



2024 Environmental, Social and Governance Report

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About This Report

Information about this report

This is the fourth Environmental, Social and Governance Report (the "ESG Report") of Zylox-Tonbridge Medical Technology Co., Ltd. ("the Company", "Zylox-Tonbridge" or "we"), aiming to systemically disclose to our stakeholders our sustainable development management approach, practices and performance concerning product research and development ("R&D"), supply chain management, employee management and development, environmental protection and community engagement.

Reporting scope

This report covers the period from January 1 2024 to December 31 2024, and part of the content can be traced back to previous years or extended to future years. Unless otherwise noted, the key performance indicators ("KPIs") for the environmental aspects in the ESG Report are applicable to the main production sites and offices of the Company in Hangzhou, Zhuhai, Shanghai and Beijing; the KPIs for social aspects in the ESG Report are applicable to the Company and its subsidiaries.

Reporting standards

The ESG Report is prepared in accordance with the requirements of Appendix C2 Environmental, Social and Governance Reporting Code (the "ESG Code") to the Main Board Listing Rules (the "Listing Rules") of Hong Kong Exchanges and Clearing Limited ("HKEX"). Additionally, the report references the "GRI Sustainability Reporting Standards (2021 Edition)" ("GRI Standards") issued by the Global Sustainability Standards Board (GSSB), the United Nations Sustainable Development Goals (UN SDGs), and key topics covered by the MSCI ESG Ratings.

Reporting principles

"Materiality": The ESG Report determines the key ESG topics through stakeholder engagement and materiality assessment during the preparation process.

"Quantitative": The ESG Report discloses quantitative information on the environmental and social KPIs, supplemented by narrative explanations of their purposes and impacts.

"Balance": The ESG Report follows the principle of balance to provide an unbiased picture of our ESG performance.

"Consistency": The ESG Report is the fourth one issued by the Company. Unless otherwise specified, the key indicators and statistical methods are consistent with those used in 2023.

Report availability

The ESG Report is available for viewing or download on the HKEXnews website (<http://www.hkexnews.hk>) and the Company's official website (<http://www.zyloxtb.com>).

Statement of the Board of Directors

The Board of Directors of the Company (the "Board") follows the requirements of the ESG Code and continuously explores improvements in the ESG management structure and system. The Company is committed to strengthening the Board's engagement and oversight in ESG matters, and actively promotes the integration of ESG concepts into corporate strategy, major decisions, and business practices.

Role of the Board

The Board assumes the ultimate responsibility for Zylox-Tonbridge's ESG strategy, management and reporting. The Board is responsible for continuously overseeing the Company's commitment and performance on key ESG issues, and collaborating with senior management and the ESG working group to integrate ESG management into internal control, risk management, and business operations. The Board fully understands the current status and progress of the Company's ESG management, makes final decisions on ESG-related matters, and continuously improves ESG management.

ESG management principles

The Board pays continuous attention to ESG compliance requirements, development trends and peers' performance. Considering the Company's strategic development and the stakeholders' key concern, the Board discusses and identifies the risks and opportunities related to ESG issues and defines the Company's ESG management priorities. Meanwhile, the Board reviews and updates the management principles and strategies when necessary to ensure the ESG-related work aligns with global trends. This report, which discloses the progress and effectiveness of the Company's ESG efforts in 2024, was approved by the Board on March 20, 2025.



Management Message



2024 was a pivotal year for Zylox-Tonbridge. Through intensified efforts in the field of vascular intervention, we accelerated our high-quality development journey. As an industry innovator in China, we are committed to providing high-quality and affordable innovative medical devices and solutions for patients worldwide. We remain steadfast in driving the future through innovation and forging excellence through responsibility. At the same time, we continuously explore new paths for sustainable development, deeply integrating ESG concepts into corporate management and daily operations, actively fulfilling environmental, social, and governance responsibilities, and further promoting the deep integration of high-quality corporate development and social value.

Pursuing quality through innovation, we steadfastly uphold our founding mission. Zylox-Tonbridge consistently upholds the philosophy of "Innovation for Quality Life", deeply exploring the needs of patients and clinical practice, and actively advancing cutting-edge research in high-end medical devices. Through continuous innovation, we enhance the accessibility and affordability of healthcare. We focus on medical technology breakthroughs in the fields of neurovascular and peripheral vascular intervention, successfully launching a series of competitive innovative products such as the ZYLOX Penguin® Peripheral Venous Stent System, ZYLOX Unicorn® Suture-mediated Closure System, and Tonbridge Kylin™ Flow Diverter. Through technological innovation, we broaden the boundaries of medical accessibility to meet the needs of more patients. We uphold high standards in product quality control by establishing a refined product lifecycle quality management mechanism, comprehensively strengthening quality control at every stage, and providing patients with safe and high-quality products.

People-oriented, we collaborate for shared development.

We firmly believe that talent is the core driving force behind a company's development. To this end, we continuously expand our talent recruitment channels, build a broad career development platform, provide abundant training resources, and create an attractive talent ecosystem. We comprehensively empower our employees' growth and work hand in hand to ensure that they share in the benefits of sustainable development. At the same time, we actively foster harmonious labor relations and ensure that the rights of every employee are protected, striving to provide a diverse, inclusive, safe, and healthy working environment. As a responsible corporate citizen, we leverage our professional capabilities and corporate resources to actively engage in social welfare and charity initiatives, giving back to society with a sense of responsibility and achieving win-win results with the community.

Green and low-carbon, we advocate for the protection of our planet. As a responsible corporate citizen, we closely monitor the global climate change governance process, actively respond to the national "dual carbon" goals, proactively analyze potential climate risks and opportunities in our corporate operations to enhance climate change resilience. We adhere to green development, earnestly fulfill our environmental governance responsibilities, continuously improve our environmental management capabilities, strengthen emission management practices, optimize resource use, and minimize the environmental impact of our own operations.

With responsible governance, we establish a solid foundation for development. We regard a sound corporate governance system as the cornerstone of stable operations, establishing a compliance management system that covers the entire business chain, and continuously strengthening risk prevention mechanisms. During operations, we prioritize information-security management, strictly adhere to responsible-marketing principles, and reinforce intellectual-property protection. We also actively promote the organic integration of sustainable development and corporate governance, establish a top-down ESG governance structure, continuously enhance ESG governance effectiveness, and work together with various stakeholders to create value beyond business.

Embarking on a journey of a thousand miles, we stride forward with determination. Zylox-Tonbridge will remain true to our founding mission, continue to advance on the path of sustainable development, collaborate openly with partners from all sectors, protect life through technological innovation, contribute to environmental sustainability in green transformation, and give back to society through responsible actions, contributing to the sustainable development of the global healthcare industry.

Dr. Jonathon Zhong Zhao
Chairman and Chief Executive Officer

About Zylox-Tonbridge



About us

Zylox-Tonbridge Medical Technology Co., Ltd. ("Zylox-Tonbridge", stock code: 2190.HK) focuses on developing, manufacturing, and commercializing innovative medical devices for vascular intervention. Established in 2012, the Company is headquartered in Hangzhou, China, with offices and R&D centers in Zhuhai, Beijing, Shanghai, and other locations.

Zylox-Tonbridge has always adhered to the brand concept of "Innovation for Quality Life", and is committed to providing patients with high-quality and affordable innovative medical devices and solutions, enabling everyone to enjoy the high-quality life brought by advanced medical technologies. The Company operates two core brands: "Zylox Medical" specializes in peripheral vascular intervention, while "Tonbridge Medical" focuses on neurovascular intervention. We also have a vascular closure business line.

Zylox-Tonbridge has built a comprehensive product pipeline in vascular intervention. The Company has developed a range of products with independent intellectual property rights, meeting leading domestic and international standards. Backed by innovative designs and reliable quality, these products are well-recognized and trusted in both the Chinese and global markets.

Core values

Integrity



Responsibility



Excellence



Cooperation



Vision and mission

We are dedicated to building a comprehensive treatment platform for vascular diseases, providing high-quality and affordable medical products for all patients. Regardless of race, age, or wealth, every patient can benefit from the well-being and health brought by Zylox-Tonbridge.

Development Milestones

2012



- Zylox-Tonbridge was founded, and entered peripheral vascular intervention by launching the "Zylox Medical" brand

2014



- Zylox Medical was recognized as Zhejiang Provincial Key Enterprise Research Institute for Innovation in Vascular Medical Devices

2015

- The product obtained EU CE certification for the first time

2016



- Established the "Tonbridge Medical" brand, getting into the field of neurovascular intervention

2017



- Thrombite™ Clot Retriever Device has entered the National Medical Products Administration (NMPA) Special Review Pathway for Innovative Medical Devices

2019



- Broke ground on the Zylox-Tonbridge Industrial Park

2020



- Core products such as UltraFree® DCB and Thrombite™ Clot Retriever Device have obtained approval for marketing from the National Medical Products Administration (NMPA), and the Company has entered a phase of full-scale commercialization

2021



- Zylox-Tonbridge was successfully listed on the main board of Hong Kong Stock Exchange

2022



- Broke ground on the Tonbridge Medical Innovation Base
- Established a subsidiary in the Netherlands to accelerate the internationalization process

2023



- Established the Zylox-Tonbridge Public Charity Special Fund
- Selected as a national Specialized, Refined, Differential and Innovative 'Small Giant' Enterprise

2024



- Achieved annual profitability for the first time
- ZYLOX Penguin® Peripheral Venous Stent System and Tonbridge Kylin™ Flow Diverter obtained approvals for marketing from the National Medical Products Administration (NMPA)

2024 Fast Facts

Business



Revenue reached

RMB **782.48** million,
a year-on-year increase of

48.3%

Overseas revenue amounted to



RMB **22.58** million, with
a compound annual growth rate

of **86.8%** over the
past four years



Net profit surpassed

RMB **100** million

Environment



PV power consumption of

285.6 MWh



Energy consumption of

5,710.88 MWh



Total greenhouse gas emissions of

2,831.84 tCO₂e



Purchase of 300 renewable energy green power
certificates (green certificates), equivalent to

the consumption of **300** MWh of green
power

Innovation



R&D investments amounted
to RMB **230** million



66 products and product
candidates, with **47** products
approved by NMPA and **20**
products commercialized in
overseas markets



A total of **113** patents have
been granted, including **45**
invention patents and **68**
utility model patents

Society



875 employees worldwide

Average training hours per employee of
10.91 hours in the current year

Female employees account for **59%**

The total amount of cash donations received by
the Zylox-Tonbridge Public Charity Special Fund
has reached RMB **2.54** million, and over
200 patients have been supported

Recognition (selected)



- "High-Growth Enterprise in the Biopharmaceutical Industry of Zhejiang Province (2023)" granted by Economy and Information Technology Department of Zhejiang
- "2024 Guangdong Famous Hi-Tech Products" for Flow Diverter by Guangdong Hi-Tech Enterprises Association
- "Innovative Product of Zhuhai (2023)" awarded by Science and Technology Innovation Bureau of Zhuhai
- "Key Laboratory of Zhuhai (2024)" granted by Science and Technology Innovation Bureau of Zhuhai
- "Municipal-Level Enterprise Technology Centre" recognized by Industry and Information Technology Bureau of Zhuhai
- "Quality Management Innovation Award (2024)" granted by City Government of Yuhang District in Hangzhou
- "Quality Award Encouragement Prize" honored by the Seventh Zhuhai Mayor's Quality Awards
- "Outstanding Charity Donation Award (2023)" granted by Yuhang Charity Union Hangzhou
- "Annual Outstanding Healthcare Company" recognized by GuruClub
- "Most Valuable Healthcare Company" recognized by Zhitong Finance



"Quality Management Innovation
Award (2024)"



2024 Guangdong Famous
Hi-Tech Products



"Innovative Product
of Zhuhai (2023)"



Key Laboratory of Zhuhai for
Neurological Implantable and
Interventional Medical Devices



Industry and Information Technology
Bureau of Zhuhai Municipal Enterprise
Technology Centre



"Outstanding Charity Donation
Award (2023)"



"Annual Outstanding
Healthcare Company"



"Most Valuable Pharmaceutical
and Healthcare Company"

Innovating for Expanded Healthcare Access

As a pioneer deeply rooted in the innovative medical device sector, Zylox-Tonbridge has been committed for years to providing high-quality and affordable innovative medical devices and solutions for patients worldwide. Driven by R&D innovation, grounded in quality and safety, and guaranteed by a sustainable supply chain, we continuously promote the high-quality development of the vascular interventional medical device industry, making equitable and accessible healthcare services available to all.

Key Topics:

R&D
innovation

Quality and
safety

Customer benefits
and services

Responsible
supply chain

SDGs Response:



Chapter Story: Bringing Hope to the Life of a Young Father After Stroke

Adhering to the concept of responsibility "Enabling all patients, regardless of race, age, or wealth, to benefit from the well-being and health brought by Zylox-Tonbridge"—Zylox-Tonbridge established the "Zylox-Tonbridge Public Charity Special Fund" in July 2023. This initiative is dedicated to providing medical assistance to economically disadvantaged stroke and hemodialysis patients, safeguarding their hope for life with compassion.

Mr. Li from Yixing, Jiangsu, is an ordinary farmer and a young father. In addition to managing farm work in the mountains, he also takes on odd jobs to shoulder the responsibility of supporting his elderly parents and raise his junior high school-aged daughter. In December 2024, his life was thrown into turmoil when he was diagnosed with a cerebral aneurysm requiring immediate surgery. Facing a surgical cost exceeding RMB 100,000 without medical insurance, the financial burden seemed insurmountable. Upon identifying his predicament, the attending physician proactively contacted the Zylox-Tonbridge Public Charity Special Fund to secure compassionate financial assistance for Mr. Li. The fund's team immediately initiated their review process and approved the subsidy to support Mr. Li's medical battle. During the critical procedures, Zylox-Tonbridge's self-developed Tonbridge Kylin™ Flow Diverter played a pivotal role, successfully containing the aneurysm rupture risk through precise intervention. Mr. Li recovered steadily after surgery. With heartfelt emotion, he shared: "Zylox-Tonbridge's timely assistance has rebuilt the foundation for my family's future, lighting up the hope for life".

The establishment of the Zylox-Tonbridge Public Charity Special Fund transcends mere financial support, radiating profound reverence for human dignity through compassionate action. We steadfastly uphold the conviction that every act of aid constitutes vital preservation of life's sanctity, while every gesture of compassion fuels humanity's collective perseverance. Leveraging our core strengths, we continuously advance medical technology innovation while deepening our commitment to philanthropic endeavors. Our mission empowers patients to reclaim their vitality, igniting rays of hope that illuminate countless households.

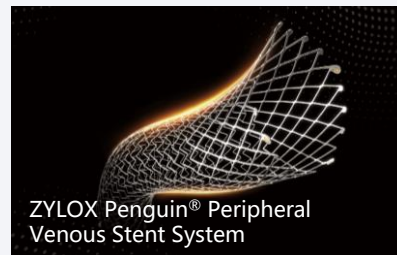


Strengthening Our Foundation of Innovation

Innovative Achievements

Guided by the philosophy of "Innovation for Quality Life", Zylox-Tonbridge is dedicated to advancing medical technology through innovative products, providing patients with safer and more efficient medical solutions. In 2024, the Company achieved significant results in research and development, launching a series of globally competitive, innovative products, including the ZYLOX Penguin® Peripheral Venous Stent System, ZYLOX Unicorn® Suture-mediated Closure System, and Tonbridge Kylin™ Flow Diverter.

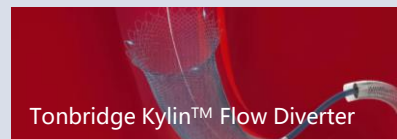
ZYLOX Penguin® Peripheral Venous Stent System features design of an oblique entrance, tapered gradient and integrated structure, significantly enhancing wall apposition performance. Patient follow-up at 12 months post-surgery showed a 100% target vessel patency rate, providing a high-quality, affordable solution for patients with iliac vein compression syndrome.



China's first domestically developed ZYLOX Unicorn® Suture-mediated Closure System fills the technological gap in China's large-bore vascular closure field, significantly reducing the risk of postoperative complications.



Tonbridge Kylin™ Flow Diverter, as China's first fully visible distal closure stent, provides a precise treatment option for patients with intracranial aneurysms.



Medical-engineering Integration: The Development of the ZYLOX Penguin® Peripheral Venous Stent System

In the field of medical technology, medical-engineering integration is a key force driving technological breakthroughs. The development of the ZYLOX Penguin® Peripheral Venous Stent System, independently developed by Zylox-Tonbridge, is a vivid embodiment of this concept. This innovative product, specially engineered for the anatomical characteristics of Chinese patients' iliac veins, has reshaped the therapeutic landscape of iliac vein compression syndrome with its exceptional clinical efficacy.

The concept originated from a clinical dialogue with Professor Zhao Yu, a vascular surgery expert, who highlighted the high prevalence of iliac vein compression syndrome in China and the inability of traditional imported stents to fully meet patients' needs. Inspired by this gap, we conceived the idea of developing stents specifically designed for Chinese patients. Together with Professor Zhao, we are driving the product development forward. Professor Zhao provides critical insights from a clinical perspective, while we leverage our technical expertise to turn the concept into reality.

