Jenscare Scientific Co., Ltd.
寧波健世科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 9877)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The Board is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2022, together with comparative figures for the year ended 31 December 2021 as follows. The consolidated financial statements of the Group have been audited by the Group's auditor, Ernst & Young, in accordance with IFRS, and have been reviewed by the management of the Company together with the Audit Committee.

FINANCIAL HIGHLIGHTS

	Year ended 31 December		Year-on-year
	2022	2021	change
	RMB'000	*RMB'000*	
Revenue	**–**	–	–
Gross profit	**–**	–	–
Loss before income tax	**(440,914)**	(500,673)	–11.9%
Loss for the year	**(440,914)**	(500,673)	–11.9%
Loss attributable to owners of the parent	**(439,311)**	(500,517)	–12.2%
Loss per Share attributable to ordinary equity holders of the parent			
Basic and diluted	**RMB(1.20)**	RMB(1.48)	–18.9%

BUSINESS HIGHLIGHTS

On 10 October 2022, the Company was successfully listed on the Stock Exchange. During the Reporting Period, we have made the following milestones and achievements with respect to our product pipeline and business operations:

Tricuspid valve

LuX-Valve and LuX-Valve Plus

Domestic:

- In December 2022, we submitted the registration for LuX-Valve to the NMPA.
- In October 2022, we have completed the four-year follow-up for the first patient who received treatment with LuX-Valve TTVR system in China. Meanwhile, we also completed the one-, two-, and three-year follow-up, respectively, for the patients who underwent the LuX-Valve TTVR procedure. The follow-up results showed that the patients were in good health condition.
- LuX-Valve Plus was admitted into the Special Examination for Innovative Medical Devices by the NMPA.
- We have completed the feasibility clinical trial for LuX-Valve Plus and we are conducting the confirmatory clinical trial. We expect to complete the subject enrollment in the second quarter of 2023 and submit the registration to the NMPA in the third quarter of 2023.

Overseas:

- In November 2022, we published the one-year clinical data of LuX-Valve First-in-man clinical trial at the 2022 PCR London Valves Conference.
- We have conducted early feasibility clinical trials at our European centers in France, Germany, Spain and Switzerland, and clinical trials for CE Certificate are currently underway.
- We are conducting the early feasibility clinical trials in the U.S. and Canada.

Aortic valve

Ken-Valve

- In March 2023, we completed the one-year follow-up for patients in the confirmatory clinical trial. We are in the process of data analysis and expect to submit the registration to the NMPA in the second quarter of 2023.

KenFlex

- We are preparing the feasibility clinical trial and expect to complete the subject enrollment in the second quarter of 2023.

Mitral valve

JensClip

- We completed the feasibility clinical trial in December 2022. We are conducting the confirmatory clinical trial, and expect to complete the subject enrollment in the fourth quarter of 2023.

Heart failure

MicroFlux

- We are conducting the feasibility clinical trial and expect to initiate the confirmatory clinical trial in the second half of 2023.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE LOSS

For the year ended 31 December 2022

	Notes	**2022** ***RMB'000***	2021 *RMB'000*
Other income and gains	*4*	**54,424**	8,910
Research and development expenses		**(291,580)**	(265,336)
Administrative expenses		**(219,697)**	(238,506)
Other expenses		**(117)**	(6,954)
Finance costs	*6*	**(113)**	(130)
Share of profit of an associate		**16,169**	1,343
LOSS BEFORE TAX	*5*	**(440,914)**	(500,673)
Income tax expenses	*7*	**–**	–
LOSS FOR THE YEAR		**(440,914)**	(500,673)
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**8,285**	–
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**8,285**	–
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(432,629)**	(500,673)

	Notes	**2022** ***RMB'000***	2021 *RMB'000*
Loss attributable to:			
Owners of the parent		**(439,311)**	(500,517)
Non-controlling interests		**(1,603)**	(156)
		(440,914)	(500,673)
Total comprehensive loss attributable to:			
Owners of the parent		**(431,026)**	(500,517)
Non-controlling interests		**(1,603)**	(156)
		(432,629)	(500,673)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic and diluted			
– For loss of the year		**RMB(1.20)**	RMB(1.48)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of 31 December 2022

	Notes	As of 31 December 2022 RMB'000	2021 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**42,681**	17,699
Other intangible assets		**4,194**	2,394
Right-of-use assets		**29,204**	2,758
Investment in an associate		**483,730**	467,561
Other non-current assets		**16,161**	22,142
Total non-current assets		**575,970**	512,554
CURRENT ASSETS			
Inventories		**9,893**	4,672
Prepayments, other receivables and other assets		**20,356**	23,543
Financial assets at fair value through profit or loss		**97,746**	–
Cash and cash equivalents		**727,364**	800,590
Total current assets		**855,359**	828,805
CURRENT LIABILITIES			
Trade payables	*10*	**10,950**	8,445
Other payables and accruals		**43,481**	39,913
Lease liabilities		**2,305**	1,342
Total current liabilities		**56,736**	49,700
NET CURRENT ASSETS		**798,623**	779,105
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,374,593**	1,291,659
NON-CURRENT LIABILITIES			
Lease liabilities		**1,566**	1,068
Total non-current liabilities		**1,566**	1,068
Net assets		**1,373,027**	1,290,591
EQUITY			
Equity attributable to owners of the parent			
Share capital	*11*	**417,167**	409,091
Reserves		**956,119**	888,001
Shares held for share compensation plan		**–**	(6,345)
		1,373,286	1,290,747
Non-controlling interests		**(259)**	(156)
Total equity		**1,373,027**	1,290,591

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2022

1. CORPORATE AND GROUP INFORMATION

Jenscare Scientific Co., Ltd. (the "Company") was incorporated in the People's Republic of China (the "PRC") on 8 November 2011 as a limited liability company. On 23 March 2021, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The registered office of the Company is located at No.777 Binhai Forth Road, Hangzhou Bay New District, Ningbo, Zhejiang, the PRC.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 10 October 2022.

