, plant and equipment	新增物業、廠房及設備	206,135	164,204	51,390	629,251	52,861	39	1,103,880
Allowances for credit losses	信貸虧損撥備	12,531	8,759	487	7,199	-	4,954	33,930
Impairment losses on inventories	存貨減值虧損	(16)	7,453	1,806	-	3,835	-	13,078
Impairment losses on other intangible assets	其他無形資產減值虧損	-	-	10,806	-	-	-	10,806
Amortisation of other intangible assets	其他無形資產攤銷	280	5,844	231,198	819	12,360	-	250,501
Depreciation of property, plant and equipment	物業、廠房及設備折舊	258,602	88,079	20,112	110,373	34,447	17	511,630
Depreciation of right-of-use assets	使用權資產折舊	22,650	3,697	6,133	-	4,680	-	37,160
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備 (收益) / 虧損	(67,421)	(228)	6,323	127	280	-	(60,919)
Research and development expenditure	研發開支	308,088	117,657	27,196	62,126	41,375	-	556,442
Share-based payment expenses	以股份為基礎的付款開支	-	2,638	8,052	-	-	-	10,690
Government grants	政府補助	(17,699)	(13,547)	(6,795)	(1,372)	(350)	(3,186)	(42,949)
Rebate of VAT	增值稅退款	(80,165)	-	-	-	-	(1,911)	(82,076)

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6. REVENUE AND SEGMENT INFORMATION (continued)

6. 收入及分部資料 (續)

Revenue from major products and services

The following is an analysis of the Group's revenue from its major products and services.

主要產品及服務收入

以下為本集團來自其主要產品及服務之收入分析。

		Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000 (restated)
		截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
Sale of medical device products	銷售醫療器械產品	6,727,859	6,567,676
Sale of orthopaedic products	銷售骨科產品	1,271,203	2,038,168
Sale of interventional products	銷售介入產品	2,164,588	1,938,237
Sale of pharma packaging products	銷售藥品包裝產品	2,023,809	2,105,432
Sale of blood management products	銷售血液管理產品	1,041,994	1,097,960
		13,229,453	13,747,473

Information about major customers

There is no single customer contributing over 10% of total revenue of the Group for both years.

主要客戶的資料

於兩個年度內，概無單一客戶銷售額超逾本集團總收入的10%。

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

6. REVENUE AND SEGMENT INFORMATION (continued)

Geographical information

Information about the Group's revenue from external customers is presented based on the location of the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets and excludes financial instruments and deferred tax assets.

6. 收入及分部資料 (續)

地區資料

本集團來自外部客戶之收入之資料乃按客戶位置呈列。本集團非流動資產之資料乃按資產地理位置呈列且不包括金融工具及遞延稅項資產。

		Revenue from external customers		Non-current assets	
		Year ended		31/12/2023	
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
		RMB'000	RMB'000	RMB'000	RMB'000
			(restated)		(restated)
		來自外部客戶之收入		非流動資產	
		截至	截至	二零二三年	二零二二年
		十二月	十二月	十二月	十二月
		三十一日	三十一日	三十一日	三十一日
		止年度	止年度	止年度	止年度
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(經重列)		(經重列)
PRC	中國	9,832,038	10,582,343	9,395,723	9,165,460
United States	美國	1,300,576	1,272,330	5,077,849	5,366,273
Europe, the Middle East and Africa	歐洲、中東及非洲	611,304	563,217	103,791	99,582
Other districts	其他地區	1,485,535	1,329,583	17,374	17,720
		13,229,453	13,747,473	14,594,737	14,649,035

Non-current assets excluded financial instruments and deferred tax assets.

非流動資產 (不包括金融工具及遞延稅項資產)。

Transaction price allocated to the remaining performance obligation for contracts with customers

As a practical expedient of HKFRS 15, the Group need not disclose the transaction price allocated to these unsatisfied contracts with customers that has an original expected duration of one year or less.

分配至客戶合約之餘下履約責任的交易價

作為香港財務報告準則第15號的權宜方式，本集團毋須披露分配至該等原預計期限為一年或更短的未履行客戶合約的交易價。

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

7. OTHER INCOME, GAINS AND LOSSES

7. 其他收入、收益及虧損

		Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000 (restated)
		截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
Other income:	其他收入：		
Rebate of VAT (Note a)	增值稅退款 (附註a)	78,741	82,076
Government grants (Note b)	政府補助 (附註b)	79,142	42,949
Operating rental income	經營租金收入	11,412	11,812
Finance lease income	融資租賃收入	2,896	5,902
Interest income from bank deposits	銀行存款之利息收入	158,509	117,540
Interest income from factoring business	保理業務之利息收入	14,713	13,808
Interest income from loan receivables	應收貸款之利息收入	62,456	50,062
		407,869	324,149
Other gains and losses:	其他收益及虧損：		
Impairment losses on other intangible assets	其他無形資產減值虧損	(8,020)	(10,806)
Impairment losses on inventories	存貨減值虧損	(32,223)	(13,078)
Impairment losses on property plant and equipment	物業、廠房及設備減值虧損	(1,679)	-
Net exchange (loss)/gain	匯兌(虧損)/收益淨額	(16,602)	138,325
(Loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)/收益	(2,147)	60,919
Gain on deregistration/disposal of investments in subsidiaries	撤銷/出售於附屬公司之投資之收益	593	47,832
Gain on deemed disposal of investment in an associate (Note 20)	視作出售於一間聯營公司之投資之收益 (附註20)	-	100,398
(Loss)/gain from changes in fair value of financial instruments at FVTPL	按公平值計入損益計量之金融工具公平值變動(虧損)/收益	(28,037)	19,557
Gain on disposal of financial instruments at FVTPL	出售按公平值計入損益計量之金融工具之收益	5,968	36,757
Donation paid	已付捐贈	(939)	(677)
Net gain/(loss) of litigation (Note c)	訴訟收益/(損失)淨額 (附註c)	28,548	(259,609)
Others	其他	(649)	1,935
		(55,187)	121,553
		352,682	445,702

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7. OTHER INCOME, GAINS AND LOSSES

(continued)

Notes:

- (a) As Weihai Jierui Medical Products Company Limited (“Jierui”), one of the subsidiary of the Company, was recognised as a “Social Welfare Entity”, the Tax Bureau in Weihai granted a rebate of VAT paid by Jierui with effect from 1 May 1999 on the basis of “payment first then rebate”. Pursuant to Caishui [2016] No.52 issued by the State Council, with effect from 1 May 2016, Jierui was granted a rebate of VAT determined with reference to the number of staff with physical disability. For each staff with physical disability, four times of the minimum salary approved by the local government in Weihai is granted to Jierui as rebate of VAT.

Pursuant to Caishui [2016] No.36, Weigao Financial Leasing Co., Ltd., one of the subsidiary of the Company, is entitled to immediate tax rebates upon collection when the actual VAT tax burden rate exceeds 3%.

- (b) During the year, government grants were awarded to the Group mainly for business development and certain research and development expenses occurred and were recognised as other income when the government grants were received. There were no unfulfilled conditions in the year in which they were recognised.

- (c) A subsidiary of the Group (the “Subsidiary”) is a defendant involving in a number of product liability claims. The Subsidiary entered into a conditional master settlement agreement with the lead counsel for the plaintiffs (the “Agreement”) to resolve and settle the vast majority of the outstanding claims against the Subsidiary (the “Settlement”). As a result, the Group recorded cumulative pre-tax provision of RMB667,047,000 in respect of the Subsidiary’s obligation for product liability claims under the Agreement during the year ended 31 December 2022.

As of 31 December 2023, for the number of plaintiffs who may, but have not yet agreed to participate in the Settlement, and the number of plaintiffs who declined to participate in the Settlement, the Group recorded pre-tax provision of RMB34,962,000 (2022: RMB35,742,000) based on the best estimation of the injury alleged, the results of related litigation, and the degree of responsibility that may be inferred to the Subsidiary.

7. 其他收入、收益及虧損 (續)

附註：

- (a) 由於本公司的附屬公司威海潔瑞醫用製品有限公司(「潔瑞」)獲確認為「社會福利企業」，因此威海稅務局向潔瑞授出增值稅退稅，由一九九九年五月一日起生效，原則為「先付款後退還」。根據國務院發出之財稅[2016]第52號文件，由二零一六年五月一日起生效，潔瑞獲授予的增值稅退稅乃參考殘障員工之數目釐定。就每名殘障員工而言，潔瑞將獲授相當於由威海市地方政府所批准之最低薪金四倍之金額，作為增值稅退稅。

根據財稅[2016]第36號文件，本公司的附屬公司山東威高融資租賃有限公司有權於實際增值稅稅務負擔超過3%時，立即獲退稅款。

- (b) 年內，本集團主要就業務發展及產生的特定研發開支獲獎勵政府補助，並於收取政府補助時確認為其他收入。在確認年度內概無未達成條件。

- (c) 本集團一間附屬公司(「附屬公司」)乃涉及若干產品責任索賠的被告。附屬公司與原告的首席律師訂立一份有條件和解總協議(「該協議」)，以解決及結算針對附屬公司的大部分未決索賠(「和解」)。因此，於截至二零二二年十二月三十一日止年度，在該協議下本集團就附屬公司對產品責任索賠的責任錄得累計稅前撥備人民幣667,047,000元。

截至二零二三年十二月三十一日，對於可能但尚未同意參與和解的原告人數比例，以及拒絕參與和解的原告人數比例而言，根據對所稱傷害的最佳估計、相關訴訟的結果以及可能推斷出附屬公司的責任程度，本集團錄得稅前撥備人民幣34,962,000元(二零二二年：人民幣35,742,000元)。

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7. OTHER INCOME, GAINS AND LOSSES (continued)

Notes: (continued)

(c) (continued)

During the year ended 31 December 2023, the Subsidiary had obtained product liability insurance and its insurers have paid the Subsidiary an aggregate amount of RMB26,073,000 (2022: RMB203,491,000). During the year ended 31 December 2023, the net gain related to the product liability claims by considering the provision and insurance coverage is recorded with an amount of RMB28,548,000 (2022: net loss RMB259,609,000).

The Group reserves the right to seek recovery of certain of these losses from the entity that previously owned the relevant products, including taking necessary legal actions.

7. 其他收入、收益及虧損 (續)

附註：(續)

(c) (續)

於截至二零二三年十二月三十一日止年度，附屬公司已經獲得產品責任保險及其保險公司已向附屬公司支付總金額人民幣26,073,000元(二零二二年：人民幣203,491,000元)。截至二零二三年十二月三十一日止年度，於考慮到撥備金額及保險賠償後，與產品責任索賠相關的淨收益錄得金額人民幣28,548,000元(二零二二年：淨虧損人民幣259,609,000元)。

本集團保留向先前擁有相關產品的實體追償若干該等損失的權利，包括採取必要的法律行動。

8. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

8. 預期信貸虧損模式下之減值虧損，扣除撥回

	Year ended 31/12/2023 RMB'000 截至 二零二三年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2022 RMB'000 (restated) 截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
Impairment losses (recognised)/ reversed on:		
– trade receivables	(4,250)	(33,550)
– loan receivables	(155)	3,175
– other receivables	(749)	573
– receivables from factoring business	(304)	(1,574)
– finance lease receivables	115	(2,554)
	(5,343)	(33,930)

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9. FINANCE COSTS

9. 融資成本

		Year ended 31/12/2023 RMB'000 截至 二零二三年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元
Interest on borrowings	借款利息	232,257	150,148
Interest on bonds payable	應付債券利息	35,900	35,900
Interest on lease liabilities	租賃負債利息	4,814	5,353
		272,971	191,401

10. INCOME TAX EXPENSE

10. 所得稅開支

		Year ended 31/12/2023 RMB'000 截至 二零二三年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2022 RMB'000 (restated) 截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
Current enterprise income tax	即期企業所得稅	403,063	479,971
Over provision in prior years	過往年度超額撥備	(12,981)	(1,466)
Deferred tax	遞延稅項	(82,497)	(42,916)
		307,585	435,589

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the Company and certain PRC subsidiaries is 15% for the years ended 31 December 2023 and 2022.

根據《中華人民共和國企業所得稅法》(「企業所得稅法」)及《企業所得稅法實施條例》，本公司及若干中國附屬公司於截至二零二三年及二零二二年十二月三十一日止年度之稅率為15%。

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10. INCOME TAX EXPENSE (continued)

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. The subsidiaries in the United States (“U.S.”) are subject to federal income tax at a tax rate of 21% and state income tax.

The Company, Jierui, Weigao Orthopaedic and Shandong Weigao Purui Pharmaceutical Packaging Co., Ltd (“Weigao Purui”) were recognised as Shandong Province New and High Technical Enterprises (山東省高新技術企業) from the year 2020 to 2025; Weigao Medical Materials and Weigao New Life were recognised as Shandong Province New and High Technical Enterprises from the year 2021 to 2023, Zhejiang Quantum (as defined in Note 39) was recognised as Zhejiang Province New and High Technical Enterprises from the year 2021 to 2023, and the subsidiaries of the Company, Changzhou Jianli Bangde Medical Devices Co., Ltd and Weihai Weigao Jiesheng Medical Devices Co., Ltd. were recognised as New and High Technical Enterprises from the year 2019 to 2024. In accordance with the “Notice of the State Tax Bureau of the Ministry of Finance Regarding Certain Preferential Treatment Policies on Enterprise Income Tax”, New and High Technical Enterprise was subject to income tax at a tax rate of 15%.

The State Taxation Administration of the PRC announced in September 2022 that enterprises accredited as “New and High Technical Enterprise” would be entitled to claim 100% of the purchase price for equipment and appliances newly purchased during the period from 1 October 2022 to 31 December 2022 as tax deductible expenses and 100% additional deduction for the year ended 31 December 2022.

Jierui has been recognised as a “Social Welfare Entity”. Pursuant to Caishui [2016] No. 52 issued by the State Council, with effect from 1 May 2016, Social Welfare Entity is subject to income tax rate of 15%, and an amount equivalent to the total salaries paid to staff with physical disability is further deducted from the taxable income of Jierui. The tax charge provided for the years ended 31 December 2023 and 2022 were made after taking these tax incentives into account.

10. 所得稅開支 (續)

其他司法權區產生的稅項按相關司法權區的現行稅率計算。於美國（「美國」）的附屬公司須按21%的稅率繳納聯邦所得稅及須繳納州所得稅。

本公司、潔瑞、威高骨科及山東威高普瑞醫藥包裝有限公司（「威高普瑞」）獲確認為二零二零年度至二零二五年度山東省高新技術企業；威高醫用材料及威高新生獲確認為二零二一年度至二零二三年度山東省高新技術企業；浙江量子（定義見附註39）獲確認為二零二一年度至二零二三年度浙江省高新技術企業及本公司附屬公司常州健力邦德醫療器械有限公司及威海威高潔盛醫療器材有限公司獲確認為二零一九年度至二零二四年度高新技術企業。根據《財政部國家稅務總局關於企業所得稅若干優惠政策的通知》，高新技術企業可按15%稅率繳付所得稅。

中國國家稅務總局於二零二二年九月宣佈，獲認定為「高新技術企業」的企業在二零二二年十月一日至二零二二年十二月三十一日期間新購置的設備及器具，將有權於截至二零二二年十二月三十一日止年度申請100%的購買價作為可扣稅開支及進行100%加計扣除。

潔瑞獲確認為「社會福利企業」。根據國務院發出之財稅[2016]第52號文件，自二零一六年五月一日起，社會福利企業須按15%稅率繳付所得稅，及相等於支付予殘障員工薪金總額之金額進一步自潔瑞的應課稅收入中扣減。截至二零二三年及二零二二年十二月三十一日止年度作出之稅項開支撥備已計及該等稅務優惠。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

10. INCOME TAX EXPENSE (continued)

Taxation for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 所得稅開支 (續)

本年度的稅項與綜合損益及其他全面收入報表中的除稅前溢利對賬如下：

		Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000 (restated)
		截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
Profit before tax	除稅前溢利	2,369,187	3,385,739
Taxation at income tax rate of 15% (2022: 15%)	按15%所得稅稅率計算的稅項 (二零二二年：15%)	355,378	507,861
Tax effect of share of results of associates	應佔聯營公司業績之稅務影響	(12,912)	(26,655)
Tax effect of share of results of joint ventures	應佔合營企業業績之稅務影響	1,383	424
Tax effect of income not taxable for tax purpose	就稅務而言毋須課稅收入之 稅務影響	-	(2,677)
Effect of additional tax deduction for research and development expenses	有關研發費用之額外稅務扣減 之影響	(68,486)	(65,937)
Tax effect of additional deduction for purchase of equipment and appliances	購置設備及器具額外扣減之 稅務影響	-	(34,512)
Additional tax benefit to a Social Welfare Entity	社會福利企業之額外稅務優惠	(5,495)	(5,059)
Utilisation of tax losses previously not recognised	動用過往未確認的稅項虧損	(264)	(12,671)
Utilisation of deductible temporary difference previously not recognised	動用過往未確認的可抵扣暫時 性差異	(695)	(81)
Tax effect on tax losses and deductible temporary difference not recognised	未確認的稅項虧損及可抵扣 暫時性差異的稅務影響	12,454	11,408
Tax effect on expenses not deductible for tax purpose	就稅務而言不可抵扣開支的 稅務影響	5,030	24,933
State and local income taxes for U.S. subsidiaries	適用於美國附屬公司的國家及 地方所得稅	(1,421)	(6,218)
Withholding tax	預扣稅	3,291	-
Effect on different tax rates of subsidiaries	不同稅率對附屬公司的影響	32,303	46,239
Over provision in prior years	過往年度超額撥備	(12,981)	(1,466)
Income tax expense for the year	年內所得稅開支	307,585	435,589

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

11. PROFIT FOR THE YEAR

11. 年內溢利

		Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000 (restated)
		截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
Profit for the year has been arrived at after charging and crediting:	年內溢利經扣除及計入下列項目後達致：		
Staff costs, including directors' and supervisors' remuneration	員工成本		
– Retirement benefits scheme contributions	(包括董事及監事薪酬)		
– Salaries and other allowances	– 退休福利計劃供款	196,708	181,928
– Share-based payment expenses (Note 38)	– 薪金及其他津貼	1,957,086	1,939,805
	– 以股份為基礎的付款開支 (附註38)	55,459	91,767
Total staff costs	員工成本總額	2,209,253	2,213,500
Auditors' remuneration for the Group	本集團核數師酬金	8,533	8,915
Impairment losses on inventories	存貨減值虧損	32,223	13,078
Impairment losses on other intangible assets	其他無形資產減值虧損	8,020	10,806
Amortisation of other intangible assets	其他無形資產攤銷	276,238	250,501
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	1,679	–
Loss/(Gain) on disposal of property, plant and equipment	出售物業、廠房及設備虧損/(收益)	2,147	(60,919)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	587,745	511,630
Depreciation of investment properties	投資物業折舊	5,399	3,853
Depreciation of right-of-use assets	使用權資產折舊	42,322	37,160
Lease expenses related to short-term lease	與短期租賃有關的租賃開支	10,651	7,298
Cost of inventories recognised as an expense	確認為開支的存貨成本	6,586,420	6,441,741

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綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS

12. 董事、監事及僱員酬金

Directors' and supervisors' emoluments

Details of the emoluments paid or payable by the entities comprising the Group to the directors, chief executive and supervisors of the Company are as follows:

董事及監事酬金

本集團實體已付或應付本公司董事、行政總裁及監事酬金詳情如下：

		Year ended 31 December 2023 截至二零二三年十二月三十一日止年度					
		Fee	Salaries and other allowances	Retirement benefits schemes contributions	Performance related bonus (note a)	Share-based payment expenses	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		袍金	薪金及其他津貼	退休福利計劃供款	表現相關花紅(附註a)	以股份為基礎的付款開支	總計
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事						
Mr. Long Jing (note c)	龍經先生(附註c)	-	2,046	46	903	5,270	8,265
Mr. Cong Rinan (chief executive officer)	叢日楠先生(行政總裁)	-	1,681	117	435	1,757	3,990
Mr. Lu Junqiang (note d)	盧均強先生(附註d)	-	1,012	41	-	268	1,321
Mr. Ni Shili (note b)	倪世利先生(附註b)	-	914	-	711	2,108	3,733
		-	5,653	204	2,049	9,403	17,309
Non-executive directors	非執行董事						
Mr. Tang Zhengpeng	湯正鵬先生	-	-	-	-	-	-
Mr. Chen Lin	陳林先生	-	-	-	-	-	-
		-	-	-	-	-	-

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綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

12. 董事、監事及僱員酬金 (續)

Directors' and supervisors' emoluments
(continued)

董事及監事酬金 (續)

		Year ended 31 December 2023 截至二零二三年十二月三十一日止年度					
		Fee	Salaries and other allowances	Retirement benefits contributions	Performance related bonus (note a)	Share-based payment expenses	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		袍金	薪金及其他津貼	退休福利計劃供款	相關花紅(附註a)	以股份為基礎的付款開支	總計
		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
Independent non-executive directors	獨立非執行董事						
Mr. Li Guohui (note f)	李國輝先生(附註f)	207	-	-	-	-	207
Mrs. Meng Hong (note g)	孟紅女士(附註g)	150	-	-	-	-	150
Mr. Li Qiang (note h)	李強先生(附註h)	150	-	-	-	-	150
		507	-	-	-	-	507
Supervisors	監事						
Mr. Song Dapeng (note j)	宋大鵬先生(附註j)	-	-	-	-	-	-
Mr. Zhang Zhuangqiu (note l)	張壯秋先生(附註l)	-	537	46	339	527	1,449
Mrs. Gu Meijun	谷美君女士	-	-	-	-	-	-
		-	537	46	339	527	1,449
		507	6,190	250	2,388	9,930	19,265

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

12. 董事、監事及僱員酬金 (續)

Directors' and supervisors' emoluments (continued)

董事及監事酬金 (續)

		Year ended 31 December 2022 截至二零二二年十二月三十一日止年度					
		Fee	Salaries and other allowances	Retirement benefits schemes contributions	Performance related bonus (note a)	Share-based payment expenses	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		袍金	薪金及其他津貼	退休福利計劃供款	相關花紅 (附註a)	以股份為基礎的付款開支	總計
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事						
Mr. Long Jing (note c)	龍經先生 (附註c)	-	1,422	43	553	10,072	12,090
Mr. Cong Rinan (chief executive officer)	叢日楠先生 (行政總裁)	-	950	43	605	3,357	4,955
Mr. Lu Junqiang (note d)	盧均強先生 (附註d)	-	583	26	309	640	1,558
Mr. Ni Shili (note b)	倪世利先生 (附註b)	-	440	15	209	4,029	4,693
		-	3,395	127	1,676	18,098	23,296
Non-executive directors	非執行董事						
Mr. Tang Zhengpeng	湯正鵬先生	-	-	-	-	-	-
Mr. Chen Lin	陳林先生	-	-	-	-	-	-
Mr. Lian Xiaoming (note e)	連小明先生 (附註e)	-	-	-	-	-	-
		-	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

12. 董事、監事及僱員酬金 (續)

Directors' and supervisors' emoluments (continued)

董事及監事酬金 (續)

		Year ended 31 December 2022 截至二零二二年十二月三十一日止年度					
Fee RMB'000	Salaries and other allowances RMB'000	Retirement benefits schemes contributions RMB'000	Performance related bonus (note a) RMB'000	Share-based payment expenses RMB'000	Total RMB'000		
袍金 人民幣千元	薪金及 其他津貼 人民幣千元	退休福利 計劃供款 人民幣千元	表現 相關花紅 (附註a) 人民幣千元	以股份 為基礎的 付款開支 人民幣千元		總計 人民幣千元	
Independent non-executive directors 獨立非執行董事							
Mr. Li Guohui (note f)	李國輝先生 (附註f)	97	-	-	-	97	
Mrs. Meng Hong (note g)	孟紅女士 (附註g)	30	-	-	-	30	
Mr. Li Qiang (note h)	李強先生 (附註h)	-	-	-	-	-	
Mr. Lo Waihung (note i)	盧偉雄先生 (附註i)	75	-	-	-	75	
Mrs. Fu Mingzhong (note i)	付明仲女士 (附註i)	89	-	-	-	89	
Mrs. Wang Jinxia (note i)	王錦霞女士 (附註i)	120	-	-	-	120	
		411	-	-	-	411	
Supervisors 監事							
Mr. Song Dapeng (note j)	宋大鵬先生 (附註j)	-	-	-	-	-	
Mr. Yue Chunliang (note k)	岳春良先生 (附註k)	-	59	2	38	603	
Mr. Zhang Zhuangqiu (note l)	張壯秋先生 (附註l)	-	290	29	290	1,616	
Mr. Hu Yunyong (note m)	胡雲涌先生 (附註m)	-	-	-	-	-	
Mrs. Gu Meijun	谷美君女士	-	-	-	-	-	
		-	349	31	328	2,219	
		411	3,744	158	2,004	19,609	
						25,926	

Notes:

附註：

(a) Approved by the Remuneration Committee, the performance related bonus payment is determined by reference to the individual performance of the directors and the chief executive. The chief executive, executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' and supervisors' emoluments shown above were for their services as Directors.

(a) 經薪酬委員會批准，表現相關花紅付款乃參考董事及行政總裁之個人表現而釐定。上述行政總裁及執行董事的酬金與彼等在管理本公司及本集團事務的服務有關。上述非執行董事及監事的酬金與彼等作為董事的服務有關。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

Directors' and supervisors' emoluments (continued)

Notes: (continued)

- (b) Mr. Ni Shili has been appointed as an executive director of the Company with effect from 6 June 2022 and has resigned as an executive director of the Company with effect from 31 December 2023.