From conceptualization to sketching, through product manufacturing and optimization, each phase presented unique challenges. A critical challenge in iliac vein stents lies in achieving an optimal equilibrium between strong radial force and high flexibility. Insufficient radial force support can lead to unresolved venous compression issues, while inadequate flexibility may affect the wall apposition of the stent, causing discomfort to patients. Our ZYLOX Penguin® Peripheral Venous Stent System adopts an innovative three-segment structural design, successfully balancing radial force support and flexibility.

The successful development of the ZYLOX Penguin® Peripheral Venous Stent System is not only a technological breakthrough but also a successful case of medical innovation in the field of vascular intervention driven by clinical needs and medical-engineering integration. Moving forward, we remain strategically focused on advancing multi-disciplinary R&D innovation and platform cooperation under the paradigm of medical-engineering integration. This approach cultivates a more fertile innovation ecosystem, promotes self-reliance in high-end medical devices, and contributes to the high-quality development of "Healthy China".

Cutting-edge Research

Prospective studies hold significant importance for medical advancements and maintaining the Company's technological leadership. We continuously deepen our layout of cutting-edge technologies in high-end medical devices, focusing on technology breakthroughs in peripheral and neurovascular intervention fields. By persisting in independent innovation to accelerate localization, and through technological innovation to expand the boundaries of healthcare accessibility, we strive to redefine clinical possibilities.

During the reporting period, we achieved breakthrough progress in the treatment of peripheral arterial diseases, pioneering the clinical application transformation of "visualized" atherectomy technology and chronic total occlusion-crossing (CTO) technology. In the field of neurovascular intervention, we conducted innovative research on ultra-thin liner technology in intracranial aspiration catheters. Additionally, the Company secured over ten government-backed scientific research projects, including Hangzhou 2024 Key Scientific Research Plan and Zhejiang Province 2024 "Pioneer & Leading Goose+X" R&D Breakthrough Plan. With policy-guided funding, we have established a comprehensive R&D ecosystem encompassing "frontier exploration - technical breakthroughs - commercial transformation", providing sustained momentum for technological research and product innovation in high-end medical devices.



Two Products of Zylox-Tonbridge Received Innovative Medical Device Recognition from the NMPA, Opening a New Chapter in Visualized Endovascular Treatment of Peripheral Artery Disease (PAD)

In November 2024, two innovative medical devices co-developed by Zylox-Tonbridge were recognized by the National Medical Products Administration (NMPA) as innovative medical devices. Both products are the world's first and only atherectomy and CTO crossing devices with intravascular real-time OCT (Optical Coherence Tomography) imaging, significantly enhancing the safety and effectiveness of atherectomy and CTO crossing treatment, while also reducing the radiation exposure risks for both physicians and patients.

We are rapidly advancing the production and manufacturing of the aforementioned two innovative medical devices, and actively promoting the application of "visualized" atherectomy technology and CTO crossing technology in the field of PAD treatment, to benefit more patients.



R&D Management

R&D System

The Company continuously optimizes R&D management, deeply explores clinical needs, seeks product innovation drivers, and actively pursues innovative medical device applications to accelerate product commercialization. We have formulated and implemented management systems such as the *Product Design and Development Management Regulations*, *Design and Development Review Committee Operating Procedures*, and *Risk Management Control Protocol*, and updated the *Design and Development Review Committee Operating Procedures* in 2024 to further standardize the R&D process and enhance R&D operational excellence. Relying on the advantages of our four major R&D and manufacturing technology platforms, we act strategically in the centralized procurement, while expanding differentiated and innovative product pipelines. Through core technological competencies that improve R&D quality and efficiency, we optimize operational efficiency with stable quality.

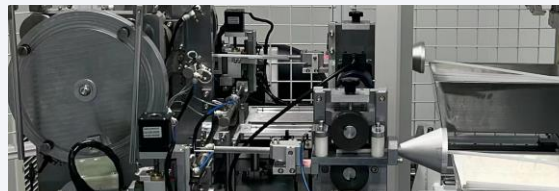
To comprehensively enhance R&D quality, we have integrated the R&D process into the OA system, advancing management towards leaner, smarter, and more standardized operations through continuous optimization and development of new system modules. We have also strengthened cross-functional collaboration by establishing a regular communication mechanism across R&D, registration, and operations departments, significantly improving the efficiency of solving key R&D issues. Additionally, we have established a product development knowledge base covering core modules such as material selection, structural design, animal testing, process design, and clinical applications, providing strong support for R&D design improvements and accelerating the R&D process.

Zylox-Tonbridge R&D and Manufacturing Technology Platforms



Balloon Forming and Manufacturing Platform

Integrated production line for balloon forming, assembly, and coating processes



Catheter Forming and Manufacturing Platform

Capable of producing multiple types of tubing, including single-lumen, multi-lumen, single-layer, and multi-layer tubing



Catheter Braiding and Coiling Development and Manufacturing Platform

Capable of manufacturing composite tubing such as braided-reinforced tubing and coil-reinforced tubing



Stent Forming and Technical Processing Center

Equipped with full-process stent processing capabilities and corresponding stent inspection capabilities



R&D Resources

On the basis of a standardized R&D system and process, we have intensified investments in R&D infrastructure and talent development. Through academic-industrial partnerships with top-tier universities, we have implemented a precision recruitment program that elevates our intellectual capital. By the end of the reporting period, among the Company's core R&D employees, those with a bachelor's degree had reached 98%, while those with a master's degree or above had exceeded 46%. We also strive to improve the overall quality of the R&D team, providing employees with diverse R&D-specific training programs such as the *Six Sigma Management*, *Clinical Applications for Vascular Implantable and Interventional Devices*, *Finite Element Analysis*, *Effective Control of Project Milestone Achievement*, *Nickel-Titanium Alloy & Polymer Materials*, and *Biocompatibility Evaluation*, strengthening our knowledge base in medical device R&D.

Driven by value creation, we encourage the creation of intellectual property and have established the *Project Incentive Policy* to define and implement incentive measures at each stage of product R&D, thereby strengthening motivation for our R&D personnel. We also foster an innovation-driven atmosphere through initiatives such as innovation contests and internal R&D innovation awards to stimulate creative vitality.



R&D Ethics

The Company prioritizes ethical compliance in R&D, strictly adhering to requirements such as the *Technical Guidelines for Review of Animal Testing Research on Medical Devices*, the *Regulations on the Administration of Laboratory Animals*, and the *Quality Management Measures for Laboratory Animals*. We have formulated the *Management System for Animal Testing Planning and Execution Activities* to standardize the animal testing process. We also require all animal testing plans to adhere to the 3R principles of "Replacement, Reduction, and Refinement" to prevent or minimize stress, suffering, and harm to animals, thereby ensuring their welfare. In addition, the Company collaborates with third-party animal testing centers that possess the *Certificate of Recognition for Experimental Animal Institutions* and are recognized by AAALAC (Association for Assessment and Accreditation of Laboratory Animal Care International) to ensure the safety and efficacy of animal testing.

Innovation Ecosystem

For a long time, Zylox-Tonbridge has upheld the values of "Excellence" and "Cooperation", actively exploring diversified models of industry cooperation, integrating internal and external R&D resources, establishing technology exchange platforms, and working closely with outstanding industry partners to create a new industry ecosystem characterized by resource synergy and shared outcomes.

Zylox-Tonbridge Technology Exchange Platforms	
Zylox Innovation Lab	Zylox Innovation Lab, relying on the Zylox Medical platform, targets medical professionals and related partners, by building a multi-dimensional platform for academic exchange, skill development, medical-engineering integration, patient education, and social responsibility initiatives, to provide higher quality medical services to physicians and patients across China.
Tonbridge Insight Hub	Leveraging the innovative neurovascular intervention product line, Tonbridge Insight Hub stays abreast of international cutting-edge technologies and product advancements, transitioning from high-end market penetration to grassroots penetration while promoting the standardized and equitable delivery of neurointerventional procedures across all levels of healthcare.
Innovation Workshop	Focusing on product innovation driven by medical-engineering integration, the Innovation Workshop leverages major academic conferences across China to host expert-engineer dialogue sessions. These forums foster direct communication between clinical experts and R&D teams, enabling joint exploration of cutting-edge solutions to address unmet clinical needs.
Technical Empower-Camp	Through our Technical EmpowerCamp, we promote advanced medical concepts and standardized surgical procedures, facilitating the dissemination of high-quality medical technology and services to the grassroots and promoting the regional healthcare equalization, and strengthening the clinical skills training for young physicians.

We actively engage in academic exchanges in the fields of peripheral and neurovascular intervention across China and globally. By collaborating with industry partners, scholars, and experts, we exchange innovative ideas, explore cutting-edge technologies, and share the latest industry trends to promote high-quality industry development. During the reporting period, we participated in multiple industry exchange events, including:

- The 9th Vascular Innovation Symposium (VINNOVA 2024)
- The 15th China Endovascular Course (CEC 2024)
- The 21st China Forum on Cerebrovascular Diseases (CFCVD 2024)
- 2024 Oriental Conference of Interventional Neurovasculology (OCIN 2024)
- 2024 World Live Neurovascular Conference (WLNC 2024)
- 2024 Leipzig Interventional Course (LINC 2024)
- Arab Health Medical Expo (Arab Health 2024)



Zylox Medical Participated in the VINNOVA 2024

From April 19th to 21st, 2024, the VINNOVA 2024 was successfully held in Beijing. Zylox Medical grandly launched the ZYLOX Penguin® Peripheral Venous Stent System and the Zylox Phoenix® Detachable Fibered Coil Occlusion System at the forum. During the conference, industry experts and scholars conducted in-depth analyses of the R&D background and clinical advantages of the new products, showing great confidence in the two new products. We are confident that the new products will bring safer and more effective treatment options for patients.



Tonbridge Medical Participated in the CFCVD 2024

From April 26th to 28th, 2024, Tonbridge Medical participated in the CFCVD 2024. At this forum, we engaged in in-depth discussions with hundreds of experts in the field of cerebrovascular diseases on topics such as basic research, clinical technology, innovation transformation, continuing education, and international cooperation. We actively shared our latest research results and clinical experiences. We sincerely look forward to continuing to collaborate with experts from all sectors to improve the therapeutic outcomes and quality of life for patients with cerebrovascular diseases, contributing to a healthier life.



Zylox-Tonbridge Showcased at the WLNC 2024

From May 7th to 10th, 2024, the WLNC 2024 was held in Istanbul, Turkey. Zylox-Tonbridge showcased a variety of self-developed vascular interventional products, including the Thrombite™ Clot Retriever Device, Cylone™ Aspiration Catheter, Glycine™ Micro Catheter, and other innovative products. With the leading technical performance and outstanding clinical value, these products attracted widespread attention and positive recognition from industry experts and partners. During the conference, we actively shared our latest research results and technological innovations in the field of neurointervention, while conducted rigorous analysis of emerging trends in endovascular therapeutics and their clinical implementation practices.



While participating in various industry exchanges, we actively leverage our membership in industry associations to promote the sharing of R&D achievements and innovation-related work. By collaborating with industry partners, we aim to create new industry value and seize new industry opportunities. As of the end of the reporting period, the industry associations we have joined are as follows:

Engagement in Industry Associations	Association Position
China Association for Medical Devices Industry	Member
Zhejiang Provincial Association for Medical Equipment Industry	Council Member
Guangdong Precision Medicine Application Association	Council Member
Guangdong Council for the Development Promotion of Small and Medium Enterprises	Member
Biopharmaceutics Industry Association, Yuhang District, Hangzhou	Vice President
Yuhang Charity Union Hangzhou	Vice President
Zhuhai Medical Device Industry Association	Vice President
Hangzhou Healthcare Security Research Association	Council Member
Zhuhai Science and Technology Development Promotion Association	Council Member
Zhuhai High-tech Zone Biomedicine and Medical Device Association	Council Member
Zhuhai Association for Quality	Standing Council Member
Zhuhai Enterprises Association for Foreign Economic Cooperation	Vice President
China Neuro-Medical Innovation and Translation Alliance	Gold Partner

As a practitioner of medical technology innovation, Zylox-Tonbridge actively explores and promotes high-quality medical technology and inclusive medical service. We fully leverage our platform advantages by integrating industry expert resources, building a professional technical exchange platform, and promoting standardized treatment protocols, thereby multidimensionally facilitating the equitable allocation of medical resources.



Promoting Quality Medical Care to the Grassroots: "Excellence Project in Minimally Invasive Treatment for Varicose Veins"

In 2024, to enhance the standardization and procedural optimization of minimally invasive treatment for varicose veins and improve the technical competencies and service quality in primary healthcare institutions, Zylox-Tonbridge, in collaboration with nationally renowned vascular surgery experts, launched the "Excellence Project in Minimally Invasive Treatment for Varicose Veins". This initiative delivers specialized training curricula for grassroots medical practitioners, systematically enhancing their theoretical knowledge and practical skills, thereby enabling broader patient access to convenient, efficient, and premium-grade therapeutic care. Concurrently, we developed full-cycle patient education assets, from preoperative preparation to postoperative recovery, providing detailed guidance and information to help patients better understand the treatment process and improve treatment outcomes.



Pursuing Excellence in Quality

Quality Control

Quality Management System

Zylox-Tonbridge regards product quality as its lifeline, continuously optimizing the quality management system to fulfill its mission of "providing global patients with high-quality and affordable innovative medical devices and solutions". The Company strictly adheres to the *Regulations for the Supervision and Administration of Medical Devices*, *Good Manufacturing Practice for Medical Devices*, and the *Provisions for Medical Device Registration and Filing*, as well as relevant national and regional laws and regulations such as REGULATION (EU) 2017/745, Brazilian regulations RDC No.665/2022, RDC No.23/2012, and RDC No.67/2009. Based on these regulations, the Company has formulated a series of procedural documents, including the *Control Procedure for Monitoring and Measurement of Products*, *Quality Record Control Procedure*, and *Risk Management Control Procedure*. During the reporting period, we also updated and optimized the *Quality Manual* to further strengthen quality standards. We persistently pursue the certification of the product quality management system to ensure the standardization and effectiveness of the internal management system. During the reporting period, our Hangzhou and Zhuhai bases have both obtained ISO 13485 Medical Device Management System certification and MDSAP certification, with a coverage rate of 100%. Concurrently, to further enhance the quality management capabilities, we regularly undergo comprehensive audits of the quality management system by third-party institutions. This practice enables continuous process optimization through external perspectives while refining quality control measures. During the reporting period, the Hangzhou and Zhuhai production bases collectively accepted and passed 28 external quality audits.



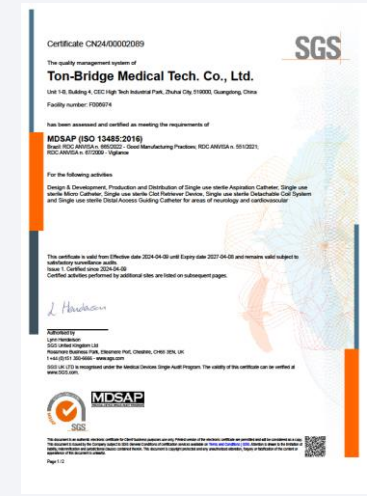
Zylox-Tonbridge
ISO 13485 Certification



Tonbridge Medical
ISO 13485 Certification



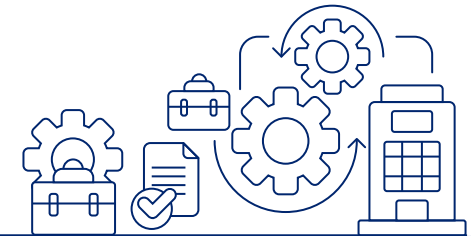
Zylox-Tonbridge
MDSAP Certification



Tonbridge Medical
MDSAP Certification

Full Lifecycle Quality Management of Products

The Company establishes a robust and refined lifecycle quality management system covering the entire product journey, strengthening product quality control across key stages including R&D design, incoming material management, production and manufacturing, product inspection, traceability, and recall management, to provide patients with safe, effective, and high-quality products.



R&D Design

During the product R&D and design phase, we integrate diverse quality and safety standards into our process. By implementing a rigorous design review mechanism, we comprehensively identify and manage potential quality risks, ensuring continuous optimization and improvement of design plan, and providing a robust safeguard for the safety and reliability of the ultimate product.

Incoming Material Management

We continuously strengthen our supplier qualification requirements and audit tier-one suppliers in strict compliance with ISO 13485 quality management system requirements. These audits, covering raw material management, production, and finished-product delivery, ensure that the selected suppliers provide reliable, consistent, and high-quality products.