During the year, the Company and its subsidiaries (the "Group") was mainly engaged in the research and development of interventional products for the treatment of structural heart diseases and other related medical products.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs")(which include all IFRSs, International Accounting Standards ("IASs") and interpretations) issued by the International Accounting Standards Board (the "IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

Amendments to IFRS 3,	*Reference to the Conceptual Framework*
Amendments to IAS 16,	*Property, Plant and Equipment: Proceeds before Intended Use*
Amendments to IAS 37,	*Onerous Contracts – Cost of Fulfilling a Contract*
Annual Improvements to IFRS Standards 2018-2020	*Amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41*

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [3]
Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback* [2]
IFRS 17	*Insurance Contracts* [1]
Amendments to IFRS 17	*Insurance Contracts* [1, 5]
Amendment to IFRS 17	*Initial Application of IFRS 17 and IFRS 9 – Comparative Information* [6]
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current (the "2020 Amendments")* [2, 4]
Amendments to IAS 1	*Non-current Liabilities with Covenants (the "2022 Amendments")* [2]
Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of Accounting Policies* [1]
Amendments to IAS 8	*Definition of Accounting Estimates* [1]
Amendments to IAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction* [1]

1 Effective for annual periods beginning on or after 1 January 2023.

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

3 No mandatory effective date yet determined but available for adoption.

4 As a consequence of the 2022 Amendments, the effective date of the 2020 Amendments was deferred to annual periods beginning on or after 1 January 2024.

5 As a consequence of the amendments to IFRS 17 issued in June 2020, IFRS 4 was amended to extend the temporary exemption that permits insurers to apply IAS 39 rather than IFRS 9 for annual periods beginning before 1 January 2023.

6 An entity that chooses to apply the transition option relating to the classification overlay set out in this amendment shall apply it on initial application of IFRS 17.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

Since nearly all of the Group's non-current assets were located in Mainland China during the reporting period, no further geographical segment information is presented.

4. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	2022	2021
	RMB'000	*RMB'000*
Other income		
Government grants	**10,702**	646
Bank interest income	**8,360**	1,766
Others	**21**	11
	19,083	2,423
Gains		
Foreign exchange differences, net	**34,622**	–
Gain on financial assets at fair value through profit or loss	**719**	6,487
	54,424	8,910

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2022	2021
	RMB'000	*RMB'000*
Depreciation of items of property, plant and equipment	**6,457**	3,407
Amortisation of intangible assets	**342**	150
Depreciation of right-of-use assets	**2,400**	1,704
Research and development expenses	**291,580**	265,336
Loss on disposal of items of property, plant and equipment	**9**	14
Impairment of other receivables	**106**	102
Auditor's remuneration	**2,000**	–
Government grants	**(10,702)**	(646)
Bank interest income	**(8,360)**	(1,766)
Lease payments not included in the measurement of lease liabilities	**1,372**	909
Fair value gains, net:		
Financial assets at fair value through profit or loss	**(719)**	(6,487)
Foreign exchange differences, net	**(34,622)**	6,836
	249,863	269,559
Staff cost (excluding directors' and chief executive's remuneration):		
Wages and salaries	**50,716**	34,163
Pension scheme contributions	**11,474**	6,767
Staff welfare expenses	**2,447**	2,166
Equity-settled share compensation expense	**79,236**	106,342

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2022	2021
	RMB'000	*RMB'000*
Interest on lease liabilities	**113**	130

7. INCOME TAX

The Group's principal applicable tax and tax rate are as follows:

(a) Pursuant to the Corporate Income Tax Law of the PRC (the "CIT Law") and the respective regulations, the applicable tax rate of the Company and its subsidiaries in mainland China is 25%. No provision for Mainland China income tax has been made as the Group's entities in the PRC had no estimated assessable profits during the year.

(b) No provision for Hong Kong income tax has been made at a rate of 16.5% as the Group's entity in Hong Kong has no estimated assessable profits during the year.

(c) No provision for Netherland income tax has been made at a rate of 25.8% as the Group's entity in the Netherland has no estimated assessable profits during the year.

8. DIVIDENDS

No dividend was paid or declared by the Company during the year ended 31 December 2022 (2021: nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to owners of the parent, and the weighted average number of ordinary shares of 365,375,000 (2021: 338,446,000) in issue during the year, as adjusted to reflect the rights issue during the year or period. The weighted average number of ordinary shares in issue before the conversion into a joint stock company was determined by assuming that the paid-in capital had been fully converted into share capital at the same conversion ratio as upon transformation into a joint stock company in March 2021.

The Group had potential dilutive shares throughout the year related to the shares held for the share compensation plan. Due to the Group's negative financial results during the year, shares held for the share compensation plan have an anti-dilutive effect on the Group's loss per share. Thus, diluted loss per share is equivalent to the basic loss per share.

10. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the Reporting Period, based on the invoice dates, is as follows:

	2022	2021
	RMB'000	*RMB'000*
Trade payables		
Within 1 year	**10,928**	8,004
Over 1 year	**22**	441
	10,950	8,445

The trade payables are non-interest-bearing and are normally settled within two months.

Included in the trade payables were an amount due to a related party of RMB52,000 as at 31 December 2022 (2021: nil), which was repayable within 60 days, representing credit terms similar to those offered by the related party to its major customers.

11. SHARE CAPITAL/PAID-IN CAPITAL

A summary of movements in the Company's share capital is as follows:

	Total
	RMB'000
Issued and fully paid as at 1 January 2021	–
Issue of ordinary shares upon conversion into a joint stock company *(b)*	360,000
Issue of shares *(c)*	49,091
As at 31 December 2021	409,091
Issued and fully paid as at 1 January 2022	409,091
Issue of shares from initial public offering *(d)*	8,076
As at 31 December 2022	417,167

Paid-in capital

	Total
	RMB'000
At 1 January 2021	19,617
Capital contribution by shareholders *(a)*	5,073
Conversion into a joint stock company *(b)*	(24,690)
At 31 December 2021 and 31 December 2022	–

Notes:

(a) In July 2020, the Company entered into capital increase agreement with Hainan Maidi Enterprise Management L.P. (Limited Partnership). According to the agreement, total capital of RMB2,828,000 was injected into the Company with approximately RMB2,828,000 credited to the Company's paid-in capital. During the year ended 31 December 2021, 100% of the total capital was contributed by the shareholders.

In February 2021, the Company entered into a capital increase agreement with Hainan Hualing Investment L.P. (Limited Partnership). According to the agreement, total capital of RMB2,245,000 was to be injected into the Company with approximately RMB2,245,000 credited to the Company's paid-in capital. During the year ended 31 December 2021, 100% of the total capital was contributed by the shareholders.

(b) In March 2021, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company as of the conversion base date, including paid-in capital, other reserves and accumulated losses, amounting to RMB375,081,726 were converted into 360,000,000 ordinary shares at RMB1.00 per share. The excess of the net assets converted over the nominal value of the ordinary shares was credited to the Company's share premium.

(c) In April 2021, the Company entered into a capital increase agreement with AUT-VII HK Holdings Limited, Janecox Investment IV HK Limited, Duckling Fund, L.P, Cormorant Global Healthcare Master Fund, LP, ChinaAMC Summerbrook Fund, Forebright Keen Ascent Limited, FutureX Investment I Company Limited and Start New Limited. According to the agreement, the Company issued 49,090,890 ordinary shares to the above investors with par value of RMB1.00 each. The registered share capital was increased from RMB360,000,000 to RMB409,090,890, for a total subscription price of USD163,636,300, which was converted into RMB1,054,101,000 with approximately RMB49,091,000 and RMB1,005,010,000 credited to the Company's share capital and share premium, respectively.

(d) On 10 October 2022, the Company successfully completed the IPO on Hong Kong Stock Exchange. The Company issued 8,076,400 ordinary shares at the offering price of HKD27.80 per share.

I. BUSINESS REVIEW

Overview

We are an international medical device company dedicated to the development of interventional products for the treatment of structural heart diseases. Our Company was established in the PRC in November 2011. Since then we have developed a series of treatment solutions targeting different types of structural heart diseases, including tricuspid valve diseases, aortic valve diseases, mitral valve diseases and heart failure.

Products and Pipeline

As of the date of this announcement, we have a portfolio of 12 product candidates in various stages of development. The following diagram summarizes the status of our product candidates under development as of the date of this announcement:

Product Candidates	Product Categories	Pre-Clinical	Clinical	Registration	Upcoming Milestones	Expected Commercialization
Valvular Heart Diseases Product Candidates						
LuX-Valve	Transcatheter tricuspid valve replacement (TTVR) system	NMPA approval: Submission for NMPA approval			Obtaining the NMPA approval (2023Q3)	2023H2
LuX-Valve Plus	Transcatheter tricuspid valve replacement (TTVR) system	In the process of conducting the confirmatory clinical trial			Completion of the subject enrollments for the registration clinical trial (2023Q2)	2024H1
	Transcatheter tricuspid valve replacement (TTVR) system	CE Marking: In the process of registration clinical trial			Completion of the subject enrollments for the registration clinical trial (2023H2)	2025H1
	Transcatheter tricuspid valve replacement (TTVR) system	FDA Marking: In the process of early feasibility clinical trial			Completion of the early feasibility clinical trial (2023H2)	2026H2
Ken-Valve	Transcatheter aortic valve replacement (TAVR) system	NMPA approval: Completed the confirmatory clinical trial			Submission for NMPA approval (2023Q2)	2024H1
KenFlex	Transcatheter aortic valve replacement (TAVR) system	NMPA approval: Preparing to initiate the feasibility			Completion of the subject enrollments for the feasibility clinical trial (2023Q2)	2025H2
JensClip	Transcatheter mitral valve repair (TMVr) system	NMPA approval: In the process of conducting the confirmatory clinical trial			Completion of the subject enrollments for the confirmatory clinical trial (2023Q4)	2025H2
JensFlag[Note 1]	Transcatheter mitral valve replacement (TMVR) system	NMPA approval: In the process of early feasibility clinical trial			Completion of the early feasibility clinical trial (2023Q2)	2026H1
JensCloop	Transcatheter mitral valve repair (TMVr) system	NMPA approval: In the process of conducting animal studies			Initiation of the feasibility clinical trial (2024Q1)	2027H1
JensRelive[Note 2]	Transcatheter mitral valve replacement (TMVR) system	NMPA approval: In the process of conducting animal studies			Initiation of the feasibility clinical trial (2024Q1)	2026H2
Heart Failure Diseases Product Candidates						
MicroFlux	Atrial septostomy stent & delivery system	NMPA approval: In the process of conducting the feasibility clinical trial			Initiation of the confirmatory clinical trial (2023H2)	2025H2
AlginSys[Note3]	Myocardial filling hydrogel & injection system	NMPA approval: In the process of conducting animal studies			Initiation of the feasibility clinical trial (2023H2)	2025H2
Cardioembolic Thrombi Prevention Product Candidates						
SimuLock	Biomimetic left atrial appendage occluder system	NMPA approval: In the process of preparing the feasibility clinical trial			Initiation of the feasibility clinical trial (2023H1)	2025H2
OmniSeal	Degradable PFO occluder system	NMPA approval: In the process of conducting animal studies			Initiation of the feasibility clinical trial (2024H1)	2026H2