Mr. Wang Daoming has been appointed as an executive director of the Company on 29 December 2023, which is subject to shareholders approval.

- (c) Mr. Long Jing has re-elected as an executive director of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company.
- (d) Mr. Lu Junqiang has been appointed as an executive director of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company.
- (e) Mr. Lian Xiaoming has resigned as a non-executive director of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company.
- (f) Mr. Li Guohui has been appointed as an independent non-executive director of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company.
- (g) Mrs. Meng Hong has been appointed as an independent non-executive director of the Company with effect from 28 September 2022 by approval of extraordinary general meeting of the Company.
- (h) Mr. Li Qiang has been appointed as an independent non-executive director of the Company with effect from 30 December 2022 by approval of extraordinary general meeting of the Company.
- (i) Mr. Lo Wai Hung, Mrs. Fu Mingzhong and Mrs. Wang Jinxia have resigned as independent non-executive directors of the Company with effect from 6 June 2022, 28 September 2022 and 30 December 2022, respectively.
- (j) Mr. Song Dapeng has been appointed as supervisor of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company.
- (k) Mr. Yue Chunliang has resigned as supervisor of the Company with effect from 22 April 2022.
- (l) Mr. Zhang Zhuangqiu has been elected as supervisor of the Company with effect from 22 April 2022.
- (m) Mr. Hu Yunyong has resigned as supervisor of the Company with effect from 6 June 2022 by approval of annual general meeting of the Company.

12. 董事、監事及僱員酬金 (續)

董事及監事酬金 (續)

附註：(續)

- (b) 倪世利先生已獲委任為本公司執行董事，自二零二二年六月六日起生效，且已辭任本公司執行董事，自二零二三年十二月三十一日起生效。

王道明先生已於二零二三年十二月二十九日獲委任為本公司執行董事，惟須獲股東批准。

- (c) 經本公司股東週年大會批准，龍經先生已獲重選為本公司執行董事，自二零二二年六月六日起生效。
- (d) 經本公司股東週年大會批准，盧均強先生已獲委任為本公司執行董事，自二零二二年六月六日起生效。
- (e) 經本公司股東週年大會批准，連小明先生已辭任本公司非執行董事，自二零二二年六月六日起生效。
- (f) 經本公司股東週年大會批准，李國輝先生已獲委任為本公司獨立非執行董事，自二零二二年六月六日起生效。
- (g) 經本公司股東特別大會批准，孟紅女士已獲委任為本公司獨立非執行董事，自二零二二年九月二十八日起生效。
- (h) 經本公司股東特別大會批准，李強先生已獲委任為本公司獨立非執行董事，自二零二二年十二月三十日起生效。
- (i) 盧偉雄先生、付明仲女士及王錦霞女士已辭任本公司獨立非執行董事，分別自二零二二年六月六日、二零二二年九月二十八日及二零二二年十二月三十日起生效。
- (j) 經本公司股東週年大會批准，宋大鵬先生已獲委任為本公司監事，自二零二二年六月六日起生效。
- (k) 岳春良先生已辭任本公司監事，自二零二二年四月二十二日起生效。
- (l) 張壯秋先生已獲選舉為本公司監事，自二零二二年四月二十二日起生效。
- (m) 經本公司股東週年大會批准，胡雲涌先生已辭任本公司監事，自二零二二年六月六日起生效。

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

12. 董事、監事及僱員酬金 (續)

Five highest paid employees

The five highest paid employees of the Group during the year included one director (2022: three directors), details of whose remuneration are set out above. Details of the remuneration for the year of the remaining four (2022: two) highest paid employees who are neither a director nor chief executive of the Group are as follows:

五名最高酬金僱員

於年內本集團五名最高薪酬僱員包括一名董事(二零二二年：三名董事)，其薪酬詳情載列於上文。其餘四名(二零二二年：兩名)最高薪酬僱員(非本集團董事或主要行政人員)年內的薪酬詳情如下：

		Year ended 31/12/2023 RMB'000 截至 二零二三年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元
Salaries and other benefits	薪金及其他福利	25,065	12,960

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

Five highest paid employees (continued)

The number of the highest paid employees who are not the Directors whose remuneration fell within the following bands is as follows:

Emoluments bands in Hong Kong Dollars ("HKD")		Year ended 31/12/2023 No. of employees 截至 二零二三年 十二月 三十一日 止年度 僱員人數	Year ended 31/12/2022 No. of employees 截至 二零二二年 十二月 三十一日 止年度 僱員人數
HKD4,500,001 to HKD5,000,000	4,500,001港元至5,000,000港元	2	1
HKD7,000,001 to HKD7,500,000	7,000,001港元至7,500,000港元	1	-
HKD10,000,001 to HKD10,500,000	10,000,001港元至10,500,000港元	-	1
HKD11,000,001 to HKD11,500,000	11,000,001港元至11,500,000港元	1	-

During the year ended 31 December 2023, no emoluments were paid by the Group to any of the executive directors, non-executive director, independent non-executive directors, supervisors, or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2022:nil). None of the directors, supervisors and chief executive has waived any emoluments during the year ended 31 December 2023 (2022: nil).

12. 董事、監事及僱員酬金 (續)

五名最高酬金僱員 (續)

薪酬介乎於以下範圍且並非董事之最高薪酬僱員人數如下：

於截至二零二三年十二月三十一日止年度內，本集團並無支付酬金予任何執行董事、非執行董事、獨立非執行董事、監事或五名最高薪酬僱員作為吸引加入本集團或於加入本集團時的獎勵，或作為離職補償(二零二二年：無)。概無董事、監事及行政總裁於截至二零二三年十二月三十一日止年度(二零二二年：無)放棄任何酬金。

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13. DIVIDENDS

13. 股息

		Year ended 31/12/2023 RMB'000 截至 二零二三年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元
Dividends recognised as distribution during the year:	年內確認為分派的股息：		
2023 Interim – RMB0.0734 (2022: Interim – RMB0.086) per share	二零二三年中期股息— 每股人民幣0.0734元 (二零二二年：中期股息— 每股人民幣0.086元)	335,485	393,074
2022 Final – RMB0.079 (2021: Final – RMB0.065) per share	二零二二年末期股息— 每股人民幣0.079元 (二零二一年：末期股息— 每股人民幣0.065元)	361,080	297,091
Total	總計	696,565	690,165
Less: distribution to the shares held by the trustees under a share award scheme (Note 38(a))	減：向受託人根據股份激勵計劃持有之股份的分派(附註38(a))	(9,565)	(9,846)
		687,000	680,319

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2023 of RMB0.0943 (2022: RMB0.079) per share, amounting to RMB431,011,000 (2022: RMB361,080,000) in total, has been proposed by the Directors and is subject to approval by the shareholders in the forthcoming general meeting.

於報告期末後，董事建議派付截至二零二三年十二月三十一日止年度的末期股息每股人民幣0.0943元（二零二二年：人民幣0.079元），合共人民幣431,011,000元（二零二二年：人民幣361,080,000元）。該建議須經股東在即將舉行的股東大會上批准後，方可作實。

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14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

Earnings figures are calculated as follows:

14. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據下列數據計算：

盈利數據計算如下：

		Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000 (restated)
		截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	2,001,906	2,764,093
Earnings for the purpose of basic earnings per share	就每股基本盈利而言的盈利	2,001,906	2,764,093
Effect of dilutive potential ordinary shares:	普通股潛在攤薄的影響：		
Adjustment to the share of profit of subsidiary based on dilution of their earnings per share	根據每股盈利的攤薄調整應佔附屬公司溢利	-	(926)
Earnings for the purpose of diluted earnings per share	就每股攤薄盈利而言的盈利	2,001,906	2,763,167

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14. EARNINGS PER SHARE (continued)

14. 每股盈利 (續)

		Year ended 31/12/2023 '000 截至 二零二三年 十二月 三十一日 止年度 千股	Year ended 31/12/2022 '000 截至 二零二二年 十二月 三十一日 止年度 千股
Number of shares	股份數目		
Number of shares for the purpose of basic earnings per share	就計算每股基本盈利而言的股份數目	4,507,876	4,505,556
Effect of dilutive potential ordinary shares:	普通股潛在攤薄的影響：		
Incentive shares	激勵股份	11,025	21,093
Weighted average number of ordinary shares for the purpose of diluted earnings per share	就計算每股攤薄盈利而言的普通股加權平均數	4,518,901	4,526,649

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Construction In progress RMB'000	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Furniture, Fixtures equipment and tools RMB'000	Freehold Land RMB'000	Total RMB'000
		在建工程 人民幣千元	建築物 人民幣千元	廠房及機器 人民幣千元	汽車 人民幣千元	傢俱、 固定裝置 及工具 人民幣千元	自由保有 土地 人民幣千元	總計 人民幣千元
COST	成本							
At 31 December 2021 (restated)	於二零二一年 十二月三十一日 (經重列)	577,141	3,780,923	2,844,534	76,230	1,022,459	7,772	8,309,059
Additions	添置	734,966	10,959	276,367	12,845	68,743	-	1,103,880
Transfer	轉撥	(548,155)	76,645	403,981	-	67,529	-	-
Transfer from investment properties	轉撥自投資物業	-	72,758	-	-	-	-	72,758
Transfer to investment properties	轉撥至投資物業	-	(88,306)	-	-	-	-	(88,306)
Disposals	出售	-	(14,196)	(52,474)	(7,429)	(63,599)	-	(137,698)
Exchange adjustments	匯兌調整	5,606	5,510	12,722	143	5,875	718	30,574
At 31 December 2022 (restated)	於二零二二年 十二月三十一日 (經重列)	769,558	3,844,293	3,485,130	81,789	1,101,007	8,490	9,290,267
Additions	添置	491,269	39,277	116,532	6,356	92,089	-	745,523
Acquisition of a subsidiary (Note 39)	收購一間附屬公司 (附註39)	-	10,138	1,497	6	3,468	-	15,109
Transfer	轉撥	(257,621)	37,463	109,055	-	111,103	-	-
Transfer from investment properties	轉撥自投資物業	-	41,831	-	-	-	-	41,831
Transfer to investment properties	轉撥至投資物業	-	(39,451)	-	-	-	-	(39,451)
Disposals	出售	-	(214)	(61,123)	(2,386)	(46,996)	-	(110,719)
Exchange adjustments	匯兌調整	1,123	1,261	3,255	444	1,206	144	7,433
At 31 December 2023	於二零二三年 十二月三十一日	1,004,329	3,934,598	3,654,346	86,209	1,261,877	8,634	9,949,993

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15. PROPERTY, PLANT AND EQUIPMENT (continued)

15. 物業、廠房及設備 (續)

		Construction In progress RMB'000	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Furniture, Fixtures equipment and tools RMB'000	Freehold Land RMB'000	Total RMB'000
		在建工程 人民幣千元	建築物 人民幣千元	廠房及機器 人民幣千元	汽車 人民幣千元	傢俱、 固定裝置 及工具 人民幣千元	自由保有 土地 人民幣千元	總計 人民幣千元
DEPRECIATION AND IMPAIRMENT	折舊及減值							
At 31 December 2021 (restated)	於二零二一年 十二月三十一日 (經重列)	10,776	656,597	1,233,436	46,205	576,854	-	2,523,868
Depreciation provided for the year	年內計提折舊撥備	-	136,785	227,177	6,249	141,419	-	511,630
Transfer from investment properties	轉撥自投資物業	-	6,124	-	-	-	-	6,124
Transfer to investment properties	轉撥至投資物業	-	(10,822)	-	-	-	-	(10,822)
Eliminated on disposals	於出售時抵銷	-	(7,895)	(26,911)	(4,323)	(53,412)	-	(92,541)
Exchange adjustments	匯兌調整	-	1,117	3,693	141	2,896	-	7,847
At 31 December 2022 (restated)	於二零二二年 十二月三十一日 (經重列)	10,776	781,906	1,437,395	48,272	667,757	-	2,946,106
Depreciation provided for the year	年內計提折舊撥備	-	139,352	294,638	5,850	147,905	-	587,745
Impairment provided for the year	年內計提減值撥備	1,679	-	-	-	-	-	1,679
Transfer from investment properties	轉撥自投資物業	-	10,323	-	-	-	-	10,323
Transfer to investment properties	轉撥至投資物業	-	(7,718)	-	-	-	-	(7,718)
Eliminated on disposals	於出售時抵銷	-	(90)	(55,531)	(1,632)	(44,646)	-	(101,899)
Exchange adjustments	匯兌調整	-	289	536	22	487	-	1,334
At 31 December 2023	於二零二三年 十二月三十一日	12,455	924,062	1,677,038	52,512	771,503	-	3,437,570
CARRYING VALUES	賬面值							
At 31 December 2023	於二零二三年 十二月三十一日	991,874	3,010,536	1,977,308	33,697	490,374	8,634	6,512,423
At 31 December 2022 (restated)	於二零二二年 十二月三十一日 (經重列)	758,782	3,062,387	2,047,735	33,517	433,250	8,490	6,344,161

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15. PROPERTY, PLANT AND EQUIPMENT

(continued)

The above items of property, plant and equipment, other than construction in progress and freehold land, are depreciated on a straight-line basis after taking into account of their estimated residual values and at the following rates per annum:

Buildings	3.2 – 9.5%
Plant and machinery	9.5 – 19.0%
Motor vehicles	19.0 – 31.7%
Furniture, fixtures equipment and tools	19.0 – 47.5%

As at 31 December 2023, total net book value of property, plant and equipment served as collateral for the Group's borrowing and bonds payable amounted to RMB846,376,000 (2022: RMB867,733,000).

15. 物業、廠房及設備 (續)

上述的物業、廠房及設備項目(在建工程及自由保有土地除外)以直線法就計入其估計剩餘價值後,按下列年率折舊:

建築物	3.2 – 9.5%
廠房及機器	9.5 – 19.0%
汽車	19.0 – 31.7%
傢俱、固定裝置及工具	19.0 – 47.5%

於二零二三年十二月三十一日,作為本集團借款及應付債券抵押品的物業、廠房及設備的賬面淨值總額為人民幣846,376,000元(二零二二年:人民幣867,733,000元)。

16. RIGHT-OF-USE ASSETS

16. 使用權資產

		Leasehold land RMB'000 租賃土地 人民幣千元	Leased properties RMB'000 租賃物業 人民幣千元	Office equipment RMB'000 辦公室設備 人民幣千元	Total RMB'000 總計 人民幣千元
Carrying amount at 1 January 2022	於二零二二年一月一日之賬面值	396,468	78,730	1,119	476,317
Additions	添置	2,934	73,776	456	77,166
Disposal	出售	(5,333)	-	-	(5,333)
Depreciation charge	折舊費用	(9,830)	(26,650)	(680)	(37,160)
Exchange adjustments	匯兌調整	-	4,231	-	4,231
Carrying amount at 31 December 2022	於二零二二年十二月三十一日之賬面值	384,239	130,087	895	515,221
Additions	添置	-	22,357	4,247	26,604
Disposal	出售	-	(7,780)	(167)	(7,947)
Depreciation charge	折舊費用	(10,138)	(30,090)	(2,094)	(42,322)
Exchange adjustments	匯兌調整	-	1,588	1,164	2,752
Carrying amount at 31 December 2023	於二零二三年十二月三十一日之賬面值	374,101	116,162	4,045	494,308

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16. RIGHT-OF-USE ASSETS (continued)

16. 使用權資產 (續)

	Year ended 31/12/2023 RMB'000 截至 二零二三年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元
Expense relating to short-term leases 短期租賃開支	10,651	7,298
Total cash outflow for leases 租賃現金流出總額	55,633	40,022

For both years, the Group leases various offices and equipment for its operations. Lease contracts are entered into for fixed term of 1 year to 12 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Details of the lease maturity analysis of lease liabilities are set out in Note 36.

本集團於兩個年度租賃各種辦公室及設備用於營運。租賃合約按1至12年的固定期限訂立。租賃條款乃在個別基礎上磋商，包括各種不同條款及條件。於釐定租期及評估不可撤回期間的時長時，本集團應用合約的定義並釐定合約可強制執行的期間。

租賃負債的租賃到期時間分析詳情載於附註36。

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17. INVESTMENT PROPERTIES

17. 投資物業

		RMB'000 人民幣千元
COST		
At 1 January 2022	於二零二二年一月一日	166,979
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	88,306
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(72,758)</u>
At 31 December 2022	於二零二二年十二月三十一日	182,527
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	39,451
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(41,831)</u>
At 31 December 2023	於二零二三年十二月三十一日	<u>180,147</u>
DEPRECIATION		
At 1 January 2022	於二零二二年一月一日	33,191
Provided for the year	年內撥備	3,853
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	10,822
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(6,124)</u>
At 31 December 2022	於二零二二年十二月三十一日	<u>41,742</u>
Provided for the year	年內撥備	5,399
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	7,718
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(10,323)</u>
At 31 December 2023	於二零二三年十二月三十一日	<u>44,536</u>
CARRYING VALUES		
At 31 December 2023	於二零二三年十二月三十一日	<u>135,611</u>
At 31 December 2022	於二零二二年十二月三十一日	<u>140,785</u>

The fair value of the Group's investment properties of approximately RMB144,331,000 as at 31 December 2023 (2022: RMB150,142,000) has been determined by the Company.

本集團投資物業於二零二三年十二月三十一日的公平值約為人民幣144,331,000元(二零二二年:人民幣150,142,000元),該公平值已由本公司釐定。

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17. INVESTMENT PROPERTIES (continued)

The fair value was determined based on the income approach, where the market rentals of all lettable units of the properties are assessed and discounted at the market yield expected by investors for this type of properties. The market rentals are assessed by reference to the rentals achieved in the lettable units of the properties as well as other lettings of similar properties in the neighbourhood. The discount rate is determined by reference to the yields derived from analysing the sales transactions of similar commercial properties in the PRC and adjusted to take into account the market expectation from property investors to reflect factors specific to the Group's investment properties. There has been no change from the valuation technique used in the prior year.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Details of the Group's investment properties and information about the fair value hierarchy as at the end of the reporting period are as follows:

The carrying value of investment properties shown above comprise of buildings erected on:

17. 投資物業 (續)

公平值乃按收入法釐定，而物業所有可出租單位之市場租金則按投資者對此類物業預期之市場收益率評估及貼現。市場租金乃參考物業之可出租單位可得租金及該區其他類似物業之出租情況予以評估。貼現率乃參考中國同類商用物業之銷售交易分析所得之收益率予以釐定，並就物業投資者之市場預期作出調整，以反映本集團投資物業之特定因素。去年所用的估值方法並無變動。

於估計該等物業的公平值時，其最佳用途乃為其現有用途。

於報告期末，本集團有關公平值等級的投資物業及資料詳情如下：

以上所述投資物業的賬面值包括建於下述土地上之建築物：

		31/12/2023		31/12/2022	
		二零二三年十二月三十一日		二零二二年十二月三十一日	
		Carrying amount	Fair value at level 3 hierarchy	Carrying amount	Fair value at level 3 hierarchy
		RMB'000	RMB'000	RMB'000	RMB'000
		賬面值	第三級公平值	賬面值	第三級公平值
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Located in the PRC	於中國的土地	135,611	144,331	140,785	150,142

The above investment properties are depreciated on a straight-line basis at 3.2% per annum.

上述投資物業按直線法以年率3.2%予以折舊。

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18. GOODWILL

		Year ended 31/12/2023 RMB'000 截至 二零二三年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元
Cost	成本		
At 1 January	於一月一日	3,638,741	3,348,497
Arising on acquisition of a subsidiary (Note 39)	收購一間附屬公司產生 (附註39)	34,872	-
Exchange adjustments	匯兌調整	54,177	290,244
At 31 December	於十二月三十一日	3,727,790	3,638,741

Impairment testing on goodwill

The Group uses operating divisions as the basis for reporting segment information. For the purposes of impairment testing, goodwill has been allocated to the following groups of CGUs. The carrying amounts of goodwill as at 31 December 2023 and 2022 are as follows:

		31/12/2023 RMB'000 二零二三年 十二月 三十一日 人民幣千元	31/12/2022 RMB'000 二零二二年 十二月 三十一日 人民幣千元
Medical device products	醫療器械產品	32,215	32,215
Orthopaedic products	骨科產品	173,966	173,966
Interventional products	介入產品	3,249,640	3,199,417
Blood management products	血液管理產品	237,097	233,143
Minimally invasive medical devices (Note 39)	微創醫療器械 (附註39)	34,872	-
		3,727,790	3,638,741

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The management considers that groups of CGUs are represented by different groups of subsidiaries for the purpose of goodwill impairment testing.

18. 商譽

		Year ended 31/12/2023 RMB'000 截至 二零二三年 十二月 三十一日 止年度 人民幣千元	Year ended 31/12/2022 RMB'000 截至 二零二二年 十二月 三十一日 止年度 人民幣千元
Cost	成本		
At 1 January	於一月一日	3,638,741	3,348,497
Arising on acquisition of a subsidiary (Note 39)	收購一間附屬公司產生 (附註39)	34,872	-
Exchange adjustments	匯兌調整	54,177	290,244
At 31 December	於十二月三十一日	3,727,790	3,638,741

商譽減值測試

本集團使用經營分部作為其報告分部資料的基準。為進行減值測試，商譽被分配到以下現金產生單位組別。於二零二三年及二零二二年十二月三十一日，商譽之賬面值如下：

		31/12/2023 RMB'000 二零二三年 十二月 三十一日 人民幣千元	31/12/2022 RMB'000 二零二二年 十二月 三十一日 人民幣千元
Medical device products	醫療器械產品	32,215	32,215
Orthopaedic products	骨科產品	173,966	173,966
Interventional products	介入產品	3,249,640	3,199,417
Blood management products	血液管理產品	237,097	233,143
Minimally invasive medical devices (Note 39)	微創醫療器械 (附註39)	34,872	-
		3,727,790	3,638,741

本集團每年測試商譽減值，或倘有跡象顯示商譽可能已減值，則會更頻密測試減值。

就商譽減值測試而言，管理層認為現金產生單位組別指不同的附屬公司組別。

18. GOODWILL (continued)**Impairment testing on goodwill** (continued)

The recoverable amounts of the groups of CGUs of medical device products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 5-year period (2022: 5-year), and discount rate of 14% (2022: 14%). The cash flows for the following years are extrapolated using a long-term growth rate of 2.5% (2022: 2.5%). The key assumptions for the value in use calculations are the discount rate and growth rate. The growth rate is determined based on past performance and management's expectations for the market development.

The recoverable amounts of the groups of CGUs of orthopaedic products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 5-year period (2022: 5-year), and discount rate of 14% (2022: 14%). The cash flows for the following years are extrapolated using a long-term growth rate of 2.5% (2022: 2.5%). The key assumptions for the value in use calculations are the discount rate and growth rate. The growth rate is determined based on past performance and management's expectations for the market development.

The recoverable amounts of the groups of CGUs of interventional products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 10-year period (2022: 10-year), and discount rate of 13% (2022: 13%). The cash flows for the following years are extrapolated using a long-term growth rate of 2.5% (2022: 3%). The key assumptions for the value in use calculations are the discount rate and growth rate. The growth rate is determined based on past performance and management's expectations for the market development.

18. 商譽 (續)**商譽減值測試** (續)

醫療器械產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之五年(二零二二年：五年)財政預算及貼現率14%(二零二二年：14%)為基礎。將來年度的現金流量採用2.5%(二零二二年：2.5%)的長期增長率推算。計算使用價值之主要假設為貼現率及增長率。增長率乃按過往表現及管理層對市場發展之預期而釐定。

骨科產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之五年(二零二二年：五年)財政預算及貼現率14%(二零二二年：14%)為基礎。將來年度的現金流量採用2.5%(二零二二年：2.5%)的長期增長率推算。計算使用價值之主要假設為貼現率及增長率。增長率乃按過往表現及管理層對市場發展之預期而釐定。

介入產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之十年(二零二二年：十年)財政預算及貼現率13%(二零二二年：13%)為基礎。將來年度的現金流量採用2.5%(二零二二年：3%)的長期增長率推算。計算使用價值之主要假設為貼現率及增長率。增長率乃按過往表現及管理層對市場發展之預期而釐定。

18. GOODWILL (continued)**Impairment testing on goodwill** (continued)

The recoverable amounts of the groups of CGUs of blood management products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 5-year period (2022: 5-year), and discount rate of 15% (2022: 15%). The cash flows for the following years are extrapolated using a long-term growth rate of 2.5% (2022: 2.5%). The key assumptions for the value in use calculations are discount rate and growth rate. The growth rate is determined based on past performance and management's expectations for the market development.

For goodwill impairment testing purpose, goodwill allocated to individual cash-generating units of minimally invasive medical devices belongs to orthopaedic products segment. The recoverable amounts of the groups of CGUs of minimally invasive medical devices have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 5-year period, and discount rate of 15%. The cash flows for the following years are extrapolated using a long-term growth rate of 2.5%. The key assumptions for the value in use calculations are discount rate and growth rate. The growth rate is determined based on past performance and management's expectations for the market development.

The recoverable amount is significantly above the carrying amount of each CGUs. Management of the Group believes that any reasonably possible change in any of these assumptions would not result in impairment.

