

2014

Annual Report 年報



朗生醫藥控股有限公司
Lansen Pharmaceutical Holdings Limited

(於開曼群島註冊成立的有限公司)
(Incorporated in the Cayman Islands with limited liability)

Stock Code 股份代號: 503



目錄 Contents

| | |
|----|---|
| 2 | 企業資料 CORPORATE INFORMATION |
| 5 | 五年財務摘要 FIVE-YEAR FINANCIAL SUMMARY |
| 7 | 財務摘要 FINANCIAL HIGHLIGHTS |
| 10 | 主席報告 CHAIRMAN'S STATEMENT |
| 13 | 管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS |
| 27 | 董事及高級管理人員履歷 BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT |
| 33 | 董事會報告 REPORT OF THE DIRECTORS |
| 44 | 企業管治報告 CORPORATE GOVERNANCE REPORT |
| 65 | 獨立核數師報告 INDEPENDENT AUDITOR'S REPORT |
| 67 | 綜合損益及其他全面收益表 CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME |
| 68 | 綜合財務狀況表 CONSOLIDATED STATEMENT OF FINANCIAL POSITION |
| 70 | 財務狀況表 STATEMENT OF FINANCIAL POSITION |
| 71 | 綜合權益變動表 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY |
| 72 | 綜合現金流量表 CONSOLIDATED STATEMENT OF CASH FLOWS |
| 74 | 財務報表附註 NOTES TO THE FINANCIAL STATEMENTS |

企業資料

Corporate Information

董事會

執行董事：

劉幫民先生(行政總裁)

非執行董事：

Stephen Burnau Hunt 先生(主席)

李晉頤先生(副主席)

湯軍先生

陶芳芳女士

葉佩玲女士

獨立非執行董事：

陳記煊先生

鄧昭平先生

Fritz Heinrich Horlacher 先生

審核委員會

陳記煊先生(主席)

李晉頤先生

葉佩玲女士

鄧昭平先生

Fritz Heinrich Horlacher 先生

薪酬委員會

鄧昭平先生(主席)

Stephen Burnau Hunt 先生

李晉頤先生

陳記煊先生

Fritz Heinrich Horlacher 先生

執行委員會

李晉頤先生(主席)

陶芳芳女士

葉佩玲女士

劉幫民先生

授權代表

梅志雄先生

葉佩玲女士

BOARD OF DIRECTORS

Executive Director:

Mr. Liu Bang Min (*Chief Executive Officer*)

Non-executive Directors:

Mr. Stephen Burnau Hunt (*Chairman*)

Mr. Lee Jin Yi (*Deputy Chairman*)

Mr. Tang Jun

Ms. Tao Fang Fang

Ms. Yip Pui Ling, Rebecca

Independent non-executive Directors:

Mr. Chan Kee Huen, Michael

Mr. Tang Chiu Ping, Raymond

Mr. Fritz Heinrich Horlacher

AUDIT COMMITTEE

Mr. Chan Kee Huen, Michael (*Chairman*)

Mr. Lee Jin Yi

Ms. Yip Pui Ling, Rebecca

Mr. Tang Chiu Ping, Raymond

Mr. Fritz Heinrich Horlacher

REMUNERATION COMMITTEE

Mr. Tang Chiu Ping, Raymond (*Chairman*)

Mr. Stephen Burnau Hunt

Mr. Lee Jin Yi

Mr. Chan Kee Huen, Michael

Mr. Fritz Heinrich Horlacher

EXECUTIVE COMMITTEE

Mr. Lee Jin Yi (*Chairman*)

Ms. Tao Fang Fang

Ms. Yip Pui Ling, Rebecca

Mr. Liu Bang Min

AUTHORISED REPRESENTATIVES

Mr. Mui Chi Hung

Ms. Yip Pui Ling, Rebecca

公司秘書

梅志雄先生

COMPANY SECRETARY

Mr. Mui Chi Hung

註冊辦事處

Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

REGISTERED OFFICE

Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

總部及中國主要營業地點

中國
浙江省
寧波市
鄞州區
啟明路818號
14棟109號
郵編：315100

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Room 109, Building 14
No. 818, Qiming Road
Yinzhou District
Ningbo
Zhejiang Province 315100
PRC

香港主要營業地點

香港
德輔道中189號
李寶椿大廈12樓
1203-4室

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 1203-4
12/F., Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

核數師

香港立信德豪會計師事務所有限公司

AUDITOR

BDO Limited

法律顧問

羅夏信律師事務所(香港)
金誠同達律師事務所(中國)
Appleby (開曼群島)

LEGAL ADVISORS

Stephenson Harwood (Hong Kong)
Jincheng Tongda & Neal (China)
Appleby (Cayman Islands)

主要往來銀行

中國銀行
寧波銀行
中國農業銀行
中國建設銀行
渣打銀行
華僑銀行
馬來亞銀行
星展銀行

PRINCIPAL BANKERS

Bank of China
Bank of Ningbo
Agricultural Bank of China
China Construction Bank
Standard Chartered Bank
OCBC Bank
MayBank
DBS Bank

主要股份過戶登記處

Appleby Trust (Cayman) Ltd.
Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

香港股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

503

網址

www.lansen.com.cn

股東及投資者的公司聯絡資料

香港

請聯絡我們的公司秘書：
電話：(852) 2828 9285

中國

請聯絡我們的投資者關係部：
電話：(86) 755 2532 3058

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Trust (Cayman) Ltd.
Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
Level 22
Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

503

WEBSITE

www.lansen.com.cn

CORPORATE CONTACT INFORMATION FOR SHAREHOLDERS AND INVESTORS

Hong Kong

Please contact our Company Secretary at:
Telephone: (852) 2828 9285

The PRC

Please contact our Investor Relations Department at:
Telephone: (86) 755 2532 3058

五年財務摘要

Five-Year Financial Summary

截至十二月三十一日止年度

For the year ended 31 December

| | | 二零一零年 | 二零一一年 | 二零一二年 | 二零一三年 | 二零一四年 |
|-----------|--------------------------|----------|----------|----------|----------|----------------|
| | | 2010 | 2011 | 2012 | 2013 | 2014 |
| | | 千美元 | 千美元 | 千美元 | 千美元 | 千美元 |
| | | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| 業績 | RESULTS | | | | | |
| 收入 | Revenue | 58,607 | 74,475 | 93,844 | 95,074 | 116,817 |
| 毛利 | Gross profit | 38,433 | 44,387 | 54,424 | 52,238 | 62,471 |
| 除所得稅前溢利 | Profit before income tax | 12,785 | 15,148 | 16,566 | 15,081 | 18,068 |
| 所得稅開支 | Income tax expense | (2,572) | (2,695) | (2,568) | (3,390) | (4,088) |
| 年內溢利 | Profit for the year | 10,213 | 12,453 | 13,998 | 11,691 | 13,980 |

於十二月三十一日

As at 31 December

| | | 二零一零年 | 二零一一年 | 二零一二年 | 二零一三年 | 二零一四年 |
|--------------|-------------------------------|----------|----------|----------|----------|------------------|
| | | 2010 | 2011 | 2012 | 2013 | 2014 |
| | | 千美元 | 千美元 | 千美元 | 千美元 | 千美元 |
| | | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| 資產及負債 | ASSETS AND LIABILITIES | | | | | |
| 總資產 | Total assets | 112,611 | 144,445 | 168,862 | 192,382 | 232,275 |
| 總負債 | Total liabilities | (20,346) | (45,105) | (63,459) | (81,732) | (117,670) |
| 資產淨值 | Net assets | 92,265 | 99,340 | 105,403 | 110,650 | 114,605 |

五年財務摘要

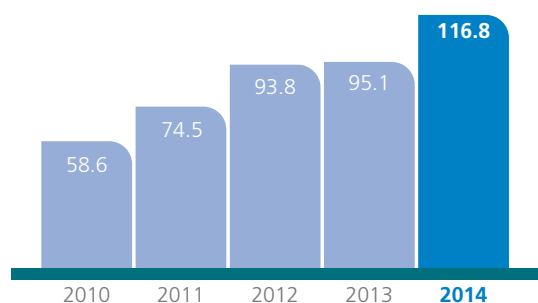
Five-Year Financial Summary

總收入 Total Revenue

(百萬美元)
(US\$ million)

2010-2014 複合年增長率
CAGR of 2010-2014

18.8%

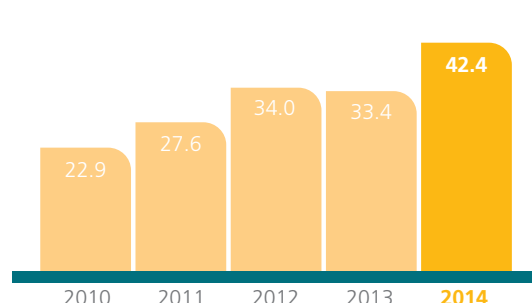


收入- 帕夫林 Revenue-Pafulin

(百萬美元)
(US\$ million)

2010-2014 複合年增長率
CAGR of 2010-2014

16.6%

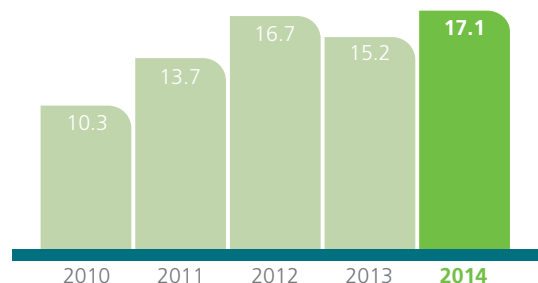


收入- 來氟米特片 Revenue-Leflunomide tablets

(百萬美元)
(US\$ million)

2010-2014 複合年增長率
CAGR of 2010-2014

13.4%

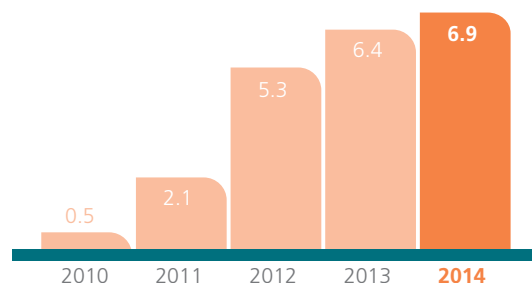


收入- 嗎替麥考酚酯分散片 Revenue-Mycophenolate Mofetil Dispersible tablets

(百萬美元)
(US\$ million)