Note 1: The original name of JensFlag is "MitraPatch";
Note 2: The original name of JensRelive is "AnchorValve";
Note 3: The original name of AlginSys is "AlginSys & EndoInjex"

Our Products and Product Candidates

Tricuspid Valve Product Candidates

LuX-Valve, our Core Product and our proprietary first-generation TTVR system, is designed to treat symptomatic patients with both severe tricuspid regurgitation and high surgical risk. LuX-Valve works by replacing the function of a patient's dysfunctional native tricuspid valve with a prosthetic valved stent without the need for conventional open-heart surgery. LuX-Valve is a Class III medical device under the classification criteria of the NMPA. As of the date of this announcement, we held 13 patents and 20 patent applications in relation to LuX-Valve. LuX-Valve was admitted into the Special Examination for Innovative Medical Devices (the "**Green Path**") by the NMPA in January 2019, and therefore is eligible for an expedited approval process in China in accordance with the Special Procedures for Examination and Approval of Innovative Medical Devices (創新醫療器械特別審查程序). In September 2020, we successfully completed the multi-center feasibility clinical trial. In August 2021, we completed the enrollment of 120 trial subjects for the confirmatory clinical trial of LuX-Valve. In November 2021, we received the breakthrough device designation from the U.S. Food and Drug Administration for LuX-Valve. In February 2022, we completed the six-month follow-up for the confirmatory clinical trial of LuX-Valve, and thereafter proceeded with the one-year follow-up for the confirmatory clinical trial of LuX-Valve, which had been completed as of the date of this announcement. After the completion of the confirmatory clinical trial, we submitted the trial results to the NMPA for approval in December 2022, and we expect to obtain the NMPA approval for the commercialization of LuX-Valve in the third quarter of 2023.

LuX-Valve Plus, our proprietary second-generation TTVR system, is designed for patients with severe tricuspid regurgitation. LuX-Valve Plus works by functionally replacing the patient's dysfunctional native tricuspid valve with a prosthetic valve stent without the need for conventional open-heart surgery. LuX-Valve Plus is a Class III medical device under the classification criteria of the NMPA. In comparison to LuX-Valve, LuX-Valve Plus uses a transvascular delivery system through transjugular approach. We expect the transvascular access path to effectively simplify the operation procedure with shorter device procedure time, smaller incision and less damage to the heart tissue. In addition, the delivery system of LuX-Valve Plus is multi-angle adjustable and steerable, allowing physicians to more conveniently adjust the release position and release angle, and thereby further increasing the product's safety profile. In August 2022, we completed the enrollment of 15 subjects for the feasibility clinical trial of LuX-Valve Plus in China, and then completed the one-month follow-up in September 2022. We are conducting the confirmatory clinical trial, and expect to complete the subject enrollment in the second quarter of 2023 and submit the registration to the NMPA in the third quarter of 2023. As of the date of this announcement, we have conducted early feasibility clinical trials at our European centers (France, Germany, Spain and Switzerland) and our North American centers (the U.S. and Canada). We have received approvals to conduct the clinical trials for CE Certificate and clinical trials for CE Certificate are currently underway.

Aortic Valve Product Candidates

Ken-Valve, our Core Product and our proprietary first-generation TAVR system, is designed for the treatment of severe aortic regurgitation (or combined with aortic stenosis). Ken-Valve is a Class III medical device under the classification criteria of the NMPA. As of the date of this announcement, we held nine patents in relation to Ken-Valve. In May 2019, we initiated the feasibility clinical trial of Ken Valve in China. In March 2021, we successfully completed the multi-center feasibility clinical trial of Ken-Valve and subsequently initiated the confirmatory clinical trial, for which all subject enrollments were completed in March 2022. After the completion of the confirmatory clinical trial in March 2023, we expect to obtain the NMPA approval for the commercialization of Ken-Valve in the first half of 2024.

KenFlex, our proprietary new-generation TAVR system, is used for the treatment of severe aortic regurgitation (or combined with aortic stenosis). KenFlex has a key upgrade on its delivery system, namely a multi-angle retrievable and steerable function through the vascular access, which is expected to improve the valve positioning accuracy and stability during deployment. In particular, KenFlex allows the physician to recapture the valve into the capsule and readjust the position and orientation after the prosthetic valve is released, to improve prosthetic valve fixation and leak prevention. KenFlex is a Class III medical device under the classification criteria of the NMPA. As of the date of this announcement, we were preparing for the feasibility clinical trial of KenFlex.