18. 商譽 (續)**商譽減值測試** (續)

血液管理產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之五年(二零二二年：五年)財政預算及貼現率15%(二零二二年：15%)為基礎。將來年度的現金流量採用2.5%(二零二二年：2.5%)的長期增長率推算。計算使用價值之主要假設為貼現率及增長率。增長率乃按過往表現及管理層對市場發展之預期而釐定。

就商譽減值測試而言，分配至微創醫療器械個別現金產生單位的商譽屬於骨科產品分部。微創醫療器械之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之五年財政預算及貼現率15%為基礎。將來年度的現金流量採用2.5%的長期增長率推算。計算使用價值之主要假設為貼現率及增長率。增長率乃按過往表現及管理層對市場發展之預期而釐定。

各現金產生單位的可收回金額大幅高於其賬面值。本集團管理層認為，任何該等假設的任何合理可能的變化均不會導致減值。

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19. OTHER INTANGIBLE ASSETS

19. 其他無形資產

		Development Costs RMB'000 開發成本 人民幣千元	Product Technology RMB'000 產品技術 人民幣千元	Customer Relationship RMB'000 客戶關係 人民幣千元	Trademarks RMB'000 商標 人民幣千元	Total RMB'000 總計 人民幣千元
COST		成本				
At 31 December 2021	於二零二一年十二月三十一日	121,290	1,349,085	1,113,185	165,768	2,749,328
Addition	添置	29,159	1,942	-	-	31,101
Exchange adjustments	匯兌調整	12,231	117,427	100,812	15,311	245,781
At 31 December 2022	於二零二二年十二月三十一日	162,680	1,468,454	1,213,997	181,079	3,026,210
Addition	添置	28,376	50	-	-	28,426
Acquisition of a subsidiary (Note 39)	收購一間附屬公司(附註39)	-	12,853	-	-	12,853
Exchange adjustments	匯兌調整	2,903	23,549	21,618	3,071	51,141
At 31 December 2023	於二零二三年十二月三十一日	193,959	1,504,906	1,235,615	184,150	3,118,630
AMORTISATION		攤銷				
At 31 December 2021	於二零二一年十二月三十一日	-	465,196	426,822	54,804	946,822
Charge for the year	年內開支	-	118,218	116,803	15,480	250,501
Exchange adjustments	匯兌調整	-	42,599	43,054	5,579	91,232
At 31 December 2022	於二零二二年十二月三十一日	-	626,013	586,679	75,863	1,288,555
Charge for the year	年內開支	-	138,534	122,340	15,364	276,238
Exchange adjustments	匯兌調整	-	10,418	10,929	1,351	22,698
At 31 December 2023	於二零二三年十二月三十一日	-	774,965	719,948	92,578	1,587,491
IMPAIRMENT		減值				
At 31 December 2021	於二零二一年十二月三十一日	3,929	-	-	-	3,929
Impairment loss recognised in the year	年內已確認減值虧損	10,806	-	-	-	10,806
Exchange adjustments	匯兌調整	744	-	-	-	744
At 31 December 2022	於二零二二年十二月三十一日	15,479	-	-	-	15,479
Impairment loss recognised in the year	年內已確認減值虧損	8,020	-	-	-	8,020
Exchange adjustments	匯兌調整	303	-	-	-	303
At 31 December 2023	於二零二三年十二月三十一日	23,802	-	-	-	23,802
CARRYING VALUES		賬面值				
At 31 December 2023	於二零二三年十二月三十一日	170,157	729,941	515,667	91,572	1,507,337
At 31 December 2022	於二零二二年十二月三十一日	147,201	842,441	627,318	105,216	1,722,176

The above other intangible assets have finite useful lives. Such other intangible assets are amortised on a straight-line basis over the following periods:

Product technology	5 – 12 years
Customer relationship	8 – 11 years
Trademarks	11 – 12 years

As at 31 December 2023, total net book value of other intangible assets served as collateral for the Group's borrowing amounted to RMB1,243,622,000 (2022: RMB1,461,558,000).

上述其他無形資產具有有限可使用年期。該等其他無形資產於以下期間按直線法攤銷：

產品技術	5-12年
客戶關係	8-11年
商標	11-12年

於二零二三年十二月三十一日，作為本集團借款抵押品的其他無形資產的賬面淨值總額為人民幣1,243,622,000元(二零二二年：人民幣1,461,558,000元)。

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20. INTERESTS IN ASSOCIATES

20. 於聯營公司的權益

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年 十二月 三十一日 人民幣千元	二零二二年 十二月 三十一日 人民幣千元
Cost of investments in associates	投資聯營公司的成本	1,045,898	1,045,898
Share of post-acquisition profits and other comprehensive income	應佔收購後利潤及其他全面收入	415,483	329,404
		1,461,381	1,375,302

Details of the Group's associates at the end of the reporting period are as follow:

於報告期末，本集團的聯營公司詳情如下：

Name of entity	Country of incorporation/ registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activities
			31/12/2023	31/12/2022	31/12/2023	31/12/2022	
實體名稱	註冊成立/ 註冊所在國家	主要營業地點	本集團所持 所有權權益比例		本集團所持 投票權比例		主營業務
			二零二三年 十二月 三十一日	二零二二年 十二月 三十一日	二零二三年 十二月 三十一日	二零二二年 十二月 三十一日	
Shandong Weigao Blood Purification Products Co., Ltd. ("Weigao Blood Purification")	PRC	PRC	26.5506%	26.5506%	26.5506%	26.5506%	Research and development, manufacture and sale of blood purification medical devices
山東威高血液淨化製品股份有限公司 (「威高血液淨化」)	中國	中國					血液淨化醫用製品的研發、生產和銷售
Hunan Smart Medi-label System Info &Tech Ltd. ("HunanSmart Medi-label")	PRC	PRC	20%	20%	20%	20%	Information technology services provider
湖南醫標通信息科技有限公司 (「湖南醫標通」)	中國	中國					信息技術服務提供商

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20. INTERESTS IN ASSOCIATES (continued)

20. 於聯營公司的權益 (續)

Summarised financial information of a material associate

Summarised financial information in respect of the Group's material associate is set out below. The summarised financial information represents amounts shown in the associate's financial statements prepared in accordance with HKFRSs.

The associates are accounted for using the equity method in the consolidated financial statements.

Weigao Blood Purification

重大聯營公司之財務資料概要

有關本集團的重大聯營公司之財務資料概要載列如下。財務資料概要指於根據香港財務報告準則編製之聯營公司財務報表中列示之金額。

聯營公司使用權益法於綜合財務報表入賬。

威高血液淨化

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Current assets	流動資產	2,650,319	2,425,008
Non-current assets	非流動資產	4,173,482	4,156,328
Current liabilities	流動負債	(1,461,547)	(1,556,879)
Non-current liabilities	非流動負債	(113,155)	(128,487)
		Year ended	Year ended
		31/12/2023	31/12/2022
		RMB'000	RMB'000
		截至	截至
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		止年度	止年度
		人民幣千元	人民幣千元
Revenue	收入	3,532,223	3,450,929
Profit for the year	本年度溢利	325,916	316,426
Profit for the year attributable to owners of the Weigao Blood Purification	威高血液淨化擁有人應佔本年度溢利	325,916	316,426

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20. INTERESTS IN ASSOCIATES (continued)

Weigao Blood Purification (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Weigao Blood Purification recognised in the consolidated financial statement:

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Adjusted net assets of Weigao Blood Purification	威高血液淨化之經調整資產淨值	5,100,628	4,774,712
Proportion of the Group's ownership interest in Weigao Blood Purification	本集團於威高血液淨化之所有權權益比例	26.5506%	26.5506%
The Group's share of net assets of Weigao Blood Purification	本集團應佔威高血液淨化資產淨值	1,354,247	1,267,715
Goodwill	商譽	100,489	100,489
Carrying amount of the Group's interest in Weigao Blood Purification	本集團於威高血液淨化權益之賬面值	1,454,736	1,368,204

Note:

During the year ended 31 December 2022, third party investors injected RMB625,000,000 to Weigao Blood Purification, which resulted in a dilution of the Group's interest in Weigao Blood Purification from 28.0871% to 26.5506%. The gain on deemed disposal of partial interest, representing the difference between the share of net asset value before and after the dilution, amounting to RMB100,398,000 is recognised in profit or loss.

20. 於聯營公司的權益 (續)

威高血液淨化 (續)

上文概述之財務資料與於綜合財務報表確認的於威高血液淨化權益之賬面值的對賬：

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Adjusted net assets of Weigao Blood Purification	威高血液淨化之經調整資產淨值	5,100,628	4,774,712
Proportion of the Group's ownership interest in Weigao Blood Purification	本集團於威高血液淨化之所有權權益比例	26.5506%	26.5506%
The Group's share of net assets of Weigao Blood Purification	本集團應佔威高血液淨化資產淨值	1,354,247	1,267,715
Goodwill	商譽	100,489	100,489
Carrying amount of the Group's interest in Weigao Blood Purification	本集團於威高血液淨化權益之賬面值	1,454,736	1,368,204

附註：

截至二零二二年十二月三十一日止年度，第三方投資者向威高血液淨化注資人民幣625,000,000元，導致本集團於威高血液淨化的權益由28.0871%攤薄至26.5506%。視作出售部分權益之收益（即攤薄前後分佔資產淨值差額）人民幣100,398,000元於損益確認。

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21. INTERESTS IN JOINT VENTURES

21. 於合營企業的權益

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Cost of investments in joint ventures	投資合營企業的成本	361,730	361,730
Share of post-acquisition loss and other comprehensive expenses	應佔收購後虧損及其他全面開支	(12,555)	(3,332)
Exchange adjustments	匯兌調整	143	(363)
		349,318	358,035

Details of the Group's joint ventures at the end of the reporting period are as follow:

於報告期末，本集團的合營企業詳情如下：

Name of entity	Country of incorporation/ registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activities
			31/12/2023	31/12/2022	31/12/2023	31/12/2022	
實體名稱	註冊成立/ 註冊所在國家	主要營業地點	本集團所持 所有權權益比例		本集團所持 投票權比例		主營業務
			二零二三年 十二月 三十一日	二零二二年 十二月 三十一日	二零二三年 十二月 三十一日	二零二二年 十二月 三十一日	
Qingdao Songyuan First Phase Medical Investment Partnership (Limited Partnership) ("Qingdao Songyuan")	PRC	PRC	38.5%	38.5%	38.5%	38.5%	Investment in companies in medical industry
青島松源壹期醫療投資合夥企業(有限合夥)(「青島松源」)	中國	中國					投資於醫療行業公司
Weihai Shangyuan Fund	PRC	PRC	19.8%	19.8%	19.8%	19.8%	Venture capital business
威海尚元基金	中國	中國					創業投資
Shandong Baiqing Energy Technology Co., Ltd ("Baiqing Energy")	PRC	PRC	50%	50%	50%	50%	Technical service provider
山東柏清能源科技有限公司(「柏清能源」)	中國	中國					技術服務供應商

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21. INTERESTS IN JOINT VENTURES (continued)

Note:

On 24 December 2020, the Group entered into a partnership agreement, together with other six parties to establish Qingdao Songyuan to invest in company running business in medical industry. The total subscribed capital of Qingdao Songyuan is RMB2,000,000,000, of which RMB770,000,000 is subscribed by the Group. As at 31 December 2023, the Group invested RMB308,000,000 to Qingdao Songyuan, the remaining RMB462,000,000 is to be invested within 5 years after the establishment of the partnership.

On 12 October 2020, Wego Healthcare entered into a partnership agreement, together with other seven parties to establish Weihai Shangyuan Fund. The total subscribed capital of Weihai Shangyuan Fund is RMB303,000,000, of which RMB60,000,000 is subscribed by Wego Healthcare. As at 31 December 2023, Wego Healthcare invested RMB30,314,000 to Weihai Shangyuan Fund.

The Group invested in Qingdao Songyuan and Weihai Shangyuan Fund as limited partner. The Directors considered that the interests the Group held over Qingdao Songyuan and Weihai Shangyuan Fund carry rights that are substantively the same as the investee's ordinary shares and provides current access to the returns associated with its ownership interest in the investee, which is driven by the investee's financial performance.

In October 2022, the Company invested in Baiqing Energy with amounts of RMB25,000,000, and hold 50% ownership interests over Baiqing Energy.

The Group had joint arrangements with other parties whereby the parties that have joint control of the arrangements and have rights to the net assets of those joint arrangements, the Group accounted the investments in Qingdao Songyuan, Weihai Shangyuan Fund and Baiqing Energy as interests in a joint venture using the equity method.

21. 於合營企業的權益 (續)

附註：

於二零二零年十二月二十四日，本集團與其他六方訂立合夥協議，成立青島松源，以投資於從事醫療行業的公司。青島松源的總認繳資本為人民幣2,000,000,000元，其中人民幣770,000,000元由本集團認繳。於二零二三年十二月三十一日，本集團向青島松源投資人民幣308,000,000元，其餘人民幣462,000,000元將在合夥企業成立後5年內投資。

於二零二零年十月十二日，Wego Healthcare與其他七方訂立合夥協議，成立威海尚元基金。威海尚元基金的總認繳資本為人民幣303,000,000元，其中人民幣60,000,000元由Wego Healthcare認繳。於二零二三年十二月三十一日，Wego Healthcare向威海尚元基金投資人民幣30,314,000元。

本集團作為有限合夥人投資青島松源及威海尚元基金。董事認為，本集團持有青島松源及威海尚元基金的權益與被投資方的普通股具有實質相同的權利，並提供當前獲取與其在被投資方的所有者權益相關的回報的途徑，此乃受被投資方的財務表現驅動。

於二零二二年十月，本公司投資柏清能源，投資額為人民幣25,000,000元，並持有柏清能源50%的所有權。

本集團與其他方訂有合營安排，據此，各方對該安排具有共同控制權且對該等合營安排的淨資產享有權利，本集團使用權益法將於青島松源、威海尚元基金及柏清能源的投資入賬列為於一間合營企業的權益。

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21. INTERESTS IN JOINT VENTURES (continued)

21. 於合營企業的權益 (續)

Summarised financial information of material joint venture

Summarised financial information in respect of the Group's material joint venture is set out below. The summarised financial information represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRSs.

The joint ventures are accounted for using the equity method in the consolidated financial statements.

Qingdao Songyuan

重大合營企業之財務資料概要

有關本集團的重大合營企業之財務資料概要載列如下。財務資料概要指於根據香港財務報告準則編製之合營企業財務報表中列示之金額。

合營企業使用權益法於綜合財務報表入賬。

青島松源

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Current assets	流動資產	345,827	435,026
Non-current assets	非流動資產	429,489	361,070
Non-current liabilities	非流動負債	(1,304)	(1,304)
		Year ended	Year ended
		31/12/2023	31/12/2022
		RMB'000	RMB'000
		截至	截至
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		止年度	止年度
		人民幣千元	人民幣千元
Loss for the year	本年度虧損	(20,780)	(4,230)

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21. INTERESTS IN JOINT VENTURES (continued)

Summarised financial information of material joint venture (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Qingdao Songyuan recognised in the consolidated financial statement:

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Net assets of Qingdao Songyuan	青島松源之資產淨值	774,012	794,792
Proportion of the Group's ownership interest in Qingdao Songyuan	本集團於青島松源之所有權權益比例	38.5%	38.5%
Carrying amount of the Group's interest in Qingdao Songyuan	本集團於青島松源權益之賬面值	297,995	305,995

21. 於合營企業的權益 (續)

重大合營企業之財務資料概要 (續)

上文概述之財務資料與於綜合財務報表確認的於青島松源權益之賬面值的對賬：

Aggregate information of joint ventures that are not individually material

個別並不重大之合營企業之匯總資料

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
The Group's share of loss and total comprehensive expenses	本集團應佔虧損及全面開支總額	(1,223)	(1,172)

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22. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

22. 按公平值計入損益計量之金融工具

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Unlisted investments:	非上市投資：		
– Foreign exchange swap (note a)	– 外匯掉期 (附註a)	(7,653)	–
– Interest rate swap (note b)	– 利率互換 (附註b)	371	572
– Investment funds (note c)	– 投資基金 (附註c)	86,910	119,729
		79,628	120,301
Analysed for reporting purposes as:	就呈報目的分析為：		
– Current liabilities	– 流動負債	(7,653)	–
– Current assets	– 流動資產	371	–
– Non-current assets	– 非流動資產	86,910	120,301
		79,628	120,301

Notes:

- (a) As at 31 December 2023, the Group held a foreign exchange swap which was issued by HSBC Bank (China) Company Limited to fix exchange rate of USD against RMB at maturity date of 23 September 2024, with principal amount of USD20,000,000.
- (b) As at 31 December 2023 and 2022, the Group held an interest rate swap which was issued by HSBC Bank (China) Company Limited to exchange floating interest rate with fixed interest rate, at maturity date of 21 June 2024, with principal amount of RMB300,000,000.
- (c) As at 31 December 2023, the amount of RMB67,449,000 represents 11.76% (2022: RMB95,408,000 represents 11.76%) of the interest in a health science fund. The amount of RMB19,461,000 represents 4.47% (2022: RMB24,321,000 represents 4.47%) of the interest in an investment fund.

附註：

- (a) 於二零二三年十二月三十一日，本集團持有HSBC Bank (China) Company Limited發行的外匯掉期，以於二零二四年九月二十三日到期日期將美元兌人民幣的匯率固定，本金額為20,000,000美元。
- (b) 於二零二三年及二零二二年十二月三十一日，本集團持有HSBC Bank (China) Company Limited發行的，到期日為二零二四年六月二十一日利率互換，以固定利率交換浮動利率，本金額為人民幣300,000,000元。
- (c) 於二零二三年十二月三十一日，金額人民幣67,449,000元(二零二二年：人民幣95,408,000元；11.76%)指健康科學基金之11.76%權益。金額人民幣19,461,000元(二零二二年：人民幣24,321,000元；4.47%)指一項投資基金之4.47%權益。

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23. DEFERRED TAXATION

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purpose.

23. 遞延稅項

為呈列綜合財務狀況表，若干遞延稅項資產及負債已被抵銷。就財務申報目的作出之遞延稅項結餘分析如下。

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Deferred tax assets	遞延稅項資產	207,102	161,241
Deferred tax liabilities	遞延稅項負債	(165,794)	(199,797)
		41,308	(38,556)

The followings are the major deferred tax assets and liabilities recognised and movements thereon during the current and prior reporting year:

於本報告年度及過往報告年度，已確認的主要遞延稅項資產及負債及其變動載列如下：

		Deferred income	Time difference of property, plants and equipment	Time difference of intangible assets	Unrealised profit	Share-based payments reserve	Unpaid bonus and salary	U.S. research and development expenses	Impairment of assets	Interest deduction limited	Deductible losses	Time difference of changes in fair value	Contract liabilities	Provision	Others (note)	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)
		遞延收入	物業、廠房及設備的時間差	無形資產的時間差	未變現溢利	以股份為基礎的付款儲備	未支付花紅及薪金	美國研發開支	資產減值	利息抵扣限額	可抵扣虧損	公平值變動時間差	合約負債	撥備	其他(附註)	總計
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	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 31 December 2021 (restated)	於二零二一年十二月三十一日(經重列)	9,779	(19,294)	(267,032)	34,185	36,762	1,879	(28,519)	52,274	19,173	1,309	11,262	9,192	54,126	20,754	(64,150)
(Charge) credit to profit or loss	(扣除自)計入損益	(1,910)	(37,541)	39,766	9,866	17,875	-	(10,784)	2,885	29,116	41,146	(11,348)	(776)	(48,683)	13,304	42,916
Exchange adjustments	匯兌調整	-	(3,193)	(22,885)	32	1,706	-	(3,014)	179	2,875	1,570	-	-	3,285	2,123	(17,322)
At 31 December 2022 (restated)	於二零二二年十二月三十一日(經重列)	7,869	(60,028)	(250,151)	44,083	56,343	1,879	(42,317)	55,338	51,164	44,025	(86)	8,416	8,728	36,181	(38,556)
(Charge) credit to profit or loss	(扣除自)計入損益	(2,566)	5,847	39,665	11,765	8,771	-	(4,059)	9,311	20,847	(37,446)	1,500	(2,165)	-	31,027	82,497
Exchange adjustments	匯兌調整	-	(653)	(3,995)	6	411	-	(738)	54	1,016	545	-	-	148	573	(2,633)
At 31 December 2023	於二零二三年十二月三十一日	5,303	(54,834)	(214,481)	55,854	65,525	1,879	(47,114)	64,703	73,027	7,124	1,414	6,251	8,876	67,781	41,308

Note: The others mainly comprised transaction cost, prepaid expense, inventory capitalisation adjustment etc., due to the time differences under U.S. income tax code.

附註：其他主要包括美國所得稅法項下時間差產生的交易成本、預付開支、存貨資本化調整等。

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24. FINANCE LEASE RECEIVABLES

The Group entered into certain finance lease agreements as a lessor for equipment. The average terms of finance leases entered into usually range from one to three years. All interest rates inherent in the leases are fixed at the contract date over the leases terms.

24. 應收融資租賃款項

本集團(作為設備出租人)訂立若干融資租賃協議。融資租賃平均租期通常訂立為介乎一至三年。有關租賃之全部利率均根據租期於合約日期釐定。

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Analysed for reporting purposes as:	就呈報目的分析為：		
Current assets	流動資產	42,963	70,831
Non-current assets	非流動資產	15,302	23,037
		58,265	93,868

		Minimum lease receivables		Present value of minimum lease receivables	
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
		RMB'000	RMB'000	RMB'000	RMB'000
		應收最低租賃款項	應收最低租賃款項之現值	應收最低租賃款項之現值	應收最低租賃款項之現值
		二零二三年	二零二二年	二零二三年	二零二二年
		十二月	十二月	十二月	十二月
		三十一日	三十一日	三十一日	三十一日
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Finance lease receivables comprise	應收融資租賃款項包括				
Within one year	於一年內	59,159	90,093	53,878	84,365
In more than one year but not more than two years	超過一年但不超過兩年	15,761	20,795	15,352	18,765
In more than two years but not more than five years	超過兩年但不超過五年	-	5,204	-	4,518
		74,920	116,092	69,230	107,648
Less: unearned finance income allowance for credit losses	減：未賺取融資收益信貸虧損撥備	(5,690)	(8,444)	-	-
		(10,965)	(13,780)	(10,965)	(13,780)
Present value of minimum lease payment receivables	應收最低租賃款項之現值	58,265	93,868	58,265	93,868

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24. FINANCE LEASE RECEIVABLES (continued)

Effective interest rates implicit in the above finance leases range from 6.00% to 7.00% per annum (2022: 6.00% to 8.00% per annum).

Finance lease receivables are secured over the machineries leased. The Group is not permitted to sell or re-pledge the collateral in the absence of default by the lessee.

As at 31 December 2023, the carrying amount of the finance lease receivables due from fellow subsidiaries is RMB56,046,000 (2022: RMB60,877,000).

Details of impairment assessment of financial lease receivables are set out in Note 42.

25. LOAN RECEIVABLES

24. 應收融資租賃款項 (續)

上述融資租賃內含之實際年利率介乎6.00厘至7.00厘(二零二二年：年利率介乎6.00厘至8.00厘)。

應收融資租賃款項以所租機器作抵押。本集團不允許在承租人未違約情況下出售或再抵押抵押品。

於二零二三年十二月三十一日，應收融資租賃款項的賬面值包括應收同系附屬公司款項人民幣56,046,000元(二零二二年：人民幣60,877,000元)。

應收融資租賃款項減值評估詳情載於附註42。

25. 應收貸款

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Fixed-rate loan receivables (note a)	固定利率應收貸款 (附註a)	740,601	772,435
Variable-rate loan receivables (note b)	浮動利率應收貸款 (附註b)	71,506	61,646
Less: Allowance for credit losses	減：信貸虧損撥備	(22,440)	(22,290)
		789,667	811,791
Analysed for reporting purposes as:	就呈報目的分析為：		
Current assets	流動資產	642,476	627,626
Non-current assets	非流動資產	147,191	184,165
		789,667	811,791

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25. LOAN RECEIVABLES (continued)

Notes:

- (a) As at 31 December 2023, the carrying amount of RMB369,528,000 represents the loan provided to third parties secured by various equipment, carrying the effective interest rates range from 6.00% to 8.50% per annum. (2022: RMB344,175,000, the effective interest rates range from 6.00% to 8.00% per annum). As at 31 December 2023, the carrying amount of RMB371,073,000 loan receivables from fellow subsidiaries, carrying the effective interest rates range from 6.00% to 8.50% per annum (2022: RMB428,260,000, carrying the effective interest rates range from 6.00% to 8.00% per annum).
- (b) Included in the balance were loans provided by one of the subsidiary of the Company provided loan with total principal amount of RMB29,692,000 (2022: RMB29,692,000) to the eligible employees of Weigao Orthopaedic to partially fund the subscription of share award scheme granted to them, with a period of five years, bearing interest at the benchmark lending rate that published by the People's Bank of China. As at 31 December 2023, the accrued interest of the loan included in the balance of loan receivable was RMB2,062,000 (2022: RMB1,925,000). Details of the share award scheme of Weigao Orthopaedic are set out in Note 38 (c).

Included in the balances was a loan provided by the subsidiary of the Company with principal amount of RMB17,027,000 (2022: RMB17,027,000) to an employee of Weigao Orthopaedic with a period of five years. The loans are unsecured, bearing interest at the benchmark lending rate that published by the People's Bank of China. As at 31 December 2023, the accrued interest of the loan included in the balance of loan receivable was RMB2,508,000 (2022: RMB1,502,000).

Details of impairment assessment of loan receivables are set out in Note 42.