Production and Manufacturing

We continuously optimize the lean production management system, strictly selecting production equipment based on core principles such as safety, error prevention, and contamination prevention, while conducting regular equipment maintenance and calibration to ensure optimal operational status. We have clearly defined standards for equipment use and operational procedures, requiring production personnel to strictly follow work instructions. We also have implemented automation technologies such as coil winding automation and paper-plastic bag sealing automation, to reduce human error rates and ensure product quality consistency. To prevent product quality issues caused by external environmental factors, we regularly monitor and evaluate the condition of the production environment. During the reporting period, we commissioned third-party professional organizations to conduct comprehensive inspections on cleanroom environments at our Hangzhou and Zhuhai production bases, with all results meeting relevant standard requirements. Furthermore, we regularly assess the potential for process improvements to reduce product defect rates. During the reporting period, we implemented process improvement projects such as optimizing ultrasonic welding processes, enhancing the efficiency of round wire spring welding, and improving the efficiency of tensile testing.

Testing and Inspection

Our Hangzhou and Zhuhai bases have established high-standard product safety laboratories capable of conducting physical, chemical, and biological testing on products, providing robust guarantee for product performance testing, in-process inspection, and final inspection. The Zhuhai base laboratory has already obtained CNAS certification. We have also developed a systematic product quality inspection plan that defines testing standards and procedures for various product categories. Additionally, we handle defective products in accordance with *the Non-conforming Product Control Procedure* to ensure the rigor and effectiveness of quality control.



Traceability and Recall Management

We strictly adhere to relevant laws and regulations such as the *Provisions for Medical Device Adverse Event Monitoring and Re-evaluation*, and have formulated institutional documents including *the Advisory Notice and Adverse Event Reporting Procedure*, *Feedback Control Procedure*, *Domestic Medical Device Adverse Event Monitoring, Evaluation, and Product Recall Management Regulations*, and *Brazil Adverse Event Handling System*. These documents define standardized operating procedures and responsibility assignments for product recalls, ensuring prompt and accurate recall actions when necessary. During the reporting period, the Company did not experience any product recalls due to safety and health reasons.

Quality Culture

The Company attaches great importance to the construction of quality culture, regularly organizing internal and external quality training programs that integrate policy and regulation interpretation, management system optimization, and quality technology breakthroughs, to enhance employees' quality awareness. During the reporting period, we organized more than 200 training sessions, including basic knowledge training on the medical device quality management system, microbial fundamentals, cleanroom behavioral standards, and quality awareness. We have also established a knowledge base for quality issues, documenting historical quality problems identified in past inspections along with their solutions to ensure that employees can promptly access historical data and analysis results, thereby enhancing their responsiveness to potential product quality risks. In addition, we actively share quality management experience in routine interactions with suppliers to ensure their alignment with our quality standards, thereby improving the overall product quality and service level.

As an industry pioneer in quality management, we have been awarded multiple honors during the reporting period, including the "Quality Award Encouragement Prize" honored by the Seventh Zhuhai Mayor's Quality Awards and the "Quality Management Innovation Award (2024)" granted by City Government of Yuhang District in Hangzhou, owing to our excellent management system and high-quality products.



Service Guarantee

Respect for Patient Rights

The Company strictly adheres to regulations such as the *Regulations for the Supervision and Administration of Medical Devices* and the *Good Clinical Practice for Medical Devices* to ensure the compliance and scientific rigor of clinical trials. We have established procedural documents such as the *Clinical Department Project Management Regulations*, *Routine Audit Procedures for Clinical Trials*, and *Writing and Review of Clinical Trial Protocols*. During the reporting period, we updated and optimized over 40 system documents based on actual operational needs to further enhance the quality of clinical trial management. We attach great importance to the protection of subjects' rights, strictly safeguarding their right to be informed and their privacy. In clinical trial-related contracts or agreements, confidentiality obligations are explicitly stipulated for investigators, clinical trial service providers, sponsors and other participants to ensure strict protection of subjects' personal information and privacy.

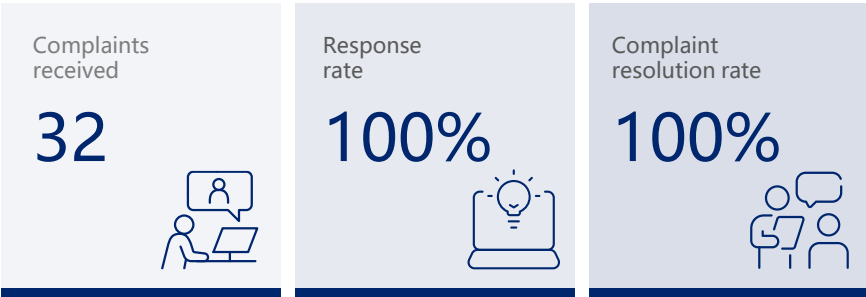
We continuously improve our full-process clinical trial management system, defining management requirements for study design, initiation, implementation, and evaluation phases. Regular clinical trial monitoring is conducted, and on-site audits and quality controls are performed either internally or through third-party organizations at critical project milestones or based on research needs, ensuring trial compliance and data authenticity. During the reporting period, no significant clinical trial issues were identified. Additionally, to ensure the efficient execution and ethical compliance of clinical trials, we provide training for clinical project participants covering areas such as policy and regulatory requirements, clinical project workflows, data management, and subject follow-up management, further enhancing their professional competencies and compliance awareness.

Customer Service Management

We maintain close communication with our clients, continuously meeting their increasingly diversified needs to earn their trust and recognition with high-quality service. We have formulated institutional documents such as the *Customer Complaint Handling Procedures*, *Domestic Customer Complaint Handling Management Procedures*, and *International Customer Complaint Handling Management Procedures*, clearly defining the complaint handling and product compensation service processes to fully safeguard customer rights. We actively listen to customer feedback, collect opinions and suggestions through hotlines, emails, and on-site visits, conducting root-cause analyses of customer input, and developing and implementing improvement measures to continuously and effectively deliver excellent service.



Complaints received and resolved by the Company during the reporting period regarding products and services are as follows:



Customer Complaint Email

swb@zyloxmedical.com

Customer Complaint Handling Commitment

Respond within 24 hours, and provide a resolution plan within 48 hours



Customer Complaint Handling Process



Quality Management Department
Organize meetings, make initial judgment, designate responsible personnel for cause investigation, and confirm the return of products involved in the complaint



Marketing Department
Track and report investigation results



Sales Department
Notify the complainant of the investigation and handling results



Product Compensation Handling Process



Complainants
Apply for compensation for unmarketed products



Commerce Department
Audit channel-related information



Warehousing Department
Delivery products for compensation to relevant distributors

To gain deeper insights into customer needs and optimize service processes, we regularly conduct distributor satisfaction surveys, asking them to evaluate the Company from the perspectives of "product", "business cooperation" and "channel service". During the reporting period, a total of 196 distributors participated in the survey, with both Zylox Medical and Tonbridge Medical achieving distributor satisfaction scores above 97 points (out of a full score of 100 points). Additionally, this year, we launched the "2024 Innovation Camp" for new employees and marketing personnel who need to enhance their professional skills. The program helps participants fully grasp product knowledge and service standards, and ensures they accurately understand and apply our customer service principles.

Building a Sustainable Supply Chain

Supplier Management

We regard supply chain management as an essential guarantee for sustainable business operations. To establish a sound supplier management system, the Company revised the *Supplier Management Policy* during the reporting period, strengthening the full-process management of project procurement materials. This framework comprehensively covers supplier qualification review, ongoing management, and performance evaluation, effectively improving material quality, reducing procurement risks, and ensuring the stability and reliability of the supply chain.

During the supplier qualification stage, the Company conducts a comprehensive evaluation based on internal evaluation standards such as the *Supplier Qualification Approval Form*, *Supplier Questionnaire*, covering dimensions like supplier credentials, production capacity, product and service quality, and material performance, with mandatory submission of relevant supporting documents. During the reporting period, guided by the *Supplier Management Policy*, *Supplier Joint Review Form*, and the *On-site Audit Form*, we clarified the qualification criteria and procedures for all suppliers, introduced additional compliance requirements for sterilization category suppliers, and conducted on-site audits for new suppliers of key materials to ensure that they meet the Company's standards.

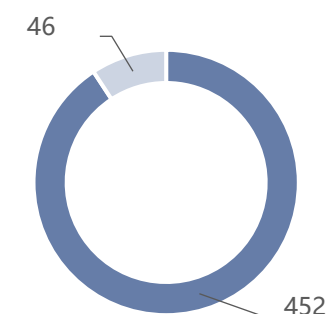
For onboarded suppliers, we carry out category-based management based on the *Supplier Management Policy* and the *Indirect Procurement Management Policy*.

After establishing a cooperative relationship with suppliers, we maintain occasional communication and follow-ups on product delivery and service quality, promptly requiring corrective actions for any instances of non-compliance to mitigate supply-chain quality risks. We concurrently formulate an annual evaluation plan, where procurement engineers and SQE personnel evaluate suppliers across five dimensions (quality, delivery, cost, service, and production environment) with supply chain management specialist consolidating and archiving records to reinforce management effectiveness. Moreover, we commission third-party audits to enhance risk detection and control, ensuring supply chain quality and safety. During the reporting period, the Company audited 324 suppliers under its annual audit program, achieving a 99% pass rate. Supply chain management is extended to sub-tier suppliers by signing quality-assurance agreements and reviewing their qualifications to ensure end-to-end quality and stability.

We proactively share our management experience and business practices with supplier partners, jointly leveraging premium resources to empower their development, collaboratively establish a closer and more efficient partnerships, and elevate the overall performance of the supply chain.

As of the end of the reporting period, the Company had 498 active suppliers of materials and key consumables, which were categorized by region as follows:

Geographical Distribution of Suppliers



- Mainland China (including Hong Kong, Macao and Taiwan)
- Others



Collaborative Progress with Suppliers

The Company supports the growth and development of suppliers. In July 2024, in response to the issue of low pass rate of incoming materials for top rods, the Company dispatched technical and quality personnel to the supplier's site to provide guidance, offering recommendations on selecting and using high-precision inspection tools, and delivering targeted training for inspection personnel. Through these measures, the pass rate of incoming materials significantly improved, enhancing the stability of the supply chain and product quality.

Supply Chain Risk Management

We regularly analyze market dynamics and derive insights to promptly identify potential supply-chain risks arising from policy changes, industry trends, and other external environmental factors. In addition to risks such as market-price volatility, supply-chain disruptions, technical bottlenecks, and production-capacity shortages, we pay particular attention to ESG-related risks including environmental risks, natural disasters, employee rights, information security, and business ethics, in order to timely detect unstable factors in the supply chain and enhance its resilience.

To address supply chain risks, we employ strategies such as diversified supply, agile procurement, proactive policy monitoring, and enhanced information-system capability. Through these multiple measures, we reduce excessive inventory and management costs, secure price and quality advantages, and thereby improve material stability and reliability while enhancing market competitiveness.

Zylox-Tonbridge Supply Chain Risk Management Measures



Diversified Supply Strategy

Establish partnerships with suppliers across multiple countries and regions to ensure supply chain diversity and stability



Policy Focus

Closely monitor relevant policy dynamics and adjust strategies promptly to address potential policy changes



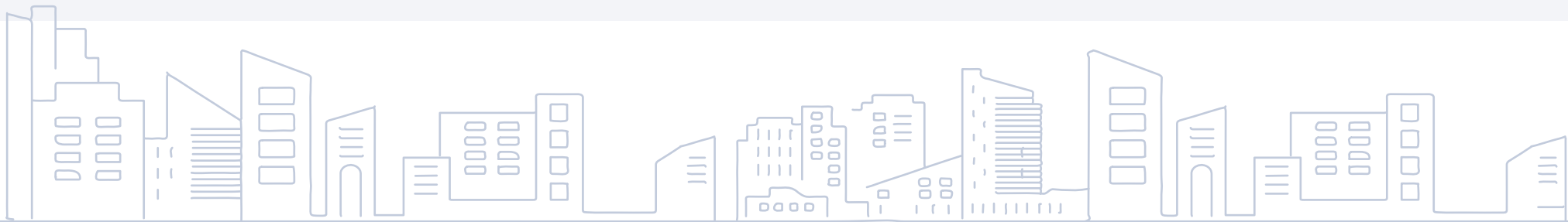
Agile Procurement Strategy

Shorten contract durations, shift transportation methods, and adopt dynamic pricing models to mitigate risks posed by economic instability



Information Technology Enhancement

Strengthen information system security and accuracy to reduce delays and discrepancies in information transmission



Responsible Procurement

We extend ESG management requirements to our supply chain, encouraging suppliers to practice responsible business behaviors with us. Our Company's *Supplier Code of Conduct* clearly states the Company's ESG-related requirements for suppliers regarding the environment, safety, and other key areas. Through proactive management, we effectively mitigate ESG-related risks across the supply chain. During the reporting period, we revised the *Supplier Performance Evaluation Form* by adding a production environment evaluation module, requiring suppliers in categories A, B, and C to provide annual cleanroom reports to ensure that their production environments meet the Company's requirements. We encourage suppliers to obtain certifications such as ISO 14001 Environmental Management System Certification, ISO 45001 Occupational Health and Safety Management System Certification, FSC (Forest Stewardship Council) Certification.

We also integrate business ethics requirements into the daily oversight of suppliers, requiring all suppliers in mainland China to sign the *Anti-Unfair Competition Commitment Letter* and the *Integrity Commitment Letter*, and provide multiple reporting channels such as telephone, email, mailbox, and website to enhance the compliance and transparency across the supply chain.

In addition, we actively implement a green procurement strategy by integrating environmental considerations into the procurement and the use of packaging materials to comprehensively reduce their impact on the environment. These include prioritizing the use of recyclable packaging and eco-friendly materials, and optimizing packaging design to enhance resource utilization efficiency. Meanwhile, the Company rationally increases the proportion of packaging material suppliers near the factory, supporting local industrial development, reducing transportation and packaging costs, and also minimizing carbon emissions during logistics, thereby achieving a synergistic integration of economic, social, and environmental benefits.

By the end of the reporting period, the management system certifications obtained by the Company's suppliers of materials and key consumables are as follows:

ISO 9001 Quality Management System
Certified

139 suppliers

ISO 13485 Medical Device
Management System Certified

132 suppliers

ISO 14001 Environmental Management
System Certified

30 suppliers



Use of Recyclable Packaging Materials

We promote the use of recyclable packaging materials and optimize the design of product trays and coil holders. We have achieved material optimization for the blister packaging used in stent products, effectively reducing costs. Additionally, we have developed an integrated design solution combining the product tray and coil holder for the ZYLOX Swan® Endovenous Radiofrequency Ablation (RFA) Catheter, reducing resource waste and contributing to a green and sustainable supply chain.

People-Centered Growth for a Brighter Future

Zylox-Tonbridge cherishes every employee and regards them as the Company's most valuable capital. To this end, we continuously improve and optimize the human resource management system, ensuring the full protection of employee rights while promoting the holistic development of individual potential. At the same time, we are committed to creating a positive, caring, and inclusive workplace where every employee is empowered to grow, thrive, and realize their full potential.

Key Topics:

Compliance employment	Employee training and development	Prohibition of child labor and forced labor	
Employee benefits and care	Occupational health and safety	Community engagement	Inclusive healthcare

SDGs Response:



Chapter Story: "Her Power" Shines, Advancing with Zylox-Tonbridge towards Boundless Possibilities

In 2014, Liang Jie joined Zylox-Tonbridge during its startup phase as a Registration Manager. With a focus on building systems, processes, and team structure, she quickly adapted to the Company's flat organization and fast-paced, cross-functional environment, which laid the foundation for her transition from professional talent to well-rounded manager.

As Head of the Registration Department, Liang led the domestic and international regulatory approvals for several of the Company's flagship products. Especially during the process of obtaining the EU CE certification for the peripheral stent system, she proactively formed a cross-departmental task force, integrated R&D and clinical resources, and navigated complex global regulations. The team ultimately broke through barriers and achieved market approval in Europe—marking a milestone not only for the Company, but also in Liang's own growth as a cross-functional leader.

With the Company's transition to a growth-stage enterprise after 2021, Liang embraced a new challenge, stepping out of her comfort zone to become the Vice President of Operations for Zylox-Tonbridge's Peripheral Business Line.

Liang played a key leadership role in driving organizational change, enhancing operational efficiency and improving team performance. Under her leadership, the business line seized pivotal market opportunities presented by centralized procurement, achieving full-scale production. By the end of 2024, more than 400,000 units of peripheral products had been used in clinical practice, with distribution across 24 countries and regions worldwide.

As a female executive, Liang leads with empathy as well as strategy. She believes that every voice has value and hosts weekly "Employee Sharing Sessions" to engage directly with frontline teams—transforming their insights into business improvements. She also fosters a culture of continuous learning, encouraging her team to challenge themselves and pursue excellence.

Over the past decade, Liang's journey has grown in tandem with Zylox-Tonbridge's own evolution—expanding her responsibilities from product registration to global operations, and advancing from team lead to business line head. Her experience reflects the Company's commitment to diversity, inclusion, and the power of long-term growth—both for the organization and the individuals within it.