2010-2014 複合年增長率
CAGR of 2010-2014

94.6%



* Officially launched in May 2010

* 2010年5月正式推出

財務摘要

Financial Highlights

| | | 二零一四年 2014 | 二零一三年 2013 | 變動 Change |
|-------------------|---|----------------|---------------|--------------|
| 業績(千美元)： | Results (US\$'000): | | | |
| 收入 | Revenue | 116,817 | 95,074 | +22.9% |
| 毛利 | Gross profit | 62,471 | 52,238 | +19.6% |
| 經營溢利 | Profit from operations | 18,922 | 15,144 | +25.0% |
| 除所得稅前溢利 | Profit before income tax | 18,068 | 15,081 | +19.8% |
| 本公司擁有人 應佔溢利 | Profit attributable to owners of the Company | 13,980 | 11,691 | +19.6% |
| 盈利能力： | Profitability: | | | |
| 毛利率 | Gross profit margin | 53.5% | 54.9% | -1.4% |
| 純利率 | Net profit margin | 12.0% | 12.3% | -0.3% |
| 每股基本盈利 (美仙) | Basic earnings per share (US cents) | 3.4 | 2.8 | +0.6 |
| 財務狀況(千美元)： | Financial Position (US\$'000): | | | |
| 總資產 | Total assets | 232,275 | 192,382 | +20.7% |
| 本公司擁有人 應佔權益 | Equity attributable to owners of the Company | 114,605 | 110,650 | +3.6% |
| 總負債 | Total liabilities | 117,670 | 81,732 | +44.0% |
| 現金及銀行結餘 | Cash and bank balances | 42,891 | 25,487 | +68.3% |
| 流動資金狀況： | Liquidity: | | | |
| 流動比率(倍) | Current ratio (times) | 1.1 | 1.2 | -0.1 |
| 淨負債權益比率* | Net debt-to-equity ratio* | 36.6% | 29.8% | +6.8% |

* 淨負債權益比率 = (借貸 - 現金及銀行結餘 - 已抵押其他應收款) / 總權益

* Net debt-to-equity ratio = (borrowings - cash and bank balances - pledged other receivables) / total equity

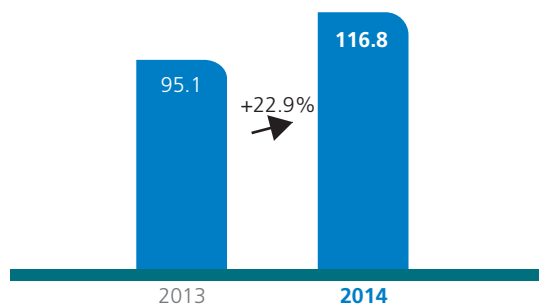
財務摘要

Financial Highlights

收入

Revenue

■ 收入
Revenue
(百萬美元)
(US\$ million)



- 收入增加22.9%
- Revenue increased by 22.9%

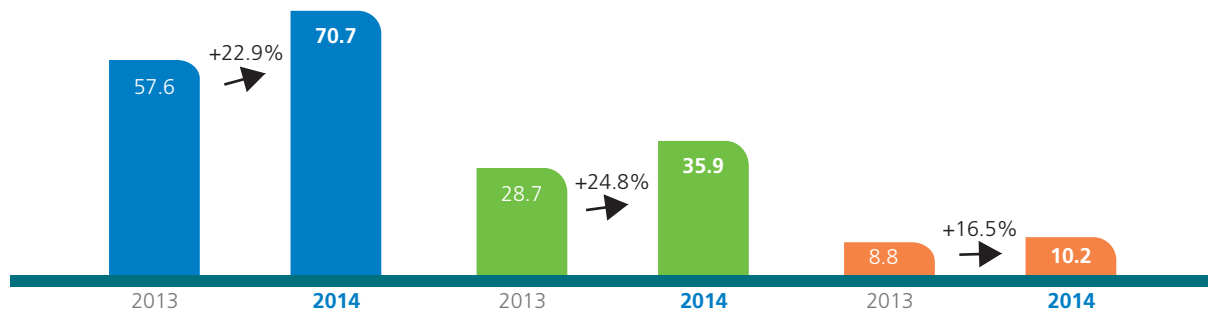
分部收入

Segment Revenue

■ 專科藥
Specialty pharmaceuticals
(百萬美元)
(US\$ million)

■ 植物提取及保健產品
Plant extract and healthcare products
(百萬美元)
(US\$ million)

■ 其他藥品
Other pharmaceuticals
(百萬美元)
(US\$ million)



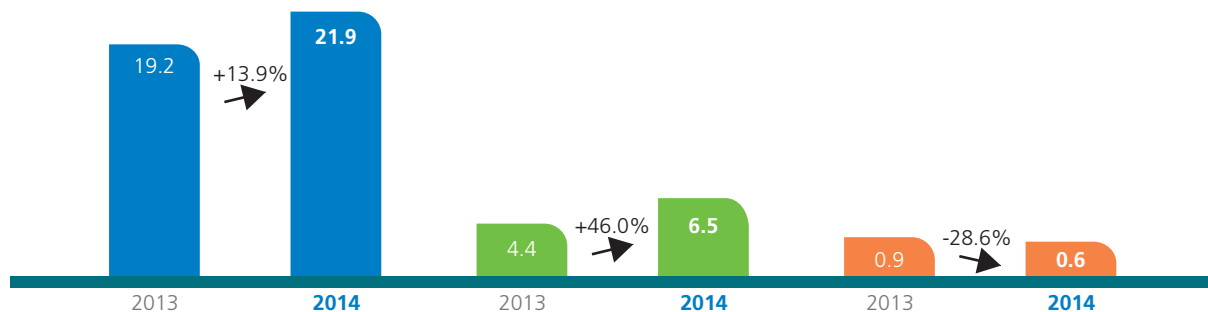
分部溢利

Segment Profits

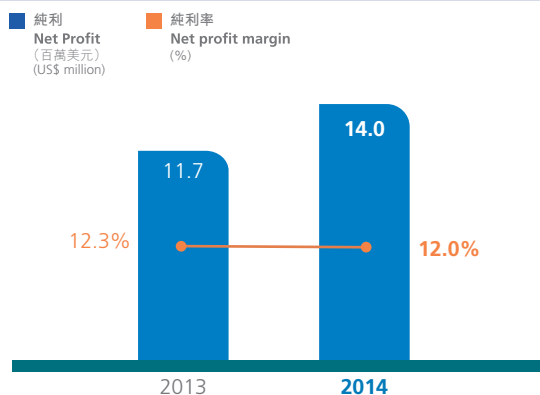
■ 專科藥
Specialty pharmaceuticals
(百萬美元)
(US\$ million)

■ 植物提取及保健產品
Plant extract and healthcare products
(百萬美元)
(US\$ million)

■ 其他藥品
Other pharmaceuticals
(百萬美元)
(US\$ million)

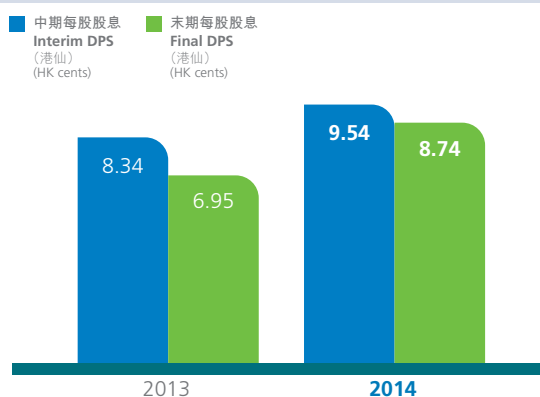


年內溢利及純利率
Profit for the year and Net profit margin



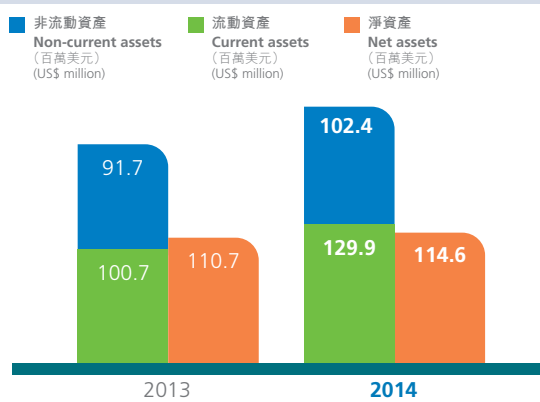
- 2014年純利增加19.6%
純利率減少0.3%
- Net profit increased by 19.6% in 2014
Net profit margin decreased by 0.3%

每股股息
Dividend per share (DPS)



- 中期股息為每股9.54港仙
建議末期股息為每股8.74港仙
- Interim dividend of HK 9.54 cents per share
Proposed final dividend of HK 8.74 cents per share

總資產及淨資產
Total assets and Net assets



- 總資產增加20.7%
淨資產增加3.6%
- Total assets increased by 20.7%
Net assets increased by 3.6%

主席報告

Chairman's Statement

本人謹代表朗生醫藥控股有限公司(「本公司」)及其附屬子公司(「朗生」或「本集團」)董事會(「董事會」)欣然向全體股東提呈本集團截至二零一四年十二月三十一日止財政年度的年度報告。

回顧二零一四年，集團營業總額錄得約116.8百萬美元，較去年增長22.9%，儘管在原材料和成本漲價壓力下，年內溢利仍然增長19.6%，約14.0百萬美元。核心業務風濕免疫專科處方西藥創造了理想的銷售業績，其中帕夫林、來氟米特片、嗎替麥考酚酯分散片三類藥品銷售皆創歷史新高，增長20.7%。

二零一四年，中國政府出台多項醫藥行業政策改革，使看似傳統的醫藥行業充滿朝氣與生機。醫藥行業的發展正契合了中國經濟新常态的特徵：增長進入換擋期，由高速增長轉為中高速增长。行業發展要依靠改革、調整和創新驅動發展。巨大的醫療健康市場蘊含著前所未有的機遇。在「新常态」下，企業唯有求變創新，才能適應時代發展，抓住機遇。本集團將及時跟進國家政策法規，在朗生「大免疫大健康」戰略的支持下，深入聚焦免疫風濕優勢領域，同時積極推進朗生在皮膚科領域的快速發展，並嘗試多模式產品經營，尋求更快的發展速度，謀求更大的發展空間。

二零一四年，集團在皮膚科領域的拓展可謂碩果纍纍。分別獲得陝西鉅子生物技術有限公司旗下的「可復美」品牌系列產品在中國境內若干區域的獨家代理經銷權與品牌使用權，以及向諾華購得產品「新適確得」在中國市場的所有權益。皮膚醫學領域是朗生在風濕免疫領域之外進入的第二個戰略領域。代理及收購行動，從戰略上可加快朗生步入皮膚科和藥妝領域，擴大其專科藥產品組合，為未來發展奠定了又一階梯性的契機。

On behalf of the board (the "Board") of directors (the "Directors") of Lansen Pharmaceutical Holdings Limited (the "Company") and its subsidiaries ("Lansen" or the "Group"), I am pleased to present the annual report for the financial year ended 31 December 2014 of the Group to all shareholders of the Company.