25. 應收貸款 (續)

附註：

- (a) 於二零二三年十二月三十一日，賬面值人民幣369,528,000元指提供予第三方之貸款，並以各設備作擔保，實際年利率範圍介乎6.00厘至8.50厘（二零二二年：人民幣344,175,000元，實際年利率範圍介乎6.00厘至8.00厘）。於二零二三年十二月三十一日，應收貸款賬面值包括應收同系附屬公司貸款人民幣371,073,000元，實際年利率範圍介乎6.00厘至8.50厘（二零二二年：人民幣428,260,000元，實際年利率範圍介乎6.00厘至8.00厘）。
- (b) 結餘包括本公司一間附屬公司向威高骨科之合資格僱員提供本金總額人民幣29,692,000元（二零二二年：人民幣29,692,000元）之貸款，以部分撥付授予彼等股份激勵計劃的認購，為期五年，及按中國人民銀行公佈的基準貸款利率計息。於二零二三年十二月三十一日，計入應收貸款結餘之應計貸款利息為人民幣2,062,000元（二零二二年：人民幣1,925,000元）。威高骨科股份激勵計劃的詳情載於附註38(c)。

結餘包括本公司附屬公司向威高骨科一名僱員提供本金總額人民幣17,027,000元（二零二二年：人民幣17,027,000元），為期五年之貸款。該等貸款為無抵押，及按中國人民銀行公佈的基準貸款利率計息。於二零二三年十二月三十一日，計入應收貸款結餘之應計貸款利息為人民幣2,508,000元（二零二二年：人民幣1,502,000元）。

應收貸款減值評估詳情載於附註42。

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26. INVENTORIES

26. 存貨

		31/12/2023	31/12/2022
		RMB'000	RMB'000
			(restated)
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Raw materials	原料	705,362	662,210
Finished goods	製成品	1,789,990	1,661,545
		2,495,352	2,323,755

As at 31 December 2023, total net book value of inventories served as collateral for the Group's borrowing amounted to RMB351,879,000 (2022: RMB289,204,000).

於二零二三年十二月三十一日，用作本集團借款抵押品的存貨總賬面淨值為人民幣351,879,000元（二零二二年：人民幣289,204,000元）。

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27. TRADE AND OTHER RECEIVABLES

27. 應收貿易賬款及其他應收款項

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Trade receivables	應收貿易賬款	5,970,229	5,789,493
Less: Allowance for credit losses	減：信貸虧損撥備	(281,742)	(297,208)
		5,688,487	5,492,285
Receivables from factoring business	來自保理業務之應收款項	231,400	232,945
Less: Allowance for credit losses	減：信貸虧損撥備	(2,722)	(2,418)
		228,678	230,527
Other receivables	其他應收款項	772,379	713,225
Less: Allowance for credit losses	減：信貸虧損撥備	(2,336)	(1,667)
		770,043	711,558
Prepayments	預付款項	740,969	721,233
		7,428,177	7,155,603
Analysed for reporting purposes as:	就呈報目的分析為：		
Current assets	流動資產	7,365,212	7,085,067
Non-current assets	非流動資產	62,965	70,536
		7,428,177	7,155,603

As at 31 December 2023, trade receivables from contracts with customers amounted to RMB5,970,229,000 (2022: RMB5,789,493,000 (restated)).

Included in trade receivables are an amount due from fellow subsidiaries of RMB3,157,466,000 (2022: RMB2,878,559,000 (restated)), an amount due from a holding company of RMB3,076,000 (2022: RMB2,952,000), and an amount due from an associate of RMB22,669,000 (2022: RMB28,063,000), an amount due from associates of a holding company of RMB236,000 (2022: RMB867,000).

於二零二三年十二月三十一日，來自客戶合約的應收貿易賬款為人民幣5,970,229,000元(二零二二年：人民幣5,789,493,000元(經重列))。

應收貿易賬款包括應收同系附屬公司款項人民幣3,157,466,000元(二零二二年：人民幣2,878,559,000元(經重列))、應收一間控股公司款項人民幣3,076,000元(二零二二年：人民幣2,952,000元)及應收一間聯營公司款項人民幣22,669,000元(二零二二年：人民幣28,063,000元)及應收一間控股公司的聯營公司款項人民幣236,000元(二零二二年：人民幣867,000元)。

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27. TRADE AND OTHER RECEIVABLES (continued)

Included in receivables from factoring business are an amount due from fellow subsidiaries of RMB126,000,000 (2022: RMB144,700,000). The amounts are due in one year with effective interest rates range from 6.00% to 7.00% per annum (2022: from 4.75% to 8.57% per annum).

Included in other receivables are an amount due from fellow subsidiaries of RMB449,055,000 (2022: RMB68,272,000 (restated)), an amount due from a holding company of RMB20,967,000 (2022: RMB386,970,000 (restated)), an amount due from an associate of RMB6,816,000 (2022: RMB11,810,000), an amount due from associates of a holding company of RMB299,000 (2022: RMB194,000). The amounts are unsecured and repayable on demand.

Included in prepayments are an amount paid to fellow subsidiaries of RMB55,022,000 (2022: RMB139,566,000 (restated)), and an amount paid to an associate of RMB2,877,000 (2022: RMB6,620,000).

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the invoice date at the end of the reporting period.

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
0 to 90 days	0至90天	2,756,267	2,618,692
91 to 180 days	91至180天	1,105,295	1,056,219
181 to 365 days	181至365天	1,037,082	1,092,384
Over 365 days	365天以上	789,843	724,990
		5,688,487	5,492,285

27. 應收貿易賬款及其他應收款項 (續)

來自保理業務之應收款項包括應收同系附屬公司款項人民幣126,000,000元(二零二二年:人民幣144,700,000元)。該等款項於一年內到期,實際年利率介乎6.00厘至7.00厘(二零二二年:年利率4.75厘至8.57厘)。

其他應收款項包括應收同系附屬公司款項人民幣449,055,000元(二零二二年:人民幣68,272,000元(經重列))、應收一間控股公司款項人民幣20,967,000元(二零二二年:人民幣386,970,000元(經重列))、應收一間聯營公司款項人民幣6,816,000元(二零二二年:人民幣11,810,000元)及應收一間控股公司的聯營公司款項人民幣299,000元(二零二二年:人民幣194,000元)。該等款項為無抵押及須於要求時償還。

預付款項包括已付同系附屬公司款項人民幣55,022,000元(二零二二年:人民幣139,566,000元(經重列))及已付一間聯營公司款項人民幣2,877,000元(二零二二年:人民幣6,620,000元)。

於報告期末,按發票日呈列的應收貿易賬款(經扣減信貸虧損撥備)之賬齡分析如下。

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

27. TRADE AND OTHER RECEIVABLES

(continued)

As at 31 December 2023, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB1,864,982,000 which are past due (2022: RMB1,856,720,000).

As at 31 December 2023, total net book value of trade and other receivables served as collateral for the Group's borrowing amounted to RMB227,834,000 (2022: RMB210,937,000).

Details of impairment assessment of trade and other receivables are set out in Note 42.

28. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

27. 應收貿易賬款及其他應收款項 (續)

於二零二三年十二月三十一日，本集團的應收貿易賬款結餘已包括賬面總值為人民幣1,864,982,000元（二零二二年：人民幣1,856,720,000元）已逾期的應收賬款。

於二零二三年十二月三十一日，作為本集團借款抵押品的應收貿易賬款及其他應收款項的賬面淨值總額為人民幣227,834,000元（二零二二年：人民幣210,937,000元）。

應收貿易賬款及其他應收款項的減值評估詳情載於附註42。

28. 按公平值計入其他全面收入計量之債務工具

	31/12/2023	31/12/2022
	RMB'000	RMB'000
		(restated)
	二零二三年	二零二二年
	十二月	十二月
	三十一日	三十一日
	人民幣千元	人民幣千元
		(經重列)
Unlisted investments:		
– Bank bills receivable	344,211	521,651
非上市投資：		
– 應收銀行票據		

All bills received by the Group are with a maturity period of less than one year.

本集團收到的所有票據均於一年內到期。

28. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

As at 31 December 2023, the Group endorsed bills receivable of RMB113,006,000 (2022: RMB380,076,000 (restated)) for the settlement of trade and other payables. In the opinion of the Directors, the Group has transferred the significant risks and rewards relating to these bills receivable, and the Group's obligations to the corresponding counterparties were discharged in accordance with the commercial practice in the PRC and the risk of the default in payment of the endorsed bills receivable is low because all endorsed bills receivable are issued and guaranteed by the reputable PRC banks. As a result, the relevant assets and liabilities were derecognised. The maximum exposure to the Group that may result from the default of these endorsed bills receivable is equal to their carrying amounts. The fair values of the Group's continuing involvement in the derecognised bills are not significant. During the year ended 31 December 2023 and 2022, the Group has not recognised any gain or loss on the date of transfer of the derecognised bills. No gains or losses were recognised from the continuing involvement in both presented. The endorsement has been made evenly throughout the year.

As at 31 December 2023, the Group has pledged bank bills receivable of RMB13,599,000 (2022: RMB RMB107,611,000) to secure the letter of credit.

29. PLEDGED/RESTRICTED BANK DEPOSITS

As at 31 December 2023, pledged/restricted bank balances represent deposits pledged to banks to secure trade facilities such as bills payable and letter of credit and short-term borrowing amounting to RMB754,975,000 (2022: RMB694,084,000). The pledged bank deposits will be released upon the settlement of relevant bank borrowings.

The pledged/restricted bank balances carry fixed interest rates which range from 0.01% to 5.30% per annum as at 31 December 2023 (2022: 0.01% to 4.00% per annum).

28. 按公平值計入其他全面收入計量之債務工具 (續)

於二零二三年十二月三十一日，本集團已背書應收票據人民幣113,006,000元(二零二二年：人民幣380,076,000元(經重列))以支付應付貿易賬款及其他應付款項。董事認為，本集團已轉移有關該等應收票據的重大風險及回報，而本集團對相對應手的責任已根據中國商業慣例獲解除。鑒於所有已背書應收票據均由聲譽良好的中國銀行發出及擔保，故已背書應收票據出現拖欠付款的風險低。因此，相關資產及負債已取消確認。本集團可能因該等已背書應收票據出現拖欠付款所蒙受的最大風險等於其賬面值。本集團對終止確認票據的持續參與之公平值並不重大。截至二零二三年及二零二二年十二月三十一日止年度，本集團並未於轉讓已終止確認票據之日確認任何收益或虧損。於呈列年度內均無自持續參與確認收益或虧損。背書已於年內均衡作出。

於二零二三年十二月三十一日，本集團已抵押應收銀行票據人民幣13,599,000元(二零二二年：人民幣107,611,000元)用於取得信用證。

29. 已抵押／受限制銀行存款

於二零二三年十二月三十一日，已抵押／受限制銀行結餘指抵押予銀行以擔保貿易融資(例如應付票據及信用證及短期借款)之存款金額人民幣754,975,000元(二零二二年：人民幣694,084,000元)。已抵押銀行存款將於償還相關銀行借款後解除。

於二零二三年十二月三十一日，已抵押／受限制銀行結餘按固定利率介乎每年0.01厘至5.30厘(二零二二年：每年0.01厘至4.00厘)計息。

30. CASH AND BANK BALANCES**Cash and cash equivalents**

Cash and cash equivalents include demand deposits and short-term deposits for the purpose of meeting the Group's short term cash commitments, with amount of RMB4,797,461,000 as at 31 December 2023 (2022: RMB5,521,051,000 (restated)), which carry interest at market rates range from nil to 1.90% per annum (2022: nil to 1.89% per annum).

As at 31 December 2023, cash and cash equivalents included deposits of RMB80,721,000 (2022: RMB162,595,000), carrying interest rates at 0.25% per annum (2022: 0.35% per annum), in an associate of a holding company.

As at 31 December 2023, cash and cash equivalents served as collateral for the Group's borrowing amounted to RMB101,094,000 (2022: RMB155,910,000).

Term deposits

The Group's Term deposits were issued by banks with original maturity over three months, with amount of RMB2,191,270,000 as at 31 December 2023 (2022: RMB1,443,435,000), which carry interest rates range from 1.30% to 5.40% per annum (2022: 1.30% to 4.90% per annum).

30. 現金及銀行結餘**現金及現金等價物**

現金及現金等價物包括用於滿足本集團短期現金承諾的活期存款及短期存款，於二零二三年十二月三十一日金額為人民幣4,797,461,000元(二零二二年：人民幣5,521,051,000元(經重列))；按市場利率每年介乎零至1.90厘(二零二二年：每年零至1.89厘)計息。

於二零二三年十二月三十一日，現金及現金等價物包括一間控股公司之一間聯營公司之按金人民幣80,721,000元(二零二二年：人民幣162,595,000元)，按年利率0.25厘(二零二二年：年利率0.35厘)計息。

於二零二三年十二月三十一日，用作本集團借款抵押品的現金及現金等價物為人民幣101,094,000元(二零二二年：人民幣155,910,000元)。

定期存款

於二零二三年十二月三十一日，本集團的定期存款由銀行發行，原到期日為三個月以上，金額為人民幣2,191,270,000元(二零二二年：人民幣1,443,435,000元)，年利率介乎1.30厘至5.40厘(二零二二年：年利率1.30厘至4.90厘)。

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31. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

31. 應付貿易賬款及其他應付款項

於報告期末，按發票日期呈列的應付貿易賬款的賬齡分析如下：

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
0 to 90 days	0至90天	874,314	1,078,863
91 to 180 days	91至180天	92,060	90,815
181 to 365 days	181至365天	72,292	100,732
Over 365 days	365天以上	118,744	162,917
Trade payables	應付貿易賬款	1,157,410	1,433,327
Bills payable	應付票據	612,207	278,783
Other tax payables	其他應付稅項	138,266	206,034
Construction cost and retention payables	建築成本及應付保留金	75,264	88,513
Selling expense payables	應付銷售開支	995,471	839,398
Consideration payable for the acquisition of Weigao New life (Note 3)	收購威高新生應付之代價 (附註3)	309,000	-
Obligation arising on acquisition of Zhejiang Quantum (Note 39)	收購浙江量子產生之負債 (附註39)	20,363	-
Other payables	其他應付款項	1,238,166	1,569,844
		4,546,147	4,415,899
Analysed for reporting purposes as:	就呈報目的分析為：		
Current liabilities	流動負債	4,319,784	4,415,899
Non-Current liabilities	非流動負債	226,363	-
		4,546,147	4,415,899

The normal credit period taken for trade purchases is 30 days to 180 days. All the bills payable will mature within six months.

貿易採購的正常信貸期為30天至180天。所有應付票據均將於六個月內到期。

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31. TRADE AND OTHER PAYABLES (continued)

Included in trade payables are amounts due to fellow subsidiaries of RMB389,649,000 (2022: RMB299,045,000 (restated)), an amount due to an associate of RMB42,592,000 (2022: RMB68,454,000 (restated)), an amount due to a holding company of RMB1,047,000 (2022: RMB1,235,000), and an amount due to an associate of a holding company of RMB7,000 (2022: RMB8,260,000). The amounts are unsecured, interest-free and repayable within credit period.

Included in other payables and consideration payable for the acquisition of Wegao New life are amounts due to fellow subsidiaries of RMB343,698,000 (2022: RMB39,517,000 (restated)), an amount due to an associate of RMB17,000 (2022: RMB571,000), an amount due to a holding company of RMB105,515,000 (2022: RMB217,860,000), and an amount due to an associate of a holding company of RMB28,657,000 (2022: RMB17,634,000). The amounts are unsecured, interest-free and repayable on demand.

32. CONTRACT LIABILITIES

Sales of goods	銷售商品
Current liabilities	流動負債
Non-Current liabilities	非流動負債

31. 應付貿易賬款及其他應付款項 (續)

應付貿易賬款包括應付同系附屬公司款項人民幣389,649,000元(二零二二年: 人民幣299,045,000元(經重列))、應付一間聯營公司款項人民幣42,592,000元(二零二二年: 人民幣68,454,000元(經重列))、應付一間控股公司款項人民幣1,047,000元(二零二二年: 人民幣1,235,000元)及應付一間控股公司的一間聯營公司款項人民幣7,000元(二零二二年: 人民幣8,260,000元)。該等款項為無抵押、免息及於信貸期內償還。

其他應付款項及收購威高新生應付之代價包括應付同系附屬公司款項人民幣343,698,000元(二零二二年: 人民幣39,517,000元(經重列))、應付一間聯營公司款項人民幣17,000元(二零二二年: 人民幣571,000元)、應付一間控股公司款項人民幣105,515,000元(二零二二年: 人民幣217,860,000元)及應付一間控股公司的一間聯營公司款項人民幣28,657,000元(二零二二年: 人民幣17,634,000元)。該等款項為無抵押、免息及於要求時償還

32. 合約負債

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Sales of goods	銷售商品	434,222	388,086
Current liabilities	流動負債	424,492	380,444
Non-Current liabilities	非流動負債	9,730	7,642
		434,222	388,086

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32. CONTRACT LIABILITIES (continued)

The revenue recognised in the current year relates to carried-forward contract liabilities amounted to RMB380,444,000. Contract liabilities of RMB424,492,000 will be recognised as revenue during the year ending 31 December 2024.

Included in contract liabilities are amounts received from fellow subsidiaries of RMB38,552,000 (2022: RMB37,717,000 (restated)), amount received from ultimate holding company of RMB225,000 (2022: RMB6,000), amount received from an associate of a holding company of nil (2022: RMB2,199,000), and amount received from an associate of nil (2022: RMB1,878,000).

32. 合約負債 (續)

本年度確認的與結轉合約負債相關的收入為人民幣380,444,000元。於截至二零二四年十二月三十一日止年度，合約負債人民幣424,492,000元將確認為收入。

合約負債包括已收同系附屬公司款項人民幣38,552,000元(二零二二年：人民幣37,717,000元(經重列))、已收最終控股公司款項人民幣225,000元(二零二二年：人民幣6,000元)、已收控股公司之聯營公司款項零(二零二二年：人民幣2,199,000元)及已收聯營公司款項零(二零二二年：人民幣1,878,000元)。

33. BORROWINGS

33. 借款

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Bank borrowings at variable-rate (Note a)	按浮動利率計息的銀行借款 (附註a)	2,217,721	2,566,523
Bank borrowings at fixed-rate (Note b)	按固定利率計息的銀行借款 (附註b)	828,923	797,497
		3,046,644	3,364,020
Secured (Note c)	有抵押 (附註c)	3,003,624	3,192,923
Unsecured	無抵押	43,020	171,097

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33. BORROWINGS (continued)

33. 借款 (續)

The borrowings are repayable as follows:

借款須於下列期間償還：

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Within one year	於一年內	2,546,750	960,808
More than one year but not exceeding two years	於一年以上但不超過兩年	499,894	1,904,318
More than two years but not exceeding five years	於兩年以上但不超過五年	-	498,894
		3,046,644	3,364,020
Less: Amount due within one year shown under current liabilities	減：列為流動負債而於一年以內到期的款項	(2,546,750)	(960,808)
Amount due after one year shown under non-current liabilities	列為非流動負債而於一年後到期的款項	499,894	2,403,212

Notes:

附註：

- (a) As at 31 December 2023, the variable-rate borrowings carried interest rates ranging from 3.20% to 7.81% per annum (2022: 0.50% to 7.03% per annum).
- (b) As at 31 December 2023, the fixed-rate borrowings carried interest rates ranging from 1.14% to 3.43% per annum (2022: 3.08% to 3.43% per annum).
- (c) On 31 March 2020, the Company entered into a loan agreement with International Finance Corporation, in the aggregate principal amount of RMB500,000,000, bearing fixed interest rate of 3.43% per annum. The loan is secured by equity interests of Jierui, Shandong Weigao Financial Leasing Co., Ltd, Shanghai Weigao Financing Lease Co., Ltd that owned by the Group. On 25 August 2022, the Company and International Finance Corporation agreed to replace the Weigao Purui equity interests with property, plant and equipment of the Company as collateral. As at 31 December 2023, the total carrying value of the pledged property, plant and equipment of the Company was RMB599,815,000 (2022: RMB627,948,000).

- (a) 於二零二三年十二月三十一日，浮動利率借款按介於每年3.20厘至7.81厘之間的利率（二零二二年：每年0.50厘至7.03厘）計息。
- (b) 於二零二三年十二月三十一日，固定利率借款按介乎每年1.14厘至3.43厘的利率（二零二二年：每年3.08厘至3.43厘）計息。
- (c) 於二零二零年三月三十一日，本公司與國際金融公司訂立本金總額為人民幣500,000,000元的貸款協議，固定年利率為3.43厘。該貸款以本集團擁有的潔瑞、山東威高融資租賃有限公司及上海威高融資租賃有限公司的股權提供擔保。於二零二二年八月二十五日，本公司與國際金融公司同意以本公司的物業、廠房及設備取代威高普瑞股權作為抵押品。於二零二三年十二月三十一日，本公司已質押物業、廠房及設備的賬面總值為人民幣599,815,000元（二零二二年：人民幣627,948,000元）。

As at 31 December 2023, the balance included loans of RMB8,913,000 (2022: RMB17,100,000) secured by pledge of certain of the Group's finance lease receivables of RMB8,913,000 (2022: RMB17,100,000).

於二零二三年十二月三十一日，結餘包括貸款人民幣8,913,000元（二零二二年：人民幣17,100,000元），通過抵押本集團人民幣8,913,000元（二零二二年：人民幣17,100,000元）之若干應收融資租賃款項提供擔保。

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33. BORROWINGS (continued)

Notes: (continued)

(c) (continued)

As at 31 December 2023, the balance included short-term borrowing of RMB300,000,000 (2022: RMB300,000,000) secured by certain of the Group's restricted bank balances of RMB368,300,000 (2022: RMB362,159,000).

On 12 September 2019, Argon entered into Tranche A Credit Agreement ("Tranche A"), with principal amount of USD325,000,000 (equivalent to RMB2,267,265,000), bearing variable interest at Secured Overnight Financing Rate ("SOFR") plus 2.125% per annum (2022: GBP London Interbank Offered Rate ("LIBOR") plus 2.625% per annum), and includes a revolving credit facility bearing interest at the same rate. As of 31 December 2023, the amount utilised under the revolving credit facility was USD33,000,000 (equivalent to RMB233,729,000) (2022: USD33,000,000 (equivalent to RMB229,832,000)). WW Medical and Healthcare Holdings Corporation ("WW Holding") entered into Tranche B Facility Agreement ("Tranche B") with principal amount of USD75,000,000 (equivalent to RMB523,215,000), bearing variable interest at SOFR plus 2.4% per annum (2022: LIBOR plus 2.4% per annum). As at 31 December 2023, the outstanding principal for Tranche A and Tranche B amounted to USD311,067,000 (equivalent to RMB2,203,194,000), with maturing within one year.

Subsequent to 31 December 2023, both Tranche A and Tranche B had been refinanced in February 2024, Tranche A will have an aggregated principal amount of USD140,000,000, and the revolving loans will have an aggregate principal amount of USD50,000,000. The refinance of Tranche A has been funded USD175,000,000 with four years term. The refinance of Tranche B will have an aggregate principal amount of RMB1,000,000,000, and had been held by WW Cayman which has a maturity of three years.

33. 借款 (續)

附註：(續)

(c) (續)

於二零二三年十二月三十一日，結餘包括短期借款人民幣300,000,000元（二零二二年：人民幣300,000,000元），通過抵押本集團人民幣368,300,000元（二零二二年：人民幣362,159,000元）之受限制銀行結餘提供擔保。

於二零一九年九月十二日，愛琅訂立本金額為325,000,000美元（相等於人民幣2,267,265,000元）的Tranche A信貸協議（「Tranche A」），浮動利率為擔保隔夜融資利率（「SOFR」）加年利率2.125厘（二零二二年：英鎊倫敦銀行同業拆放利率（「LIBOR」）加年利率2.625厘），及包括以相同利率計息的循環信貸融資。截至二零二三年十二月三十一日，循環信貸融資項下已動用金額為33,000,000美元（相等於人民幣233,729,000元）（二零二二年：33,000,000美元（相等於人民幣229,832,000元））。WW Medical and Healthcare Holdings Corporation（「WW Holding」）訂立本金額為75,000,000美元（相等於人民幣523,215,000元）的Tranche B融資協議（「Tranche B」），浮動利率為SOFR加年利率2.4厘（二零二二年：LIBOR加年利率2.4厘）。於二零二三年十二月三十一日，Tranche A及Tranche B的未償還本金311,067,000美元（相等於人民幣2,203,194,000元）於一年內到期。

於二零二三年十二月三十一日後，Tranche A及Tranche B批均已於二零二四年二月進行再融資，Tranche A的本金總額將為140,000,000美元，而循環貸款的本金總額將相等於50,000,000美元。Tranche A的再融資已融資175,000,000美元，期限為四年。Tranche B再融資本金總額為人民幣1,000,000,000元，由WW Cayman持有，期限為三年。

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33. BORROWINGS (continued)

The Company guaranteed the borrowings under Tranche A and Tranche B. Certain of Argon's assets serve as collateral for borrowings under Tranche A and Tranche B.

On 31 December 2023, the details of Argon's assets pledged are as follow:

33. 借款 (續)

本公司為Tranche A及Tranche B的借款提供擔保。愛琅若干資產作為Tranche A及Tranche B項下借款的抵押品。

於二零二三年十二月三十一日，已抵押愛琅資產的詳情如下：

		31/12/2023
		RMB'000
		二零二三年
		十二月
		三十一日
		人民幣千元
Property, plant and equipment	物業、廠房及設備	246,561
Other intangible assets	其他無形資產	1,243,622
Inventories	存貨	351,879
Trade receivables	應收貿易賬款	227,834
Cash and bank balances	現金及銀行結餘	101,094

34. BONDS PAYABLE

34. 應付債券

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Green Bonds	綠色債券	995,405	993,977

The bonds are repayable as follows:

債券須於下列期間償還：

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
More than two years but not exceeding five years	超過兩年但不超過五年	995,405	993,977

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34. BONDS PAYABLE (continued)

On 31 March 2020, International Finance Corporation agreed to subscribe the senior secured green bonds (the "Green Bonds") issued by the Company in the aggregate principal amount of RMB1,000,000,000 with maturity in seven years. The Green Bonds bear fixed interest rate of 3.59% per annum, payable semi-annually. The effective interest rate of the Green Bonds is 3.75% per annum. The Green Bonds, are secured by equity interests of Jierui, Shandong Weigao Financial Leasing Co.,Ltd, Shanghai Weigao Financing Lease Co.,Ltd, being subsidiaries of the Group. On 25 August 2022, the Company and International Finance Corporation agreed to replace the Weigao Purui equity interests pledge with property, plant and equipment of the Company as collateral. As at 31 December 2023, certain property, plant and equipment of the Company with a total carrying value of RMB599,815,000 (2022: RMB627,948,000) were pledged.