Mitral Valve Product Candidates

JensClip, our proprietary clip-based TMVr system, is designed to treat patients with severe mitral regurgitation. It works by clipping together a small area of the mitral valve leaflets, which continue to open and close on either side of the clip. This allows blood to flow on both sides while reducing the flow of blood in the wrong direction. In addition, JensClip utilizes a claw wall and a locking mechanism, with a simple structure design that can grasp the valve leaflets bilaterally and is easy to use with good flexibility. In addition, during the procedure, the delivery system of JensClip is designed to enable physicians to maneuver the device in a 360-degree fashion. JensClip is a Class III medical device under the classification criteria of the NMPA. The feasibility clinical trial of JensClip in China was completed in December 2022, and as of the date of this announcement, the confirmatory clinical trial was being conducted. It is expected that patient enrollment will be completed in the fourth quarter of 2023.

JensFlag, our proprietary TMVR system, is designed to treat patients with severe mitral regurgitation especially those caused by leaflet prolapse. JensFlag is made of bovine pericardium that is trimmed to size. JensFlag is a Class III medical device under the classification criteria of the NMPA. JensFlag is an innovative TMVR product candidate that can repair mitral valves using leaflet patching technologies. As of the date of this announcement, we were in the process of conducting the early feasibility clinical trial.

JensCloop, our proprietary TMVr system, is designed to treat high-risk patients with functional mitral regurgitation caused by valve annulus dilation. It mainly comprises of prosthetic valve annulus and delivery system as well as catheter kit. The transcatheter product is directly used on mitral valve annulus. It reduces the regurgitation by shrinking the mitral valve annulus orifice area through contraction of the mitral valve annulus. As of the date of this announcement, we were conducting animal trials for JensCloop in China.

JensRelive, our proprietary TMVR (transfemoral) system, is designed to treat patients with severe mitral regurgitation. It works by replacing the function of a patient's dysfunctional native mitral valve without the need for conventional open-heart surgery. JensRelive consists of a prosthetic mitral valve, a delivery catheter system, and a loading system. Our JensRelive uses a special anchoring design, and such a design helps the fixation while preventing displacement. In addition, JensRelive is also equipped with retrievable and steerable functions, which are expected to improve the valve positioning accuracy and stability during deployment. As of the date of this announcement, we were conducting animal trials for JensRelive.

Heart Failure Product Candidates

MicroFlux, is our proprietary first-generation transcatheter device for the treatment of heart failure with pressured ejection fraction ("HFpEF"). It works by creating a small opening in the atrial septum, and once MicroFlux is deployed, it forms a passage between the left and right atrium that enables the left atrium to decompress at rest and physical activity, with the aim of lowering left atrial pressure. More importantly, MicroFlux's DCS is retrievable at all times during the procedure or right after the procedure, thereby increasing the safety of the procedure. As of the date of this announcement, we were conducting the feasibility clinical trial of MicroFlux in China.

AlginSys, our proprietary myocardial injectable biopolymer product, is designed to prevent the progression of advanced heart failure. It features high biocompatibility. One ingredient in AlginSys promotes myocardial growth. The gel-like material is injected directly into the myocardium where it hardens and widens the wall of the left ventricle, and is designed to reduce the size of the left ventricular cavity. AlginSys provides firm physical support to the myocardial muscle, and shows superior overall performance. It is also composed of an endoscopic injector, which utilizes a controlled injection function and a steerable curved microneedle. It facilitates precise operation, and is designed to prevent accidental trigger of injection, which improves the safety of targeted injection. As of the date of this announcement, we were conducting animal trials for AlginSys.

SimuLock, our product candidate for cardiogenic blood clots, is our proprietary bionics left atrial appendage occlude system. This product is used for the prevention of thromboembolism of left auricle and lowers the risk of fatal bleeding for non-valvular atrial fibrillation patients who are suitable for anticoagulation treatment or have contraindications to anticoagulation treatment. Currently, SimuLock is in the process of obtaining clinical ethical approval, and is expected to commence the feasibility clinical trial in the first half of 2023.

OmniSeal is our proprietary degradable potent foramen ovale ("**PFO**") occlude system. PFO occlude is a percutaneous transcatheter PFO device designed for patients between the ages of 18 to 65 years old. It has significant benefits in lowering the morbidity of cardiogenic storke or migraine. As of the date of this announcement, we were conducting animal trials for OmniSeal.

For details of our products and product candidates, please refer to our Prospectus.

WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND/OR MARKET OUR CORE PRODUCTS OR ANY OTHER PRODUCT CANDIDATES.

Research and Development

Our R&D team self-develops interventional medical device products focusing on the treatment of structural heart diseases. We intend to expand and improve our product portfolio by strengthening our R&D of new products, expanding our product pipeline and improving our existing product candidates.

As of the date of this announcement, we had:

- two Core Products, as well as ten product candidates in various stages of development; and

- 149 issued patents and 167 patent applications in more than ten countries or regions.