Empowering Our People

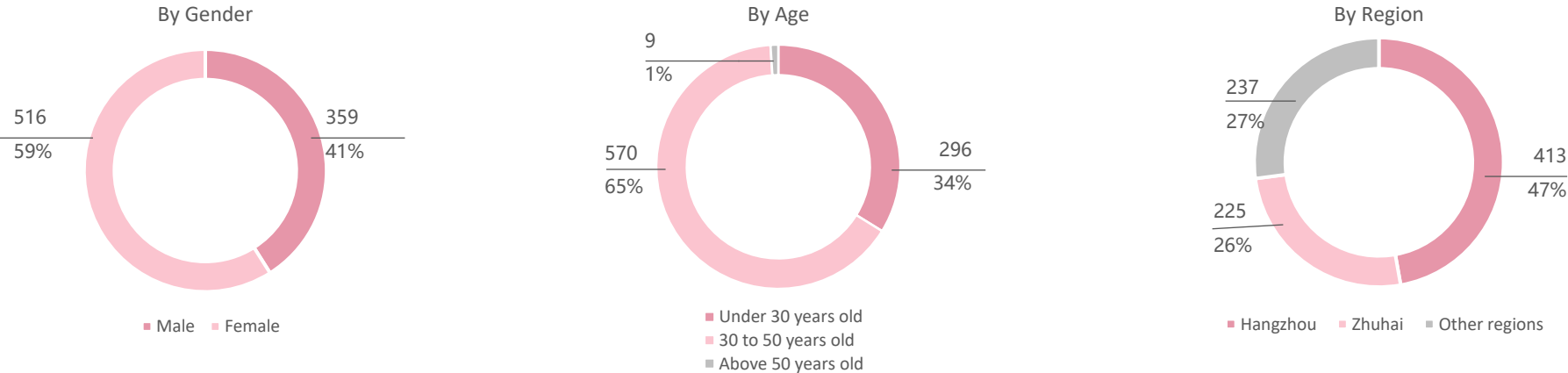
Rights Protection

Zylox-Tonbridge respects and protects the rights of employees, strictly adhering to national labor laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and the *Provisions on Prohibiting the Use of Child Labor*, and conducts employment management in reference to core conventions of the International Labor Organization. We sign labor contracts with all employees and respect the rights of employees to freely associate (such as in trade unions) and to engage in collective bargaining as provided by law. During the reporting period, we issued the *Labor Contract Management System* and updated the *Employee Handbook* to further improve management systems. By doing so, we aim to ensure strict compliance with laws and regulations related to employment, compensation, social insurance and benefits, work system and working hours, labor contract termination, holidays, equal opportunities, diversity, anti-discrimination, thereby protecting the basic rights of employees in accordance with laws and regulations.

We adopt a zero-tolerance policy towards illegal employment practices such as forced labor and the employment of child labor. We require employees to provide relevant identification documents upon hiring to verify their age and other information, thereby eliminating the possibility of employing child labor at the source. Should we discover any violations such as the employment of child labor or forced labor, we will impose strict disciplinary measures in accordance with the *Employee Handbook*. During the reporting period, the Company did not experience any incidents of forced labor or the employment of child labor.

We adhere to the principle of equal employment and firmly oppose any form of discrimination, including discrimination based on race, ethnicity, region, social origin, nationality, religion, gender, age, marital status, and other aspects. We are committed to creating a diverse, equal, and inclusive work environment, providing development opportunities for talents from different backgrounds. We pay close attention to the career development of female employees, regularly organize caring activities, and effectively safeguard their legal rights such as maternity leave, paternity leave, and childcare leave. We particularly support female employees in fully demonstrating their personal potential and professional qualities in key positions such as technology and management roles, to achieve their self-worth.

By the end of the reporting period, the Company had 875 employees, all of whom are full-time. The composition of the employees is distributed as follows:



The Company strives to build a compensation and benefits system that is competitive externally and equitable internally. We have formulated a series of internal documents such as the *Human Resources Management Policy*, *Performance Management Policy*, *Benefits Distribution Management Policy*, and the *Employee Compensation, Benefits, Leave, and Expense Reimbursement Policy* to ensure that compensation is standardized and reasonably distributed. We continuously optimize the compensation system, promote the diversification of the compensation structure, and further optimize the performance appraisal mechanism during the reporting period to more fairly evaluate employee performance and contributions, thereby giving further full play to the incentive role of compensation.

We implement the national regulations on statutory holidays to ensure that employees can fully enjoy official public holidays, paid annual leave, personal leave, sick leave, marriage leave, maternity leave and paternity leave, parental leave, among others. In addition, in accordance with the *Attendance Management Policy*, we implement standard working hours and flexible working arrangements for different roles, thereby enhancing workplace flexibility. During the reporting period, we revised and implemented the *Trade Union Welfare Management Policy*, the *Employee Welfare Care Policy*, and the *Company Product Usage Welfare Policy*, thereby enriching and diversifying our employee welfare offerings. These now include, among others, annual physical exams, housing subsidies, seniority-based awards, festival bonuses, company retreats, and afternoon tea. We further extend welfare care by implementing a welfare policy for employees and their families to use company products. Employees and their family members who use company products due to medical needs may apply for subsidies after completing treatment, enabling the Company's products to better benefit employees and their families.



"Hand in Hand" Employee Dedication Award

In June 2024, Zylox-Tonbridge held the "Hand in Hand" Employee Dedication Award ceremony, unveiling the "Three Years of Cohesion", "Five Years of Collaboration", and "Ten Years of Shared Commitment" employee dedication award souvenirs. This series of souvenirs is inspired by the Company's self-developed products and is made from precious metals such as pure gold. The award aims to recognize employees who have served the Company for many years, reflecting the corporate culture of unity and collective commitment to building the future.



Talent Attraction and Cultivation

We formulate corresponding human resource strategies based on the needs of our business development for talent resources. We actively identify and attract top talent globally, including international professionals, high-end experts, and recent graduates with strong potential. To this end, we continue to expand recruitment channels, actively engage in both campus and social recruitment, and further leverage peer referrals and internal recommendations. These efforts allow us to efficiently and precisely attract diverse talent and continuously strengthen the Company's professional capabilities. During the reporting period, we updated the *Recruitment Management Policy* and the *Employee Probation Management Policy*, further improving employment management and optimizing the recruitment and talent assessment process. Through standardized procedures and diversified methods, we enhanced the objectivity and fairness of our recruitment practices.

Talent Acquisition

International Talent Recruitment

- Focus on key positions such as marketing and international trade, actively attract global talent, and provide competitive compensation and employment support



High-End Talent Acquisition

- Precisely target demand positions, adopt diverse recruitment channels, and efficiently attract high-end technical and management talents



Graduate Recruitment

- Actively deploy and promote campus recruitment programs, select and nurture outstanding graduates to build a talent pipeline and foster innovative vitality for the Company



University-Industry Talent Development Partnership

We have always placed great importance on building channels for cultivating campus talent and deepening the collaborative education mechanism between industry and academia. During the reporting period, we further strengthened university-industry collaboration and established a multi-dimensional cooperation framework with universities such as Guangdong University of Technology and South China University of Technology. Through campus job fairs, corporate presentations, internship bases, co-developed courses, talent recommendation programs, tailored courses, and university-enterprise exchange activities, we provide diverse practical and employment opportunities for university students, effectively promoting the coordinated development of talent supply and industry demand.



The 2nd "Zylox-Tonbridge Cup — Top 10 University Students" Recognition Event

Zylox-Tonbridge has collaborated with the Department of Polymer Science and Engineering of Zhejiang University for two consecutive years, organizing The 2nd "Zylox-Tonbridge Cup — Top 10 University Students" recognition event during the reporting period. The event aims to honor outstanding students who are comprehensively developed, possess innovative spirits, and have a sense of social responsibility. We hope to promote academic research and talent cultivation through this platform, driving the innovative development of the medical device industry.



"Zylox-Tonbridge Cup — Top 10 University Students" Recognition Event

By the end of the reporting period, our employee turnover was as follows:

Employee structure		Employee turnover rate (%) * in 2024
Total		24.1
By gender	Male	24.3
	Female	24.0
By age	Under 30 years old	30.8
	30 to 50 years old	20.4
	Above 50 years old	0
By region	Hangzhou	31.4
	Zhuhai	14.8
	Other regions	17.4

*Employee Turnover Rate Calculation Formula: Employee Turnover Rate = (Number of employees leaving during the reporting period / (Number of employees leaving during the reporting period + Number of employees at the end of the reporting period)) * 100

Empower Development

We always regard employees as core strategic assets and continuously improve systems for employee training, career development, and performance evaluation, striving to establish a platform that enables our employees to fully realize their potential. The Company conducts comprehensive talent reviews to inform human resource planning and position development strategies. Cross-functional career pathways are also provided to broaden employees' professional development channels, thereby enhancing the effectiveness and vitality of human capital.

Human Capital Assessment

Relying on a nine-box competency model incorporating multi-dimensional factors such as capabilities, competencies, and job performance, conduct regular talent inventory and human resource planning.



Career Development Paths

Establish and continuously improve a dual-career path system (management and professional tracks) to motivate employees with fair and transparent promotion mechanisms.



Job Rotation Mechanism

Implement a job rotation program to provide employees with cross-functional opportunities, broaden their perspectives, cultivate versatile talents, and enhance interdepartmental communication and operational efficiency.



Position Adjustment Plan

Offer flexible position adjustment options based on business development needs and individual career aspirations, complemented by intensive training and mentoring to facilitate employees' rapid transition into new roles.



The Growth Path of a "Cross-Disciplinary" R&D Expert

In 2018, Zhang Yuan (alias), who had strong R&D capabilities in structural design, made a career transition from the automotive field to the medical industry. He joined Zylox-Tonbridge and became a core member of the vascular closure device project team during its research phase. At that time, few Chinese medical device companies could break through the technical barriers of vascular closure device—products characterized by numerous parts, complex structures, and extremely high dimensional precision. Developing the first domestically produced vascular closure device to provide high-quality and affordable products for more Chinese patients was a shared aspiration of Zhang Yuan and Zylox-Tonbridge.

To overcome technical challenges, Zhang Yuan actively participated in internal training courses, including *Medical Device Regulations and Standards*, *Medical Device Design, Development and Project Management*, *Animal Testing and Clinical Trial Knowledge*. Through continuous learning, he steadily improved his technical expertise and project management capabilities, eventually becoming a project leader. In October 2023, Zhang Yuan officially took over the vascular closure device project. The Company provided Zhang Yuan and the project team with ample research and development funds, advanced testing equipment, and communication channels with clinical doctors, fully supporting the advancement of the project.

After countless trials and adjustments, the ZYLOX Unicorn® Suture-mediated Closure System was successfully approved for market launch, becoming the first domestically developed vascular closure device. Zhang Yuan's growth journey is the best example of Zylox-Tonbridge's philosophy of "growing together with employees". In the future, we will continue to practice this philosophy, support talent development, and drive the Chinese medical device industry to new heights.



We focus on employee development and continuously refine a multi-level employee training system. At the beginning of each year, we formulate training plans covering aspects such as enhancing employees' professional knowledge and skills, improving general qualities, and integrating new employees, ensuring that the training content closely aligns with business needs and employee demands. During the reporting period, in accordance with the *Training Management System* and the *External Training Management System*, we systematically conducted employee training. Building on the continued advancement of its tiered talent development programs—including the "Qihang" onboarding program, the "Yangfan" technical development program, the "Chuying" foundational leadership program, and the "Xiongying" and "Jinying" leadership programs for managerial advancement—the Company also expanded its offerings across nine key training categories, such as risk management, project management, regulatory systems, among others. In addition, more detailed and targeted learning initiatives were developed for employees across different regions and levels. These included the "Career Forward" training series to support early-stage career development, the "AI Skills for Efficiency" courses to strengthen employees' general competencies, and leadership development programs to enhance the capabilities of managerial talent—fully addressing the diverse growth needs of employees at all levels.

Zylox-Tonbridge Training System

Training Programs

Purpose

"Qihang"
Onboarding
Program

With new employees as the main target, the training is designed to introduce the company profile, our regulations and code of conduct. The courses include new hire training camps, aiming to help new employees integrate quickly.

"Yangfan"
Technical
Development
Program

Expert employees are the main target of the training. Various skills training is provided to improve the professional abilities and technical standards of our employees.

"Chuying"
Foundational
Leadership
Program

Front-line management employees and reserve talents are the primary target of the training. A series of management training courses for next-level success are organized to enhance employee management skills and organization and coordination abilities, and to help them rapidly develop into qualified and experienced team leaders.

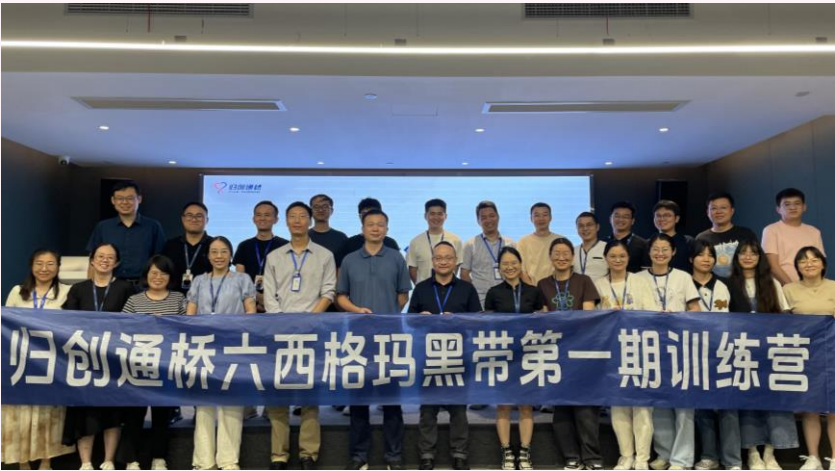
"Xiongying" &
"Jinying"
Leadership
Programs

With middle and senior managers as the main target, to enhance the overall quality and professional competence of management teams, and to develop senior leaders with strategic thinking, global perspectives, and strong people management capabilities for the Company.



Zylox-Tonbridge Six Sigma Black Belt Training Camp

From August to October 2024, the Company organized a Six Sigma Black Belt training program to improve project management skills through core methodologies such as DMAIC. The training was held offline and followed the official Six Sigma Black Belt curriculum. A total of 20 participants were selected through registration and examination, with each training session lasting 2 hours. Through this training program, participants mastered key skills for implementing Six Sigma projects, providing strong support for the Company's management improvement and performance enhancement.





"Leap Forward Accelerator Camp" for Middle-level Core Personnel Training

In order to enhance the management capabilities of mid-level core personnel and build a high-quality leadership pipeline, the Company launched the "Leap Forward Accelerator Camp" for mid-level core managers. The curriculum covered a range of topics, including traits of effective department heads, communication and transformational thinking, lean management, problem-solving processes, new-generation leadership, goal execution, investment fundamentals, and more. The training program consists of 7 sessions, with an average of 4 hours per session, covering 14 management personnel. Through this training program, the management capabilities and overall quality of mid-level core personnel have been significantly improved.



In addition, we have optimized the training resource allocation and faculty team development to better support continuous talent growth. We have focused on building an internal training instructor team. As of the end of the reporting period, the Company has had 30 internal instructors and have developed 89 high-quality courses. We have conducted surveys to understand employees' continuing education needs and provided them with opportunities and resources to support their ongoing learning and development. In accordance with *the External Training Management Policy*, we cover tuition fees for eligible employees enrolled in external courses and offer incentives for academic degree advancement. These efforts aim to encourage continuous personal and professional growth through further education and other forms of learning. As of the end of the reporting period, 5 employees have obtained senior professional titles, 39 have obtained intermediate professional titles, and 18 have been recognized as high-level talents by the government.

During the reporting period, 729 employees had received training, with 10.91 hours of training on average, and the details of the training are as follows:

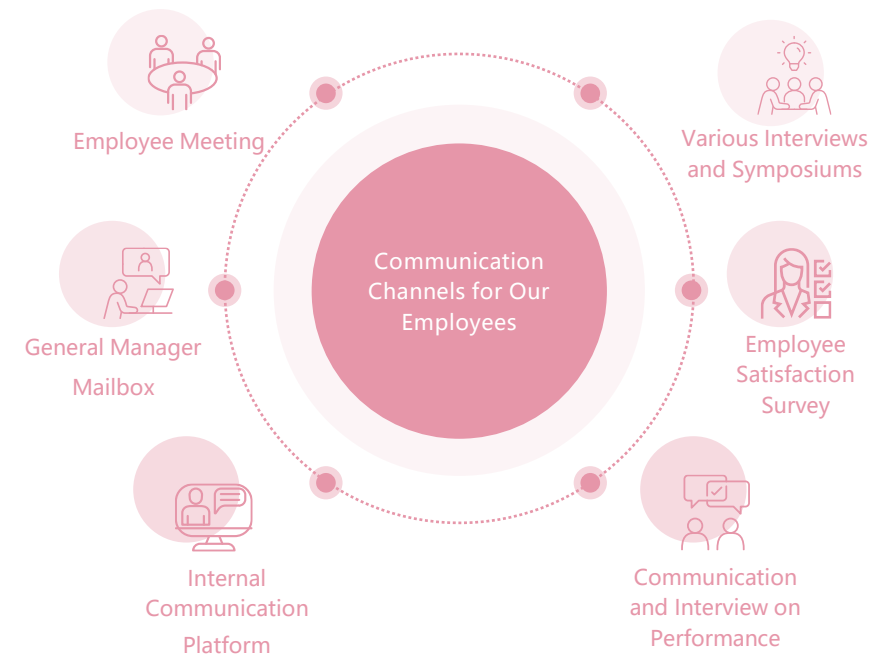
Employee Structure	Index	Proportion of employees receiving training (%)	Average training hours per person (hours) **
By gender	Male	41	11.13
	Female	59	11.72
By employment type	Senior Management	2	12.78
	Middle Management	9	12.56
	Junior Employees	89	10.67

* The proportion of employees receiving training is calculated based on the equation: Proportion of employees receiving training = Number of employees receiving training/Total number of employees * 100; Proportion of employees receiving training by certain category = Number of employees receiving training under this category/Total number of employees under this category * 100

** Training hours of employees is calculated based on the equation: Average training hours per employee = Total training hours/Total number of employees; Average training hours per employee by certain category = Total training hours of employees under this category/Total number of employees under this category

Employee Care

We value employee relations and actively establish a diverse, two-way communication system, forming clear and transparent channels for dialogue, feedback, and suggestions. Departments regularly hold monthly or quarterly employee communication meetings, supplemented by platforms such as new employee symposiums, interviews with long-serving employees, general manager mailboxes, and management walkarounds to promptly listen to employee voices and respond to their needs. During the reporting period, we conducted multi-dimensional employee satisfaction surveys by using tools such as the "Six-Box Model" organisational diagnosis questionnaire and a set of well-being questionnaires to deeply investigate organizational satisfaction and employee well-being. The survey results show that the overall well-being of employees is at a high level, and based on these results, we will continue to optimize management quality and further enhance employee recognition.