34. 應付債券 (續)

於二零二零年三月三十一日，國際金融公司同意認購本公司發行的本金總額為人民幣1,000,000,000元的優先有擔保綠色債券（「綠色債券」），期限為7年。綠色債券的固定年利率為3.59%，每半年支付一次。綠色債券的實際年利率為3.75%。綠色債券以本集團附屬公司潔瑞、山東威高融資租賃有限公司及上海威高融資租賃有限公司的股權提供擔保。於二零二二年八月二十五日，本公司與國際金融公司同意以本公司的物業、廠房及設備取代威高普瑞股權作為抵押品。於二零二三年十二月三十一日，本公司賬面總值為人民幣599,815,000元（二零二二年：人民幣627,948,000元）的若干物業、廠房及設備已作質押。

35. DEFERRED INCOME

35. 遞延收入

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Arising from government grants	來自政府補助	67,346	82,204
Analysed for reporting purposes as:	就呈報目的分析為：		
Current liabilities	流動負債	7,369	13,110
Non-current liabilities	非流動負債	59,977	69,094
		67,346	82,204

During the year ended 31 December 2023, the Group received new government grants from the government authorities amounting to RMB14,883,000 (2022: RMB6,337,000) to subsidy the Group's certain capital expenditures. The Group has complied with the conditions attached to the grants as at 31 December 2023 and will transfer the grants to profit or loss over the useful lives of the related assets. During the year, the Group recognised these government grants to other income amounting to RMB29,741,000 (2022: RMB24,097,000).

截至二零二三年十二月三十一日止年度，本集團收到政府部門合共人民幣14,883,000元（二零二二年：人民幣6,337,000元）之新政府補助，以為本集團的若干資本開支提供補助。於二零二三年十二月三十一日，本集團已遵守補助的附帶條件，並按有關資產之可使用年期內轉撥該等補助至損益。年內，本集團確認該等政府補助至其他收入達人民幣29,741,000元（二零二二年：人民幣24,097,000元）。

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36. LEASE LIABILITIES

36. 租賃負債

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Lease liabilities payable:	應付租賃負債：		
Within one year	於一年內	26,587	29,323
Within a period of more than one year but not more than two years	於一年以上但不超過兩年期間內	23,673	23,976
Within a period of more than two years but not more than five years	於兩年以上但不超過五年期間內	40,004	38,687
Within a period of more than five years	超過五年期間內	37,004	41,414
		127,268	133,400
Less: Amount due for settlement within 12 months shown under current liabilities	減：列為流動負債而於12個月以內到期結算的款項	(26,587)	(29,323)
Amount due for settlement after 12 months shown under non-current liabilities	列為非流動負債而於12個月以後到期結算的款項	100,681	104,077

The weighted average incremental borrowing rates applied to lease liabilities range from 4.75% to 7.05% per annum (2022: from 4.75% to 7.05% per annum).

租賃負債應用的加權平均增量借款利率每年介乎4.75厘至7.05厘之間（二零二二年：每年介乎4.75厘至7.05厘）。

37. SHARE CAPITAL

37. 股本

		Nominal value of each share	Number of non-listed shares	Number of H shares	Total number of shares	Value
		RMB	非上市	H股數目	股份總數	RMB'000
		每股	股份數目			價值
		股份面值				人民幣千元
		人民幣元				
Registered, issued and fully paid:	註冊、已發行及繳足：					
At 31 December 2022	於二零二二年十二月三十一日	0.1	48,300,000	4,522,332,324	4,570,632,324	457,063
At 31 December 2023	於二零二三年十二月三十一日	0.1	48,300,000	4,522,332,324	4,570,632,324	457,063

38. SHARE-BASED PAYMENTS

38. 以股份為基礎付款

(a) Share Award Scheme of the Company

On 17 November 2014, the Company's share award scheme (the "Incentive Share Scheme") was adopted by the extraordinary general meeting. The maximum number of non-listed Shares which may be issued under the share award scheme would be 223,818,616, which represent approximately 4.76% of the issued share capital of the Company, as incentive shares to key personnel of the Group, and other persons as approved by the Remuneration Committee (the "Selected Employee"), in batches in subsequent years. The Incentive Share Scheme lasts for 10 years starting from 17 November 2014 which took grant date during this period in consideration. Details of the Incentive Share Scheme are set out in the Company's announcement dated 15 August 2014.

According to the Incentive Share Scheme, the incentive shares will be granted to the Selected Employee, subject to non-market performance vesting conditions.

According to the Incentive Share Scheme, for Selected Employee with a domestic identity, the trustee will administer the incentive shares, which may be organised in forms of companies owned by the employees, limited partnership, or qualified trust companies in the PRC, or for Selected Employee with a foreign identity, the trustee will hold the incentive shares outside the PRC.

(a) 本公司股份激勵計劃

於二零一四年十一月十七日，本公司通過股東特別大會採納股份激勵計劃（「激勵股份計劃」）。根據股份激勵計劃可發行非上市股份之最多數目將為223,818,616股，相當於本公司已發行股本約4.76%，於隨後年度向本集團主要人員及薪酬委員會批准的其他人（「受益人」）分批發行作為激勵股份。激勵股份計劃之年期為自二零一四年十一月十七日起計十年，其已考慮本期間授出日期。激勵股份計劃之詳情載於本公司日期為二零一四年八月十五日之公佈內。

根據激勵股份計劃，激勵股份將在非市場業績歸屬條件的規限下授予受益人。

根據激勵股份計劃，就持有境內身份的受益人而言，受託人將管理激勵股份，其可能以僱員擁有的公司、於中國的有限合夥公司或合資格信託公司的方式作出，或就持有境外身份的受益人而言，受託人將在中國境外持有激勵股份。

38. SHARE-BASED PAYMENTS (continued)**(a) Share Award Scheme of the Company**
(continued)***Incentive Share Scheme – Batch 1***

On 11 December 2015, the Company granted first 45,960,000 incentive shares to 111 Selected Employees, with the consideration of RMB101,112,000 at the issue price of RMB2.20 per share. The fair value of the incentive shares as at grant date amounted to RMB104,121,000. For grants of shares that are satisfying specified vesting conditions, the difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the relevant employees. The granted shares are vested in five tranches with the vesting date on 31 December of each year from 2015 to 2019, the vested shares are excisable after two years lock up period following vested.

Three partnerships were set up for the purpose of administering the Incentive Share Scheme and holding the shares, and hereby regarded as trustees of the Company and consolidated to the Group accordingly.

As of 31 December 2023, the outstanding incentive shares under the Incentive Share Scheme were 14,456,000 (2022: 14,456,000), included 1,110,000 exercisable shares (2022: 1,110,000).

During the year ended 31 December 2023, none of the shares were repurchased and sold by trustees.

During the year ended 31 December 2022, the trustees repurchased 8,812,000 shares, which would be taken up by the Selected Employees with the net consideration of RMB35,248,000 at the price of RMB6.20 per share, and 2,448,000 repurchased shares were sold for a total consideration of RMB26,783,000. The repurchased shares are held by the trustees for the benefit of the Share Award Scheme.

38. 以股份為基礎付款 (續)**(a) 本公司股份激勵計劃** (續)***激勵股份計劃 – 第1批***

於二零一五年十二月十一日，本公司以每股股份人民幣2.20元之發行價首次授出45,960,000股激勵股份予111名受益人，代價為人民幣101,112,000元。於授予日期之激勵股份之公平值人民幣104,121,000元。就授出須符合指定歸屬條件的股份而言，公平值與已歸屬股份發行價之間的差額於預期將由有關僱員提供服務的歸屬期內以直線法確認為開支。授出的股份將分5批予以歸屬，歸屬日期為二零一五年至二零一九年各年之十二月三十一日，已歸屬股份可於歸屬後兩年鎖定期屆滿後予以行使。

由於三間合夥公司乃為管理激勵股份計劃及持有股份而設立，據此被視為本公司之受託人及因此於本集團綜合入賬。

截至二零二三年十二月三十一日，激勵股份計劃項下之尚未行使激勵股份為14,456,000股（二零二二年：14,456,000股），包括1,110,000股可行使股份（二零二二年：1,110,000股）。

截至二零二三年十二月三十一日止年度，受託人概無購回及出售任何股份。

截至二零二二年十二月三十一日止年度，受託人以每股人民幣6.20元的價格回購擬由受益人所接納的8,812,000股股份，代價淨額為人民幣35,248,000元，及2,448,000股購回股份已出售，總代價為人民幣26,783,000元。回購股份由受託人為股份激勵計劃的利益持有。

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

38. SHARE-BASED PAYMENTS (continued)

38. 以股份為基礎付款 (續)

(a) Share Award Scheme of the Company (continued)

(a) 本公司股份激勵計劃 (續)

Incentive Share Scheme – Batch 2

激勵股份計劃 – 第二批

On 21 October 2021, the trustees subscribed the newly issued 48,300,000 non-listed shares with the total consideration of RMB172,914,000 at the issue price of RMB3.58 per share. On 24 December 2021, the Company granted 48,300,000 incentive shares to 83 Selected Employees.

於二零二一年十月二十一日，受託人以每股股份人民幣3.58元之發行價認購新發行的48,300,000股非上市股份，總代價為人民幣172,914,000元。於二零二一年十二月二十四日，本公司授出48,300,000股激勵股份予83名受益人。

Based on the Share Award Scheme of the Company, the Company will repurchase the shares granted to the Selected Employees when the Selected Employees are not satisfying specified vesting conditions. The total consideration paid by the Selected Employees are recognised as liabilities, and will only be reversed by portion to other reserve when the shares are vested each year. During the year ended 31 December 2023, RMB34,583,000 reversed from liabilities to other reserve (2022: RMB34,583,000).

根據本公司的股份激勵計劃，本公司會在受益人未達到指定歸屬條件時回購已授予受益人的股份。受益人所支付的總代價確認為負債，並僅將於每年股份歸屬時撥回部分至其他儲備。截止二零二三年十二月三十一日止年度，人民幣34,583,000元由負債轉撥至其他儲備(二零二二年：人民幣34,583,000元)。

The fair value of the incentive shares as at grant date amounted to RMB197,490,000 which determined by market price of listing shares of the Company.

於授予日期之激勵股份之公平值人民幣197,490,000元乃經參考本公司上市股份之市價而釐定。

For grants of shares that are satisfying specified vesting conditions, the difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the relevant employees. The Group recognised the incentive share expenses of approximately RMB42,426,000 (2022: RMB81,077,000) into the profit or loss during the current year.

就授出須符合指定歸屬條件的股份而言，公平值與已歸屬股份發行價之間的差額於預期將由有關僱員提供服務的歸屬期內以直線法確認為開支。於本年度，本集團於損益確認激勵股份開支約人民幣42,426,000元(二零二二年：人民幣81,077,000元)。

Nine limited partnerships were set up for the purpose of administering the Incentive Share Scheme and holding the shares, and hereby regarded as trustees of the Company and consolidated to the Group accordingly.

就管理激勵股份計劃及持有股份設立之九間有限合夥公司，據此被視為本公司之受託人及因此於本集團綜合入賬。

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38. SHARE-BASED PAYMENTS (continued)

(a) Share Award Scheme of the Company (continued)

Incentive Share Scheme – Batch 2

(continued)

Details of specific categories of share award are as follows:

Batch 2
第2批

As of 31 December 2023, the outstanding incentive shares under the Incentive Share Scheme – Batch 2 were 48,300,000 (2022: 48,300,000) of which 28,980,000 is exercisable (2022: 19,320,000).

(b) Share Option Scheme by WW Cayman

On July 26 2018, WW Medical and Healthcare Company Limited (“WW Cayman”), a subsidiary of the Company, adopted a non-qualified share option plan (the “Share Option Scheme”) for the primary purpose of providing incentives to directors and eligible employees of WW Cayman and its subsidiaries, which shall be valid and effective for a period of 10 years commencing from the adoption date. Under the Share Option Scheme, a committee designated by the board of directors of the WW Cayman may from time to time in its sole discretion grant options to the eligible employees.

38. 以股份為基礎付款 (續)

(a) 本公司股份激勵計劃 (續)

激勵股份計劃—第二批 (續)

具體股份激勵類別的詳情如下：

Date of grant 授出日期	Vesting period 歸屬期	Issue Price 發行價
24/12/2021	5 years 5年	RMB3.58 人民幣3.58元

截至二零二三年十二月三十一日，獎勵股份計劃—第2批項下尚未行使的獎勵股份為48,300,000股（2022年：48,300,000股），其中28,980,000股（2022年：19,320,000股）可予以行使。

(b) WW Cayman 的購股權計劃

於二零一八年七月二十六日，本公司附屬公司WW Medical and Healthcare Company Limited (「WW Cayman」) 採納非限定購股權計劃 (「購股權計劃」)，其主要目的是為WW Cayman及其附屬公司的董事及合資格僱員提供激勵，自採用日期起10年內有效。根據購股權計劃，WW Cayman董事會指定的委員會可不時全權酌情向合資格僱員授出購股權。

38. SHARE-BASED PAYMENTS (continued)**38. 以股份為基礎付款** (續)**(b) Share Option Scheme by WW Cayman**
(continued)

The total number of shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 8% of the shares of WW Cayman in issue at closing date. Unless approved by the shareholders of the Company, the total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of WW Cayman's shares in issue.

As at 31 December 2023, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 3,359,014, representing 7% (2022: 3,181,903, representing 7%) of the shares at that date.

No consideration is payable on the grant of an option. Options may be exercised at any time after vesting and will be cancelled if not exercised before the 10th anniversary of the date of grant.

The exercise price of each batch of option is determined with reference to the total cash consideration paid by the Company in the formation of WW Cayman for the acquisition of Argon, taking into account the relevant costs and expenses involved, but in no event shall be less than the fair market value of a share of stock in WW Cayman on the date of grant.

(b) WW Cayman 的購股權計劃
(續)

根據購股權計劃可授出購股權的相關股份總數不得超過交割日期已發行的WW Cayman股份的8%。除非獲本公司股東批准，授予各參與者的購股權（包括已行使和未行使的購股權）獲行使而於任何12個月期間內已發行及將予發行的股份總數不得超過WW Cayman已發行股份的1%。

於二零二三年十二月三十一日，計劃項下已授出及仍發行在外購股權的相關股份數目為3,359,014股，佔於該日期股份總數的7%（二零二二年：3,181,903股，佔7%）。

授出購股權無需支付代價。購股權可於歸屬後的任何時間行使，且倘未於授出日期起滿10年之前獲行使，則將被註銷。

每批購股權的行使價乃經參考本公司成立WW Cayman以收購愛琅所支付的現金代價總額，計及涉及的相關成本及開支釐定，惟無論如何不得低於授出日期WW Cayman股票的公平市場價值。

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38. SHARE-BASED PAYMENTS (continued)

(b) Share Option Scheme by WW Cayman (continued)

Details of specific categories of options are as follows:

38. 以股份為基礎付款 (續)

(b) WW Cayman 的購股權計劃 (續)

具體購股權類別詳情如下：

	Date of grant 授出日期	Vesting period 歸屬期	Exercise Price 行使價
Time-based options 時間基準購股權	26/07/2018	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	30/10/2019	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	13/03/2020	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	30/07/2021	4 years 4年	USD10.00 10.00美元
Time-based options 時間基準購股權	08/08/2022	4 years 4年	USD11.30 11.30美元
Time-based options 時間基準購股權	12/12/2022	4 years 4年	USD11.30 11.30美元
Time-based options 時間基準購股權	01/01/2023	4 years 4年	USD11.30 11.30美元
Time-based options 時間基準購股權	10/03/2023	4 years 4年	USD11.30 11.30美元
Time-based options 時間基準購股權	31/03/2023	4 years 4年	USD11.30 11.30美元
Time-based options 時間基準購股權	19/07/2023	4 years 4年	USD11.30 11.30美元

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38. SHARE-BASED PAYMENTS (continued)

38. 以股份為基礎付款 (續)

(b) Share Option Scheme by WW Cayman (continued)

(b) WW Cayman 的購股權計劃 (續)

Details of specific categories of options are as follows: (continued)

具體購股權類別詳情如下：
(續)

	Date of grant 授出日期	Vesting period 歸屬期	Exercise Price 行使價
Performance-based options 表現基準購股權	26/07/2018	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	30/10/2019	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	13/03/2020	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	30/07/2021	4 years 4年	USD10.00 10.00美元
Performance-based options 表現基準購股權	08/08/2022	4 years 4年	USD11.30 11.30美元
Performance-based options 表現基準購股權	12/12/2022	4 years 4年	USD11.30 11.30美元
Performance-based options 表現基準購股權	01/01/2023	4 years 4年	USD11.30 11.30美元
Performance-based options 表現基準購股權	10/03/2023	4 years 4年	USD11.30 11.30美元
Performance-based options 表現基準購股權	31/03/2023	4 years 4年	USD11.30 11.30美元
Performance-based options 表現基準購股權	19/07/2023	4 years 4年	USD11.30 11.30美元

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38. SHARE-BASED PAYMENTS (continued)

(b) Share Option Scheme by WW Cayman (continued)

The following table discloses movements of the share options held by employees during the year:

Option type	Outstanding at 1/1/2023 於二零二三年一月一日 尚未行使	Granted during year 年內授出	Exercised during year 年內行使	Forfeited during year 年內沒收	Expired during year 年內到期	Outstanding at 31/12/2023 於二零二三年十二月三十一日 尚未行使
Time-based options 時間基準購股權	1,892,800	187,603	(105,750)	(7,144)	(1,500)	1,966,009
Performance-based options 表現基準購股權	1,289,103	211,027	(105,750)	-	(1,375)	1,393,005
	3,181,903	398,630	(211,500)	(7,144)	(2,875)	3,359,014

During the year ended 31 December 2023, options were granted on 1 January 2023, 10 March 2023, 31 March 2023 and 19 July 2023, respectively. The estimated fair value of the time-based options granted on those dates is USD2.40. The estimated fair value of the performance-based options on those dates is USD2.40.

The fair value of the options was calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

	2023 二零二三年	2022 二零二二年
Weighted average share price (USD) 加權平均股價 (美元)	11.30	11.30
Exercise price (USD) 行使價 (美元)	11.30	11.30
Expected volatility 預期波動率	40%	40%
Expected life 預期年期	1.5 years年	1.5 years年
Risk-free rate 無風險利率	3.00%	3.00%

38. 以股份為基礎付款 (續)

(b) WW Cayman 的購股權計劃 (續)

下表披露年內僱員所持購股權的變動情況：

於截至二零二三年十二月三十一日止年度，購股權分別於二零二三年一月一日、二零二三年三月十日、二零二三年三月三十一日及二零二三年七月十九日獲授出。於該等日期授出的時間基準購股權的估計公平值為2.40美元。於該等日期的表現基準購股權的估計公平值為2.40美元。

購股權之公平值採用布萊克-斯克爾斯定價模型計算。模型的輸入數據如下：

38. SHARE-BASED PAYMENTS (continued)**38. 以股份為基礎付款** (續)**(b) Share Option Scheme by WW Cayman**
(continued)

Expected volatility was determined by using the historical volatility of the comparable companies over the previous 1.5 years (2022: 1.5 years). The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of USD1,684,000 (equivalent to RMB11,928,000) for the year ended 31 December 2023 (2022: USD1,197,000, equivalent to RMB8,052,000) in relation to share options granted under the Share Option Scheme by WW Cayman.

(c) Share Award Scheme by Weigao Orthopaedic

On 9 May 2020, a share award scheme was adopted by the extraordinary general meeting of Weigao Orthopaedic (the "Weigao Orthopaedic Share Award Scheme"). A total number of 3,300,000 shares of Weigao Orthopaedic were awarded to the eligible senior management and employees (the "Eligible Employees"), which representing 0.92% shareholding of Weigao Orthopaedic.

The issue price of Weigao Orthopaedic Share Award Scheme is RMB15 per share, the total consideration amounted to RMB49,500,000. 60% of consideration was covered by the loan provided by Weihai Hongyangrui to the Eligible Employees, and the remaining 40% was funded by themselves.

(b) WW Cayman 的購股權計劃
(續)

預期波動率乃通過使用過去1.5年(二零二二年: 1.5年)可資比較公司的歷史波動率確定。基於管理層的最佳估計, 模型中使用的預期年期已根據不可轉移性、行使限制及行為考慮因素的影響作出調整。

本集團就根據WW Cayman的購股權計劃授出的購股權確認截至二零二三年十二月三十一日止年度總開支1,684,000美元(相等於人民幣11,928,000元)(二零二二年: 1,197,000美元, 相等於人民幣8,052,000元)。

(c) 威高骨科的股份激勵計劃

於二零二零年五月九日, 威高骨科股東特別大會採納股份激勵計劃(「威高骨科股份激勵計劃」)。合共3,300,000股威高骨科股份授予合資格高級管理層及僱員(「合資格僱員」), 佔威高骨科股權的0.92%。

威高骨科股份激勵計劃的發行價為每股人民幣15元, 總代價為人民幣49,500,000元, 其中60%的代價由威海弘陽瑞向合資格僱員提供的貸款支付, 其餘40%由其自身出資。

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38. SHARE-BASED PAYMENTS (continued)

(c) Share Award Scheme by Weigao Orthopaedic (continued)

Details of the shares awarded are as follows:

Performance-based awards
表現基準獎勵

Based on the Weigao Orthopaedic Share Award Scheme, as the subsidiary of the Company will repurchase the shares granted to the Eligible Employees when the Eligible Employees are not satisfying specified vesting conditions, the total consideration paid by the Eligible Employees are recognised as liabilities, and will only be reversed by portion to other reserve when the shares are vested each year. During the year ended 31 December 2023, RMB12,375,000 reversed from liabilities to other reserve (2022: RMB12,375,000).

The estimated fair value of the performance-based awards on the grant date is RMB19.8 per share. The difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the Eligible Employees. During the year ended 31 December 2023, Weigao Orthopaedic recognised a share awards expense of approximately RMB1,105,000 into the profit or loss (2022: RMB2,638,000).

(d) Repurchase of shares of Weigao Orthopaedic

On 28 August 2023, the board of directors of Weigao Orthopaedic approved Weigao Orthopaedic to repurchase certain of its public issued shares by using its own funds for a future share award scheme plan. During the year ended 31 December 2023, Weigao Orthopaedic has repurchased 917,266 shares, accounted for 0.229% of its total issued shares, with a total amount of RMB36,530,000.

38. 以股份為基礎付款 (續)

(c) 威高骨科的股份激勵計劃 (續)

獲獎勵股份詳情如下：

Date of grant 授出日期	Vesting period 歸屬期
09/05/2020 二零二零年 五月九日	4 years 4年

根據威高骨科股份激勵計劃，由於本公司附屬公司會在合資格僱員未達到指定歸屬條件時回購已授予合資格僱員的股份，故合資格僱員所支付的總代價確認為負債，並僅將於每年股份歸屬時撥回部分至其他儲備。截止二零二三年十二月三十一日止年度，人民幣12,375,000元由負債轉撥至其他儲備（二零二二年：人民幣12,375,000元）。

表現基準獎勵於授出日期的估計公平值為每股人民幣19.8元。已歸屬股份的公平值與發行價之間的差額於合資格僱員預計提供服務的期間內按直線法支銷。於截至二零二三年十二月三十一日止年度，威高骨科將股份獎勵費用約人民幣1,105,000元（二零二二年：人民幣2,638,000元）計入損益。

(d) 回購威高骨科股份

於二零二三年八月二十八日，威高骨科董事會批准威高骨科使用其自有資金回購其若干公開發行股份，用於未來股份激勵計劃。截至二零二三年十二月三十一日止年度，威高骨科已回購917,266股股份，佔其股份總數的0.229%，總金額為人民幣36,530,000元。

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39. ACQUISITION OF A SUBSIDIARY

On 25 May 2023, Weigao Orthopaedic acquired 62.1429% equity interests in Zhejiang Quantum Medical Devices Co., Ltd. ("Zhejiang Quantum") for a cash consideration of RMB43,500,000. Zhejiang Quantum is established in the PRC and principally engaged in the research and development, production and sale of minimally invasive medical devices. The acquisition has been accounted for as acquisition of business using the acquisition method.

Assets acquired and liabilities recognised at the date of acquisition

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	15,109
Other intangible assets	其他無形資產	12,853
Inventories	存貨	1,729
Other receivables	其他應收款項	536
Cash and bank balances	現金及銀行結餘	283
Trade and other payables	應付貿易賬款及其他應付款項	(10,425)
Contract liabilities	合約負債	(1,722)
Deferred tax liability	遞延稅項負債	(2,783)
		<u>15,580</u>

Goodwill arising on acquisition:

		RMB'000 人民幣千元
Consideration paid	已付代價	43,500
Plus: non-controlling interest	加：非控股權益	6,952
Less: net assets acquired	減：所收購淨資產	<u>(15,580)</u>
Goodwill arising on acquisition	收購所產生的商譽	<u>34,872</u>

The non-controlling interest (37.8571%) in Zhejiang Quantum recognised at the acquisition date was measured by reference to the proportionate share of the net assets of Zhejiang Quantum.