Manufacturing

We have full manufacturing capabilities, including production lines for stents, valves, and delivery systems, respectively. In anticipation of forthcoming product launches, we have completed the expansion of our annual manufacturing capacity from 3,500 sets to approximately 4,000 to 5,000 sets in 2021, and expect to continue to expand our manufacturing capacity by reaching approximately 10,000 sets by the end of 2024. Additionally, we procured equipment and machinery from reputable suppliers and completed comprehensive commissioning and qualification steps to verify that the equipment and programs are installed according to the requisite specifications. We believe our manufacturing capability will give us an edge on clinical trials and future commercialization.

We have an established manufacturing facility (including two adjacent properties), which occupies approximately 7,000 sq.m. in Ningbo, Zhejiang. It is designed and built for manufacturing medical devices in compliance with GMP requirements with full manufacturing capability and ready for commercial-scale production. Our manufacturing facility has several production lines, including production lines for stents, valves, and delivery systems, respectively.

Future Development

Our vision is to become a global leading medical device platform with a comprehensive offering of innovative products for the treatment of structural heart diseases. We plan to implement the following strategies to achieve our goal:

- expedite the commercialization of our product candidates, especially our Core Products, in order to enjoy the first-mover advantage in the underpenetrated and fast-growing TTVR market;

- specialize in structural heart diseases and further enrich our comprehensive product offering;

- build upon our R&D capabilities and seek strategic collaborations to expand our product portfolio; and

- expand our footprint to become an industry leader.

II. FINANCIAL REVIEW

Other Income and Gains

Our other income and gains primarily consist of (i) gains on financial assets at fair value through profit or loss, representing the realized and unrealized gains from wealth management products we purchased; (ii) net foreign exchange gains mainly in connection with bank balance and cash denominated in U.S. dollars; (iii) government grants, primarily including subsidies received from the local governments to support our R&D activities and business operations; and (iv) interest income from bank deposits. Our other income and gains increased from RMB8.9 million in 2021 to RMB54.4 million in 2022. The increase was primarily attributable to (i) an increase in net foreign exchange differences with our U.S. Dollar denominated proceeds from our financing in May 2021 as a result of the appreciation of U.S. Dollar against RMB; (ii) an increase in government grants income due to additional government grants received in 2022; and (iii) an increase in bank interest income due to an increase in bank deposits. The increase was partially offset by the decrease in gains on financial assets at fair value through profit or loss.

Research and Development Expenses

Our R&D expenses primarily consist of (i) share-based compensation expenses; (ii) staff costs, including salaries, bonuses and welfare for R&D personnel; (iii) costs of raw materials and consumables used for R&D of our product candidates; and (iv) third-party contracting costs, primarily including payments to CROs, clinical trial sites, and other medical institutions, and testing fees incurred for preclinical studies and clinical trials.

Our R&D expenses increased from RMB265.3 million in 2021 to RMB291.6 million in 2022. The increase was primarily attributable to the rise of staff costs, costs of raw material and consumables used, and third-party contracting costs during our continuous R&D efforts. The increase was partially offset by a decrease in share-based compensation expenses incurred for R&D personnel.

The following table sets forth a breakdown of our R&D expenses in absolute amounts for the periods indicated:

	Year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
Share-based compensation expenses	**170,474**	184,304
Staff costs	**51,983**	33,825
Costs of raw materials and consumables used	**27,574**	17,156
Third-party contracting costs	**26,103**	20,865
Depreciation and amortization	**4,298**	1,867
Others	**11,148**	7,319
Total	**291,580**	265,336

Administrative Expenses

Our administrative expenses primarily consist of (i) share-based compensation expenses; (ii) staff costs, including salaries, bonuses and welfare for administrative personnel; (iii) professional service fees incurred primarily in relation to recruitment, legal, accounting and other IPO related services; and (iv) depreciation and amortization. In 2021 and 2022, we recorded share-based compensation expenses of RMB182.2 million and RMB147.4 million respectively, under our administrative expenses.

Our administrative expenses decreased from RMB238.5 million in 2021 to RMB219.7 million in 2022. The decrease was primarily attributable to the reduction in share-based compensation expenses incurred for administrative personnel.

The following table sets forth a breakdown of our administrative expenses in absolute amounts for the periods indicated:

	Year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
Share-based compensation expenses	**147,401**	182,208
Staff costs	**17,771**	14,391
Professional service fees	**40,645**	31,882
Depreciation and amortization	**4,901**	3,379
Traveling and transportation expenses	**1,388**	1,216
Utilities and office expenses	**1,126**	269
Others	**6,465**	5,161
Total	**219,697**	238,506

Other Expenses

Our other expenses mainly consist of foreign exchange differences and others.

Our other expenses decreased from RMB7.0 million in 2021 to RMB0.1 million in 2022. The decrease was primarily attributable to the reduction in net foreign exchange losses from our U.S. Dollar denominated proceeds due to the appreciation of U.S. Dollar against RMB.

Finance Costs

Our finance costs mainly consist of interest on lease liabilities.

Our finance costs remained relatively stable, which decreased from RMB130,000 for the year ended 31 December 2021 to RMB113,000 for the year ended 31 December 2022.

Income Tax Expenses

No provision for Mainland China income tax has been provided for at a rate of 25% pursuant to the Enterprise Income Tax Law of the PRC and the respective regulations, as we had no estimated assessable profits.

Loss for the Year

Based on the factors described above, our net losses amounted to RMB500.7 million and RMB440.9 million in 2021 and 2022 respectively.