In 2014, the Group recorded total turnover of US\$116.8 million, up by 22.9% over last year. Despite of rising costs of raw materials and other costs, the Group managed to increase its profit by 19.6% to approximately US\$14.0 million. Its core business of rheumatic specialty prescription western pharmaceuticals achieved satisfactory sales with Pafulin, Leflunomide tablets and Mycophenolate Mofetil Dispersible tablets having record high sales, up by 20.7%.

During 2014, the Chinese Government issued a number of reform policies in relation to the pharmaceutical industry, adding new drivers to this seemingly traditional industry. The development of the pharmaceutical industry was in line with the latest trend of China's economic development: shift in speed of growth — changing from high speed to medium yet compared to the rest of the world still rapid development. To further develop this industry, additional reforms, adjustment and innovation are required. The vast healthcare market remains poised for unprecedented development. Under the "new norm" of China's economy, operators have to be innovative in order to stay in the industry and seize the opportunities. The Group will keep abreast of the policy reforms of the country to focus on the rheumatology business in which it enjoys an edge under the support of Lansen's "all-round immunity and all-round healthcare" strategy. In the meantime, the Group is enhancing its rapid development in the dermatology field and adopts a multi-product sales mode for faster and greater development.

2014 marked a fruitful year for the Group in its expansion into the dermatology field. It secured the exclusive agency distribution right and brand use right in certain regions of China of the Kefumei series of Shaanxi Biogene Technology Co. Ltd.. Besides, it has also acquired the entire interest of Sicorten Plus in the China market from Novartis. Dermatology was the second strategic business area that Lansen entered into after making its strong foothold in the rheumatology sector. Agency rights and acquisitions strategically can help accelerate Lansen's faster penetration into the dermatological and skin care product market and expand its specialty pharmaceutical product portfolio, laying a solid foundation for future growth.

同時，集團亦保持了在風濕免疫優勢領域的高度關注。年內與湖南華納大藥廠有限公司簽約，獲得廣維（嗎替麥考酚酯分散片）十年的全國銷售代理權，以及與大連美羅大藥廠簽訂赫派（來氟米特片）為期十年的獨家全國代理銷售協議。廣維與赫派的加入將進一步擴充公司風濕產品線，確保公司在風濕免疫領域的優勢所在。

未來展望

隨著中央加大對醫保預算的控制力度，對藥品施加更大的降價壓力。與此同時，朗生對現有產品的工藝提升和中藥原材料的成本上升等等情況，對來年集團的毛利率有一定的影響。與此同時，在新舊產品交替下，難免對來年上半年銷售和毛利造成一定的壓力。

未來，在人口老齡化、城鎮化、財富不斷積累、政府承諾加大醫療投入等一系列因素的共同作用下，中國醫藥行業將保持穩健的增長步伐。新醫改繼續提升醫保在全國的覆蓋範圍和保障水平。

縱然未來藥品價格將持續降低，醫院也會逐步降低對藥品收入的依賴。集團會順應市場格局並作出相應改變。

朗生將繼續通過優化其專科藥的營銷模式、發揮區域學術推廣優勢、增強產品的市場品牌知名度，和提高營銷團隊的產品營銷認識及專業能力等措施，保持市場領先地位。同時，集團也將進一步加強對日常經營活動的合規管理和監控。

In the meantime, the Group remained focused on its rheumatology business in which it has an edge. During the year, the Group entered into a contract with Hunan Warrant Pharmaceutical Co., Ltd. and secured a 10-year agency distribution right of its Guangwei (Mycophenolate Mofetil Dispersible tablets) throughout China. The Group also entered into a 10-year exclusive agency distribution agreement with Dalian Merro Pharmaceutical Factory for distribution of its Hepai (Leflunomide tablets) product across the country. The addition of Guangwei and Hepai would further compliment the Company's product line of rheumatic drugs and ensure our leading position in the sector.

OUTLOOK

With the Central Government's increasing control over spending on healthcare, the price of drugs will face greater downward pressure. In the meantime, other factors such as the enhancement of production technology by Lansin and the rising costs of raw materials of Chinese medicine will have certain impact on the gross profit margin of the Group for the coming year. Meanwhile, during this transitional period in which new products are being launched and promoted, it is inevitable that the sales and gross profit for the first half of the year will be affected.

Looking into the future, under the combined effect of ageing population, urbanisation, accumulation of wealth and higher spending on healthcare committed by the Government, the development of China's pharmaceutical industry will remain steady. The new healthcare reform will continue to increase the geographical coverage of healthcare across the country and the level of protection.

It is expected that the price of drugs will continue to drop while hospitals will gradually reduce their reliance on income generated by sale of drugs. The Group will make timely and appropriate adjustment to its strategy according to the development of the market.

Lansin will continue to optimise its marketing model for specialty pharmaceuticals, make use of regional academic promotional advantages to enhance market brand awareness of its products, and enhance the product marketing knowledge and professional competence of the sales team, in order to maintain its leading market position. Meanwhile, the Group will also further strengthen the standard of compliance and the monitoring of daily operational activities.

主席報告 Chairman's Statement

在專科藥業務發展方面，本集團將繼續通過收購、代理和自主研發，以及和境內外醫藥企業的合作，拓展其他慢作用藥及免疫相關性疾病用藥。

管理層堅定發展大健康策略，加大對植物提取及保健品業務的資源投入，提升品牌知名度及產品形像。同時，嚴控生產過程，以加強客戶對本集團高質量產品的信心。

管理層將把人才戰略放到更加重要的位置，積極為公司員工提供更為廣闊的發展舞台；管理團隊為公司帶來更制度化，更專業化及更有效率的管理；積極創造透明公開、人性化的管理文化；倡導良性競爭並鼓勵創新；積極服務於戰鬥在一線的銷售員工，使其為公司的發展注入更多的活力。

展望未來，集團將積極把握國家醫改政策所帶來的契機，精耕細作，將集團努力打造為具有長期競爭力、實行規範學術營銷的優質上市公司，力求在全員努力下，為未來數年創造出更佳業績！

Stephen Burnau Hunt
主席

香港，二零一五年三月二十七日

In terms of the business development of specialty pharmaceuticals, the Group will continue to develop other disease-modifying drugs and drugs for autoimmune-related diseases through acquisition, agency arrangements and independent research and development, and cooperation with domestic and overseas pharmaceutical enterprises.

Management will adhere to its "all-round healthcare" strategy. More resources will be devoted to plant extract and healthcare products and the brand awareness and product image will be improved. Meanwhile, production processes will be strictly controlled to increase customers' confidence in the Group's quality products.

Management is committed to enhancing the development of our staff. Human resources strategy will be given greater prominence. Management will implement a more systematic, professional and efficient management approach. Also, management will create a more transparent and personal management culture. Benign competition and innovation will be promoted and more attention will be given to the frontline sales staff with a view to bringing new momentum to the development of the Company.

Looking forward into the future, the Group will proactively seize the opportunities ushered in by the State's healthcare system reforms and strive to make itself an outstanding listed company with long-term competitiveness and disciplined management. We are committed to achieving better results for coming years with the support and hard work of our entire staff.

Stephen Burnau Hunt
Chairman

Hong Kong, 27 March 2015

管理層討論及分析

Management Discussion and Analysis

業務回顧

截至二零一四年十二月三十一日止年度，本集團錄得收入約116.8百萬美元(二零一三年：95.1百萬美元)，較去年上升22.9%。年度溢利約14.0百萬美元(二零一三年：11.7百萬美元)，較去年上升19.6%。

專科藥分部的營業額較去年上升22.9%，分部溢利上升13.9%。朗生三大專科藥藥品共錄得收入66.4百萬美元(二零一三年：55.0百萬美元)，較去年同期上升20.7%。二零一四年隨著銷售活動的正常化，專科藥業務在全國加強學術推廣活動。本集團的三大核心藥品(帕夫林、來氟米特片和嗎替麥考酚酯分散片)銷售於期內恢復雙位數增長。由於新產品可復美的前期投入推廣費用及帕夫林生產成本的上升，拉低了專科藥品分部利潤增長率。

植物提取及保健品分部的營業額較去年上升24.8%，分部溢利上升46.0%。隨著社會進步和經濟發展，人們對自身的健康日益關注。中國居民的健康消費逐年攀升，對營養保健品的需求十分旺盛，有利於植物提取及保健品業務進一步增長及發展。

Business Review

The Group recorded a revenue of approximately US\$116.8 million (2013: US\$95.1 million) for the year ended 31 December 2014, representing an increase of 22.9% over last year. Profit for the year was approximately US\$14.0 million (2013: US\$11.7 million), representing an increase of 19.6% over last year.

The turnover of the specialty pharmaceuticals segment increased by 22.9% over last year, while the segment profit increased by 13.9%. The three major specialty products of Lansin recorded a total revenue of US\$66.4 million (2013: US\$55.0 million), representing an increase of 20.7% over last year. In 2014, as marketing activities resumed, the specialty pharmaceuticals business enhanced its nationwide academic promotion campaigns. The sales of the three core pharmaceuticals of the Group (Pafulin, Leflunomide tablets and Mycophenolate Mofetil Dispersible tablets) resumed double digit growth. The profit growth rate of specialty pharmaceuticals segment declined due to the upfront promotional expenses for the new product, Kefumei, and the increase in the production cost of Pafulin.