None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

39. 收購附屬公司

於二零二三年五月二十五日，威高骨科以現金代價人民幣43,500,000元收購浙江量子醫療器械有限公司（「浙江量子」）62.1429%股權。浙江量子於中國成立，主要從事微創醫療器械的研發、生產及銷售。該收購事項已採用收購法入賬列作業務收購。

於收購日期已收購的資產及已確認的負債

收購所產生的商譽：

於收購日期確認之浙江量子非控股權益（37.8571%）乃參考應佔浙江量子資產淨值之比例計量。

預期就稅項而言，收購產生的商譽不可扣減。

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39. ACQUISITION OF A SUBSIDIARY

(continued)

39. 收購附屬公司 (續)

Net cash outflow on the acquisition

收購所產生的現金流出淨額

		RMB'000 人民幣千元
Consideration paid	已付代價	43,500
Less: Cash and cash equivalents of the subsidiary acquired	減：所收購附屬公司的現金及現金等價物	(283)
Net outflow of cash and cash equivalents upon acquisition of a subsidiary	於收購附屬公司時的現金及現金等價物淨流出	<u>43,217</u>

Impact of acquisition on the results of the Group

收購對本集團業績的影響

Included in the profit for the year is RMB1,090,000 attributable to the additional business generated by Zhejiang Quantum. Revenue for the year includes RMB12,887,000 generated from Zhejiang Quantum.

本年度溢利包括浙江量子產生的額外業務應佔人民幣1,090,000元。本年度收入包括浙江量子產生的人民幣12,887,000元。

Had the acquisition been completed on 1 January 2023, the Group's revenue for the year ended 31 December 2023 would have been RMB13,238,109,000, and profit for the year ended 31 December 2023 would have been RMB2,061,250,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2023, nor is it intended to be a projection of future results.

倘收購事項已於二零二三年一月一日完成，本集團截至二零二三年十二月三十一日止年度之收入將為人民幣13,238,109,000元，截至二零二三年十二月三十一日止年度之本年度溢利將為人民幣2,061,250,000元。備考資料僅供說明，未必代表於二零二三年一月一日完成收購後本集團實際應獲得之收入及經營業績的指標，亦不擬作未來業績之預測。

In determining the 'pro-forma' revenue and profit of the Group had Zhejiang Quantum been acquired at the beginning of the current year, the Directors calculated depreciation of property, plant and equipment based on the recognised amounts of property, plant and equipment at the date of the acquisition.

倘本集團已於本年度初收購浙江量子，於釐定本集團的「備考」收入及溢利時，董事根據於收購日期的已確認物業、廠房及設備金額計算物業、廠房及設備的折舊。

39. ACQUISITION OF A SUBSIDIARY

(continued)

Impact of acquisition on the results of the Group (continued)

According to the agreement reached by Weigao Orthopaedic and the former shareholders of Zhejiang Quantum, under the condition that the net profit of Zhejiang Quantum reaches a certain amount in 2025, Weigao Orthopaedic is obliged to purchase all except for 5% of the equity interest of Zhejiang Quantum held by a former shareholder at that time, at a consideration calculated according to the established method. At the acquisition date, Weigao Orthopaedic recognised the equity acquisition obligation as a financial liability measured at present value of the amount payable to the former shareholders with the amount of RMB19,571,000.

40. CAPITAL COMMITMENTS

As at 31 December 2023, the Group had commitments which were contracted for but not provided in the consolidated financial statements:

39. 收購附屬公司 (續)**收購對本集團業績的影響 (續)**

根據威高骨科與浙江量子前任股東達成的協議，倘浙江量子於二零二五年的純利達致一定金額，威高骨科有義務購買前任股東當時持有的浙江量子5%以外的全部股權，代價按既定方法予以計算。於收購日期，威高骨科將股權收購責任確認為按應付前任股東款項人民幣19,571,000元的現值計量的金融負債。

40. 資本承擔

於二零二三年十二月三十一日，本集團於綜合財務報表中擁有已訂約但未撥備的承擔：

		31/12/2023
		RMB'000
		二零二三年
		十二月
		三十一日
		人民幣千元
Commitments to Joint Ventures (Note 21)	對合營企業的承擔 (附註21)	491,686
Acquisition of property, plant and equipment	收購物業、廠房及設備	510,300
Incorporation of a joint venture	註冊成立一間合營企業	150,000

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41. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt (which includes borrowings net of cash and bank balances) and equity attributable to owners of the Company (comprising issued share capital, share premium, reserves and retained profits).

The Directors review the capital structure on a semi-annual basis. As part of this review, the Directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, issue of new shares as well as the issue of new debt or the repayment of existing debt.

41. 資本風險管理

本集團其管理資本乃為確保本集團內各實體將可以持續方式經營，同時透過適當優化債務與權益結餘為股東帶來最大回報。本集團的整體策略與以往年度保持不變。

本集團的資本結構包括債務淨額（包括扣除現金及銀行結餘後之借款）以及本公司擁有人應佔權益（包括已發行股本、股份溢價、儲備及保留溢利）。

董事按半年基準對資本結構進行檢討。作為是次檢討的一環，董事會考慮資本成本及與各類資本有關的風險。根據董事建議，本集團將透過派付股息、發行新股份及發行新債務或償還現有債務平衡其整體資本結構。

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42. FINANCIAL INSTRUMENTS

42. 金融工具

Categories of financial instruments

金融工具類別

		31/12/2023	31/12/2022
		RMB'000	RMB'000
			(restated)
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
			(經重列)
Financial assets	金融資產		
Financial assets at FVTPL	按公平值計入損益計量之 金融資產	87,281	120,301
Amortised cost	攤銷成本	15,220,581	14,904,731
Debt instruments at FVTOCI	按公平值計入其他全面收入 計量之債務工具	344,211	521,651
Financial liabilities	金融負債		
Amortised cost	攤銷成本	8,048,211	8,161,301
Financial liabilities at FVTPL	按公平值計入損益計量之 金融負債	7,653	-

Financial risk management objectives and policies

財務風險管理目標及政策

The Group's major financial instruments include receivables from factoring business, loan receivables, financial assets at FVTPL, debt instruments at FVTOCI, trade and other receivables, pledged/restricted bank deposits, cash and bank balances, financial liabilities at FVTPL trade and other payables, borrowings and bonds payable. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

本集團的主要金融工具包括來自保理業務之應收款項、應收貸款、按公平值計入損益計量之金融資產、按公平值計入其他全面收入計量之債務工具、應收貿易賬款及其他應收款項、已抵押／受限制銀行存款、現金及銀行結餘、按公平值計入損益計量之金融負債、應付貿易賬款及其他應付款項、借款及應付債券。該等金融工具詳情於各附註披露。與該等金融工具有關的風險包括市場風險（貨幣風險及利率風險）、信貸風險及流動資金風險。下文載列如何降低該等風險的政策。管理層管理及監控該等風險，以確保及時有效地採取適當的措施。

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42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk

Currency risk

Some subsidiaries of the Group undertakes transactions in foreign currencies other than functional currencies, which expose the Group to foreign currency risk. During the year ended 31 December 2023, as disclosed in Note 22, the Group hold foreign exchange swap which is to fix exchange rate of USD against RMB.

The Group did not applied hedge accounting in the measurement of foreign exchange swap. The management manages its currency risk by closely monitoring the movement of the foreign currency rates and considering hedging significant foreign currency exposure should such need arise.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險

貨幣風險

本集團若干附屬公司以功能貨幣以外的其他外幣進行交易，令本集團面臨外匯風險。截至二零二三年十二月三十一日止年度，誠如附註22所披露者，本集團持有外匯置換，以將美元兌人民幣的匯率固定。

本集團於計量外匯置換時並無採用對沖會計處理。管理層通過密切監控外幣匯率變動來管理其貨幣風險，並考慮在有需要時對沖重大外幣風險。

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Market risk (continued)

市場風險 (續)

Currency risk (continued)

貨幣風險 (續)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

於報告期末，本集團以外幣列值之貨幣資產及貨幣負債之賬面值如下。

		Liabilities		Assets	
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
		RMB'000	RMB'000	RMB'000	RMB'000
		負債		資產	
		二零二三年 十二月 三十一日 人民幣千元	二零二二年 十二月 三十一日 人民幣千元	二零二三年 十二月 三十一日 人民幣千元	二零二二年 十二月 三十一日 人民幣千元
Group entities in PRC	本集團於中國的實體				
Currency of SGD	新加坡元	-	-	11,130	7,139
Currency of EUR	歐元	-	1,790	3,005	19,622
Currency of HKD	港元	-	-	97	1,561
Currency of USD	美元	9,025	76,968	1,064,019	728,690
Currency of JPY	日圓	-	-	4,453	298
Currency of KRW	韓元	4,420	-	2,791	241
Group entities in U.S.	本集團於美國的實體				
Currency of EUR	歐元	-	2,080	4,917	6,736
Currency of SGD	新加坡元	262	671	554	1,251
Currency of NOK	挪威克朗	65	3	5,259	5,300
Currency of CHF	瑞士法郎	230	1,132	794	690
Currency of DKK	丹麥克朗	35	48	3,574	1,612
Currency of SEK	瑞典克朗	23	31	3,691	4,361
Currency of GBP	英鎊	1,332	1,253	13,673	10,813
Currency of CLP	智利披索	3,346	2,457	19,771	13,854
Currency of COP	哥倫比亞披索	580	1,640	26,021	15,113

The Group's foreign currency risk is concentrated on the fluctuation of RMB and USD against foreign currency.

本集團的外匯風險主要集中在人民幣及美元兌外幣的波動。

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42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

The following table details the Group's sensitivity to a 5% (2022:5%) increase and decrease in the RMB and USD against the relevant foreign currencies. 5% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in post-tax profit for the year where RMB and USD weakens 5% against the relevant currency. For a 5% strengthening of RMB and USD against the relevant currency, there would be an opposite impact on the post-tax profit for the year.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

貨幣風險 (續)

下表詳列本集團對人民幣及美元兌相關外幣之匯率上升及下跌5% (二零二二年:5%) 之敏感度。5%為管理層對外匯匯率合理可能變動之評估。敏感度分析僅包括未結付之以外幣列值之貨幣項目，並於期末按5%之外匯匯率變動調整彼等之換算。以下正數表示當人民幣及美元兌相關外幣貶值5%時之本年度稅後溢利之升幅。倘人民幣及美元兌相關外幣升值5%，則會對本年度稅後溢利有相反影響。

		2023 RMB'000 二零二三年 人民幣千元	2022 RMB'000 二零二二年 人民幣千元
Profit for the year	本年度溢利		
– Group entities in PRC	– 本集團於中國的實體	45,562	28,849
– Group entities in U.S.	– 本集團於美國的實體	2,859	1,991

42. FINANCIAL INSTRUMENTS (continued)**42. 金融工具** (續)**Financial risk management objectives and policies** (continued)**財務風險管理目標及政策** (續)**Market risk** (continued)**市場風險** (續)*Interest rate risk**利率風險*

The Group is exposed to fair value interest rate risk in relation to finance lease receivables, loan receivables, pledged/restricted bank deposits, borrowings, bonds payable and lease liabilities with fixed interest rate (Notes 24, 25, 29, 33, 34 and 36). The Group is also exposed to cash flow interest rate risk in relation to loan receivables, cash and bank balances and borrowings with variable interest rate (Notes 25, 30 and 33).

本集團面臨有關應收融資租賃款項、應收貸款、已抵押／受限制銀行存款、借款、應付債券及定息租賃負債的公平值利率風險(附註24、25、29、33、34及36)。本集團亦面臨有關應收貸款、現金及銀行結餘及浮息借款的現金流量利率風險(附註25、30及33)。

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of saving/lending rate promulgated by the People's Bank of China and SOFR arising from the Group's USD dollar denominated borrowings. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management will review the proportion of borrowings in fixed and floating rates and ensure they are within reasonable range. During the year ended 31 December 2023, as disclosed in Note 22, the Group hold interest rate swap which is to exchange floating interest rate with fixed interest rate.

本集團的現金流量利率風險主要集中於中國人民銀行頒佈的存款／貸款利率及SOFR因本集團以美元計值的借款而產生的波動。本集團通過評估以利率水平及前景為基礎之任何利率變動所產生之潛在影響，以管理其利率風險。管理層將審閱固定及浮動利率借款之比例，並確保該等借款處於合理範圍內。截至二零二三年十二月三十一日止年度，誠如附註22所披露者，本集團持有利率互換，以固定利率交換浮動利率。

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42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk (continued)

Total interest income from financial assets that are measured at amortised cost are as follows:

Interest income
Financial assets at amortised cost

利息收入
按攤銷成本計量之金融資產

Interest expense on financial liabilities not measured at FVTPL:

Financial liabilities at amortised cost

按攤銷成本計量之金融負債

42. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

利率風險 (續)

以攤銷成本計量的金融資產的利息收入總額如下：

未按公平值計入損益計量之金融負債的利息開支：

Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000 (restated)
截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元 (經重列)

235,678

181,410

Year ended 31/12/2023 RMB'000	Year ended 31/12/2022 RMB'000
截至 二零二三年 十二月 三十一日 止年度 人民幣千元	截至 二零二二年 十二月 三十一日 止年度 人民幣千元

268,157

186,048

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42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for loan receivables, cash and bank balances and borrowings with variable interest rate at the end of the reporting period. The analysis is prepared assuming the variable-rate loan receivables, cash and bank balances and variable-rate borrowings at the end of the reporting period were outstanding for the whole year. A 25 basis points (2022: 25 basis points) increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates on variable-rate loan receivables, cash and bank balances and variable-rate borrowings had been 25 basis points (2022: 25 basis points) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2023 would have decreased/increased by RMB8,785,000 (2022: decreased/increased by RMB8,043,000 (restated)).

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade receivables, receivables from factoring business, other receivables, pledged/restricted bank deposits, cash and bank balances, loan receivables, debt instruments at FVTOCI, finance lease receivables. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risks associated with loan receivables and finance lease receivables are mitigated because they are secured over various equipment and machineries.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

敏感度分析

下文的敏感度分析已按於報告期末應收貸款、現金及銀行結餘及浮息借款承受的利率風險釐定。分析經假設於報告期末的浮息應收貸款、現金及銀行結餘及浮息借款於全年均屬未償還而編製。25個基本點子(二零二二年：25個基本點子)增加或減少代表管理層對利率的合理可能變動作出的評估。

倘浮息應收貸款、現金及銀行結餘及浮息借款利率升高/降低25個基本點子(二零二二年：25個基本點子)，所有其他變動維持不變，則本集團於截至二零二三年十二月三十一日止年度的稅後溢利將減少/增加人民幣8,785,000元(二零二二年：減少/增加人民幣8,043,000元)(經重列)。

信貸風險及減值評估

信貸風險指本集團對手違約其合同義務而給本集團造成財務虧損的風險。本集團信貸風險主要來自應收貿易賬款、來自保理業務之應收款項、其他應收款項、已抵押/受限銀行存款、現金及銀行結餘、應收貸款、按公平值計入其他全面收入計量的債務工具及應收融資租賃款項。本集團並無持有任何抵押品或其他信用增級以抵銷與其金融資產相關的信貸風險，惟與應收貸款及應收融資租賃款項相關的信貸風險得以緩解，因其為通過各種設備及機器做擔保。

42. FINANCIAL INSTRUMENTS (continued)**Financial risk management objectives and policies** (continued)**Credit risk and impairment assessment**
(continued)

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debtors. For finance lease business and factoring business, the Group also has delegated a team responsible for (i) designing and implementation of overall risk management internal control policies and procedures and establishing appropriate risk appetite; (ii) designing and execution of due diligence procedures; (iii) reviewing the creditworthiness of customers. In addition, the Group performs impairment assessment under ECL model in accordance with HKFRS 9 on receivable balances individually or based on provision matrix.

The Group's debt instruments at FVTOCI only comprise bank bills receivable that are issued and guaranteed by the reputable PRC banks and therefore the credit risk is considered to be low.

The Group has concentration of credit risk on liquid funds which are deposited with several banks. However, the credit risk on pledged/restricted bank deposits and cash and bank balances is limited because the majority of the counterparties are banks with good reputation.

The Group has concentration of credit risk as 56% of the total trade receivables was due from fellow subsidiaries (2022: 52%). The Group has concentration of credit risk as 55% of receivables from factoring business was due from fellow subsidiaries (2022: 62%). The Group has concentration of credit risk as 47% of loan receivables due from fellow subsidiaries. (2022: 59%).

42. 金融工具 (續)**財務風險管理目標及政策** (續)**信貸風險及減值評估** (續)

為盡量降低信貸風險，本集團管理層已委派一組人員負責釐定信貸限額、信貸審批及其他監控措施，以確保採取跟進措施收回逾期債項。就融資租賃業務及保理業務而言，本集團亦組建團隊負責(i)設計及實施全面風險管理的內部控制政策及程序，並設定適當的風險承受能力；(ii)設計及執行盡職調查程序；(iii)審查客戶的信貸情況。此外，本集團根據香港財務報告準則第9號按預期信貸虧損模式單獨或根據撥備矩陣對應收結餘進行減值評估。

鑒於本集團的按公平值計入其他全面收入計量之債務工具僅包括由聲譽良好的中國銀行發出及擔保的應收銀行票據，因此信貸風險被視為低。

本集團之信貸風險集中於存置於若干銀行之流動資金。然而，已抵押／受限制銀行存款及現金及銀行結餘之信貸風險有限，原因為大部分對手方為信譽良好之銀行。

由於應收貿易賬款總額的56% (二零二二年：52%) 為應收同系附屬公司款項，因此本集團有信貸風險集中情況。由於來自保理業務之應收款項的55% (二零二二年：62%) 為應收同系附屬公司款項，因此本集團有信貸風險集中情況。由於應收貸款的47% (二零二二年：59%) 為應收同系附屬公司貸款，因此本集團有信貸風險集中情況。

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

For trade receivables, the Group has applied the simplified approach of HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant outstanding balances or credit-impaired, the Group determines the ECL on these items by using a provision matrix grouped by risk portfolio, which is estimated based on the financial quality of the debtors, historical credit loss experience and the past due status of the debtors, general economic conditions of the industry in which the debtors operate and assessment of both the current as well as the forward-looking information that available without undue cost or effort at the reporting date.

The following table provides information about the exposure to credit risk for trade receivables which are assessed based on provision matrix as at 31 December 2023 within lifetime ECL (not credit impaired). Debtors with significant outstanding balances or credit-impaired with gross carrying amounts of RMB2,688,208,000 and RMB36,452,000 respectively as at 31 December 2023 were assessed individually (2022: RMB2,353,320,000 and RMB56,291,000 respectively).

42. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

就應收貿易賬款而言，本集團已採用香港財務報告準則第9號中的簡化方法按全期預期信貸虧損計量虧損撥備。除具有重大未償還餘額或信貸減值的債務外，本集團通過使用按風險組合分組的撥備矩陣釐定該等項目的預期信貸虧損，此乃根據債務人的財務質素、基於債務人逾期狀況的歷史信貸虧損經驗、債務人經營所在行業的一般經濟狀況以及報告日期無須耗費龐大人力物力而取得的前瞻性信息現有及前瞻性信息進行估計。

下表載列有關應收貿易賬款信貸風險敞口的資料，該等應收貿易賬款在全期預期信貸虧損（無信貸減值）內基於二零二三年十二月三十一日的撥備矩陣評估。於二零二三年十二月三十一日具有重大未償還結餘或信貸減值，賬面總值分別為人民幣2,688,208,000元及人民幣36,452,000元（二零二二年：分別為人民幣2,353,320,000元及人民幣56,291,000元）的債務人獲單獨評估。

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綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

42. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

		Average loss rate	31/12/2023 Trade receivables – Gross carrying amount RMB'000 二零二三年十二月三十一日 應收貿易賬款 一賬面總值 人民幣千元
Low risk type customer	低風險型客戶	2.44%	226,677
Normal risk type customer	正常風險型客戶	3.56%	3,018,892
Total	總計		3,245,569
		Average loss rate	31/12/2022 Trade receivables – Gross carrying amount RMB'000 (restated) 二零二二年十二月三十一日 應收貿易賬款 一賬面總值 人民幣千元 (經重列)
Low risk type customer	低風險型客戶	2.00%	203,760
Normal risk type customer	正常風險型客戶	3.40%	3,176,122
Total	總計		3,379,882

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Credit risk and impairment assessment (continued)

信貸風險及減值評估 (續)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

下表顯示採用簡化方法就應收貿易賬款確認的全期預期信貸虧損變動。

		Lifetime ECL (not credit-impaired) RMB'000 全期預期 信貸虧損 (無信貸減值) 人民幣千元	Lifetime ECL (credit-impaired) RMB'000 全期預期 信貸虧損 (信貸減值) 人民幣千元	Total RMB'000 總計 人民幣千元
As at 1 January 2022 (restated)	於二零二二年一月一日 (經重列)	226,426	36,923	263,349
Transfer to credit-impaired	轉至信貸減值	(27,772)	27,772	-
Impairment losses recognised (restated)	已確認減值虧損 (經重列)	42,345	-	42,345
Impairment losses reversed	已撥回減值虧損	(391)	(8,404)	(8,795)
Exchange adjustments	匯兌調整	346	-	346
Write-off	撇銷	(37)	-	(37)
As at 31 December 2022 (restated)	於二零二二年十二月三十一日 (經重列)	240,917	56,291	297,208
Impairment losses recognised	已確認減值虧損	22,794	-	22,794
Impairment losses reversed	已撥回減值虧損	(18,544)	-	(18,544)
Exchange adjustments	匯兌調整	123	-	123
Write-off	撇銷	-	(19,839)	(19,839)
As at 31 December 2023	於二零二三年十二月三十一日	245,290	36,452	281,742

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42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

For finance lease receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL.

The following tables show reconciliation of loss allowances that has been recognised for finance lease receivables.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

倘有資料顯示債務人面對嚴重財務困難且收回款項的機率不大(如債務人遭清盤或啟動破產程序)，本集團將撇銷應收貿易賬款。概無應收貿易賬款因執法行動而撇銷。

就應收融資租賃款項而言，本集團已採用香港財務報告準則第9號中的簡化方法按全期預期信貸虧損計量虧損撥備。

下表載列就應收融資租賃款項確認的虧損撥備對賬。

		Lifetime ECL (not credit- impaired) RMB'000 全期預期 信貸虧損 (無信貸減值) 人民幣千元	Lifetime ECL (credit- impaired) RMB'000 全期預期 信貸虧損 (信貸減值) 人民幣千元	Total RMB'000 總計 人民幣千元
As at 1 January 2022	於二零二二年一月一日	8,303	2,923	11,226
Impairment losses recognised	已確認減值虧損	2,554	-	2,554
As at 31 December 2022	於二零二二年十二月三十一日	10,857	2,923	13,780
Impairment losses reversed	已撥回減值虧損	(115)	-	(115)
Write-offs	撇銷	-	(2,700)	(2,700)
As at 31 December 2023	於二零二三年十二月三十一日	10,742	223	10,965

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Credit risk and impairment assessment (continued)

信貸風險及減值評估 (續)

The following tables show reconciliation of loss allowances that has been recognised for receivables from factoring business.

下表載列就來自保理業務之應收款項確認的虧損撥備對賬。

		12 m ECL RMB'000 12個月 預期信貸虧損 人民幣千元
As at 1 January 2022	於二零二二年一月一日	844
Impairment losses recognised	已確認減值虧損	1,574
At 31 December 2022	於二零二二年十二月三十一日	2,418
Impairment losses recognised	已確認減值虧損	304
At 31 December 2023	於二零二三年十二月三十一日	2,722

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42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The following tables show reconciliation of loss allowances that has been recognised for other receivables.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表載列就其他應收款項確認的虧損撥備對賬。

		12 m ECL RMB'000 (restated)	Lifetime ECL (not credit- impaired) RMB'000	Total RMB'000 (restated)
		12個月 預期信貸虧損 人民幣千元 (經重列)	全期預期 信貸虧損 (無信貸減值) 人民幣千元	總計 人民幣千元 (經重列)
As at 1 January 2022 (restated)	於二零二二年一月一日 (經重列)	1,894	346	2,240
Impairment losses recognised	已確認減值虧損	61	-	61
Impairment losses reversed	已撥回減值虧損	(634)	-	(634)
At 31 December 2022 (restated)	於二零二二年十二月三十一日 (經重列)	1,321	346	1,667
Impairment losses recognised	已確認減值虧損	749	-	749
Write-offs	撇銷	-	(80)	(80)
At 31 December 2023	於二零二三年十二月三十一日	2,070	266	2,336

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Credit risk and impairment assessment (continued)

信貸風險及減值評估 (續)

The following tables show reconciliation of loss allowances that has been recognised for loan receivables.

下表載列就應收貸款確認的虧損撥備對賬。

		Lifetime ECL (credit- impaired)	Total
		12 m ECL RMB'000	RMB'000
		12個月 預期信貸虧損 人民幣千元	全期預期 信貸虧損 (信貸減值) 人民幣千元
			總計 人民幣千元
As at 1 January 2022	於二零二二年一月一日	17,965	25,465
Impairment losses recognised	已確認減值虧損	825	825
Impairment losses reversed	已撥回減值虧損	-	(4,000)
At 31 December 2022	於二零二二年十二月三十一日	18,790	22,290
Impairment losses recognised	已確認減值虧損	155	155
Write-offs	撇銷	-	(5)
At 31 December 2023	於二零二三年十二月三十一日	18,945	22,440

42. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and bank balances deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

The amounts included below for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates different to those estimates of interest rates determined at the end of the reporting period.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from the interest rate at the end of the reporting period.

42. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險

在管理流動資金風險時，本集團監察及維持管理層視為足夠水平的現金及銀行結餘，以為本集團營運提供資金並減輕現金流量波動所帶來的影響。管理層監察借款的使用情況並確保符合貸款契約。

倘可變利率變動有別於報告期末所釐定之利率估計，則以下就非衍生金融負債之可變利率工具納入之數額會出現變動。

下表根據協定償還期限詳細載列本集團非衍生金融負債的剩餘合約到期日。該表乃根據要求本集團償還金融負債的最早日期的金融負債的未貼現現金流量而編製。該表包括利息及本金現金流量。因利息流為浮動利率，於報告期末之未貼現款項源自於利率。

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Liquidity risk (continued)

流動資金風險 (續)

Liquidity tables

流動資金表

	Weighted average effective interest rate	On demand or less than 1 year	1-2 years	2-5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31/12/2023
	%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	加權平均實際利率	按要求或少於1年	1至2年	2至5年	超過5年	未貼現現金流量總額	於二零二三年十二月三十一日的賬面值
	%	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
2023							
Non-derivative financial liabilities							
Trade payables		1,157,410	-	-	-	1,157,410	1,157,410
Construction cost and retention payables		75,264	-	-	-	75,264	75,264
Bills payable		612,207	-	-	-	612,207	612,207
Other payables	7.5	1,945,501	103,000	126,658	-	2,175,159	2,161,281
Lease liabilities	4.75	29,902	26,686	43,254	39,529	139,371	127,268
Bonds payable	3.75	35,900	35,900	1,046,371	-	1,118,171	995,405
Borrowings							
- fixed rate	3.25	684,799	505,050	-	-	1,189,849	828,923
- variable rate	7.58	2,656,201	1,398	-	-	2,657,599	2,217,721
		7,197,184	672,034	1,216,283	39,529	9,125,030	8,175,479

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Financial risk management objectives and policies (continued)

財務風險管理目標及政策 (續)

Liquidity risk (continued)

流動資金風險 (續)

Liquidity tables (continued)

流動資金表 (續)

	Weighted average effective interest rate %	On demand or less than 1 year RMB'000 (restated)	1-2 years RMB'000	2-5 years RMB'000	Over 5 years RMB'000	Total undiscounted cash flows RMB'000 (restated)	Carrying amount at 31/12/2022 RMB'000 (restated)
	加權平均 實際利率 %	按要求或 少於1年 人民幣千元 (經重列)	1至2年 人民幣千元	2至5年 人民幣千元	超過5年 人民幣千元	未貼現現金 流量總額 人民幣千元 (經重列)	於二零二二年 十二月三十一日 的賬面值 人民幣千元 (經重列)
2022							
Non-derivative financial liabilities							
Trade payables		1,433,327	-	-	-	1,433,327	1,433,327
Construction cost and retention payables		88,513	-	-	-	88,513	88,513
Bills payable		278,783	-	-	-	278,783	278,783
Other payables	8	2,019,484	-	-	-	2,019,484	2,002,681
Lease liabilities	4.75	30,748	24,335	46,342	42,752	144,177	133,400
Bonds payable	3.75	35,900	35,900	1,082,271	-	1,154,071	993,977
Borrowings							
- fixed rate	3.30	326,618	17,150	587,751	-	931,519	797,497
- variable rate	4.42	825,212	2,003,427	1,398	-	2,830,037	2,566,523
		5,038,585	2,080,812	1,717,762	42,752	8,879,911	8,294,701

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Fair value measurement of financial instruments

金融工具的公平值計量

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

本集團以經常性基準按公平值計量的金融資產及金融負債的公平值

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

本集團部分金融資產及金融負債於各報告期末按公平值計量。下表載列有關如何釐定該等金融資產及金融負債公平值之資料(尤其是,所用估值方法及輸入數據)。

	Fair value as at (RMB'000)		Fair value hierarchy	Valuation technique(s) and key input(s)
	31/12/2023	31/12/2022		
	於以下日期的公平值 (人民幣千元)		公平值等級	估值方法及關鍵輸入數據
	二零二三年 十二月 三十一日	二零二二年 十二月 三十一日		
Financial assets				
金融資產				
FVTPL – Interest rate swap	371	572	Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contracted interest rates, discounted at a rate that reflects the credit risk of various counterparties.
按公平值計入損益計量—利率互換			第二級	貼現現金流量。未來現金流量根據遠期利率(來自於報告期末的可觀察收益率曲線)及合約利率估計,按反映各對手方信貸風險的比率貼現。

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Fair value measurement of financial instruments (continued)

金融工具的公平值計量 (續)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

本集團以經常性基準按公平值計量的金融資產及金融負債的公平值 (續)

	Fair value as at (RMB'000)		Fair value hierarchy	Valuation technique(s) and key input(s)
	31/12/2023 於以下日期的公平值 (人民幣千元) 二零二三年 十二月 三十一日	31/12/2022 二零二二年 十二月 三十一日		
			公平值等級	估值方法及關鍵輸入數據
FVTOCI – Debt instruments at FVTOCI	344,211	521,651	Level 2	Discounted cash flow – future cash flows discounted at a rate that reflects the credit risk of various counterparties.
按公平值計入其他全面收入計量— 按公平值計入其他全面收入計量之 債務工具			第二級	貼現現金流量—按反映各對手方信貸風險的比率貼現的未來現金流量。
FVTPL – Investment funds and equity security	86,910	119,729	Level 3	Income approach – in this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee, based on an appropriate discount rate.
按公平值計入損益計量—基金 投資和權益抵押			第三級	收入法—此方法中，使用貼現現金流量法獲得將自該等投資對象的擁有權取得的預期未來經濟利益的現值(按適用貼現率計量)。
Financial liabilities 金融負債				
FVTPL – Foreign exchange swap	7,653	–	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.
按公平值計入損益計量—外匯置換			第二級	貼現現金流量。未來現金流量根據遠期匯率(來自於報告期末的可觀察掉期匯率)及合約掉期比率估計，按反映各對手方信貸風險的比率貼現。

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42. FINANCIAL INSTRUMENTS (continued)

42. 金融工具 (續)

Fair value measurement of financial instruments (continued)

金融工具的公平值計量 (續)

Reconciliation of Level 3 fair value measurements

第三級公平值計量的對賬

31 December 2023	二零二三年十二月三十一日	Financial assets at FVTPL RMB'000 按公平值計入損益計量之金融資產 人民幣千元
Balance at 1 January 2022	於二零二二年一月一日之結餘	100,943
Change in fair value	公平值變動	18,786
Balance at 31 December 2022	於二零二二年十二月三十一日之結餘	119,729
Repayment of investment principle	償還投資本金	(12,636)
Change in fair value	公平值變動	(20,183)
Balance at 31 December 2023	於二零二三年十二月三十一日之結餘	86,910

Fair value of financial instruments that are recorded at amortised cost

按攤銷成本入賬的金融工具的公平值

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in these consolidated financial statements approximate their fair values.

董事認為，該等綜合財務報表中按攤銷成本入賬的金融資產及金融負債的賬面值與其公平值相若。

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43. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flow were, or future cash flows will be classified in the Group's consolidated statement of cash flows from financing activities.

43. 融資活動產生的負債之對賬

下表詳述本集團融資活動所產生的負債變動（包括現金及非現金變動）。融資活動所產生的負債已經或將會於來自融資活動之本集團綜合現金流量報表內分類。

		Borrowings RMB'000 (Note 33) 借款 人民幣千元 (附註33)	Bonds payable RMB'000 (Note 34) 應付債券 人民幣千元 (附註34)	Dividend payable RMB'000 (Note 13) 應付股息 人民幣千元 (附註13)	Lease liabilities RMB'000 (Note 36) 租賃負債 人民幣千元 (附註36)	Total RMB'000 合計 人民幣千元
At 1 January 2022	於二零二二年一月一日	3,064,016	992,549	-	80,845	4,137,410
Dividend declared	已宣派股息	-	-	741,638	-	741,638
Interest accrued	應計利息	150,148	35,900	-	5,353	191,401
Exchange adjustments	匯兌調整	206,731	-	-	2,760	209,491
New lease	新租賃	-	-	-	77,166	77,166
Financing cash flows	融資現金流量	(56,875)	(34,472)	(741,638)	(32,724)	(865,709)
At 31 December 2022	於二零二二年十二月三十一日	3,364,020	993,977	-	133,400	4,491,397
Dividend declared	已宣派股息	-	-	732,633	-	732,633
Interest accrued	應計利息	232,257	35,900	-	4,814	272,971
Exchange adjustments	匯兌調整	38,608	-	-	7,432	46,040
New lease	新租賃	-	-	-	26,604	26,604
Financing cash flows	融資現金流量	(588,241)	(34,472)	(732,633)	(44,982)	(1,400,328)
At 31 December 2023	於二零二三年十二月三十一日	3,046,644	995,405	-	127,268	4,169,317

44. MAJOR NON-CASH TRANSACTIONS

During the year ended 31 December 2023, the Group endorsed bill receivables of RMB303,105,000 (2022: RMB800,861,000) to settle the trade and other payables.

44. 主要非現金交易

截至二零二三年十二月三十一日止年度，本集團就結算應付貿易賬款及其他應付款項背書應收票據人民幣303,105,000元（二零二二年：人民幣800,861,000元）。

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45. RELATED PARTY TRANSACTIONS

45. 關連人士交易

(a) The Group had the following related party transactions during the two years ended 31 December 2023 and 2022:

(a) 於截至二零二三年及二零二二年十二月三十一日止兩個年度內，本集團有下列關連人士交易：

		2023	2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		人民幣千元	人民幣千元 (經重列)
Sales to fellow subsidiaries	銷售予同系附屬公司	426,469	403,217
Sales to a holding company	銷售予一間控股公司	1,114	482
Sales to an associate	銷售予一間聯營公司	24,606	43,329
Distribution made through fellow subsidiaries	通過同系附屬公司作出分銷	3,542,500	3,346,880
Logistic support services provided by fellow subsidiaries	同系附屬公司提供之物流支持服務	105,914	78,203
Purchases from fellow subsidiaries	向同系附屬公司採購	911,787	604,006
Purchases from a holding company	向一間控股公司採購	1,363	6,595
Purchases from an associate	向一間聯營公司採購	241,684	266,960
Purchases from an associate of a holding company	向一間控股公司的一間聯營公司採購	46,928	21,724
Operating lease income from fellow subsidiaries	來自同系附屬公司之經營租賃收入	8,698	6,733
Operating lease income from an associate	來自一間聯營公司之經營租賃收入	1,973	1,973
Operating lease income from an associate of a holding company	來自一間控股公司的一間聯營公司之經營租賃收入	742	742
Finance lease income from fellow subsidiaries	來自同系附屬公司之融資租賃收入	37,827	31,045
Interest income from factoring business from fellow subsidiaries	來自同系附屬公司保理業務之利息收入	8,291	11,180
Other service provided by fellow subsidiaries	同系附屬公司提供之其他服務	48,877	19,926
Service provided by a holding company	一間控股公司提供之服務	-	79
Service provided to fellow subsidiaries	向同系附屬公司提供之服務	8,616	4,067
Service provided to an associate	向一間聯營公司提供之服務	7,322	10,316
Interest income from an associate of a holding company	來自一間控股公司的一間聯營公司之利息收入	436	4,080

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45. RELATED PARTY TRANSACTIONS

(continued)

(a) (continued)

Details of amounts due from/to related parties are set out in Notes 24, 25, 27, 30, 31, and 32.

During the year ended 31 December 2023, the principal of the finance lease business provided to fellow subsidiaries by the Group amounted to RMB14,600,000 (2022: RMB189,723,000).

During the year ended 31 December 2023, the principal of the factoring business provided to fellow subsidiaries by the Group amounted to RMB116,000,000 (2022: RMB178,000,000).

During the year ended 31 December 2023, the subsidiary of the Company acquired interests in Weigao New Life from subsidiaries of Weihai Weigao International. During the year ended 31 December 2022, the Company acquired interests in Weigao Medical Materials from Weigao Holding. Details of the related party transactions are set out in Note 3.

During the year ended 31 December 2023, the Company participated the Asset Backed Securitization issued by Weigao Holding involving account receivables with a carrying amount of RMB220,521,000 (2022: RMB512,060,000). The Company transferred all risks and rewards associated with those account receivables to Weigao Holding, and therefore derecognised the account receivables.

45. 關連人士交易 (續)

(a) (續)

應收／付關連人士款項的詳情載於附註24、25、27、30、31及32。

截至二零二三年十二月三十一日止年度，本集團向同系附屬公司提供之融資租賃業務本金額為人民幣14,600,000元(二零二二年：人民幣189,723,000元)。

截至二零二三年十二月三十一日止年度，本集團向同系附屬公司提供之保理業務本金額為人民幣116,000,000元(二零二二年：人民幣178,000,000元)。

截至二零二三年十二月三十一日止年度，本公司附屬公司向威海威高國際附屬公司收購威高新生權益。截至二零二二年十二月三十一日止年度，本公司向威高集團公司收購威高醫用材料權益。相關關聯方交易之詳情載於附註3。

截至二零二三年十二月三十一日止年度，本公司參與威高集團公司發行資產證券化，涉及賬面值為人民幣220,521,000元(二零二二年：人民幣512,060,000元)的應收賬款。本公司將與該等應收賬款相關的一切風險及回報轉讓予威高集團公司，及因此終止確認應收賬款。

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45. RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

During the year ended 31 December 2022, the subsidiary of the Company disposed the equity interests in Weihai Weigao Yikang Nursing Products Co., Ltd. to a fellow subsidiary Shandong Qifu Health Technology Co., Ltd with a cash consideration of RMB27,000,000.

During the year ended 31 December 2022, the subsidiary of the Company, Jierui disposed the equity interests in Zhengjiang Weigao Automatic Equipment Company Limited* to Weigao Holding with a cash consideration of RMB10,000,000.

* Formerly known as Shandong Weigao Automatic Equipment Company Limited.

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

Short-term employee benefits	短期僱員福利
Post-employment benefits	離職後福利
Share-based payments	以股份為基礎付款

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

45. 關連人士交易 (續)

(a) (續)

截至二零二二年十二月三十一日止年度，本公司附屬公司以現金代價人民幣27,000,000元向同系附屬公司山東七福健康科技有限公司出售威海威高益康護理用品有限公司的股權。

截至二零二二年十二月三十一日止年度，本公司附屬公司潔瑞以現金代價人民幣10,000,000元向威高集團公司出售浙江威高自動化設備有限公司*設備的股權。

* 前稱山東威高自動化設備有限公司

(b) 主要管理人員的報酬

於年內，董事及主要管理層的其他成員的薪酬如下：

		2023 RMB'000 二零二三年 人民幣千元	2022 RMB'000 二零二二年 人民幣千元
Short-term employee benefits	短期僱員福利	11,430	8,409
Post-employment benefits	離職後福利	259	202
Share-based payments	以股份為基礎付款	10,984	21,622
		22,673	30,233

董事及主要行政人員的薪酬乃由薪酬委員會就個別人士的表現及市場趨勢而釐定。

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46. RETIREMENT BENEFITS SCHEMES

The Group participates in a Mandatory Provident Fund Scheme established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. All Hong Kong employees joining the Group are required to join the Mandatory Provident Fund Scheme.

No forfeited contribution under the scheme is available to reduce the Group's future contribution.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit scheme operated by the government of mainland. These subsidiaries are required to contribute 16% for the year ended 31 December 2023 (2022:16%) of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

Argon sponsors a 401(k) retirement savings plan for all Argon employees. This plan includes both employee contributions as well as employer matching contributions.

Other subsidiaries in jurisdictions outside of the PRC contribute to statutory retirement plans on behalf of their employees which in many cases are managed by the government in those territories. Those subsidiaries make periodic contributions to the statutory retirement plans as required and contributions are generally determined as a percentage of employees' basic salaries or a fixed amount per employee per calendar year depending on the jurisdiction.

The contributions paid and payable to the schemes by the Group are disclosed in Note 11.

46. 退休福利計劃

本集團於二零零零年十二月參與根據強制性公積金計劃條例而設立之強制性公積金計劃。該等計劃之資產乃由受託人監管之基金，與本集團之資產分開持有。所有加盟本集團之香港僱員均須參與強制性公積金計劃。

根據該計劃並無沒收供款可用作減少本集團之將來供款。

本集團之中國附屬公司之僱員均為大陸政府經營之國家管理退休福利計劃之成員。於截至二零二三年十二月三十一日止年度，該等附屬公司須按薪金成本之16%（二零二二年：16%）向退休福利計劃供款以作為福利所需資金。本集團對退休福利計劃之唯一責任為作出指定之供款。

愛琅為所有愛琅僱員提供401(k)退休儲蓄計劃。該計劃包括僱員供款以及僱主匹配供款。

中國以外司法權區的其他附屬公司代表其僱員參與法定退休計劃，而在許多情況下，該等計劃由該等地區由政府管理。該等附屬公司按要求定期向法定退休計劃供款，且供款通常按僱員基本工資的百分比或根據司法權區每個日曆年度每名僱員的固定金額釐定。

本集團就該等計劃已付及應付的供款於附註11作出披露。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

47. 本公司主要附屬公司詳情

Particulars of the Company's subsidiaries as at 31 December 2023 and 2022 are as follows:

於二零二三年及二零二二年十二月三十一日，本公司附屬公司的詳情如下：

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	2023	2022	2023	2022	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Weigao Orthopaedic* (山東威高骨科材料股份有限公司)	PRC	RMB400,000,000	50.63	50.63	21.55	21.55	Manufacturing of orthopaedic medical device products 製造骨科醫療設備產品
山東威高骨科材料股份有限公司	中國	人民幣400,000,000元					
Beijing Weigao Yahua Artificial Joints Development Company Limited* (北京威高亞華人工關節開發有限公司)	PRC	RMB70,000,000	-	-	72.18	72.18	Research, services and sales of medical devices 醫療設備的研發、服務及銷售
北京威高亞華人工關節開發有限公司	中國	人民幣70,000,000元					
Changzhou Jianli Bangde Medical Devices Co., Ltd* (常州健力邦德醫療器械有限公司)	PRC	RMB65,000,000	-	-	72.18	72.18	Manufacturing of orthopaedic devices, implantation materials and artificial organs 製造骨科設備、移植材料及人造器官
常州健力邦德醫療器械有限公司	中國	人民幣65,000,000元					
Weigao Group (Weihai) Medical Products Marketing Co., Ltd* (威高集團(威海)醫用製品營銷有限公司)	PRC	RMB950,000,000	25	25	75	75	Wholesale of Type I medical devices, surgical devices and other disposal medical products 批發第一類醫療設備、手術設備及其他一次性醫療產品
威高集團(威海)醫用製品營銷有限公司	中國	人民幣950,000,000元					
Weigao Group (Weihai) Medical Products Material Supply Co., Ltd* (威高集團(威海)醫用製品材料供應有限公司)	PRC	RMB1,309,070,000	19.21	19.21	80.79	80.79	Wholesale of Type I medical devices, surgical devices and other disposal medical products 批發第一類醫療設備、手術設備及其他一次性醫療產品
威高集團(威海)醫用製品材料供應有限公司	中國	人民幣1,309,070,000元					
Weihai Jierui Medical Products Company Limited* (威海潔瑞醫用製品有限公司)	PRC	RMB114,030,000	87.70	87.70	12.30	12.30	Manufacturing of medical PVC granules, plastic packing bags and carton boxes 製造醫用PVC粒料、塑料包裝袋及紙箱
威海潔瑞醫用製品有限公司	中國	人民幣114,030,000元					

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2023	2022	2023	2022	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Shandong Weigao Group Logistic Company Limited* (山東威高集團物流有限公司) (iii) 山東威高集團物流有限公司	PRC 中國	RMB20,000,000 人民幣20,000,000元	-	100	-	-	Provision of logistics and storage services 提供物流及儲存服務
Weihai Weigao Jiesheng Medical Devices Co., Ltd.* (威海威高潔盛醫療器材有限公司) 威海威高潔盛醫療器材有限公司	PRC 中國	RMB20,000,000 人民幣20,000,000元	-	-	95.9	95.9	Trading of medical products 買賣醫療產品
Weigao International Medical Co., Ltd. (威高國際醫療有限公司) 威高國際醫療有限公司	Hong Kong 香港	HKD207,699,690 207,699,690港元	100	100	-	-	Investment holding and trading 投資控股及貿易
Shandong Weigao Financial Leasing Co., Ltd.* (山東威高融資租賃有限公司) 山東威高融資租賃有限公司	PRC 中國	RMB620,000,000 人民幣620,000,000元	-	-	100	100	Engaged in various financial leasing business of medical equipment 從事醫療設備的各類融資租賃服務
Weihai Weigao Medical Device Sales Co., Ltd.* (威海威高醫療器械銷售有限公司) 威海威高醫療器械銷售有限公司	PRC 中國	RMB150,000,000/ RMB200,000,000 人民幣150,000,000元/ 人民幣200,000,000元	-	-	75	75	Trading of medical product 買賣醫療產品
Shanghai Weigao Financing Lease Co., Limited* (上海威高融資租賃有限公司) 上海威高融資租賃有限公司	PRC 中國	USD45,000,000/ USD50,000,000 45,000,000美元/ 50,000,000美元	-	-	100	100	Engaged in various financial leasing business 從事各類融資租賃業務
Taian Weixin Medical Products Co., Ltd.* (泰安市威新醫用製品有限公司) 泰安市威新醫用製品有限公司	PRC 中國	RMB800,000/ RMB30,000,000 人民幣800,000元/ 人民幣30,000,000元	1	1	99	99	Trading of medical products 買賣醫療產品
Anhui Weigao Orthopaedic Medical Device Co., Ltd.* (安徽威高骨科醫療器械有限公司) 安徽威高骨科醫療器械有限公司	PRC 中國	RMB20,000,000 人民幣20,000,000元	-	-	72.18	72.18	Sales of Type I, Type II and Type III medical device; Enterprise management advisory services 銷售第一類、第二類及第三類醫療設備；企業管理顧問服務

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	2023	2022	2023	2022	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Shandong Weigao Hai Xing Medical Devices Co., Ltd.* (山東威海星醫療器械有限公司)	PRC	RMB70,000,000	-	-	72.18	72.18	Production and sales of Type III medical implant material and artificial organ (6846); production and sales of Type I medical devices.
山東威海星醫療器械有限公司	中國	人民幣70,000,000元					生產及銷售第三類醫療植入物材料及人造器官(6846); 生產及銷售第一類醫療設備。
Sichuan Weigao Tianfu Medical Technology Co. Ltd.* (四川威高天府醫藥科技有限公司)	PRC	nil/ RMB20,000,000	90	90	10	10	Research, sales of medicines and medical devices
四川威高天府醫藥科技有限公司	中國	無/人民幣20,000,000元					醫藥及醫療設備的研發、銷售
Jilin Weigao Bao Ren Medical Products Co., Ltd.* (吉林省威高寶仁醫用製品有限公司)	PRC	RMB39,616,810/ RMB50,000,000	65	65	-	-	Wholesale and retail of medical products and medical devices
吉林省威高寶仁醫用製品有限公司	中國	人民幣39,616,810元/ 人民幣50,000,000元					批發及零售醫療產品及醫療設備
Weihai Weigao Yi Kang Medical Device Sales Co., Ltd.* (威海威高億康醫療器械銷售有限公司)	PRC	RMB30,000,000	10	10	90	90	Sales of medical devices
威海威高億康醫療器械銷售有限公司	中國	人民幣30,000,000元					銷售醫療設備
WW Cayman	Cayman Islands	USD46,000	-	-	89.81	89.81	Investment holding
WW Cayman	開曼群島	46,000美元					投資控股
WW Medical and Healthcare Holdings Corporation	U.S.	USD1,000	-	-	89.81	89.81	Investment holding
WW Medical and Healthcare Holdings Corporation	美國	1,000美元					投資控股
Argon Medical Devices Holding, Inc.	U.S.	USD1/ USD2,000,000	-	-	89.81	89.81	Investment holding
Argon Medical Devices Holding, Inc.	美國	1美元/2,000,000美元					投資控股

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2023	2022	2023	2022	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Weihai Weigao Medical Products Co., Ltd.* (威海威高醫用製品有限公司)	PRC	nil/ RMB10,000,000	90	90	10	10	Sales of medical devices
威海威高醫用製品有限公司	中國	無/人民幣10,000,000元					銷售醫療設備
Shandong Weigao Jiahe Pharmaceutical Technology Co., Ltd.* (山東威高佳禾醫藥科技有限公司)	PRC	RMB10,000,000	67	67	-	-	Sales of Type I, Type II and Type III medical device; Biotechnology Extension Service
山東威高佳禾醫藥科技有限公司	中國	人民幣10,000,000元					銷售第一類、第二類及第三類醫療設備；生物技術推廣服務
Argon (Shanghai) Medical Devices Company Limited. (愛琅(上海)醫療器械有限公司)	PRC	USD3,000,000	-	-	89.81	89.81	Sales of Type II and Type III medical device; technical services and technology transfer.
愛琅(上海)醫療器械有限公司	中國	3,000,000美元					銷售第二類及第三類醫療設備；技術服務及技術轉讓。
Argon (Weihai) Medical Devices, Inc. (愛琅(威海)醫療器械有限公司)	PRC	USD1,400,000	-	-	89.81	89.81	Production and sales of Type II and Type III. Sales of Type I. Information consulting service.
愛琅(威海)醫療器械有限公司	中國	1,400,000美元					生產及銷售第二類及第三類。銷售第一類。信息諮詢服務。
Weigao Puri* (山東威高普瑞醫藥包裝有限公司)	PRC	RMB104,275,000	95.9	95.9	-	-	Production and marketing of medical polymer materials and products, injection puncture instruments
山東威高普瑞醫藥包裝有限公司	中國	人民幣104,275,000元					生產及銷售醫用高分子材料及產品、注射穿刺器械
Shandong Mingde Biomedical Engineering Co., Ltd.* (山東明德生物醫學工程有限公司)	PRC	RMB20,000,000	-	-	57.74	57.74	Production and marketing of medical polymer materials and products, injection puncture
山東明德生物醫學工程有限公司	中國	人民幣20,000,000元					生產及銷售醫用高分子材料及產品、注射穿刺器械