Working Capital

Our primary uses of cash related to the R&D of our product candidates and capital expenditures. Our net cash used in operating activities was RMB158.5 million in 2022, primarily due to the significant R&D expenses and administrative expenses we incurred during the Reporting Period. Our operating cash flow will continue to be affected by our R&D expenses. During the Reporting Period, we primarily funded our working capital requirements through capital contributions from our Shareholders. We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. Going forward, we believe our liquidity requirements for conducting our R&D activities and realizing the commercialization of our product candidates, as well as supporting our future expansion plans will be satisfied by using funds from a combination of our cash and bank balances, net proceeds from the Global Offering and other funding sources as we believe appropriate.

Our net cash used in investing activities was RMB146.6 million in 2022, primarily due to the purchases of items of property, plant and equipment, acquisition of leasehold land, and purchases of financial assets at fair value through profit or loss during the Reporting Period.

Our net cash generated from financing activities was RMB188.90 million in 2022, primarily due to the net proceeds we received from the Global Offering.

As of 31 December 2022, we had cash and cash equivalents of RMB727.4 million, representing a decrease of 9.2% compared to RMB800.6 million as of 31 December 2021.

Our net current assets increased from RMB779.1 million as of 31 December 2021 to RMB798.6 million as of 31 December 2022, primarily due to an increase in the cash of the Group as a result of the net proceeds we received from the Global Offering.

Capital Expenditure

We regularly incur capital expenditures to expand our operations, upgrade our facilities, enhance our development capabilities and increase our operating efficiency. Our capital expenditures primarily consist of expenditures on machinery and office equipment, as well as leasehold improvements.

Our capital expenditures increased from RMB15.4 million in 2021 to RMB49.6 million in 2022. The increase was primarily attributable to the increase in purchases of machinery, office equipment, leasehold improvements, and acquisition of leasehold land.

Key Financial Ratios

The following tables sets forth the key financial ratios as at the dates indicated:

	As of December 31,	
	2022	2021
Current ratio[(1)]	**15.1**	16.7
Quick ratio[(2)]	**14.9**	16.6
Gearing ratio[(3)]	**4.1%**	3.8%

Notes:

(1) Current ratio is calculated based on total current assets divided by total current liabilities.

(2) Quick ratio is calculated based on total current assets less inventories divided by total current liabilities.

(3) Gearing ratio is calculated based on total liabilities divided by total assets and multiplied by 100%.

Indebtedness

As of 31 December 2022, we did not have any outstanding balance of borrowings or unutilized banking facilities.

Our lease liabilities increased from RMB2.4 million as of 31 December 2021 to RMB3.9 million as of 31 December 2022, primarily because of the increase in leasehold office premises.

Contingent Liabilities

As of 31 December 2022, we did not have any material contingent liabilities.

Significant Investments, Material Acquisitions and Disposals

For the year ended 31 December 2022, we did not hold any significant investments and we did not conduct any material acquisitions and disposals. Save as disclosed in the Prospectus, the Group does not have any specific plan on material investments or capital assets as of the date of this announcement.

Foreign Exchange Exposure

During the Reporting Period, we mainly operated in China and a majority of our transactions were settled in Renminbi, the functional currency of our Company. We are exposed to foreign currency risk mainly arising from exchange rate fluctuations of U.S. dollars against RMB. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

Material Litigation

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

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

On 10 October 2022, the Company was successfully listed on the Stock Exchange. The net proceeds received by the Group from the Global Offering (after deducting underwriting commissions, fees and relevant expenses) amounted to approximately HK$206.4 million. The Company intends to apply such net proceeds in accordance with the purposes as set out in the Prospectus.

Use of proceeds	**Net proceeds from the Listing available** *(HK$ million)*	**Expected timeline for fully utilizing unutilized net amount**
To fund the research and development, manufacturing and commercialization of our Core Products, namely, LuX-Valve and Ken-Valve	134.1	by December 31, 2024
To fund the research and development, clinical trials and product registration of other product candidates in our pipeline, including LuX-Valve Plus, KenFlex and mitral valve products	51.6	by December 31, 2024
Working capital and general corporate purposes	20.7	by December 31, 2023
Total	206.4	

Since the Listing Date and as of 31 December 2022, the Group had not utilized any proceeds from the Global Offering. The Group will gradually utilize the proceeds from the Global Offering in accordance with the intended purposes as mentioned above. As of the date of this announcement, the Group has used approximately HK$5.7 million for the research and development, clinical trials and product registration of other product candidates in our pipeline and approximately HK$9.3 million for working capital and general corporate purposes.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Strategic Cooperation Agreement With LifeTech Scientific Corporation

On February 6, 2023, the Company entered into a strategic cooperation agreement with LifeTech Scientific Corporation in respect of potential cooperation including but not limited to business development, project investments and financing in mainland China and overseas. For details, please refer to the voluntary announcement of the Company dated 6 February 2023.

Save as disclosed above, there is no material subsequent event undertaken by the Company or by the Group after the Reporting Period and up to the date of this announcement.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2022.

ANNUAL GENERAL MEETING

The AGM will be held on 31 May 2023. Notice of the AGM and all other relevant documents will be published and despatched to Shareholders in the manner required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 14 April 2023 to Wednesday, 31 May 2023, both days inclusive, during which period no transfer of shares will be registered. All transfer documents of the Company accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 13 April 2023.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability.

The Company has adopted the CG Code contained in Appendix 14 to the Listing Rules as its own code of corporate governance. During the period from the Listing Date to 31 December 2022, the Company has complied with all applicable code provisions of the CG Code save and except for the following deviation.