The turnover of the plant extract and healthcare products segment increased by 24.8% over last year and the segment profit grew by 46.0%. With social advancement and economic development, people are increasingly concerned about their own health. Healthcare consumption of Chinese people has increased year by year and nutritional supplements are in high demand, which is beneficial to the further growth and development of plant extract and healthcare products business.

其他藥品分部的營業額較去年上升16.5%，分部溢利下降28.6%。其他藥品中婦產科產品的增勢良好，尤其是主打產品八珍顆粒。隨著部分婦產科產品進入國家基本藥物目錄，預計業務未來將持續增長。

The turnover from other pharmaceuticals segment increased by 16.5% over last year, while the segment profit decreased by 28.6%. The gynecological products in the other pharmaceuticals segment, especially our featured product, Bazhen Keli, show good growth momentum. With certain gynecological products being included in the National Essential Drugs List, the business is expected to experience healthy growth in the future.

中國醫藥行業加速改革

二零一四年對於中國醫藥行業來說，是調整、挑戰與機遇並存的一年。

Rapid reform of China's pharmaceutical industry

2014 is a year mixed with adjustment, challenges and opportunities for China's pharmaceutical industry.

二零一四年二月，國務院召開常務會，決定合併新型農村社會養老保險（「新農合」）和城鎮居民社會養老保險，建立全國統一的城鄉居民基本養老保險制度。新農合與城鎮居民養老保險的並軌，則意味著三保合一為時不遠。一旦三保合一，新農合的人均籌資水平與城鎮居民的差距極有可能會縮小，從而刺激醫藥需求，將給醫藥市場帶來極大增量。

In February 2014, the State Council held an executive meeting, resolving to merge the New Rural Cooperative Medical Insurance Scheme (the "NCMS") and the Urban Resident Social Pension Scheme into a unified national system, namely a basic pension insurance system for urban and rural residents. The merge of the NCMS and the Urban Resident Social Pension Scheme indicates that it will not take a long time to integrate the Urban Employee Basic Medical Insurance Programme, the Urban Resident Basic Medical Insurance Programme and the NCMS (i.e., "three-in-one"). Once "three-in-one" is implemented, the per capita funding gap between participants in the NCMS and urban residents will be narrowed, thus creating demand for pharmaceuticals and bringing a substantial increment in the pharmaceutical market.

二零一四年四月，國家發展和改革委員會（「發改委」）發佈《國家發展改革委關於改進低價藥品價格管理有關問題的通知》，規定對低價藥品取消最高零售限價，生產經營者在不過規定日均費用標準前提下，根據藥品生產成本和市場供求狀況自主制定具體購銷價格，形成更加靈敏反映市場供求的定價機制。集團共有6個品種的藥品在低價藥品列表中，其中包括婦科重點產品八珍顆粒。管理層相信此通知將有利於普藥業務的發展，為普藥業務未來獲得更高的利潤率。

In April 2014, the National Development and Reform Commission (the "NDRC") released the Circular on Issues concerning Improving Price Management of Low-price Drugs. It stipulated that the maximum retail price restriction on low-price drugs would be cancelled and producers and operators are allowed to determine the specific purchase and selling prices based on their own production cost and market supply and demand for drugs, subject to a ceiling of the prescribed standard of the average daily costs, so as to cultivate a pricing mechanism which reflects market supply and demand in a flexible way. The Group has a total of six types of drugs in the Low-price Drugs List, including our major gynecological product Bazhen Keli. The Group believes that this circular will be beneficial to the development of and will generate a higher profit margin of our generic drugs business.

二零一四年五月，國家食品藥品監管總局（CFDA）發佈了《互聯網食品藥品經營監督管理辦法（徵求意見稿）》，放寬藥品網上銷售的門坎。管理層相信隨著第三方交易平台資質放

In May 2014, the China Food and Drug Administration (the "CFDA") released the Measures for the Supervision and Administration of Internet Food and Drug Business Operation (Exposure Draft), pursuant to which the threshold for online drug sales has been relaxed. Management believes that as the qualification requirements for third-party transaction platforms relax, the pharmaceutical e-commerce market will play a

管理層討論及分析 Management Discussion and Analysis

寬，醫藥電商市場於未來可以發揮市場在資源分配中的決定性作用。朗生也會以此為契機，構建醫藥電商交易平台。

二零一四年六月，新修訂的《醫療器械監督管理條例》正式實施。該條例以分類管理為基礎，以風險高低為依據，在完善分類管理、適當減少事前許可、加大生產經營企業和使用單位的責任、強化日常監管、完善法律責任等方面做出了較大修改。管理層相信此修定體現了國家的高度重視和加強食品藥品監管工作的堅定決心。同時隨著完善相關管理制度，積極推動醫療器械產品創新和升級換代，促進醫療器械行業健康發展。

二零一四年八月，國家食品藥品監管總局發出通知，要求加強中藥提取和提取物監管。通知明確，自二零一六年一月一日起，中成藥生產企業一律不得購買未備案的中藥提取物投料生產。中成藥生產企業使用備案的中藥提取物投料生產的，應按照藥品GMP要求對中藥提取物生產企業進行質量評估和供貨商審計。對中藥提取物將不再按批准文號管理，但按新藥批准的中藥有效成分和有效部位除外。中成藥生產企業未按藥品標準規定投料生產、購買並使用中藥提取物代替中藥飲片投料生產的，按假藥論處。管理層相信此通知將有利於植提業務的發展。

二零一四年十一月，中國人民銀行決定，自十一月二十二日起下調金融機構人民幣貸款和存款基準利率。降息對當前中國疲軟的藥市需求，有預期的復甦基礎作用，降息是市場大局行情，是藥市進入熊市末段或將逐漸結束的提前信號。

decisive role in resource deployment in the future. Lansen will also seize this opportunity to build up its pharmaceutical e-commerce transaction platform.

In June 2014, the newly revised Regulations on the Supervision and Administration over Medical Devices officially came into effect. Based on classified administration and in adherence to the degree of risk, such regulations make greater revisions to improve classified administration, reduce pre-approvals appropriately, increase the responsibilities of producing and operating enterprises and using units, strengthen daily supervision and improve liability clarification. Management believes that the revisions reflect the determination of the State to attach great importance to and enhancement of food and drug supervision efforts. At the same time, by improving the relevant administration system and encouraging innovation and upgrading of medical devices, the sound development of the medical device industry will be promoted.

In August 2014, the CFDA released a notice about its requirement for reinforcing regulations over Chinese medicine extraction and related extracts. Such notice stipulated that from 1 January 2016, Chinese patent medicine manufacturers shall not purchase Chinese medicine extracts without filing for production purpose. Where Chinese patent medicine manufacturers use Chinese medicine extracts with filing for production purpose, they shall carry out quality evaluation and vendor audit according to GMP requirements. Administrative management of Chinese medicine extracts will no longer be based on approval numbers, except for those active ingredients and effective parts of traditional Chinese medicines approved as per approved new drugs. Where Chinese patent medicine manufacturers fail to practise standard feed production, or purchase and use Chinese medicine extracts in lieu of processed Chinese raw materials for production, relevant products will be treated as fake medicines. Management believes that this notice will be conducive to the development of our plant extraction business.

In November 2014, the People's Bank of China decided to cut Renminbi benchmark lending and deposit rates for financial institutions from 22 November 2014. The cut in interest rates is expected to revive the weak demand in the Chinese pharmaceutical market. To put it in a broader perspective, the pharmaceutical market may have stepped towards the end of bear market.

執行近20年的藥品政府定價，或將於二零一五年元旦終結。發改委於二零一四年十一月二十五日下發了《推進藥品價格改革方案(徵求意見稿)》，欲取消藥品最高零售限價，通過醫保控費和招標採購，由市場競爭形成藥品價格。雖然政府有意引導藥品實際交易價格由市場競爭形成，但是取消藥品政府定價後，藥品價格仍將受到醫保控費和招標採購的約束，同時，醫療機構或將以價格談判者的身份加入進來。

總之，二零一四年中國國家相關政策出現變化，如擬藥價放開、擬放開互聯網售藥、推進醫療市場化改革等，讓看似傳統的醫藥行業充滿朝氣與生機。細細觀察這些政策背後的邏輯，無疑是讓市場發揮在資源分配中的決定性作用，提高目前醫藥行業的運營效率，解決群眾的看病難、看病貴問題。醫藥行業的發展似乎正契合了中國經濟新常態的特徵：增長進入換擋期，由高速增長轉為中高速增長，而行業發展要依靠改革、調整和創新驅動發展。

巨大的醫療健康市場蘊含著前所未有的機遇。而在「新常態」下，企業唯有求變創新，才能適應時代發展，抓住機遇。本集團將及時跟進國家政策法規，在朗生「大免疫大健康」戰略的支持下，深入聚焦風濕免疫優勢領域，同時積極推進朗生在皮膚科領域的快速發展，並嘗試多模式產品經營，尋求更快的發展速度，謀求更大的發展空間。

擴大皮膚科領域覆蓋

二零一四年三月，本集團之全資子公司寧波朗生醫藥有限公司(「寧波朗生」)獲陝西鉅子生物技術有限公司旗下的「可復美」品牌系列產品在中國境內若干區域的獨家代理經銷權與品牌使用權。類人膠原蛋白敷料(可復美)產品主要用於抑制和緩解皮炎、敏感性肌膚、瘙癢、激光治療術後等各種原因引起的皮膚炎症反應。朗生將繼續發揮其學術營銷與患者教育相結合的推廣模式，目標增加藥妝(醫用耗材類產品)市場的佔有率。

The nearly 20-year-old medicine pricing control policy is likely to end on the New Year's Day of 2015. On 25 November 2014, the NDRC issued the "Medicine Pricing Reform Programme (Exposure Draft)", preparing to lift the caps on medicine retail prices, to control medicare costs by open bidding, and ultimately to form medicine prices through market competition. While the Chinese government intends to steer the medicine pricing toward a market-oriented mechanism, after lifting the current pricing controls, medicine pricing is still subject to the requirements for controlling medicare costs and open bidding, and medical institutions may participate as negotiators in the new pricing process.