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2023	2022	2023	2022	
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	於十二月三十一日 本集團應佔之實際股權				主要業務
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Shandong Weikang Medical Technology Co., Ltd.* (山東威康醫療科技有限公司) 山東威康醫療科技有限公司	PRC 中國	RMB5,000,000/ RMB10,000,000 人民幣5,000,000元/ 人民幣10,000,000元	100	100	-	-	Research and sales of medical devices 研發及銷售醫療設備
Shandong Weigao Orthopaedic Devices Sales Co., Ltd.* (山東威高骨科醫療器械銷售有限公司) 山東威高骨科醫療器械銷售有限公司	PRC 中國	RMB10,000,000/ RMB50,000,000 人民幣10,000,000元/ 人民幣50,000,000元	-	-	72.18	72.18	Sales of medical devices 銷售醫療設備
Hunan Weigao Orthopaedic Devices Co., Ltd.* (湖南威高骨科醫療器械有限公司) (iv) 湖南威高骨科醫療器械有限公司	PRC 中國	RMB13,750,000/ RMB50,000,000 人民幣13,750,000元/ 人民幣50,000,000元	-	-	-	54.86	Sales of medical devices 銷售醫療設備
Sichuan Weigao Orthopaedic Devices Co., Ltd.* (四川威高骨科醫療器械有限公司) 四川威高骨科醫療器械有限公司	PRC 中國	RMB5,000,000/ RMB50,000,000 人民幣5,000,000元/ 人民幣50,000,000元	-	-	72.18	72.18	Sales of medical devices 銷售醫療設備
Fenwei Healthcare Technology and Development (Shanghai) Co., Ltd.* (威高奮威健康科技發展(上海)有限公司) 威高奮威健康科技發展(上海)有限公司	PRC 中國	RMB40,000,000/ RMB50,000,000 人民幣40,000,000元/ 人民幣50,000,000元	100	100	-	-	Research, services and consulting 研發、服務及諮詢
Weigao Medical Korea Co.Ltd. (威高醫療韓國有限公司) 威高醫療韓國有限公司	Korea 韓國	KRW 173,180,000/ KRW 168,000,000 173,180,000韓元/ 168,000,000韓元	-	-	100	100	Sales of medical devices 銷售醫療設備
Shandong Weigao Blood Technology Limited* (山東威高血液技術有限公司) 山東威高血液技術有限公司	PRC 中國	USD55,000,000 55,000,000美元	-	-	100	100	Research, services and sales 研發、服務及銷售
Shandong Weigao Pharmaceutical Packaging Products Co., Ltd.* (山東威高醫藥包裝製品有限公司) 山東威高醫藥包裝製品有限公司	PRC 中國	RMB45,000,000 人民幣45,000,000元	-	-	95.9	95.9	Production and Sales 生產及銷售

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2023	2022	2023	2022	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Weihai Hongyangrui Information Technology Center (Limited Partnership)* (威海弘陽瑞資訊技術中心(有限合夥))	PRC	RMB217,777,770	-	-	80.15	80.15	Computer technical services and sale of electronic products.
威海弘陽瑞資訊技術中心(有限合夥)	中國	人民幣217,777,770元					計算機技術服務及電子產品銷售。
Shandong Weigao Weinasi Medical Technology Co., Ltd.* (山東威高威納思醫療科技有限公司)	PRC	RMB15,250,000/ RMB20,000,000	90	90	10	10	Development, services and sales of medical technology development.
山東威高威納思醫療科技有限公司	中國	人民幣15,250,000元/ 人民幣20,000,000元					醫療技術的開發、服務及銷售。
Weigao (Beijing) Medical Technology Co., Ltd.* (威高(北京)醫療科技有限公司)	PRC	RMB4,500,000/ RMB50,000,000	100	100	-	-	Research, sales of medicines
威高(北京)醫療科技有限公司	中國	人民幣4,500,000元/ 人民幣50,000,000元					藥品研發、銷售
Shandong Weiteng Medical Products Co., Ltd.* (山東威藤醫用製品有限公司)	PRC	RMB35,000,000/ RMB50,000,000	1	1	99	99	Sales of medical devices
山東威藤醫用製品有限公司	中國	人民幣35,000,000元/ 人民幣50,000,000元					銷售醫療設備
Global Healthcare, Inc.	U.S.	USD3,791,097/ USD10,000,000	-	-	51	51	Distribution of medical devices
Global Healthcare, Inc.	美國	3,791,097美元/ 10,000,000美元					醫療設備的分銷
Henan Weigao Orthopaedic Medical Technology Co., Ltd.* (河南威高骨科醫療科技有限公司)	PRC	RMB50,000/ RMB10,000,000	-	-	72.18	72.18	Technology development of medical devices, technology consulting and service. Sales of Type I, Type II and Type III medical device
河南威高骨科醫療科技有限公司	中國	人民幣50,000元/ 人民幣10,000,000元					醫療設備的技術開發、技術諮詢及服務。 銷售第一類、第二類及第三類醫療設備

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2023	2022	2023	2022	
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	於十二月三十一日 本集團應佔之實際股權				主要業務
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Shandong Weigao Yahua Orthopaedic Device Sales Co., Ltd.* (山東威高亞華醫療器械銷售有限公司)	PRC	RMB1,100,000/ RMB10,000,000	-	-	72.18	72.18	Sales of Type I and Type II medical device
山東威高亞華醫療器械銷售有限公司	中國	人民幣1,100,000元/ 人民幣10,000,000元					銷售第一類及第二類醫療 設備
Weigao (Jinan) Orthopaedic Device Co., Ltd.* (威高(濟南)骨科材料有限公司)	PRC	RMB1,000,000/ RMB10,000,000	-	-	72.18	50.53	Sales of Type I, Type II and Type III medical device;
威高(濟南)骨科材料有限公司	中國	人民幣1,000,000元/ 人民幣10,000,000元					銷售第一類、第二類及第 三類醫療設備；
Weigao (Shanghai) Orthopaedic Device Co., Ltd.* (威高(上海)骨科材料有限公司)	PRC	RMB1,000,000/ RMB60,000,000	-	-	72.18	72.18	Sales of Type I, Type II and Type III medical device;
威高(上海)骨科材料有限公司	中國	人民幣1,000,000元/ 人民幣60,000,000元					銷售第一類、第二類及第 三類醫療設備；
Shandong Gaowo Medical Device Co., Ltd.* (山東高沃醫療器械有限公司)(v)	PRC	nil/ RMB10,000,000	-	-	-	64.96	Sales of Type I, Type II and Type III medical device;
山東高沃醫療器械有限公司(v)	中國	無/人民幣10,000,000元					銷售第一類、第二類及第 三類醫療設備；
Rad Source Technologies, Inc. (拉德索斯科技有限公司)	U.S.	USD10,634	-	-	100	100	Manufacturing and sales of X-ray based irradiation machines;
拉德索斯科技有限公司	美國	10,634美元					X射線輻照儀的製造及銷 售；
Rad Source Medical Technology Co., Ltd. (拉德索斯(中國)醫療科技有限公司)	PRC	USD2,000,000/ USD8,000,000	-	-	100	100	Manufacturing and sales of X-ray based irradiation machines;
拉德索斯(中國)醫療科技有限公司	中國	2,000,000美元/ 8,000,000美元					X射線輻照儀的製造及銷 售；
Shanghai Weigao Gaojingchuang Medical Technology Co., Ltd.* (上海威高精創醫療科技有限公司)	PRC	RMB20,000,000	-	-	72.18	72.18	Production and sales of Type I, Type II and Type III medical devices.
上海威高精創醫療科技有限公司	中國	人民幣20,000,000元					生產及銷售第一類、第二 類及第三類醫療設備。

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2023	2022	2023	2022	
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	於十二月三十一日 本集團應佔之實際股權				主要業務
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Zhejiang Weigao Medical Products Co., Ltd.* (浙江威高醫用製品有限公司)	PRC	RMB9,000,000/ RMB50,000,000	1	1	99	99	Production and sales of Type I, Type II and Type III medical devices.
浙江威高醫用製品有限公司	中國	人民幣9,000,000元/ 人民幣50,000,000元					生產及銷售第一類、第二類及第三類醫療設備。
Tianjin Weigao Hainasi Medical Technology Co., Ltd.* (天津威高海納思醫療科技有限公司) (former name Shandong Weigao Hainasi Medical Technology Co., Ltd.)	PRC	RMB5,300,000/ RMB11,377,200	-	-	66.6	66.6	Development, services and sales of medical technology development.
天津威高海納思醫療科技有限公司 (前稱山東威高海納思醫療科技有限公司)	中國	人民幣5,300,000元/ 人民幣11,377,200元					醫療技術的開發、服務及銷售。
Shanghai Shuruikang Medical Technology Development Co., Ltd.* (上海舒瑞康醫療科技發展有限公司)	PRC	RMB14,261,000/ RMB20,000,000	100	100	-	-	Production and sales of Type I, Type II and Type III medical devices. Sales of Type II and Type III ray devices.
上海舒瑞康醫療科技發展有限公司	中國	人民幣14,261,000元/ 人民幣20,000,000元					生產及銷售第一類、第二類及第三類醫療設備。銷售第二類及第三類放射設備。
Shandong Weigao Blood Transfusion Technology Equipment Co., Ltd.* (山東威高輸血技術裝備有限公司)	PRC	nil/ RMB50,000,000	100	100	-	-	Production and sales of Type I, Type II and Type III medical devices. Sales of Type II and Type III ray devices.
山東威高輸血技術裝備有限公司	中國	無/人民幣50,000,000元					生產及銷售第一類、第二類及第三類醫療設備。銷售第二類及第三類放射設備。
Weigao(Suzhou) Medical Technology Co., Ltd.* (威高(蘇州)醫療科技有限公司)	PRC	RMB7,194,318/ RMB10,000,000	90	90	10	10	Production and sales of Type I, Type II and Type III medical devices. Sales of Type II and Type III ray devices.
威高(蘇州)醫療科技有限公司	中國	人民幣7,194,318元/ 人民幣10,000,000元					生產及銷售第一類、第二類及第三類醫療設備。銷售第二類及第三類放射設備。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2023	2022	2023	2022	
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	於十二月三十一日 本集團應佔之實際股權				主要業務
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Shanghai electron Microscope Medical Technology Co., Ltd.* (上海電鏡醫療科技有限公司)	PRC	RMB6,980,000/ RMB10,000,000	-	-	100	100	Production and sales of Type I, Type II and Type III medical devices. Leasing of Type II, Type III medical devices.
上海電鏡醫療科技有限公司	中國	人民幣6,980,000元/ 人民幣10,000,000元					生產及銷售第一類、第二 類及第三類醫療設備。 租賃第二類、第三類醫 療設備。
Tianjin Yangfan No. 1 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆一號企業管理諮詢合夥企業 (有限合夥))	PRC	RMB26,671,000	-	-	-	-	Enterprise management advisory services
天津揚帆一號企業管理諮詢合夥企業 (有限合夥)	中國	人民幣26,671,000元					企業管理顧問服務
Tianjin Yangfan No. 2 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆二號企業管理諮詢合夥企業 (有限合夥))	PRC	RMB17,184,000	-	-	-	-	Enterprise management advisory services
天津揚帆二號企業管理諮詢合夥企業 (有限合夥)	中國	人民幣17,184,000元					企業管理顧問服務
Tianjin Yangfan No. 3 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆三號企業管理諮詢合夥企業 (有限合夥))	PRC	RMB17,790,000	-	-	-	-	Enterprise management advisory services
天津揚帆三號企業管理諮詢合夥企業 (有限合夥)	中國	人民幣17,790,000元					企業管理顧問服務
Tianjin Yangfan No. 4 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆四號企業管理諮詢合夥企業 (有限合夥))	PRC	RMB18,079,000	-	-	-	-	Enterprise management advisory services
天津揚帆四號企業管理諮詢合夥企業 (有限合夥)	中國	人民幣18,079,000元					企業管理顧問服務

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2023	2022	2023	2022	
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Tianjin Yangfan No. 5 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆五號企業管理諮詢合夥企業(有限合夥))	PRC	RMB20,406,000	-	-	-	-	Enterprise management advisory services
天津揚帆五號企業管理諮詢合夥企業(有限合夥)	中國	人民幣20,406,000元					企業管理顧問服務
Tianjin Yangfan No. 6 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆六號企業管理諮詢合夥企業(有限合夥))	PRC	RMB17,005,000	-	-	-	-	Enterprise management advisory services
天津揚帆六號企業管理諮詢合夥企業(有限合夥)	中國	人民幣17,005,000元					企業管理顧問服務
Tianjin Yangfan No. 7 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆七號企業管理諮詢合夥企業(有限合夥))	PRC	RMB17,540,000	-	-	-	-	Enterprise management advisory services
天津揚帆七號企業管理諮詢合夥企業(有限合夥)	中國	人民幣17,540,000元					企業管理顧問服務
Tianjin Yangfan No. 8 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆八號企業管理諮詢合夥企業(有限合夥))	PRC	RMB19,153,000	-	-	-	-	Enterprise management advisory services
天津揚帆八號企業管理諮詢合夥企業(有限合夥)	中國	人民幣19,153,000元					企業管理顧問服務
Tianjin Yangfan No. 9 Enterprise Management Consulting Partnership (Limited Partnership)* (天津揚帆九號企業管理諮詢合夥企業(有限合夥))	PRC	RMB18,974,000	-	-	-	-	Enterprise management advisory services
天津揚帆九號企業管理諮詢合夥企業(有限合夥)	中國	人民幣18,974,000元					企業管理顧問服務
Hunan Wei Gao Gaochuang Medical Technology Co., Ltd.* (湖南威高創醫療科技有限公司)	PRC	RMB5,000,000	-	-	72.18	72.18	Development, services and sales of medical technology development.
湖南威高創醫療科技有限公司	中國	人民幣5,000,000元					醫療技術的開發、服務及銷售。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情

(續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
			2023	2022	2023	2022	
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	於十二月三十一日 本集團應佔之實際股權				主要業務
			% (直接)		% (間接)		
			二零二三年	二零二二年	二零二三年	二零二二年	
Shandong Weigao Ruike Medical Technology Co., Ltd.* (山東威高瑞科醫療技術有限公司) 山東威高瑞科醫療技術有限公司	PRC 中國	RMB20,000,000 人民幣20,000,000元	2.78	20	97.22	80	Production and sales of Type I, Type II and Type III medical devices. 生產及銷售第一類、第二類及第三類醫療設備。
Shandong Weigaorui New Medical Technology Co., Ltd.* (山東威高瑞新醫療技術有限公司) 山東威高瑞新醫療技術有限公司	PRC 中國	RMB20,000,000 人民幣20,000,000元	3.03	20	96.97	80	Production and sales of Type I, Type II and Type III medical devices. 生產及銷售第一類、第二類及第三類醫療設備。
Weihai Wego Medical Materials Co., Ltd.* (威海威高醫用材料有限公司) 威海威高醫用材料有限公司	PRC 中國	RMB6,630,000 人民幣6,630,000元	100	100	-	-	Production and sales of Type I, Type II and Type III medical devices. 生產及銷售第一類、第二類及第三類醫療設備。
Weihai Weigao Hande Medical Technology Co., Ltd.* (威海威高漢德醫療科技有限公司) 威海威高漢德醫療科技有限公司	PRC 中國	RMB15,000,000 人民幣15,000,000元	-	-	100	100	Production and sales of Type I, Type II and Type III medical devices. 生產及銷售第一類、第二類及第三類醫療設備。
Weigao International Holding Corporation Pte., Ltd.	S.G. 新加坡	USD758,372/USD5,000,000 758,372美元/ 5,000,000美元	-	-	100	35	Investment holding. 投資控股。
Wego Medical (Thailand) Co., Ltd	THA 泰國	THB3,000,000 泰國銖3,000,000元	-	-	98	-	Sales of medical devices. 銷售醫療設備。
Weigao New Life* (山東威高新生醫療器械有限公司) (vi) 山東威高新生醫療器械有限公司(vi)	PRC 中國	RMB15,000,000 人民幣15,000,000元	-	-	72.18	72.18	Production and sales of Type I, Type II and Type III medical devices. 生產及銷售第一類、第二類及第三類醫療設備。
Weihai Liansheng Medical Equipment Co., Ltd.* (威海聯生醫療器械有限公司) (vi) 威海聯生醫療器械有限公司(vi)	PRC 中國	nil/ RMB2,000,000 零/人民幣2,000,000元	-	-	72.18	72.18	Production and sales of Type I, Type II and Type III medical devices. 生產及銷售第一類、第二類及第三類醫療設備。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

47. 本公司主要附屬公司詳情 (續)

Name of subsidiaries	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	2023	2022	2023	2022	主要業務
			於十二月三十一日 本集團應佔之實際股權		於十二月三十一日 本集團應佔之實際股權		
			% (直接)	% (間接)	% (直接)	% (間接)	
			二零二三年	二零二二年	二零二三年	二零二二年	
Zhejiang Quantum* (浙江量子醫療器械有限公司) (vii)	PRC	RMB20,000,000/ RMB22,857,143	-	-	48.28	-	Production and sales of Type I, Type II and Type III medical devices.
浙江量子醫療器械有限公司(vii)	中國	人民幣20,000,000元/ 人民幣22,857,143元					生產及銷售第一類、第二 類及第三類醫療設備。
Hunan Discovery Quantum Medical Device Co., Ltd.* (湖南發現量子醫療器械有限公司) (vii)	PRC	nil/ RMB2,000,000	-	-	48.28	-	Production and sales of Type I, Type II and Type III medical devices.
湖南發現量子醫療器械有限公司(vii)	中國	零/人民幣2,000,000元					生產及銷售第一類、第二 類及第三類醫療設備。
Shandong Weigao Precision Technology Co., Ltd.* (山東威高精工科技有限公司) (viii)	PRC	nil/ RMB20,000,000	-	-	72.18	-	Production and sales of Type I, Type II and Type III medical devices.
山東威高精工科技有限公司(vii)	中國	零/人民幣20,000,000元					生產及銷售第一類、第二 類及第三類醫療設備。

* For identification purposes only

* 僅供識別

Notes:

附註：

- (i) None of the subsidiaries had issued any debt securities at the end of the year.
- (ii) In the opinion of the Directors, there is no subsidiary that has non-controlling interests which is material to the Group.
- (iii) Shandong Weigao Group Logistic Company Limited were deregistered on 26 October 2023.
- (iv) Hunan Weigao Orthopaedic Devices Co., Ltd. were deregistered on 6 June 2023.

- (i) 概無附屬公司於年末發行任何債務證券。
- (ii) 董事認為，概無擁有對本集團有重大影響之非控股權益之附屬公司。
- (iii) 山東威高集團物流有限公司於二零二三年十月二十六日註銷登記。
- (iv) 湖南威高骨科醫療器械有限公司於二零二三年六月六日註銷登記。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

Notes: (continued)

- (v) Shandong Gaowo Medical Device Co., Ltd. were deregistered on 14 April 2023.
- (vi) Weigao New Life and Weihai Liansheng Medical Equipment Co., Ltd. were merged by Weigao Orthopaedic on 3 January 2023.
- (vii) Zhejiang Quantum and Hunan Discovery Quantum Medical Devices Co., Ltd. ("Hunan Discovery Quantum") were acquired by Weigao Orthopaedic on 25 May 2023. Weigao Orthopaedic holds 62.1429% equity interest of Zhejiang Quantum and Hunan Discovery Quantum directly, so the company has control over Zhejiang Quantum and Hunan Discovery Quantum indirectly.
- (viii) Shandong Weigao Precision Technology Co., Ltd were established on 18 September 2023.

48. EVENT AFTER THE REPORTING PERIOD

Other than the subsequent event disclosed in Note 33(c), there is no significant subsequent event after the reporting period.

47. 本公司主要附屬公司詳情

(續)

附註：(續)

- (v) 山東高沃醫療器械有限公司於二零二三年四月十四日註銷登記。
- (vi) 威高新生及威海聯生醫療器械有限公司於二零二三年一月三日被威高骨科合併。
- (vii) 浙江量子及湖南發現量子醫療器械有限公司(「湖南發現量子」)於二零二三年五月二十五日被威高骨科收購。威高骨科直接持有浙江量子及湖南發現量子62.1429%的股權，故該公司間接控制浙江量子及湖南發現量子。
- (viii) 山東威高精工科技有限公司於二零二三年九月十八日成立。

48. 報告期後事件

除附註33(c)所披露之期後事項外，於報告期後概無重大期後事項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

49. COMPANY'S STATEMENT OF FINANCIAL POSITION

49. 本公司之財務狀況表

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	2,802,923	2,832,751
Investment properties	投資物業	361,389	367,852
Right-of-use assets	使用權資產	254,041	263,066
Financial assets at fair value through profit or loss	按公平值計入損益計量之金融資產	-	572
Investments in subsidiaries	於附屬公司的投資	1,551,684	1,547,251
Interest in an associate	於一間聯營公司的權益	1,347,791	1,251,934
Interest in a joint venture	於一間合營企業的權益	321,857	330,226
Deferred tax assets	遞延稅項資產	65,077	59,779
Deposit paid for acquiring property, plant and equipment	就收購物業、廠房及設備已付之按金	69,859	93,245
Prepayments	預付款項	68,757	70,967
		6,843,378	6,817,643
Current assets	流動資產		
Inventories	存貨	548,116	646,410
Trade and other receivables	應收貿易賬款及其他應收款項	4,447,222	3,843,572
Financial assets at fair value through profit or loss	按公平值計入損益計量之金融資產	371	-
Debt instruments at fair value through other comprehensive income	按公平值計入其他全面收入計量之債務工具	159,239	312,771
Amounts due from subsidiaries	應收附屬公司款項	7,120,946	6,782,667
Pledged/restricted bank deposits	已抵押／受限制銀行存款	200,159	166,301
Cash and bank balances	現金及銀行結餘	1,721,481	1,515,555
		14,197,534	13,267,276
Current liabilities	流動負債		
Trade and other payables	應付貿易賬款及其他應付款項	2,281,635	1,418,905
Contract liabilities	合約負債	260,786	290,709
Borrowings	借款	300,000	300,000
Financial liabilities at fair value through profit or loss	按公平值計入損益計量之金融負債	7,653	-
Amounts due to subsidiaries	應付附屬公司款項	3,532,039	4,331,060
Lease liabilities	租賃負債	10,603	11,301
Financial guarantee contracts	財務擔保合約	7,497	7,304
		6,400,213	6,359,279

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

49. COMPANY'S STATEMENT OF FINANCIAL POSITION (continued) **49. 本公司之財務狀況表** (續)

		31/12/2023	31/12/2022
		RMB'000	RMB'000
		二零二三年	二零二二年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Net current assets	流動資產淨額	7,797,321	6,907,997
Total assets less current liabilities	總資產減流動負債	14,640,699	13,725,640
Capital and reserves	資本及儲備		
Share capital	股本	457,063	457,063
Reserves	儲備	12,638,658	11,699,124
Total equity	權益總額	13,095,721	12,156,187
Non-current liabilities	非流動負債		
Borrowings	借款	498,497	497,497
Bonds payable	應付債券	995,405	993,977
Financial guarantee contracts	財務擔保合約	-	7,497
Deferred income	遞延收入	13,052	30,227
Lease liabilities	租賃負債	38,024	40,255
		1,544,978	1,569,453
Total equity and non-current liabilities	權益及非流動負債總額	14,640,699	13,725,640

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

49. COMPANY'S STATEMENT OF FINANCIAL POSITION (continued)

49. 本公司之財務狀況表 (續)

Information about the movements in reserves of the Company at the end of the reporting period includes:

有關本公司於報告期末之儲備變動之資料包括：

		Share premium RMB'000	Other reserves RMB'000	Statutory surplus reserve RMB'000	Retained profits RMB'000	Total RMB'000
		股份溢價 人民幣千元	其他儲備 人民幣千元	法定盈餘 儲備 人民幣千元	保留溢利 人民幣千元	總計 人民幣千元
At 1 January 2022	於二零二二年一月一日	2,743,144	359,828	226,117	8,220,181	11,549,270
Profit for the year	本年度溢利	-	-	-	785,192	785,192
Share-based payments (Note 38(a))	以股份為基礎付款 (附註38(a))	-	81,077	-	-	81,077
Dividends recognised as distribution	確認為分派的股息	-	-	-	(690,165)	(690,165)
Other equity changes of an associate	一間聯營公司的其他權益 變動	-	50,095	-	-	50,095
Impact from business combination under common control	共同控制下業務合併的 影響	-	(76,345)	-	-	(76,345)
At 31 December 2022	於二零二二年十二月 三十一日	2,743,144	414,655	226,117	8,315,208	11,699,124
Profit for the year	本年度溢利	-	-	-	1,593,673	1,593,673
Share-based payments (Note 38(a))	以股份為基礎付款 (附註38(a))	-	42,426	-	-	42,426
Dividends recognised as distribution	確認為分派的股息	-	-	-	(696,565)	(696,565)
At 31 December 2023	於二零二三年 十二月三十一日	2,743,144	457,081	226,117	9,212,316	12,638,658

***WEGO* 威高**