We advocate a healthy work culture that balances life and work, organizing employee activities throughout the year around different themes such as sports, traditional festivals, and birthday parties to activate employee cultural life and enhance their cohesion. We also provide financial support and organizational assurance for employee-initiated cultural and sports activities, such as the badminton club and the hiking club.



Operations Center Annual Meeting



Mid-Autumn Festival Charity Bazaar



"Undefined Women" March 8th International Women's Day Activity

On March 8, 2024, Zylox-Tonbridge hosted a themed event titled "Undefined Women" to engage its female workforce. The event featured a wide range of activities, including symposium sharing, Zumba dance, succulent planting, handicraft making, health checks, and team games. The event drew participation from over 200 female employees and fostered a vibrant, inclusive atmosphere. It also demonstrated the Company's respect and recognition for the diverse values of its employees.



"Celebrating the Twelfth Year, Creating the Future" Zylox-Tonbridge 12th Anniversary Sports Day

In November 2024, Zylox-Tonbridge held its Sports Day with the theme of "Celebrating the Twelfth Year, Creating the Future", serving as the highlight of the series of events for the 12th anniversary celebration. Over 220 employees participated in this sports event, demonstrating the spirit of "higher, faster, stronger - together". The activity not only enhanced the employees' cohesion and sense of belonging but also reflected the Company's care for its employees and the importance attached to team spirit, adding joy and vitality to the Company's 12th anniversary celebration.



World Earth Day "Qingshan Lake Hiking" Activity

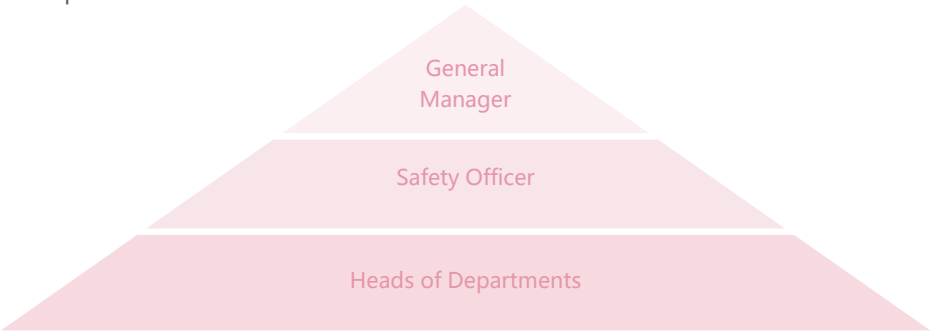
In April 2024, on the eve of 55th World Earth Day, the Company organized the "Qingshan Lake Hiking" activity for employees, highlighting its ongoing commitment to environmental initiatives over the years. Participants completed an 8-kilometer hike around the lake, enjoying natural landscapes such as the aquatic forest park along the way, while also practicing the concept of low-carbon environmental protection through green travel. During the activity, employees assisted each other, and families challenged together, enhancing team cohesion and deepening the participants' understanding of the importance of protecting a good ecological environment.



Prioritizing Safety and Well-being

Production Safety System and Management Measures

Zylox-Tonbridge deeply recognizes the fundamental role of safe production and integrates safety considerations into every aspect of operations to provide employees with a healthy and safe working environment. We strictly comply with laws and regulations in the locations where we operate, including the *Labor Law of the People's Republic of China*, the *Work Safety Law of the People's Republic of China*, the *Occupational Disease Prevention and Control Law of the People's Republic of China*, and the *Provisions on Occupational Health Management in the Workplace*, among others. We have formulated and continuously improved internal systems related to production safety, including the *Safety Target Management Procedure*, the *Production Safety Inspection Guidelines* and the *Special Equipment Management Procedure*, to enhance the execution and effectiveness of safety management from both regulatory and operational perspectives, ensuring the Company's safe production and operation. We have established a safety management structure headed by the General Manager and appointed dedicated Safety Officer. To reinforce accountability at all levels, employees from all departments are required to sign the *Safety Production Management Target Responsibility Agreements*. We strictly implement the safety production responsibility system and practice the concept of "zero accident".



Safety Production Organizational Structure Diagram

We adhere to the safety management policy of the "Safety First, Prevention-Oriented, and Comprehensive Management". In compliance with the *Safety Target Management Procedure*, we set annual safety targets and ensure their full attainment. These targets have been incorporated into the EHS department's evaluation system and systematically cascaded to individual departments. At the same time, the safety production responsible persons in each department have signed the *Safety Production Management Target Responsibility Agreements*. Through linking safety production performance with reward and disciplinary systems, we strengthen the implementation of safety responsibilities.



In terms of safety management, we actively promote "Safety Standardization". This year, we completed safety rectification related to high- and low-pressure gas alarm system, standardized and posted on-site safety evacuation instruction diagrams across all production and operation site, and carried out standardized rectification of fire protection facilities. At the same time, we have conducted a series of equipment upgrades to enhance production safety and efficiency.



Equipment Safety Door Protection

- Equipments such as paper-plastic bag sealing automation and coiling automation are all equipped with safety doors. Once the equipment door is opened, the equipment will automatically shut down and alarm, ensuring operational safety.



PE Bag Making Machine Safety Improvement

- The PE bag making machine replaces manual operations, preventing employees from being scalded by high temperatures during the bag making process. The heating and cutting devices of the equipment are installed with protective cover plates to avoid injuries caused by operator error.



Stent Heat Treatment Process Optimization

- Improve the load-bearing tooling of the stent heat treatment process, and perform cooling together with the product tooling and load-bearing tooling, to prevent employees from being scalded by contacting high-temperature tooling, enhancing operational safety.

In addition, we attach great importance to the physical and mental health of our employees. We provide annual occupational health and safety check-ups for all production employees to ensure their health is promptly monitored and protected. At the same time, the Company has invested resources in building a gym and a yoga room, encouraging employees to engage in physical exercise after work to enhance their physical fitness. In terms of mental health, we regularly hold psychological counseling and stress management workshops to help employees cope with stress in their work and personal lives, enhancing their psychological resilience.



Tonbridge Medical "Positive Growth: Cultivating an Upbeat and Energetic Mindset" Special Training Camp

The Company places particular emphasis on employees' mental health and work status. During the reporting period, we organized psychological health training that covered topics such as the importance of a positive mindset, emotion management, personal growth, internal motivation stimulation, and work-life balance. The training was conducted offline with 65 participants and a total duration of 12 hours. It helped employees cultivate a positive attitude, effectively alleviate and cope with stress, and maintain a healthy and safe work-life state.



Production Safety Risk Management

The Company has established a comprehensive safety risk management system, including the *Safety Supervision and Hazards Management System*, the *Safety Production Risk Forecasting and Early Warning Management System*, and the *Safety Risk Classification Management System*. These systems form a solid foundation for systematic safety risk management, ensuring standardized management throughout the entire process from risk identification to response and mitigation.

In terms of risk identification, during the reporting period, we conducted relevant assessments through the *Safety Check List (SCL)*, the *Risk Point Hazard Source Inspection and Control List*, the *Job Hazard Analysis (JHA) Evaluation Form*, and the *Risk Analysis Summary Table*. Based on the risk assessment results, we formulate targeted response measures, such as establishing interim storage areas for hazardous chemicals to ensure their safe storage. We also installed wall exhaust systems in sterilization rooms and provided employees with appropriate personal protective equipment to ensure a safe working environment. Additionally, the Company has established a monthly cross-inspection mechanism, led by safety officers to conduct regional hazards inspections, implementing a closed-loop management process that includes hazard identification, tracking, and rectification, effectively reducing safety risks and improving safety management performance.

Safety Culture Development

The Company attaches great importance to building a robust safety culture and comprehensively enhances employees' safety awareness and emergency response capabilities through multi-level, diversified trainings and drills. We provide new employees with a three-tier safety education during their onboarding, which includes company-level, department-level, and team-level sessions covering topics such as safety regulations and fire safety. In addition, the Company holds biannual comprehensive training sessions for all employees, focusing on safety regulations, warning incidents, and preventive measures.



Specialized Safety Training on Mechanical Equipment Injuries



Three-Tier Safety Education Training



Safety Production Month and Fire Safety Month Activities

In 2024, the Company carried out the "Safety Production Month" and the "Fire Safety Month" activities to enhance employees' safety awareness and emergency response capabilities. The "Safety Production Month" activities included 1.5 hours of online training, knowledge assessments, and safety awareness posters, with full participation from all employees. The "Fire Safety Month" activities focused on poster campaigns to popularize fire safety knowledge. These activities, integrating online and offline approaches, strengthened employees' safety awareness, fostered a culture of safety, and contributed to the Company's sustainable development.



Chemical Leak Drill



Pressure Vessel Overpressure Emergency Drill

Furthermore, we regularly conduct fire drills, emergency drills for the theft and loss of explosive hazardous chemicals, as well as special drills for pressure vessel overpressure incidents, sterilizer overpressure scenarios, and chemical leaks. These preparedness efforts help ensure that our employees are equipped to respond swiftly and effectively in emergency situations. At the same time, the Company provides employees with appropriate work attire and personal protective equipment according to the needs of different positions, ensuring their safety and health at work. There was no work-related fatality over the past three years. During the reporting period, the number of workdays lost due to production accidents was 42 days, and the number of workdays lost due to other types of work-related injuries was 123 days.

Engaging with Communities

Zylox-Tonbridge fully utilizes our professional capabilities and corporate resources to actively give back to society with a sense of responsibility, achieving win-win outcomes and sharing with society. We actively carry out various public welfare activities through the "Zylox-Tonbridge Public Charity Special Fund". As of the end of the reporting period, the Fund has received donations totaling RMB 2.54 million, benefiting over 200 patients.

During the reporting period, the "Zylox-Tonbridge Public Charity Special Fund" has collaborated with medical experts to organize two patient visits. In response to the call from Cangqian Street in Yuhang District, the Company made a targeted donation of RMB 50,000 to Cangxi County, Sichuan Province, to support local development initiatives. We also carried out the "Little Giant Forest" tree planting activity in Zhuhai High-tech Zone, investing resources exceeding RMB 20,000. Furthermore, we held charitable initiatives such as Mid-Autumn Festival charity bazaar and "Run for Love" employee step donation, engaging over 200 employees in total. Moreover, the Company also collaborated with the Zhejiang Provincial Federation for Science Popularization, Zhejiang Science Communication Center, Yuhang District Association for Science and Technology and other organizations, to promote the public understanding of the development of vascular interventional treatment technology and advancements in related medical devices through offline science popularization lectures and science-themed short dramas, enhancing the public health awareness and scientific literacy.



Patient Care Visit Activity

In August 2024, the "Zylox-Tonbridge Public Charity Special Fund" collaborated with medical experts to provide postoperative re-examination and compassionate visits for patients with chronic renal failure. Facing financial difficulties due to long-term dialysis, these patients had previously received surgical funding from the Fund to ensure uninterrupted treatment. As part of the visit, Zylox-Tonbridge employee representatives also delivered care packages to the patients, thereby conveying warmth and empathy.



"Little Giant Forest" Tree Donation and Planting Activity

In February 2024, the "Little Giant Forest" tree planting activity with the theme of "Adding a New Green Look to the High-Tech Zone" was held in the North TOD Park of Zhuhai High-Tech Zone. This event was organized by the Zhuhai Municipal Bureau of Industry and Information Technology, Zhuhai High-Tech Zone Management Committee, and other units, with active participation from Tonbridge Medical employees. Tonbridge Medical invested RMB 20,070 to donate a total of 27 trees, including Autumn Maple, Yellow Trumpetwood, and Flame Tree, contributing to the ecological development of the High-Tech Zone.



Zylox-Tonbridge Participates in "Future Scientist" Summer Research Camp Organized by the Zhejiang Provincial Federation for Science Popularization

In 2024, Zylox-Tonbridge actively participated in the "Future Scientist" Summer Research Camp organized by the Zhejiang Provincial Federation for Science Popularization, explaining the wonderful world of vascular interventional therapy to over 20 primary and secondary school students, committed to promoting science popularization and youth science and technology education. This activity not only facilitated the dissemination of scientific knowledge but also contributed to the cultivation of future scientific and technological talents.



Advancing Sustainability for a Greener Future

Zylox-Tonbridge is firmly committed to the path of green development, and actively promotes energy conservation, discharge reduction and green transformation, contributing to the mitigation of global climate change through its own efforts. We also continue to improve our environmental management and green operation capabilities to minimize the impact of our operations on the environment and to realize the harmonious development of enterprises and the environment.

Key Topics:

Climate change response Energy management Discharge management Water use Packaging material management

SDGs Response:

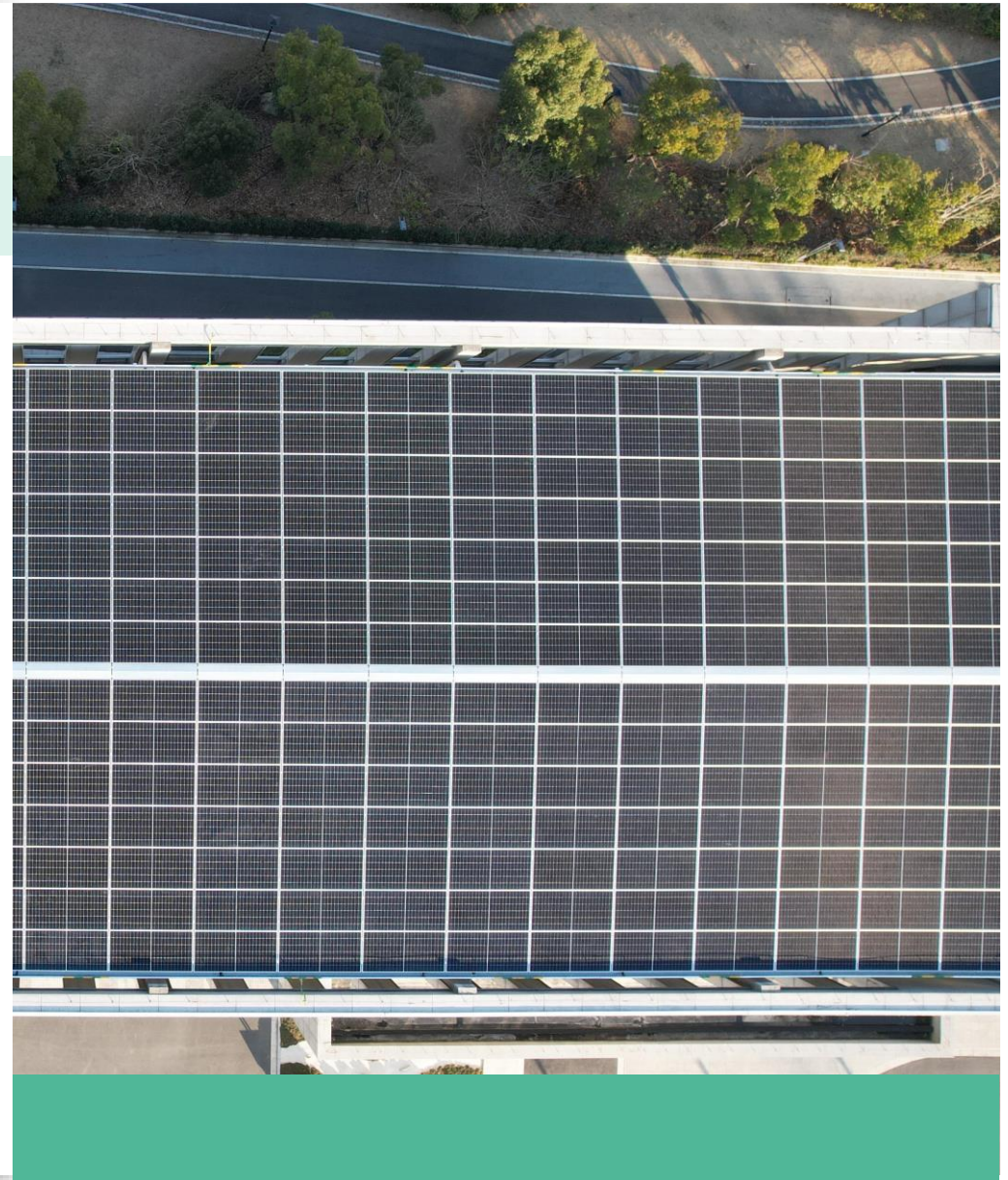


Chapter Story: Photovoltaic Power Support, Green Manufacturing Starts on the Roof

In October 2023, the *"14th Five-Year" Development Plan for Renewable Energy* was being implemented at an accelerated pace. Zylox-Tonbridge responded to the green energy development initiative and launched a green and clean energy introduction and renovation program for our core industrial park. As our products enter the mass production stage, low-cost and sustainable clean energy has become our preferred choice.