In short, the changes in the Chinese national policies in 2014, such as the proposed lifting of medicine price controls, proposed ease-up on selling medicines via the Internet and the promotion of market-oriented healthcare reform, make the apparently traditional pharmaceutical industry full of vigor and vitality. It is clear that the market will play a decisive role in the allocation of resources, so as to improve the operation efficiency of the pharmaceutical industry as well as to solve the two major problems of "poor access" and "high fee". Development of the pharmaceutical industry seems to fit the characteristics of the new normal Chinese economy growing into a shift period from high growth to relatively high growth, with industrial development being driven by reform, restructuring and innovation.

There are unprecedented opportunities in China's huge healthcare market. However in the "new normal" economy, only those innovative enterprises can adapt to the times and capitalise on opportunities. The Group will keep abreast of the national policies and regulations. With the "all-round immunity and all-round healthcare" strategy, Lansin is set to focus on rheumatology and actively promote our rapid development in the dermatology area, attempting to seek faster growth and greater development by means of multi-mode product lines.

Expand coverage in the dermatology area

In March 2014, Ningbo Lansin Pharmaceutical Company Limited ("Ningbo Lansin"), the Group's wholly-owned subsidiary, obtained from Shaanxi Biogene Technology Co. Ltd. the exclusive agency distribution right and brand usage right of its Kefumei series in certain regions in China. Human-like collagen dressing (Kefumei) products are mainly for the suppression and mitigation of skin inflammation responses caused by various reasons such as dermatitis, sensitive skin, acne and laser therapy. Lansin will continue to capitalise on its promotion model combining academic marketing and patient education in order to increase its share in the cosmeceutical (Medical Consumables) market.

管理層討論及分析 Management Discussion and Analysis

二零一四年三月，朗生與諾華達成協議，購得產品新適確得在中國市場的所有權益。該產品是以「新適確得」的商標在中國地區所銷售的藥用乳膏。該產品是鹵米松及三氯生的復方乳膏，是皮膚科的常用藥，主要用於治療某些糖皮質類固醇反應性的炎性皮膚病的繼發感染。皮膚醫學領域是朗生在風濕免疫領域之外，進入的第二個戰略領域。在過去的三年中，朗生現有的皮膚產品如「玉澤」在中國的皮膚科領域獲得良好聲譽。朗生收購諾華的新適確得可加快步入皮膚科市場，擴大其專科藥產品組合及提供長達增長潛力的機會。

按本公司於二零一四年三月三十一日刊載之公告，預計新適確得的轉讓日將在二零一四年底完成。但由於諾華產品進口的延遲以及註冊轉移的延遲，該產品的轉讓日將有所推遲。諾華將繼續在交接期內向朗生提供交接服務，並轉移相關的淨利潤予朗生。由於朗生未能於交接期內進行推廣活動，管理層預計轉讓日的推遲將對集團二零一五年的淨利潤有所影響。

截至二零一四年十二月三十一日止新產品可復美錄得營業收入1,525千美元及新適確得錄得收入729千美元。管理層相信可復美及新適確得日後將會為集團的銷售及利潤帶來重大的貢獻。

二零一五年一月，朗生與博士倫(中國)簽署了意向性協議，博士倫(中國)同意授予朗生美國進口化妝品Cerave在中國境內的獨家代理經銷權，為期8年；以及後期博士倫(中國)在中國註冊上市Cerave其他品規產品的中國境內獨家代理經銷權，進一步擴大朗生在皮膚科領域的覆蓋。

In March 2014, Lansen entered into an agreement with Novartis, pursuant to which Lansen acquired the entire interest of Sicorten Plus product in the PRC market. The product is a medicinal cream marketed and sold in the region of China under the trademark of "Sicorten Plus". It is a compound cream of Halometasone and Triclosan, and as a commonly used drug in dermatology, it is primarily used to treat certain corticosteroid-responsive inflammatory skin diseases secondary infection. Dermatology field is Lansen's second business strategic area, in addition to rheumatology. Over the past three years, Lansen's existing skin products such as Yuze have gained a good reputation in the dermatology field in the PRC. Acquisition of Sicorten Plus from Novartis would bring Lansen the opportunity to further expand into the dermatology market, broaden its specialty drug portfolios and provide growth prospects in the long run.

According to the announcement issued by the Company on 31 March 2014, the transfer date of Sicorten Plus was expected to complete prior to the end of 2014. However, due to the delay in importing Novartis' products and the delay in transferring the registration, the transfer date of the product will be postponed. Novartis will continue to provide transitional services to Lansen during the transition period and transfer the relevant net profit to Lansen. As Lansen is not able to carry out marketing activities during the transition period, management expects that the postponement of the transfer date will affect the net profit of the Group for 2015.

For the year ended 31 December 2014, the income recorded for the new products Kefumei and Sicorten Plus were US\$1,525,000 and US\$729,000 respectively. Management believes both Kefumei and Sicorten Plus will bring significant contribution to the Group's sales and profit in the future.

In January 2015, Lansen and Bausch & Lomb (China) executed a tentative agreement, pursuant to which Bausch & Lomb (China) agreed to grant to Lansen the exclusive agency distribution right of its US imported cosmetics Cerave and other related series products that will be subsequently launched by Bausch & Lomb (China) in China for a term of 8 years. As a result, Lansen will further expand its coverage in the dermatology area.

擴充集團風濕產品線

二零一四年六月，寧波朗生與湖南華納大藥廠有限公司簽約，獲得旗下產品廣維(嗎替麥考酚酯分散片)十年的全國銷售代理權。進一步擴充公司風濕產品線。

二零一四年十二月，寧波朗生與大連美羅藥業股份有限公司簽訂赫派(來氟米特片)從2015年1月1日至2024年12月31日為期十年的獨家全國代理銷售協議，並不續簽妥抒(來氟米特片)的現有經銷協議。新協議的簽訂標誌著集團旨在維持來氟米特片在其風濕病慢作用藥品組合中並且保持其在中國市場的份額。簽訂的大連美羅經銷協議將為集團帶來為期十年的在中國繼續銷售來氟米特片的獨家經銷權以替代妥抒。集團將利用自身在其核心醫療產品帕夫林的銷售網絡在中國向醫院推廣和銷售赫派。集團預計其風濕病慢作用藥產品將受惠於赫派銷量的逐步上升。

重視研發創新

二零一四年九月，本集團之全資子公司寧波立華植物提取技術有限公司(「立華植提」)研發團隊獲得寧波市企業技術創新團隊稱號，顯示立華植提研發團隊一直以來以技術創新為核心價值觀念，注重團隊建設，取得豐碩成果並得以不斷發展壯大。

立華植提團隊立足於植物提取行業多年，積累了豐富經驗及現代化技術。未來將重點圍繞現代中藥生產自動化控制系統技術、現代中藥質量標準提升研究、植提產品開發、保健品開發等方向進行持續研發。集團致力發展安全可靠、節能高效的綠色產品，引領行業技術發展，努力建成一流的植提提取技術創新團隊。

Expand the Group's rheumatic product line

In June 2014, Ningbo Lansen entered into a distribution agreement with Hunan Warrant Pharmaceutical Co., Ltd., pursuant to which Ningbo Lansen obtained the national dealership right of Guangwei (Mycophenolate Mofetil Dispersible Tablets) for a term of ten years. This is set to further expand the Company's rheumatic product line.

In December 2014, Ningbo Lansen entered into an exclusive national agency distribution agreement with Dalian Merro Pharmaceutical Factory in respect of the dealership of Hepai (Leflunomide tablets) for a term of ten years from 1 January 2015 to 31 December 2024, while the existing distribution agreement relating to Tuoshu (Leflunomide tablets) had not been renewed. Execution of the aforementioned agreement signals that the Group is committed to maintaining the leflunomide tablets in its DMARDs product portfolio and its market share in the PRC. This will give the Group the exclusive right to continue to distribute another leading brand of leflunomide tablets, which will replace Tuoshu, for a term of 10 years in the PRC. The Group will market and promote Hepai to hospitals in the PRC, leveraging on the Group's distribution network for its core pharmaceutical product, Pafulin. The Group is expected to benefit from the gradual increase in the sales of Hepai for the DMARDs products of the Group.

Focus on research and development as well as innovation

In September 2014, the R&D team of Ningbo Liwah Plant Extraction Technology Limited ("Liwah Zhiti"), the Group's wholly-owned subsidiary, was awarded the title of Enterprise Technology Innovation Team of Ningbo City. This indicates that the R&D team of Liwah Zhiti has technology innovation as a well established core value. This along with Liwah Zhiti's emphasis on team building will generate fruitful results which foster continuous growth.

Operating in the plant extraction industry for years, Liwah Zhiti has accumulated comprehensive experience and modern technologies. Its priorities in the future will include the continuous research and development on automation and control system technology of modern Chinese medicine production, enhancement of research on quality standards of modern Chinese medicine, plant extraction product development and healthcare product development. The Group is dedicated to developing natural products which are safe, reliable and energy-efficient and to lead the industry in technological development in order to build a first-class plant extraction innovation team.

管理層討論及分析 Management Discussion and Analysis

二零一四年十月，本集團之全資子公司寧波立華製藥有限公司(「寧波立華」)順利通過國家高新技術企業重新認定，由國家科技部評定，再次成為國家高新技術企業。同時立華「風濕免疫專科藥研發科技創新團隊」被寧波市科技局、寧波市財政局聯合授予「2014年寧波市科技創新團隊(第二層次)」稱號。這是寧波市最具重量級的科技項目。

完成基地建設升級改造項目

為配合國家新版藥品生產質量規範(「新版GMP」)的實施，寧波立華積極推進生產基地的建設升級改造。本項目於二零一四年一月正式通過GMP認證並取得證書。通過GMP審查，證明寧波立華生產質量体系的軟件及硬件水平達到了國家規定的新標準，為企業在未來發展打下堅實的基礎。

隨著二零一四年初通過新版GMP認證，寧波立華制定了新的質量管理規劃。透過調整公司的質量管理架構，建立高效的質量檢驗流程，實現產品生產規範化及質量標準化。同時開展全員培訓，提高全體人員的GMP規範意識，推進GMP規範的執行。

同期，寧波朗生順利獲得了《醫療器械經營企業許可證》，公司經營範圍獲得擴充。

In October 2014, Ningbo Liwah Pharmaceutical Company Limited (“Ningbo Liwah”), a wholly-owned subsidiary of the Group, was once again recognised as a National High Technology Enterprise by the Ministry of Science and Technology. Furthermore, Liwah’s Rheumatology Speciality Pharmaceuticals R&D Team was awarded jointly by Science and Technology Bureau of Ningbo and Finance Bureau of Ningbo the title of “2014 Science and Technology Innovation Team of Ningbo City (Level II)”, which represents the top prize for contribution to science and technology in the city.