Under paragraph C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Although such appointment is not consistent with such paragraph C.2.1, Mr. Lv is our chairman of the Board and the chief executive officer of our Company. With extensive experience in the medical devices industry and having served in our Company since January 2013, Mr. Lv is in charge of the overall management of business operation, strategy and corporate development of our Group. Our Board considers that vesting the roles of chairman of the Board and chief executive officer in the same person is beneficial to the management of our Group.

The balance of power and authority is ensured by the operation of our Board, our Supervisors and our senior management, which comprises experienced and visionary individuals. Our Board currently comprises two executive Directors (including Mr. Lv), four non-executive Directors and three independent non-executive Directors, and therefore has a strong independence element in its composition. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman and the chief executive officer is necessary.

The Board will review the corporate governance structure and practices of the Company from time to time and shall make necessary arrangements when the Board considers appropriate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by the Directors and Supervisors. Having made specific enquiries with all Directors and Supervisors, each of them has confirmed that he/she has complied with the Model Code from the Listing Date to 31 December 2022. No incident of non-compliance of the Model Code by the employees who are likely to be in possession of inside information of the Company was noted by the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The shares of the Company were listed on the Main Board of the Stock Exchange on 10 October 2022. During the period from the Listing Date to 31 December 2022, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Board has established the Audit Committee which comprises three independent non-executive Directors, namely Ms. Du Jiliu, Dr. Lin Shoukang and Dr. Mei Lehe. Ms. Du Jiliu serves as the chairwoman of the Audit Committee, who has the professional qualification and experience in financial matters in compliance with the requirements of the Listing Rules. The primary duties of the Audit Committee are to provide an independent view of the Company's financial reporting process, internal control and risk management system, oversee the audit process and perform other duties and responsibilities as assigned by the Board.

The Audit Committee, together with the management and external auditor of the Company, has reviewed the annual results and the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters (including the review of the consolidated financial statements of the Group for the year ended 31 December 2022) of the Group. The Audit Committee is of the view that the annual results of the Group is prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

SCOPE OF WORK OF THE AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive loss, and the related notes thereto for the year ended 31 December 2022 as set out in the preliminary announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

PUBLICATION OF THE ANNUAL RESULTS AND 2022 ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jenscare.com). The annual report of the Company for the year ended 31 December 2022 containing all the information required by the Listing Rules will be dispatched to the Shareholders and will be published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jenscare.com) in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings.

"AGM"	the 2023 annual general meeting of the Company to be held on 31 May 2023
"Audit Committee"	the audit committee of the Board
"Board of Directors" or "Board"	the board of Directors
"Board of Supervisors"	the board of Supervisors
"CE Certificate" or "CE"	Conformite Europeenne, an administrative marking that indicates conformity with health, safety, and environmental protection standards for products sold within the European Economic Area (EEA)
"CG Code"	the "Corporate Governance Code" as contained in Appendix 14 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which, for the purpose of this announcement and for geographical reference only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, the PRC
"Company" or "our Company"	Jenscare Scientific Co., Ltd. (寧波健世科技股份有限公司), a joint stock company incorporated in the PRC with limited liability on 23 March 2021, or, where the context requires (as the case may be), its predecessor Ningbo Jenscare Biotechnology Co., Ltd. (寧波健世生物科技有限公司), a limited liability company established in the PRC on 8 November 2011
"Core Product(s)"	LuX-Valve and KenValve, the designated "core products" as defined under Chapter 18A of the Listing Rules
"Directors"	the directors of the Company or any one of them
"Global Offering"	the global offering (Hong Kong Public Offering and the International Offering) of the H Shares, details of which are set forth in the Prospectus

"Group", "our Group", "our", "we", or "us"	the Company and all of its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"H Shares"	overseas listed foreign invested ordinary share(s) in the ordinary share capital of our Company, with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and which are listed on the Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars", "HK dollars" or "HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"IFRS"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"IPO"	the initial public offering of the H Shares on the Main Board of the Stock Exchange on 10 October 2022
"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange
"Listing Date"	10 October 2022, on which the H Shares were listed and from which dealings therein were permitted to take place on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on Stock Exchange (as amended, supplemented or otherwise modified from time to time)
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix 10 to the Listing Rules
"Mr. Lv"	Mr. LV Shiwen (呂世文), the chairman of the Board, an executive Director, the chief executive officer and the chief technology officer of our Company, and one of our Controlling Shareholders

"NMPA"	the National Medical Product Administration of the PRC (中國國家藥品監督管理局), successor to the China Food and Drug Administration or CFDA (國家食品藥品監督管理總局)
"Prospectus"	the prospectus of the Company dated 23 September 2022
"R&D"	research and development
"Reporting Period"	the year ended 31 December 2022
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisors"	the member(s) of the Company's Board of Supervisors
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction, any State of the United States, and the District of Columbia
"%"	per cent

By order of the Board
Jenscare Scientific Co., Ltd.
Mr. LV Shiwen
Chairman and Executive Director

Hong Kong, 28 March 2023

As of the date of this announcement, the Board of Directors comprises Mr. LV Shiwen and Mr. PAN Fei, as executive Directors; Mr. TAN Ching, Mr. ZHENG Jiaqi, Ms. XIE Youpei and Mr. CHEN Xinxing, as non-executive Directors; and Dr. LIN Shoukang, Ms. DU Jiliu and Dr. MEI Lehe, as independent non-executive Directors.