On the occasion of the 55th World Earth Day in April 2024, the rooftop photovoltaic (PV) project at the Zylox-Tonbridge Industrial Park was officially put into operation, marking a milestone in our journey towards green manufacturing. Our PV project makes full use of the roofs of the park's buildings, covering an area of 2,700 square meters, and is expected to generate 650,000 KWh of electricity annually. The use of clean electricity is estimated to reduce carbon dioxide emissions by 642.6 tons per year, which is equivalent to "planting" 35,700 trees over the park in terms of forest carbon sequestration. In addition, the rooftop PV system is both heat-insulating and waterproof, which further enhances the park's energy efficiency.

We actively promote the use of clean energy, continue to reduce carbon emissions, and practice green and sustainable development. In the future, Zylox-Tonbridge will continue to explore more green manufacturing possibilities, contribute to the goal of carbon neutrality, and protect our homeland together.



Responding to Climate Change

Zylox-Tonbridge has recognized that climate-related risks and opportunities will have an impact on economic and social development, as well as business operations in the short, medium and long term. We refer to the requirements stipulated in "Part D: Climate-related Disclosures" of HKEX's *Environmental, Social and Governance Reporting Code*, as well as the International Financial Reporting Standard (IFRS) S2 Climate-related Disclosures. In doing so, we manage and disclose our climate actions at the levels of governance, strategy, risk management, metrics and targets, in order to comprehensively address the challenges of climate change.

Governance

Zylox-Tonbridge considers climate change response as an important part of the Company's ESG management, exploring and building a climate governance framework. Climate-related risks and opportunities have been brought under the oversight of the Board of Directors to ensure their integration into the Company's overall strategic planning, alongside other ESG considerations. At the same time, we have gradually integrated climate change mitigation and adaptation into the daily operations of manufacturing and other relevant business units. These efforts have enabled the Company's climate governance framework to advance in a structured and orderly manner.



Strategy and Risk Management

We have identified significant climate-related risks and opportunities this year with reference to the climate disclosure framework stipulated by the HKEX and the IFRS. In addition, we have selected different climate scenarios to further assess the potential impact of climate-related risks and opportunities, as well as our climate resilience. In this way, we intended to effectively assess and manage the impact of climate-related risks and opportunities on our business operations, and other key areas. With climate factors integrated into our daily risk management, we will endeavor to form a more systematic and applicable climate risk management strategy to continuously enhance our corporate climate resilience.

Assessment of Climate-Related Risks and Opportunities

During the reporting period, the Company systematically carried out the assessment of climate-related risks and opportunities. We have identified four risks and two opportunities among the international mainstream climate-related risks and opportunities, based on our current operation status and business planning, extensive peer research, and the latest global climate regulatory trends.



Risk/Opportunity category	Risk/Opportunity event	Level of impact			Impact on value chain
		Short-term	Medium-term	Long-term	
Physical risk	Acute Extreme weather	Low ●	Medium ●	Low ●	<ul style="list-style-type: none"> Production and manufacturing Warehousing and logistics
	Chronic Rising average temperature	Low ●	Medium ●	Medium ●	<ul style="list-style-type: none"> Production and manufacturing Warehousing and logistics
Transition risk	Market Resource price volatility	Low ●	Medium ●	Low ●	<ul style="list-style-type: none"> Procurement Production and manufacturing Warehousing and logistics
	Technology Cost of transitioning to low-carbon operations	Low ●	Medium ●	Low ●	<ul style="list-style-type: none"> Procurement Production and manufacturing
Opportunity	Resource Resource substitution and diversification	Low ●	Medium ●	Medium ●	<ul style="list-style-type: none"> Procurement Production and manufacturing Warehousing and logistics
	Products and services Ongoing research and development of innovative medical devices or services	Low ●	Medium ●	Medium ●	<ul style="list-style-type: none"> Production and manufacturing Marketing

● Low risk ● Medium risk ● High risk ● Low opportunity ● Medium opportunity ● High opportunity

Note: Taking into account the Company's business planning, as well as national or regional climate-related policies, we define the short-, medium-, and long-term time span as 0-3 years, 3-10 years, and more than 10 years, respectively.

Scenario Analysis

To further assess the Company's resilience to climate change, we have conducted a forward-looking analysis of the impact of climate-related risks and opportunities on the Company's own operations and value chain. We adopted the publicly available low emission scenario model (RCP 2.6) and high emission scenario model (RCP 8.5) of IPCC.

Climate scenario	Low emission scenario RCP 2.6 (IPCC)	High emission scenario RCP 8.5 (IPCC)
Description	<ul style="list-style-type: none">Assuming strong global mitigation measures are adopted, greenhouse gas (GHG) concentrations stabilize at low levels, thereby achieving the target of limiting global temperature rise to 1.5°C specified in the <i>Paris Agreement</i>. GHG emissions peaked around 2020 and declined rapidly thereafter, to reach net negative emissions by 2100.	<ul style="list-style-type: none">Assuming no effective climate policies are adopted globally, GHG emissions continue to grow rapidly, leading to severe climate change impacts. GHG emissions continue to rise and will not peak even by 2100, with the global temperature rise exceeding 4°C.

Opportunity category	Description and impact of opportunities	Management initiatives
Resource substitution and diversification	<ul style="list-style-type: none">Reduce operating cost by increasing the stability and reliability of the supply chain with diversified resource supply	<ul style="list-style-type: none">Actively explore innovative solutions for alternative energy and materials and work with value chain partners to advance resource substitution and diversification practices
Ongoing research and development of innovative medical devices or services	<ul style="list-style-type: none">With the increasing concern for sustainability and growing market demand for low-carbon and environmentally friendly medical products, the Company can develop products with environmental protection advantages. By this means, the Company can establish differentiation in the market and enhance market competitiveness.	<ul style="list-style-type: none">Increase R&D investment in low-carbon and environmentally friendly products, and optimize operational efficiency and manufacturing processes, so as to reduce energy consumption in the production process, and enhance green competitiveness of products

Risk category	Description and impact of risks	Management initiatives
Physical risk	<p>Acute</p> <ul style="list-style-type: none"> Extreme weather: Increased frequency and severity of extreme weather such as typhoons and floods may cause damage to the Company's operating infrastructure assets and disruptions to the supply chain 	<ul style="list-style-type: none"> Establish prevention, monitoring and warning mechanisms to deal with extreme weather events, and formulate the <i>Safety Measures Against Extreme Weather</i>, <i>Control Procedures for the Identification and Evaluation of Environmental Factors</i>, and <i>Extreme Weather Emergency Response Plan</i>. Moreover, carry out regular emergency drills to enhance the ability to deal with extreme weather Increase inventory levels based on production demand and establish a diversified supplier network to ensure production continuity
	<p>Chronic</p> <ul style="list-style-type: none"> Rising average temperature: Rising average temperature due to global warming may bring challenges to our production and operations. For instance, the energy consumption of temperature control in the production process may increase, boosting the expenditure on energy consumption 	
Transition risk	<p>Market</p> <ul style="list-style-type: none"> Resource price volatility: Climate change will lead to an increase in the price of key resources such as energy, water, raw materials and packaging materials, resulting in higher production costs 	<ul style="list-style-type: none"> Reduce dependence on a single source of supply and promote the use of alternative materials Actively explore solutions to improve the efficiency of existing equipment while expanding the use of clean energy
	<p>Technology</p> <ul style="list-style-type: none"> Cost of transitioning to low-carbon operations: The Company may need to make significant initial capital investment to undertake low-carbon operational transitions, such as adopting low-carbon technologies and materials, renewable energy, retrofitting processes, and introducing energy-efficient and low-carbon equipment 	

Under the low emission scenario (RCP 2.6), the world will face a rapid and large-scale challenge to reduce emissions in order to achieve the goal of limiting temperature rise to 1.5°C or less. Governments and regulators are likely to introduce more stringent policies and regulations, such as fossil fuel restrictions and renewable energy mandatory targets. Meanwhile, market expectations for low-carbon technologies and green products will rise significantly, increasing probability of transition risks. Under this scenario, we need to increase our investment in multiple energy-saving programs and adjust our energy use mix, which will in turn lead to higher operating cost. At the same time, our suppliers may increase the prices of raw materials in response to compliance requirements, resulting in higher procurement cost.

Under the high emission scenario (RCP 8.5), without more effective government and market interventions to reduce GHG emissions, extreme weather events will occur more frequently and be more intense, and the average temperatures will rise constantly. As a result, our exposure to physical risks would be significantly higher than that to transition risks. Under this scenario, frequent extreme weather events will increase the probability of production disruptions, damage to operational infrastructure, supply interruptions and other risks, resulting in a decrease in our net assets and revenue. In addition, in response to rising temperatures, we have an increasing demand for refrigeration equipment such as air conditioners and freezers, increasing energy expenses and boosting production and operating cost.

We will continue to monitor local and global climate trends, regularly assess climate-related risks, and review our climate strategy to continuously enhance our climate resilience.

Risk Management and Response

The Company regards a low-carbon green production and operation mode as a long-term mechanism to cope with climate-related risks, and energy management as one of its core tasks. We strictly comply with the *Energy Conservation Law of the People's Republic of China* and other laws and regulations, and carry out energy management in a standardized and systematic manner. By continuously optimizing the energy consumption structure, strengthening routine monitoring, and conducting energy conservation publicity, we can comprehensively improve the efficiency of energy use and effectively reduce carbon emissions.

In order to accelerate our green transformation, we actively promote renewable energy projects such as PV power generation and the purchase of Green Electricity Certificate (GEC). We plan to complete the expansion of PV equipment with an installed capacity of 595.7 kilowatts in 2025, with a view to gradually increasing the proportion of green energy in the overall energy consumption. During the reporting period, the Company's PV power consumption amounted to 285.6 MWh, and 300 GECs were purchased, equivalent to the consumption of 300 MWh of green power.

Energy Management Initiatives



System Upgrading

Establish a shared system for purified water preparation, air conditioning and process gas, achieving centralized resource allocation with higher efficiency



Routine Monitoring

Establish a routine inspection mechanism for office areas; enable the automatic power-off function of lighting fixtures and air-conditioners during non-working hours, and set up electronic reminders to turn off the power of equipment, to reduce non-essential power consumption

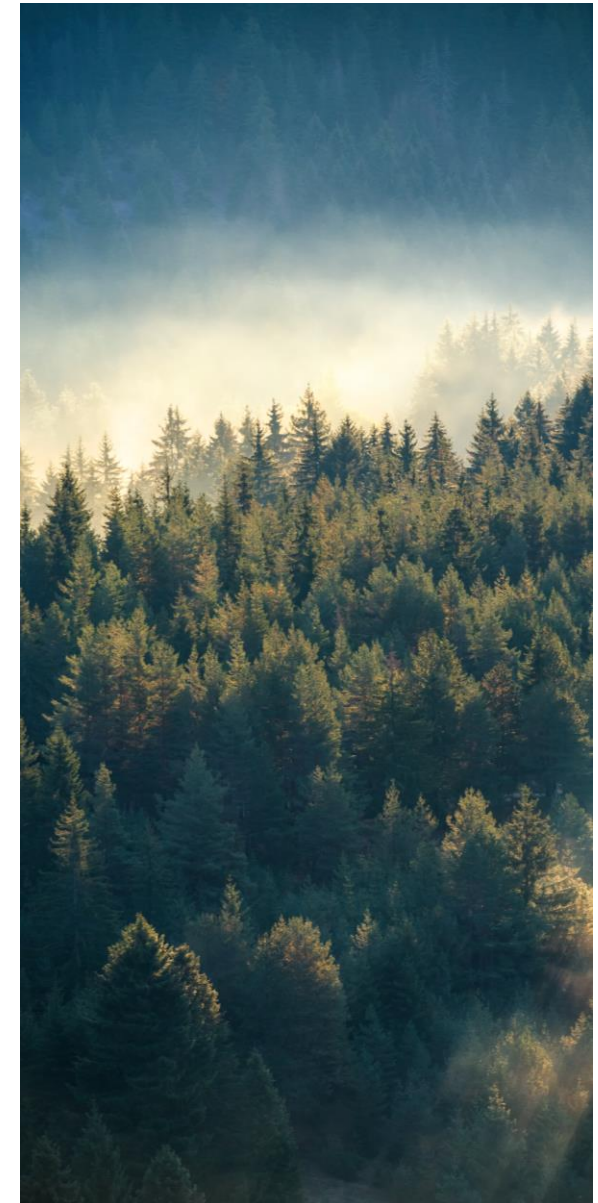


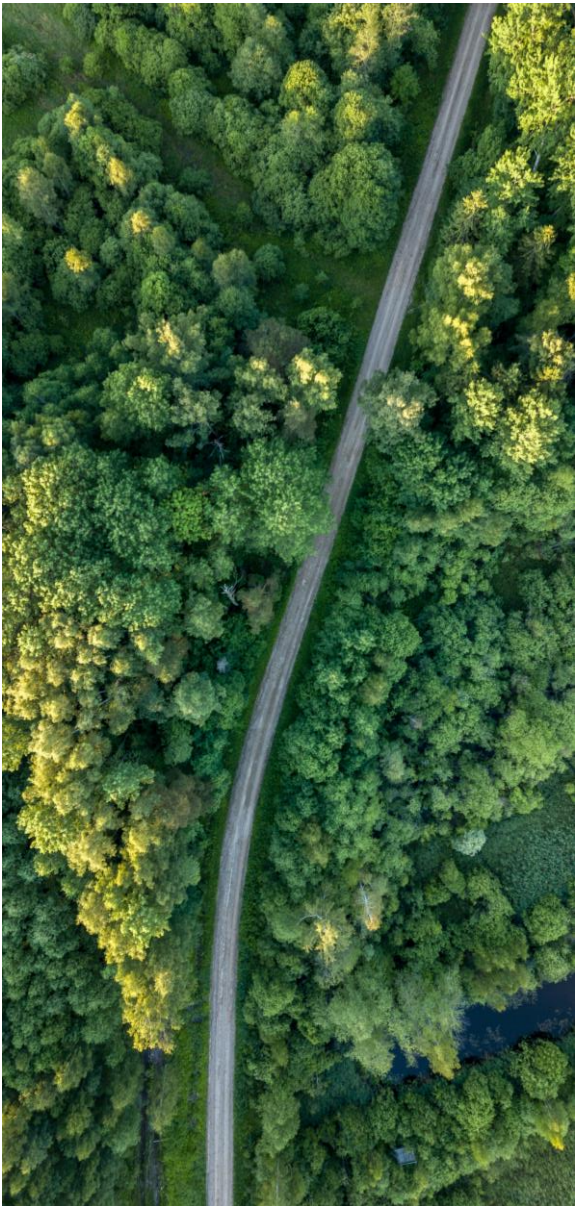
Energy-Saving Campaign

Develop green office guidelines; post energy-saving and carbon-reduction signboards and posters in office areas and production areas to strengthen employees' awareness of energy conservation



Zylox-Tonbridge's Green Electricity Certificate Transaction Vouchers





Metrics and Targets

During the reporting period, our base in Hangzhou has set an energy efficiency improvement target of a 10% reduction in total electricity consumption compared with 2023. The base strives to reduce electricity consumption and effectively promote the achievement of the target, by taking various management initiatives. The initiatives include optimizing air-conditioning temperature settings, installing additional sprinkler pipes for air-conditioning outdoor units, dynamically adjusting chiller operation parameters and modifying the design of workshop exhaust outlets. In the future, we will set more scientific and feasible targets for energy efficiency and carbon emission management by integrating the actual production and operation with the business development plan, to carry out climate action in the long run.