Complete production base upgrade and transformation project

In line with the implementation of the New National Good Manufacturing Practice Standards (“New GMP”), Ningbo Liwah has been actively promoting the upgrade and transformation of its production base. This project officially gained the GMP accreditation and was granted the certificate in January 2014. The GMP review approval evidenced that both the software and hardware of Ningbo Liwah’s quality production system meet the new standards stipulated by the State, laying a solid foundation for the Company’s future development.

With the granting of the New GMP accreditation in early 2014, Ningbo Liwah formulated a new quality control plan. By rearranging the Company’s quality management structure and establishing an efficient quality inspection process, standardisation of production and quality standardisation can be achieved. Meanwhile, training for the entire workforce has been initiated to raise the awareness of the entire workforce over the GMP norms and promote the implementation of the GMP norms.

Besides, Ningbo Lansen successfully obtained the Medical Device Marketing Enterprise Licence, hence expanding its business scope.

同年十一月，寧波朗生順利通過新版GSP現場驗收認證。GSP在中國稱為《藥品經營質量管理規範》。它是指在藥品流通過程中，針對計劃採購、購進驗收、儲存、銷售及售後服務等環節而制定的保證藥品符合質量標準的一項管理制度。其核心是通過嚴格的管理制度來約束企業的行為，對藥品經營全過程進行質量控制，保證向用戶提供優質的藥品。新版GSP借鑒了世界衛生組織及美國、歐盟等發達國家和地區藥品流通監管政策，對企業的經營質量管理要求再次提升，有效增強醫藥流通環節風險控制力，全面提升了企業經營的軟硬件標準和要求，提高了市場的准入門檻，有助於抑制低水平重複，促進行業結構調整，提高市場集中度。新版GSP的出台，將有效打擊質量缺乏保障的企業生存能力，藥品流通領域散、小、亂等方面的亂象可有效地解決，而大型醫藥公司趁此機會獲得更多市場份額，同時減少了不良惡性競爭。寧波朗生通過新版GSP認證，從而有效地提升了企業的整體競爭力，為公司的未來發展進一步夯實了基礎。

In November 2014, Ningbo Lansen gained new GSP accreditation after a site inspection. In China, GSP is known as “Good Supplying Practice of Pharmaceutical Products”, which represents a management system developed for the pharmaceutical distribution process ranging from planned purchase, purchase inspection, storage, to sales and after-sales service in order to ensure that pharmaceuticals are in compliance with relevant quality standards. Essentially speaking, it practises a strict management system, that is, to conduct quality control throughout the whole operation process of a pharmaceutical business, ensuring to provide users with premium pharmaceuticals. Having drawn on the pharmaceutical distribution regulatory policies adopted by the World Health Organization, the United States, the European Union and other developed countries, the new GSP further raised quality management requirements for enterprises, including to effectively strengthen risk control over the pharmaceutical distribution process and to enhance the overall standards and requirements for business software and hardware. As a result, the threshold for market access was raised with a view to suppressing redundant production capacities at low level, facilitating structural adjustment of the industry, and increasing market concentration. The introduction of the new GSP will prove effective against those enterprises performing subpar in quality assurance, eliminating scattered, small-scale, and disordered business activities in the pharmaceuticals distribution sector, and at the same time leaving large pharmaceutical companies an opportunity to gain more market share while reducing the number of poorly run competitors. Through the new GSP accreditation, Ningbo Lansen has effectively enhanced its overall competitiveness, laying a solid foundation for the Company's future development.

立華植提與皓天委託生產框架協議續約三年

立華植提與楊凌皓天生物技術有限公司（「楊凌皓天」）及西安皓天生物工程技術有限責任公司（「西安皓天」）簽訂的現有委託生產框架協議，立華植提同意購買且供應方同意生產及向立華植提出售植物提取產品。原有委託生產框架協議在二零一四年十二月三十一日到期。於二零一四年十二月十七日，立華植提和供應方簽訂了為期三年的續簽的委託生產框架協議，有效期從二零一五年一月一日至二零一七年十二月三十一日（經雙方同意可以提前終止或延長），以延續供應安排。在續簽的委託生產框架協議下，二零一五年度上限、二零一六年度

Entrusted Manufacturing Framework Agreement between Liwah Zhiti and Haotian to renew for three years

According to the existing Entrusted Manufacturing Framework Agreement entered into between Liwah Zhiti and Yangling Haotian Bio-engineering Technology Co. Limited. (“Yangling Haotian”) and Xian Haotian Bio-engineering Technology Co. Limited. (“Xian Haotian”), Liwah Zhiti agreed to purchase and the Suppliers agreed to produce and sell the plant extract products to Liwah Zhiti. The original Entrusted Manufacturing Framework Agreement expired on 31 December 2014. On 17 December 2014, Liwah Zhiti and the Suppliers entered into a renewed Entrusted Manufacturing Framework Agreement for a further term of three years from 1 January 2015 to 31 December 2017 (subject to any early termination or extension by mutual consent) to renew the supply arrangements. The 2015 Annual Cap, the 2016 Annual Cap and

管理層討論及分析 Management Discussion and Analysis

上限和二零一七年度上限分別不會超過人民幣二千九百萬元、人民幣二千九百萬元和人民幣二千九百萬元。

上述交易的進一步詳情載列於本年報中的董事會報告。

司太立平穩發展

浙江司太立製藥股份有限公司(「司太立」)經過二零一三年調整期，二零一四年開始漸入佳境。截至二零一四年十二月三十一日止，司太立為集團貢獻稅後淨利潤約2.2百萬美元，較去年同期上升35.6%。鑒於新生產線已經於二零一三年正式投入生產，加上客戶供貨恢復正常，預計未來銷售和利潤貢獻將會穩步增長。

財務回顧

收入

截至二零一四年十二月三十一日止年度，本集團的收入為116.8百萬美元(二零一三年：95.1百萬美元)，較去年上升22.9%。

截至二零一四年十二月三十一日止年度，專科藥的收入為70.7百萬美元(二零一三年：57.6百萬美元)，較去年上升22.9%。植物提取及保健品收入為35.9百萬美元(二零一三年：28.7百萬美元)，較去年上升24.8%。其他藥品的收入為10.2百萬美元(二零一三年：8.8百萬美元)，較去年增加16.5%。

本集團於本期的收入上升，主要由於以下原因：1)專科藥業務的銷售活動增加。三大核心產品(帕夫林、來氟米特片和嗎替麥考酚酯分散片)的收入共為66.4百萬美元(二零一三年：55.0百萬美元)，較去年同期上升20.7%，佔本集團收入總額約56.8%；及2)受益於綠色產品需求持續上漲，植物提取及保健品的收入增加7.2百萬美元至35.9百萬美元，佔本集團收入總額約30.7%。

the 2017 Annual Cap under the renewed Entrusted Manufacturing Framework Agreement will not exceed RMB29 million, RMB29 million and RMB29 million respectively.

Further details of the above transactions are set out in the Report of the Directors in this annual report.

Stable development of Starry

Following the adjustment period in 2013, Zhejiang Starry Pharmaceutical Co., Ltd. ("Starry") started to pick up in 2014. For the year ended 31 December 2014, Starry contributed approximately US\$2.2 million to the Group's net profit after tax, representing an increase of 35.6% over last year. As the new production lines came on stream in 2013 and the normal provision of goods to customers has resumed, it is expected that Starry's future sales and profit contribution will grow steadily.

Financial Review

Revenue

The Group recorded a revenue of US\$116.8 million (2013: US\$95.1 million) for the year ended 31 December 2014, representing an increase of 22.9% over last year.

For the year ended 31 December 2014, revenue generated from specialty pharmaceuticals amounted to US\$70.7 million (2013: US\$57.6 million), representing an increase of 22.9% over last year. Revenue generated from plant extract and healthcare products amounted to US\$35.9 million (2013: US\$28.7 million), representing an increase of 24.8% over last year, while revenue generated from other pharmaceuticals amounted to US\$10.2 million (2013: US\$8.8 million), representing an increase of 16.5% over last year.

The increase in the Group's revenue during the period was mainly due to the following reasons: 1) the increase in sales activities in respect of specialty pharmaceuticals business. The aggregate revenue from the three core products (Pafulin, Leflunomide tablets and Mycophenolate Mofetil Dispersible tablets) amounted to US\$66.4 million (2013: US\$55.0 million), increased by 20.7% as compared to the corresponding period last year and representing approximately 56.8% of the total revenue of the Group; and 2) as a result of the rising demand for natural products, revenue generated from plant extract and healthcare products increased by US\$7.2 million to US\$35.9 million, representing approximately 30.7% of the total revenue of the Group.

毛利

截至二零一四年十二月三十一日止年度，本集團錄得毛利62.5百萬美元(二零一三年：52.2百萬美元)，較去年上升19.6%，與收入增幅一致。

本集團在截至二零一四年十二月三十一日止年度的整體毛利率為53.5% (二零一三年：54.9%)，較去年下降1.4%。

整體毛利率相比去年同期下降之主要原因為原材料、包裝物料、折舊支出以及直接勞工成本較去年上漲，增加了產品的生產成本。

其他收入

其他收入主要包括交接收入、政府補貼及銀行存款的利息收入，於截至二零一四年十二月三十一日止年度為3.6百萬美元(二零一三年：2.6百萬美元)，較去年增加38.3%。政府補貼主要來自地方政府，部分用於嘉許本集團開發高科技藥品的表現。交接收入指轉移由諾華銷售醫藥產品所產生之溢利。

銷售及分銷開支

截至二零一四年十二月三十一日止年度，本集團銷售及分銷開支為33.5百萬美元(二零一三年：27.7百萬美元)，較去年增加20.8%。銷售及分銷開支之增幅與收入增幅一致。銷售及分銷開支佔收入之比例由二零一三年之29.2%減至二零一四年之28.7%。

管理層相信專科藥的營銷模式及學術推廣優勢，是其保持市場領先地位的重要因素。本集團致力提高專科藥產品的市場知名度，積極開展患者教育活動。透過在全國各地舉行學術推廣座談會，使醫生和患者都能對此類產品的藥理、功效和優點等有更清晰的概念。

Gross profit

For the year ended 31 December 2014, the Group recorded a gross profit of US\$62.5 million (2013: US\$52.2 million), representing an increase of 19.6% over last year, which is in line with revenue growth.

For the year ended 31 December 2014, the overall gross profit margin of the Group was 53.5% (2013: 54.9%), representing a decrease of 1.4% over last year.

The decrease in overall gross profit margin as compared to the corresponding period last year was mainly attributable to the increase in the cost of raw materials, packaging materials, depreciation expenses and direct labour costs as compared to last year, resulting in an increase in the production cost of our products.

Other income

Other income, primarily including transition income, government grants and interest income from bank deposits, amounted to US\$3.6 million (2013: US\$2.6 million) for the year ended 31 December 2014, representing an increase of 38.3% over last year. Government grants primarily came from the local government and were partly used as recognition of the Group's efforts in developing high-technology pharmaceutical products. Transition income represented the transfer of profit generated from the sales of pharmaceutical product by Novartis.

Selling and distribution expenses

For the year ended 31 December 2014, selling and distribution expenses of the Group amounted to US\$33.5 million (2013: US\$27.7 million), representing an increase of 20.8% over last year. The increase in selling and distribution expenses is in line with the increase in revenue. Selling and distribution expenses to revenue ratio decreased from 29.2% in 2013 to 28.7% in 2014.

Management believed that the marketing model and academic promotional advantages of specialty pharmaceuticals are the key factors in maintaining its leading market position. The Group endeavoured to enhance market recognition of specialty pharmaceutical products and actively carried out patient education activities. By organising academic conferences across China, doctors and patients were able to have a better understanding of the pharmacology, efficacy and benefits of these products.

管理層討論及分析

Management Discussion and Analysis

行政開支

截至二零一四年十二月三十一日止年度的行政開支為13.7百萬美元(二零一三年：12.0百萬美元)，較去年上升14.1%。行政開支增加主要是由於通脹及本集團營運規模擴張。

財務成本

截至二零一四年十二月三十一日止年度，本集團財務成本增加1.4百萬美元，主要由於平均銀行借款增加。

應佔聯營公司的除稅後溢利

截至二零一四年十二月三十一日止年度的應佔聯營公司的除稅後溢利為2.2百萬美元(二零一三年：1.6百萬美元)，較去年上升35.6%。

鑒於新生產線已經於二零一三年正式投入生產，加上客戶供貨恢復正常，管理層對司太立的未來發展持樂觀態度。

所得稅開支

寧波立華獲得高新技術企業認證，在二零一零年一月一日起享受15%之所得稅優惠政策。另外，亳州朗生藥材產業有限公司(「亳州朗生」)在中國經營若干合資格農業業務，有關業務獲取的溢利可全數免繳企業所得稅。

根據中華人民共和國企業所得稅法(「企業所得稅法」)及所得稅法實施細則，除寧波立華及亳州朗生外，其他中國附屬公司的企業所得稅稅率為25%。

本公司擁有人應佔溢利

截至二零一四年十二月三十一日止年度，本公司擁有人應佔溢利為14.0百萬美元，較去年的11.7百萬美元增加19.6%或2.3百萬美元。

Administrative expenses

Administrative expenses for the year ended 31 December 2014 amounted to US\$13.7 million (2013: US\$12.0 million), representing an increase of 14.1% over last year. The increase in administrative expenses was mainly due to inflation and the expansion of the Group's scale of operation.

Finance costs

For the year ended 31 December 2014, finance costs of the Group increased by US\$1.4 million, mainly due to the increase in average bank borrowings.

Share of post-tax profit of an associate

Share of post-tax profit of an associate for the year ended 31 December 2014 amounted to US\$2.2 million (2013: US\$1.6 million), representing an increase of 35.6% over last year.

As the new production lines came on stream in 2013 and the provision of goods to customers has resumed to normal, management is optimistic about the future development of Starry.

Income tax expense

Ningbo Liwah obtained the certification as a high technology enterprise and enjoyed a preferential income tax rate of 15% since 1 January 2010. In addition, Bozhou Lansen Herbal Industry Limited ("Bozhou Lansen") is engaged in certain qualified agricultural business in the PRC with relevant profits exempted from enterprise income tax.

According to the Enterprise Income Tax Law of the People's Republic of China (the "EIT Law") and the implementation rules for the income tax law, except for Ningbo Liwah and Bozhou Lansen, the enterprise income tax rate for other subsidiaries in China was 25%.

Profit attributable to owners of the Company

The profit attributable to owners of the Company for the year ended 31 December 2014 increased by 19.6% or US\$2.3 million to US\$14.0 million from US\$11.7 million last year.

流動資金、財務資源及資本架構

本集團主要以經營活動產生現金淨額應付其營運資金及其他資金所需，於經營現金流量不足以應付資金需求時，則會不時尋求外部融資(包括銀行借款)。

於二零一四年十二月三十一日，本集團之流動資產淨值約為13.2百萬美元(二零一三年十二月三十一日：19.3百萬美元)，流動比率為1.1(二零一三年十二月三十一日：1.2)。

於二零一四年十二月三十一日，本集團的現金及現金等價物為15.8百萬美元(二零一三年十二月三十一日：11.0百萬美元)。於二零一四年十二月三十一日，本集團擁有已抵押銀行存款27.1百萬美元(二零一三年十二月三十一日：14.5百萬美元)作為銀行借款的擔保。

本集團於二零一四年十二月三十一日的借貸為84.8百萬美元(二零一三年十二月三十一日：59.2百萬美元)，全數於一年內償還(二零一三年十二月三十一日：全數於一年內償還)。

於二零一四年十二月三十一日，本集團之淨負債權益比率為36.6%(二零一三年十二月三十一日：29.8%)，乃按期末的淨負債(借貸減去現金及銀行結餘及已抵押其他應收款)除以總權益計算得出。

本集團交易貨幣所承受的外幣風險屬於細微，因為本集團附屬公司持有的大部分金融資產及負債均以該等附屬公司的有關功能貨幣計值。本集團目前並無外幣對沖政策。然而，管理層會密切監察外匯風險，並於有需要時考慮對沖外幣風險。

Liquidity, financial resources and capital structure

The Group primarily finances its working capital and other capital requirements by net cash generated from operating activities and resorts to external financing including bank borrowings from time to time when the operating cash flow is insufficient to meet capital requirements.

As at 31 December 2014, net current assets and current ratio of the Group were approximately US\$13.2 million (31 December 2013: US\$19.3 million) and 1.1 (31 December 2013: 1.2) respectively.

As at 31 December 2014, the Group's cash and cash equivalents amounted to US\$15.8 million (31 December 2013: US\$11.0 million). As at 31 December 2014, the Group had pledged bank deposits of US\$27.1 million (31 December 2013: US\$14.5 million) to secure bank borrowings.

The Group's borrowings as at 31 December 2014 amounted to US\$84.8 million (31 December 2013: US\$59.2 million) which is fully repayable within 1 year (31 December 2013: fully repayable within 1 year).

As at 31 December 2014, the Group's net debt-to-equity ratio was 36.6% (31 December 2013: 29.8%), calculated by net debt (borrowings minus cash and bank balances and pledged other receivables) at the end of the period over total equity.

The exposure of the Group's transactional currency to foreign currency risk was minimal as most of the financial assets and liabilities held by the subsidiaries of the Group are denominated in the respective functional currency of the subsidiaries. The Group currently does not have any foreign currency hedging policy. However, management would closely monitor foreign exchange exposure and consider hedging foreign currency exposure when necessary.

管理層討論及分析

Management Discussion and Analysis

資產抵押

於二零一四年十二月三十一日，若干銀行存款、應收票據、其他應收款、樓宇及廠房及預付土地租賃款，面值合計50.1百萬美元(二零一三年十二月三十一日：31.0百萬美元)，已就取得銀行融資及銀行借款作出抵押。

資本承擔

於二零一四年十二月三十一日，本集團有已訂約但尚未於財務報表中體現的資本開支為6.7百萬美元(二零一三年十二月三十一日：4.0百萬美元)。

或然負債

於二零一四年十二月三十一日，本集團並無任何重大或然負債。

重大收購及出售

於二零一四年三月二十八日，本集團之全資子公司朗生藥業(香港)有限公司(「朗生藥業」)與諾華簽訂(i)資產購買協議，根據該協議諾華同意向朗生藥業轉讓受讓資產，及(ii)許可協議，以便發出關於醫藥產品在國內的許可。受讓資產包括(i)瑞士銷售授權；(ii)僅與國內醫藥產品及／或活性藥物原料(但不包括任何許可資產)有關的技術、書籍及記錄、特定商標、商業信息及醫療信息；及(iii)持續的第三方協議。交易的總現金代價為8.0百萬美元首期付款，加總額為1.5百萬美元的額外里程碑付款(該款項與朗生藥業在交易完成日後取得的銷售額掛鉤)。就資產購買協議，朗生藥業同時也於二零一四年三月二十八日與諾華簽署供應協議。根據該協議，諾華同意在為期最長兩年的交接期內，向朗生藥業提供交接服務。

Charges on assets

As at 31 December 2014, certain bank deposits, bill receivables, other receivables, buildings and plants and prepaid land lease payment in an aggregate carrying amount of US\$50.1 million (31 December 2013: US\$31.0 million) were pledged to secure banking facilities and bank borrowings.

Capital commitment

As at 31 December 2014, the Group's capital expenditure contracted for but not reflected in the financial statements amounted to US\$6.7 million (31 December 2013: US\$4.0 million).

Contingent liabilities

As at 31 December 2014, the Group did not have any material contingent liabilities.