During the reporting period, our energy consumption and GHG emissions were as follows:

Category	2024	2023	2022
Energy consumption ¹			
Direct energy consumption	1,154.15	1,389.01	674.19
Including: Gasoline (MWh)	53.46	49.39	55.90
Natural gas (MWh)	1,100.69	1,339.62	618.29
Indirect energy consumption	4,556.73	5,281.12	4,336.67
Including: Purchased electricity (MWh)	4,556.73	5,281.12	4,336.67
Total energy consumption (MWh)	5,710.88	6,670.13	5,010.86
Energy consumption intensity (MWh/RMB million)	7.30	13.64	15.00
Greenhouse gas emissions			
Total greenhouse gas emissions (tCO ₂ e)	2,831.84	3,291.74	3,069.87
Including: Scope 1 emissions (tCO ₂ e)	233.14	279.92	137.29
Scope 2 emissions (tCO ₂ e)	2,598.70	3,011.82	2,932.58
Greenhouse gas emission intensity (tCO ₂ e/RMB million)	3.62	6.24	9.19

¹ The calculation methods and emission factors for energy consumption and GHG in 2024 and 2023 mainly refer to the *General Rules for Calculating Comprehensive Energy Consumption (GB/T 2589–2020)* of the State Administration for Market Supervision and Regulation and the State Standardization Administration, the *Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial)* of the National Development and Reform Commission, the *Notice on Matters Related to the Reporting and Management of Greenhouse Gas Emissions of Enterprises in the Power Generation Industry from 2023 to 2025* of the Ministry of Ecology and Environment. The calculation methods and emission factors for energy consumption and GHG in 2022 please refer to the Company's 2022 Annual Report.

Enhancing Environmental Stewardship

Zylox-Tonbridge strictly complies with the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other relevant laws and regulations. We ensure the environmental compliance of our production and operation activities, and actively fulfill the corporate environmental responsibility.

We have established an environmental management structure headed by either the General Manager of Business Lines or the Vice President of Operations, with an environmental protection administrator position set up at the corporate level and environmental protection responsible persons appointed at the department level. The top-down management system ensures the effective implementation of our environmental management policies. We have formulated and implemented documents such as the *Sewage and Wastewater Management Procedures*, the *Solid Waste Pollution Control Procedures*, the *Toxic and Hazardous Compounds Control Procedures* and the *Rules for Hazardous Chemicals Warehouse Management*. During the reporting period, we strengthened inspections on water consumption and discharge management. We also updated the *Facility and Working Environment Control Procedures* and continuously optimized the environmental management process.

We continue to improve our discharge prevention and control measures and set scientific and reasonable management targets for wastewater, exhaust gas, waste and other discharge. These efforts enable the Company to minimize the impact of its production and operations on the atmosphere, water, soil, and other resources. Ensuring pollutant discharge is in compliance with the standards of our operating sites and national standards, we are committed to reducing discharge at the source and promoting green production and operations.



Exhaust Gas Management

- Pollutant filtration: Install high-efficiency filters at the end of the air-conditioning system in workshops to achieve zero organic emission of exhaust gases generated in the production process; install activated carbon adsorption devices at the emission outlets of spraying equipment to lower the concentration of exhaust gases therefrom
- Process optimization: Optimize the sterilization process, conducting centralized sterilization after product classification, so as to lower the frequency of sterilization and reduce the emissions



Wastewater Management

- Neutralization: Production wastewater is neutralized and treated in a tertiary septic tank before entering a dedicated outfall, and then discharged to the local sewage treatment plant for centralized treatment via the municipal sewage pipe network
- Drainpipe inspection: Inspect drainpipes regularly to prevent environmental pollution due to wastewater spills caused by pipe breakage
- Process optimization: Conduct centralized sterilization of similar products to reduce the discharge of wastewater



Waste Management

- Hazardous wastes: Hazardous wastes such as waste alcohol, waste organic solvents and waste mixed inorganic liquids in the laboratory are uniformly collected and managed for regular centralized treatment by a qualified third party
- Non-hazardous wastes: Recycle cartons, paper boxes and other non-hazardous wastes for reuse to reduce the generation of wastes
- Waste sorting: Sort and process domestic wastes, and entrust a professional organization with transportation and disposal to ensure routine handling

The Company's exhaust gasses are primarily composed of welding fume emissions from the production process and exhaust gases generated in the laboratory. These have been treated using activated carbon adsorption devices, resulting in minimal emissions with no significant impact on the surrounding environment. Therefore, relevant emission data will not be disclosed in this report. During the reporting period, the Company's discharge-related performance indicators were as follows:

Category	2024	2023	2022
Wastewater discharge ²			
Wastewater discharge (ton)	29,559.54	27,858.72	28,608.55
Including: COD discharge (ton)	1.82	1.71	1.57
Ammonia nitrogen discharge (ton)	0.25	0.23	0.23
Waste generation			
Total hazardous waste (ton)	5.23	2.50	1.07
Hazardous waste intensity (ton/RMB million)	0.007	0.005	0.003
Total non-hazardous waste (ton)	17.60	13.94	14.93
Non-hazardous waste intensity (ton/RMB million)	0.02	0.03	0.04

² As the Company strengthened discharge management inspections and statistical optimization in 2024, we update wastewater discharge-related data for 2023 and 2022.



Maximizing Resource Efficiency

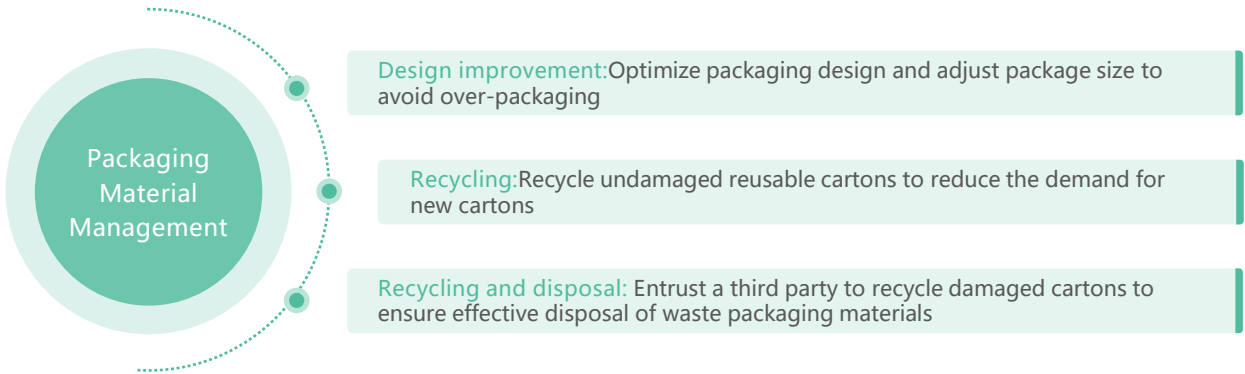
Water Resource Management

The Company attaches importance to the management of water resources, strictly abiding by the *Water Law of the People's Republic of China* and other laws and regulations, and continuously improving the mechanism of water resources management. During our R&D and production processes, we use municipal water mainly for process, cleaning and domestic purposes. During the reporting period, the Company didn't face any challenges related to water availability.

The Company adopts a series of water management measures and plans to set water efficiency targets to ensure rational and sustainable use of water resources. For production water, we recycle cooling water to improve the utilization efficiency of water resources. In our daily operations, we post water-saving signs in washrooms, pantries and other areas, and adjust the water flow velocity in living areas to reduce water waste.

Packaging Material Management

The Company always integrates the concept of green environmental protection into the management of packaging materials, and strictly follows the "3R Principle" of "Reduce, Reuse, and Recycle". We reduce the consumption of resources through scientific management, and continuously improve the green level of packaging, so as to reduce the impacts of packaging materials on the environment.



During the reporting period, our consumption of water resources and packaging materials was as follows:

Category	2024	2023	2022
Water consumption ³			
Tap water consumption (ton)	32,843.94	30,954.13	31,787.28
Tap water consumption intensity (ton/RMB million)	41.97	58.65	95.15
Packaging materials consumption			
Total consumption of packaging materials (ton) ⁴	50.25	15.50	14
Consumption intensity of packaging materials (ton/RMB million)	0.06	0.03	0.04

³ As the Company strengthened water consumption management inspections and statistical optimization in 2024, we update water consumption data for 2023 and 2022.

⁴ As the Company's product sales increased in 2024, the total consumption of packaging materials rose compared with 2023.

Upholding Integrity and Governance for Sustainable Development

Zylox-Tonbridge prioritizes legal compliance as the foundation of its operations, adheres to the highest standards of business ethics, actively establishes a compliance management system covering the entire business chain. Through responsible business practices, we continuously create social value, providing lasting momentum for our long-term stable growth.

Key Topics:

Business ethics

Anti-corruption

Information security and privacy protection

Intellectual property management

SDGs Response:

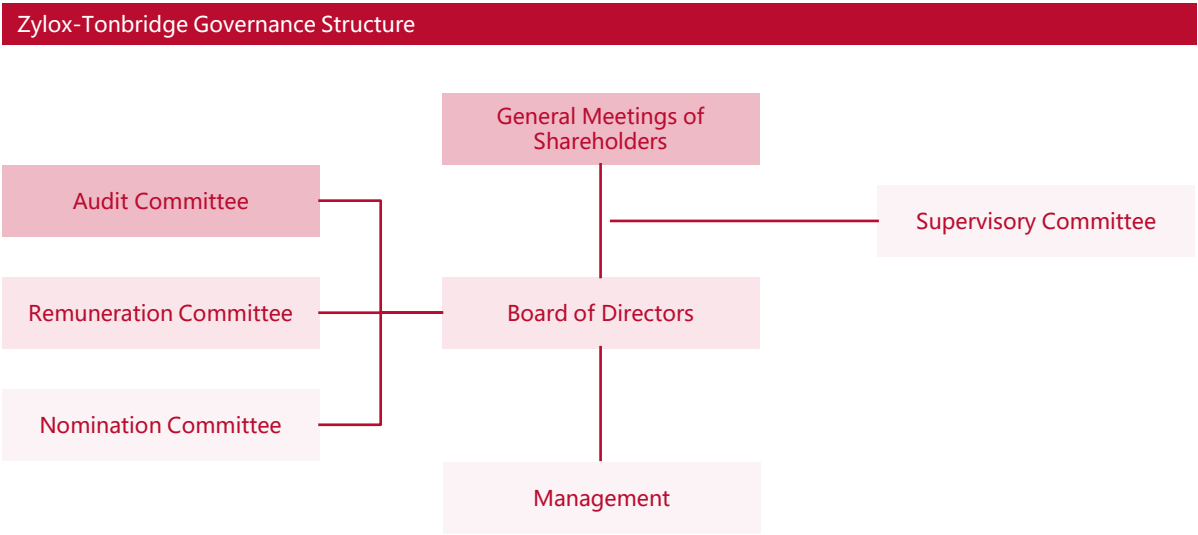


Strengthening Corporate Governance

We strictly comply with the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies* and other laws and regulations, formulate the *Articles of Association* and various regulations and systems applicable to the development of the Company, and continuously strive to provide long-term value for all stakeholders by strengthening supervision and management, improving transparency and management effectiveness.

Governance Structure

The Company's governance structure consists of the General Meeting of Shareholders, the Board of Directors, and the Supervisory Committee. The General Meeting of Shareholders serves as the highest authority, under which the Board of Directors acts as the decision-making body and the Supervisory Committee functions as the supervisory body. Three specialized committees under the Board of Directors—the Audit Committee, the Remuneration Committee, and the Nomination Committee—are responsible for providing professional advice to support the Board in making efficient, compliant, and well-informed decisions. During the reporting period, the Company held a total of two Shareholders' Meetings, five Board Meetings, and five Supervisory Committee Meetings.



Board Diversity

We are committed to building a diverse Board of Directors by ensuring diversity in areas such as skills and professional experience, cultural and educational backgrounds, gender, race, and other relevant dimensions, to better respond to the dynamic and evolving business environment. When appointing board members, we comprehensively consider their experience and skills, including differentiated management, strategic development, quality assurance and control, expertise in specialized fields, diverse regional and industry experience, as well as financial management and risk management, to provide the Company's senior management with rich perspectives and diverse viewpoints, thereby enhancing the quality and foresight of decision-making. By the end of the reporting period, the composition of the Company's Board of Directors was as follows:

- 9 directors in total
- 3 independent directors
- 1 female director

Note: As of the latest practicable date, the Board of Directors consisted of eight directors, including three executive directors, two non-executive directors, and three independent non-executive directors.

Ensuring Business Ethics and Compliance

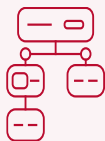
Anti-Corruption and Business Ethics

Zylox-Tonbridge strictly complies with the requirements of laws and regulations such as the *Criminal Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*, upholding the values of "Abiding by Laws, Practicing with Integrity", formulating and implementing the *Anti-Corruption and Anti-Bribery Policy*, the *Anti-Fraud Management Policy*, the *Anti-Money Laundering Measures and Policy*, and the *Business Secret Protection Management Measures*, dynamically identifying and monitoring significant business ethics risks in the operation process, to safeguard the healthy development of the Company with good business ethics. During the reporting period, to strengthen compliance management, the Company improved the *Marketing Conference Service Provider Admission Policy* to align with business needs and external environmental changes, strictly controlling the admission of conference service providers to mitigate commercial bribery risks. At the same time, we revised the *Code of Business Conduct*, establishing the Board of Directors as the highest decision-making body for compliance management.

Integrity Management



To regulate employee behavior and prevent various forms of corruption and bribery, Zylox-Tonbridge has established a clear code of business conduct and ethics, as outlined in the Employee Handbook and applicable to all employees. This code prohibits practices such as fraud, improper profit-seeking, and unauthorized disclosure of commercial information. Upon joining the Company, employees are required to sign the *Integrity and Self-Discipline Commitment* and the Non-Disclosure Agreement. All senior management personnel are required to complete the *Conflict of Interest Questionnaire*. During the reporting period, 100% of directors and senior management completed conflict of interest investigations and business ethics training, 100% of procurement employees signed integrity commitments, and 100% of sales personnel executed anti-corruption-related commitments.



Additionally, the Company applies integrity standards to its supply chain. We include anti-corruption and anti-bribery clauses in all procurement and sales contracts. Suppliers are required to sign the *Anti-Unfair Competition Commitment* and the *Integrity Commitment*, while distributors are required to sign the Distributor Compliance Commitment Letter. The Company also optimizes the supplier selection process to ensure the integrity and transparency of the supply chain.



During the reporting period, the Company conducted in-depth compliance investigations, sending questionnaires to all first-tier distributors, covering aspects such as business qualifications, social security contributions, integrity, and records of commercial bribery. We used tools such as Qichacha.com and Tianyancha.com to verify relevant information, ensuring its accuracy and authenticity, and categorized the findings based on the severity of the issues. After rigorous verification, all first-tier distributors successfully passed the investigation.

Whistleblowing Management

We are committed to creating an open and transparent working environment, setting up reporting channels such as a telephone hotline, supervisory email, physical mailbox, and website message board, encouraging our employees, customers, suppliers, and other stakeholders to report any suspicious violations. We have clearly defined the handling mechanism for whistleblowing cases in the *Workflow for Handling Whistleblowing*, which requires case analysis and both internal and external investigations upon receiving clues. Once the investigation confirms the facts, the Company will take disciplinary actions and implement corrective measures in accordance with relevant internal regulations. In addition, we strictly implement the *Measures for Handling Whistleblowing and Complaints and Protecting Whistleblowers*, prohibiting any form of retaliation against whistleblowers or individuals cooperating with the Company's investigation, and will take a series of measures to effectively safeguard the rights and interests of whistleblowers.

During the reporting period, the Company did not experience any reports or violations related to corruption, bribery, extortion, fraud, or money laundering.

Integrity Culture

Zylox-Tonbridge deeply embeds integrity culture into its corporate culture, ensuring employees' understanding and practice the Company's business ethics through comprehensive training programs. The Company provides policy and system training, such as training on the *Anti-corruption and Anti-bribery System*, to new employees upon their induction. We regularly conduct compliance training for all employees, covering anti-corruption trends, legal studies, business bribery cases, compliance policies and updated processes, effectively enhancing employees' compliance awareness.

We also enhance employees' compliance awareness through Compliance Information Express and Compliance Culture Comics. Compliance Information Express is sent via email every half month, covering dynamics such as anti-corruption, cybersecurity, business secrets protection, intellectual property compliance, and healthcare policies; Compliance Culture Comics are published irregularly, highlighting of the consequences of violating policies and laws through cases and comics. Compliance Information Express and Compliance Culture Comics are aimed at all employees of Zylox-Tonbridge, with a coverage rate of 100%.

Reporting Channels

- Hotline: 0571-88610082
- Email: jdjb@zyloxmedical.com
- Address: No. 270 Shuyun Road, Cangqian Subdistrict, Yuhang District, Hangzhou City
- Online Message: <https://www.zyloxmedical.com/contact-us>



Zylox-Tonbridge Anti-Corruption and Anti-Insider Information Training

In December 2024, Zylox-Tonbridge organized an online anti-corruption and anti-insider information training session for directors, supervisors, and senior management. The training session systematically explained the definition of management fraud, its potential risks, and legal implications, while analyzing recent typical fraud cases to highlight real-world impacts. It provided detailed interpretations of key insider trading-related areas, including the scope of insider information, obligations of insiders, confidentiality requirements, and penalty provisions. These efforts effectively enhanced compliance awareness among the management team and strengthened the rigor and effectiveness of corporate governance practices.

In addition, to enhance distributors' understanding of the importance of compliant operations, in March 2024, the Company conducted offline compliance training for key distributors, employees, and executives at the 2024 Zylox-Tonbridge National Channel Development Forum. The training focused on key points of distributor compliance management under the new situation, covering approximately 460 participants. This laid a solid foundation for creating a healthy and transparent business environment.

Information Security and Privacy Protection

Information security and data privacy are top priorities for the Company. We strictly comply with laws and regulations such as the *Cybersecurity Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China* and the *Tort Law of the People's Republic of China*. We implement regulatory requirements such as the *Guiding Principles for Cybersecurity Registration Review of Medical Devices in China* and formulate policies like the *Management System for Personal Information Protection*, the *Business Secret Protection Management Measures*, and the *Employee Confidentiality Handbook* to control potential information security risks. The General Manager serves as the highest authority for information security management at Zylox-Tonbridge. Multiple departments, including Compliance, Legal, and IT are responsible for information security supervision, coordination, and technical control related to information security. We ensure the respect for personal privacy and the protection of information security through robust and efficient information security management and control mechanisms.

We take measures to safeguard information security, including publishing legal statements on the Company's official website to clarify the terms of use and issuing privacy policies to explain how personal information is collected and used. Meanwhile, the Company standardizes personal information management by clarifying the "Employee Data Application" workflow via the OA system, thereby ensuring the security of personnel data throughout the stages of application, review, and circulation. These measures further enhance the level of information security assurance.

The Company regularly conducts awareness activities for all employees to strengthen compliance consciousness, in order to protect business secrets and ensure information security.

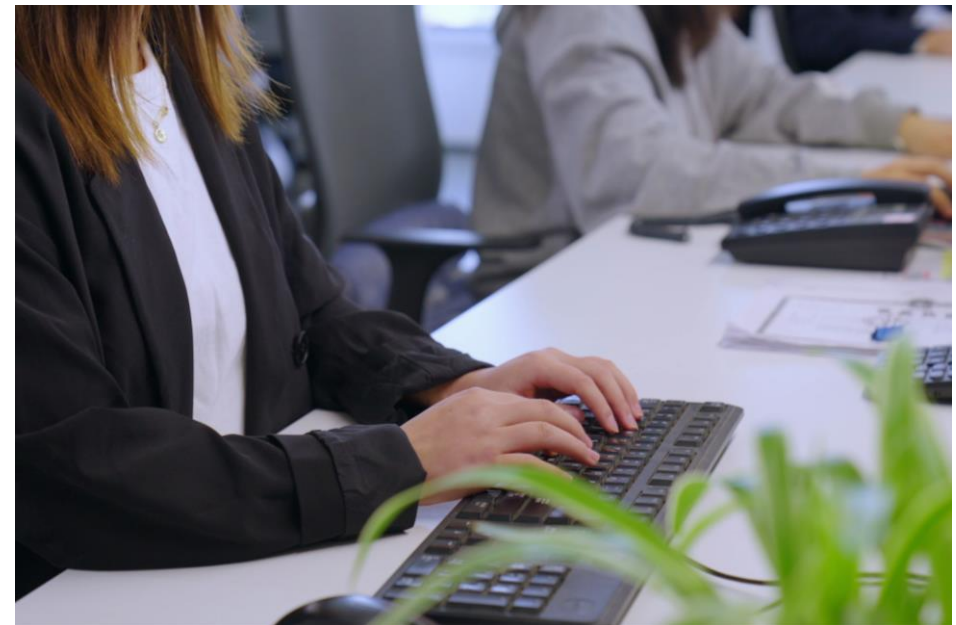


Business Secret Protection Employee Training

In February 2024, the Legal Department conducted online training on business secret protection for all employees, emphasizing the importance of protecting business secrets and safeguarding company assets. The Legal Department prepared the "Employee Legal Awareness and Professional Ethics Training" courseware for long-term online learning and implementation by employees.

In May of the same year, the Legal Department conducted a one-hour specialized training session for over 10 employees from the Marketing Department and Public Relations Department through an online meeting. The training focused on the protection of commercial secrets in the production and release of promotional materials, including the identification of commercial secrets, post-release monitoring, and handling of leaks.

Through these measures, Zylox-Tonbridge strengthened employees' legal awareness and professional ethics, enhanced corporate governance, and safeguard the commercial secrets and assets, thereby providing strong support for the Company's long-term sustainable development.



Responsible Marketing

Zylox-Tonbridge strictly practices responsible marketing, rigorously adheres to the *People's Republic of China Advertising Law*, the *People's Republic of China Consumer Rights Protection Law*, the Medical Device Regulation (EU) 2017/745 (MDR), and other laws and regulations specifically governing advertising and publicity in the field of medical devices, formulates the *Zylox-Tonbridge Conduct Code*, the *Market Promotion Fee Management System*, the *Domestic Distributor Management Policy*, and other policies, strictly controls the marketing information published on channels such as websites, packaging, and brochures, to ensure the legality and compliance of promotional information, avoid exaggerated publicity, and external output of deceptive and misleading consumer promotional materials. In addition, we follow the *Zylox Medical Brand Visual Identification Manual* and the *Tonbridge Medical Brand Visual Identity Guidelines Manual*, to ensure consistency in external use of trademarks and prevent events that infringe upon consumer rights.

The Company implements a cross-departmental joint review mechanism to ensure marketing content is truthful, accurate, and compliant with laws and regulations. Any form of exaggeration, misleading representation, or false information is strictly prohibited. During the reporting period, the Company introduced a new "Product Promotion Materials Review" workflow into its OA system to enhance compliance in producing and distributing promotional materials. This process reviews all product posters, product leaflets, product demo animations, promotional tweets, and other promotional materials involved in marketing activities.

To ensure the legality and compliance of marketing activities, we explore multi-channel and multi-form approaches to strengthen the dissemination of compliance awareness. We leverage platforms such as new employee onboarding, marketing and sales center annual meetings, and national channel development forums to enhance internal and external communication and education. Additionally, we conduct relevant training for the marketing team to guide employees and distributors in forming a culture of compliance consciousness, thereby reducing incidents of non-compliance. Moreover, in response to serious compliance issues within the industry, we promptly issue compliance warnings. By the end of 2024, we sent a compliance warning about a medical insurance fraud case involving a certain company to the marketing and sales center employees, urging them to take this as a lesson and prevent such risky behaviors.



Compliance Training for Marketing and Sales Personnel

We conducted compliance training for marketing and sales personnel to adapt to policy requirements under the new situation. In January and July 2024, all personnel from marketing and sales center attended the compliance training sessions during the Zylox Medical and Tonbridge Medical Marketing Annual Meetings, covering the latest compliance policies and key points. The two training sessions cumulatively covered more than 100 employees, effectively enhancing the compliance awareness of the marketing team.



Intellectual Property Protection

Intellectual Property Management

Zylox-Tonbridge strictly prohibits any infringement of intellectual property rights, adheres to the *Patent Law of the People's Republic of China* and the *Trademark Law of the People's Republic of China*. We formulated the *Intellectual Property Management Policy*, establishing a comprehensive intellectual property management system. The Company has successfully obtained the GB/T 29490-2013 intellectual property management system certification.

Zylox-Tonbridge takes multiple measures to enhance the level of intellectual property protection. The Company has established a patent risk avoidance ledger for projects, which is regularly updated and shared with the project management department to ensure timely access to patent risk information. This helps project teams proactively address potential intellectual property risks. Furthermore, we have developed a list of product innovation concepts designed to mitigate patent risks and conducts patent feasibility assessments on these concepts to ensure that innovation directions remain compliant with intellectual property regulations.

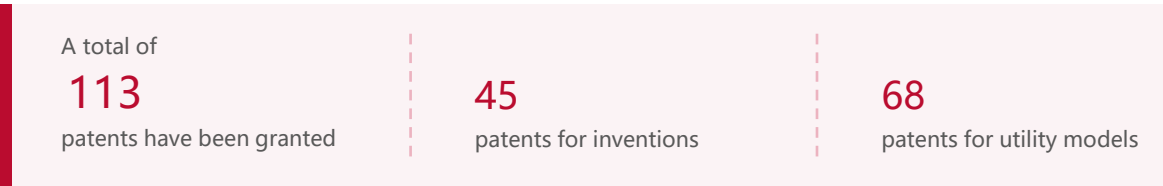
The Company encourages technological innovation and establishes an intellectual property incentive mechanism to stimulate the innovative vitality of talents. We provide tangible incentives to employees who contribute ideas and, in conjunction with the point-based system, recognize outstanding innovators with the honorary title of "Idea King". In addition, the Company organizes brainstorming activities for engineers on an irregular basis to inspire innovative thinking and enhance the overall innovation capabilities of the team.



GB/T 29490-2013 Intellectual Property Management System Certification

Intellectual Property Achievements

By the end of the reporting period, the Company's intellectual property holdings are as follows:



Project Category	2024	Unit
Patents (in total)	113	Pcs
Patents authorized in 2024	22	Pcs
Patents (Applied in progress)	56	Pcs
Patents for inventions (Applied in progress)	52	Pcs
Patents for utility models (Applied in progress)	4	Pcs
Trademarks (in total)	199	Pcs
Trademarks authorized in 2024	40	Pcs

Zylox-Tonbridge's Intellectual Properties Approved in 2024 (Partial)



ZYLOX Penguin® Peripheral Venous Stent System Granted Invention Patent

In April 2024, the trademark for ZYLOX Penguin® Peripheral Venous Stent System was successfully registered. In the same year, the Company obtained four invention patents for the aforementioned product. These patents cover the structure and function of the stent. The product features a self-expanding nickel-titanium alloy stent, combined with the delivery system, designed to fit the anatomical characteristics of the iliac vein, effectively reducing the risk of complications.



Intellectual Property Awareness Enhancement

During the reporting period, we conducted multiple intellectual property-themed training sessions for commerce, marketing, and R&D personnel to enhance their awareness of intellectual property protection. These sessions covered patent and trademark basics, practical use of the incoPat database, and application of patent search reports. These training sessions help R&D personnel value the importance of patent search reports, understand the patent situation of similar products, identify and manage patent risks, obtain technical references, and better assist in R&D work. We also actively participate in external intellectual property training, such as the "ISO 56006 international standard training and benchmarking analysis" organized by the Zhuhai Intellectual Property Bureau, to enhance intellectual property management capabilities and ensure that the Company's innovation activities comply with international standards.



Patent Application and Search Training

In 2024, we organized a training event themed "Key Points of Patent Application Process and Brief Introduction to Patent Search Report". The training mainly adopted an offline approach supplemented by online methods, combining lectures and interactions, and invited more than 60 R&D personnel to participate on-site. During the training, we enhanced the training effect and influence by showcasing a product and its patent mining process example.



Enhancing ESG Governance

ESG Governance Structure

The Company has established a three-tier ESG governance structure consisting of the Board of Directors, Senior Management, and ESG Working Group. We have fully incorporated ESG duties into the scope of responsibilities of all levels of the organization to actively address ESG risks and opportunities, promote ESG professional decision-making and implementation of major issues, and ensure that ESG work is carried out in a standardized and orderly manner.



Stakeholder Communication

The Company is committed to transparent communication and effective engagement with all stakeholders. We have diversified communication channels to listen to stakeholders' voices. We view their concerns as key inputs to improve our sustainability efforts. We also enhance information disclosure to better address the concerns and expectations of stakeholders. The Company's main stakeholders include shareholders and investors, government and regulators, media and non-governmental organizations (NGOs), suppliers, customers, patients, employees and community.

Stakeholders	Demands and expectations	Communication channels	
Shareholders and Investors	<ul style="list-style-type: none"> Investment Return Information Disclosure Compliance Operation 	<ul style="list-style-type: none"> Listed Company Information Disclosure Investor briefings 	<ul style="list-style-type: none"> Shareholder meetings Investor summits
Government and Regulators	<ul style="list-style-type: none"> Compliance Operation Tax Compliance Contribution to Society 	<ul style="list-style-type: none"> Business Communication Research and Inspection 	<ul style="list-style-type: none"> Policy Implementation
Media and NGOs	<ul style="list-style-type: none"> Promotion of Industry Development Ensuring Compliance Publicity Delivery of Brand Value 	<ul style="list-style-type: none"> Information Release Company's Website Media Interviews 	<ul style="list-style-type: none"> Press Conferences Meeting Communication
Suppliers	<ul style="list-style-type: none"> Fairness and Justice Win-Win Cooperation 	<ul style="list-style-type: none"> Business Communication Regular Meetings 	<ul style="list-style-type: none"> Field Visit Assessment and Appraisal
Customers	<ul style="list-style-type: none"> Contract Compliance and Fulfillment Honest Operation High-quality Products and Services Customer Privacy Protection 	<ul style="list-style-type: none"> Business Communication Customer Feedback Exchange and Discussion 	<ul style="list-style-type: none"> Negotiation and Cooperation Customer Satisfaction Survey
Employees	<ul style="list-style-type: none"> Employee Rights and Interests Protection Occupational Health and Safety Employee Benefits Improvement Equal Opportunities and Diversification 	<ul style="list-style-type: none"> Labor Union Employee Meetings Development Training 	<ul style="list-style-type: none"> Performance Assessment Team Building
Community	<ul style="list-style-type: none"> Active Engagement in Public Welfare Creating Positive Impacts 	<ul style="list-style-type: none"> Zylox-Tonbridge Public Charity Special Fund Community Service 	<ul style="list-style-type: none"> Information Bulletin



Zylox-Tonbridge 2024 Investor Open Day

In November 2024, Zylox-Tonbridge held an investor open day event in Hangzhou themed "Upholding Integrity and Innovation for Steady Progress, Sailing Forward to Win the Future". The event attracted over 200 online and offline investors and brokerage analysts, showcasing multiple products launched both domestically and internationally. During the event, the Company's management shared industry development trends and future strategies, discussing opportunities in centralized procurement and overseas market. Through this event, Zylox-Tonbridge effectively built a two-way communication bridge between the Company and investors, further enhancing the Company's recognition and influence in the capital market, and promoting the realization of the Company's strategic goals.



Materiality Assessment

In order to clarify the focus of ESG practices and information disclosure, and determine our ESG priorities, we regularly collect, analyze and assess topics of interest to our stakeholders based on their daily communications, and in conjunction with the ESG Reporting Guide, policy requirements, tracking of industry dynamics, analysis of the Company's operating characteristics and strategic direction, important ESG concerns of our peers, and other relevant factors. Through this process, we determine the Company's ESG management priorities. The Company's ESG materiality assessment process is as follows:

Step 1: Identify ESG issues

- Review ESG work and stakeholder feedback
- Benchmark against major concerns in the industry and good practices from peers
- Refer to the criteria for ESG rating

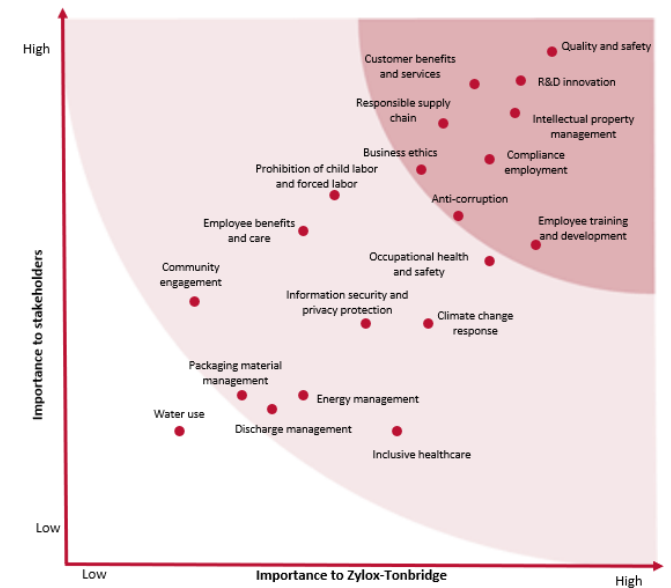
Step 2: Stakeholder communication and research

- Visit external stakeholders
- Interview internal stakeholders
- Prioritize material ESG issues

Step 3: Assessment of material issues

- The Board of Directors, senior management and ESG working group review and confirm the assessment results

Through extensive industry research and topic review, we integrated and adjusted the names of some environmental topics during the reporting period, ultimately identifying 20 material topics that impact both the Company's development and stakeholders, and confirming 9 of them as key material topics. The matrix of ESG substantive topics for the Company in 2024 is as follows:




2024 Zylox-Tonbridge ESG Materiality Matrix

Appendix

HKEX ESG Reporting Code Index, GRI Standards Index, and United Nations Sustainable Development Goals (SDGs)

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ZYLOX-TONBRIDGE MEDICAL TECHNOLOGY CO., LTD

Zylox-Tonbridge Industrial Park, No. 270 Shuyun Road,
Yuhang District, Hangzhou, Zhejiang Province, China.

www.zyloxtb.com