Material acquisitions and disposals

On 28 March 2014, Lansen Medicine (Hong Kong) Limited ("LMHK"), a wholly-owned subsidiary of the Group, and Novartis entered into (i) the asset purchase agreement, pursuant to which Novartis agreed to transfer to LMHK the Transferred Assets, and (ii) the licence agreement to grant the licences relating to the pharmaceutical product in the Territory. The Transferred Assets included (i) the Swiss Marketing Authorisation; (ii) know-how, books and records, specified trademarks, commercial information and medical information relating exclusively to the Pharmaceutical Product and/or Active Pharmaceutical Ingredients in the Territory but not including any of the Licenced Assets; and (iii) the Continuing Third Party Agreement. The total cash consideration of the transaction comprised an upfront payment of US\$8.0 million, plus additional milestone payments of a total maximum amount of US\$1.5 million, which would be linked to sales achieved by LMHK following the Closing Date. In connection with the Asset Purchase Agreement, LMHK also entered into the Supply Agreement with Novartis on 28 March 2014, pursuant to which Novartis agrees to supply the Transition Services to LMHK during a maximum two-year Transition Period.

上述交易之詳情已於本公司日期為二零一四年三月三十一日之公告刊載，上述所用詞彙與該公告所定義的具有相同涵義。

除上述交易外，截至二零一四年十二月三十一日止年度，本集團並無進行任何有關附屬公司及聯營公司的重大收購及出售。

人力資源

於二零一四年十二月三十一日，本集團有逾880名員工。本集團之員工薪酬經參考個人工作表現、專業資格、行業經驗及相關市場趨勢而釐定，當中包括薪金、津貼、醫療保險及公積金。

員工薪酬維持於具競爭力之水平，並會每年檢討，屆時會參考有關勞工市場及經濟情況。本集團通過內部課程及工作坊之形式向員工提供職業提升培訓，並鼓勵員工參加與本集團業務相關之培訓課程。

Details of the above transaction were set out in the announcement of the Company dated 31 March 2014 and all capitalised terms used above shall have the same meanings as those defined in the announcement.

Apart from the transaction mentioned above, there were no material acquisitions and disposals of any subsidiaries and associates of the Group for the year ended 31 December 2014.

Human resources

The Group had over 880 employees as at 31 December 2014. Staff remuneration of the Group, including salary, allowances, medical insurance and provident fund, is determined with reference to individual performance, professional qualifications, experience in the industry and relevant market trends.

Salaries of employees have been maintained at a competitive level and are reviewed annually, with reference to the relevant labour market and economic situation. The Group provides career advancement training in the form of internal courses and workshops for the staff and encourages the staff to participate in training programmes related to the Group's business.

Biographical Details of Directors and Senior Management

執行董事

劉幫民先生，43歲，為本公司的執行董事及行政總裁。劉先生負責本集團整體業務策略及企業發展。劉先生於二零一二年九月加盟本集團，在醫藥業擁有超過19年經驗。加盟本集團前，服務於葛蘭素史克中國、惠氏中國、雅培中國，有着資深的行業管理經驗，對免疫風濕領域經驗豐富。劉先生於一九九三年在浙江大學醫學院(前稱浙江醫科大學)取得醫學影像專業學士學位。

非執行董事

Stephen Burnau HUNT先生，75歲，為本公司非執行董事兼主席。Hunt先生於一九九二年加盟國泰國際集團。他為Cathay International Holdings Limited (一間在倫敦證券交易所上市的公司)的副主席兼非執行董事，曾任香港一家投資公司Aliant Capital的董事總經理。Hunt先生為美國人，曾在美國銀行工作24年，擔任國際性管理及借貸職位，並擔任香港美國銀行的高級副總裁及區域總經理。一九八九年，彼出任香港美國商會主席；一九九零年，彼獲委任加入香港政府的國際商業委員會；一九八九年至一九九一年，彼出任香港政府的自由貿易顧問委員會成員。Hunt先生目前出任香港美國商會慈善基金的受託人，由二零零四年十一月至二零一一年六月亦為聯交所主板及創業板上市委員會成員。Hunt先生自二零一二年十月起擔任一家在香港成立的私人投資公司Solar Plus (HK) Limited的董事兼行政總裁。彼於一九六一年於杜克大學取得文學士學位，於一九六三年於哥倫比亞大學取得國際事務碩士學位。

Executive Director

Mr. LIU Bang Min, age 43, is an executive Director and the chief executive officer of our Company. Mr. Liu is responsible for the overall business strategy and corporate development of our Group. Mr. Liu joined our Group in September 2012 and has over 19 years of experience in the pharmaceutical industry. Prior to joining our Group, Mr. Liu worked with GlaxoSmithKline China, Wyeth Pharmaceutical China and Abbott China. He is experienced in the field of rheumatology and the pharmaceutical industry. Mr. Liu obtained a bachelor's degree in medical imaging from Zhejiang University School of Medicine (formerly Zhejiang Medical University) in 1993.

Non-executive Directors

Mr. Stephen Burnau HUNT, age 75, is a non-executive Director and chairman of our Company. Mr. Hunt joined the Cathay International Group in 1992. He is the deputy chairman and a non-executive director of Cathay International Holdings Limited, a company listed on the London Stock Exchange. Mr. Hunt was formerly the managing director of Aliant Capital, an investment company in Hong Kong. Mr. Hunt, a US citizen, spent 24 years with Bank of America in international management and lending positions. Mr. Hunt was senior vice president and area general manager for Bank of America located in Hong Kong. Mr. Hunt was president of the American Chamber of Commerce in Hong Kong in 1989. In 1990, Mr. Hunt was appointed to the Hong Kong Government's International Business Committee, and from 1989 to 1991 was a member of the Hong Kong Government's Advisory Committee on Free Trade. Mr. Hunt is currently a trustee of the American Chamber of Commerce's Charitable Foundation. Mr. Hunt also served as a member of the Main Board and GEM Listing Committee of the Stock Exchange from November 2004 to June 2011. Since October 2012, Mr. Hunt has been a director and Chief Executive Officer of Solar Plus (HK) Limited, a private investment company incorporated in Hong Kong. Mr. Hunt obtained a bachelor of arts degree from Duke University in 1961 and a master's degree in international affairs from Columbia University in 1963.

董事及高級管理人員履歷

Biographical Details of Directors and Senior Management

李晉頤先生，57歲，為本公司非執行董事兼副主席。李先生於二零一零年一月加盟CIH集團，並為CIH的行政總裁。李先生於銀行業饒富經驗，在過去20年曾擔任主要金融機構的多個高級管理職位。李先生曾擔任廈門市商業銀行的董事。於加盟CIH集團前，李先生曾擔任富邦銀行(香港)有限公司董事總經理兼行政總裁共五年半，亦曾擔任富邦金融控股股份有限公司董事。在此之前，李先生為摩根大通公司董事總經理以及中國事務部高級主管、摩根大通公司香港管理委員會主席。李先生於二零一一年六月二十二日獲台中銀行委任為獨立董事，台中銀行於台灣證券交易所上市。李先生於一九八四年取得哈佛大學工商管理碩士學位。

湯軍先生，55歲，為本公司非執行董事。湯先生於一九九四年加盟CIH集團，一直任職於業務發展部，負責為本集團在醫藥業發掘投資機會。彼目前擔任CIH集團的副總裁兼業務發展部主管，亦擔任寧波立華、朗生醫藥(深圳)有限公司(「深圳朗生」)、寧波朗生醫藥有限公司(「寧波朗生」)及寧波朗生醫藥科技有限公司(「朗生科技」)的董事長。湯先生於一九八二年於杭州大學取得哲學學士學位，於一九八六年於北京師範大學取得哲學碩士學位，並於一九九三年於芬蘭拉普蘭大學取得法律執照學位(Licentiate degree in law)。

Mr. LEE Jin Yi, age 57, is a non-executive Director and deputy chairman of our Company. Mr. Lee joined the CIH Group in January 2010 and is the chief executive officer of CIH. Mr. Lee has extensive experience in the banking industry and held various senior management positions with major financial institutions over the past 20 years. Mr. Lee has been a director of Xiamen City Commercial Bank. Prior to joining the CIH Group, Mr. Lee was the managing director and chief executive officer of Fubon Bank (Hong Kong) Limited for five and half years and a director of Fubon Financial Holding Company Limited. Prior to that, Mr. Lee was the managing director and China senior country officer of J.P. Morgan Chase & Co. and chairman of the Hong Kong Management Committee of J.P. Morgan Chase & Co. Mr. Lee was appointed as an independent director of Taichung Bank on 22 June 2011. Taichung Bank is listed on Taiwan Stock Exchange. Mr. Lee obtained a master's degree in business administration from Harvard University in 1984.

Mr. TANG Jun, age 55, is a non-executive Director of our Company. Mr. Tang joined the CIH Group in 1994 and has been working in the business development department, responsible for exploring investment opportunities in the pharmaceutical industries for our Group. Currently, Mr. Tang is the vice president and head of business development of the CIH Group. Mr. Tang is also acting as chairman for Ningbo Liwah, Lansen Medicine (Shenzhen) Company Limited ("Shenzhen Lansen"), Ningbo Lansen Pharmaceutical Company Limited ("Ningbo Lansen") and Ningbo Lansen Pharmaceutical Technology Company Limited ("Lansen Technology"). Mr. Tang obtained a bachelor of philosophy degree from Hangzhou University in 1982, a master of philosophy degree from Beijing Normal University in 1986 and a licentiate degree in law from Lapland University, Finland in 1993.

Biographical Details of Directors and Senior Management

陶芳芳女士，44歲，為本公司非執行董事。陶女士於二零零七年加盟CIH集團。陶女士分別於一九九六年及一九九八年成為專業會計師及註冊會計師。陶女士在晉升為中國一家領先醫藥集團的財務部長前，曾在該集團轄下的生產公司擔任財務總監及於營銷及銷售公司擔任財務經理。彼於一九九二年於上海財經大學會計學系畢業。

Ms. TAO Fang Fang, age 44, is a non-executive Director of our Company. Ms. Tao joined the CIH Group in 2007. Ms. Tao became a professional accountant and a registered accountant in 1996 and 1998 respectively. Before being promoted to the position of director of finance department of a leading pharmaceutical group in China, Ms. Tao worked as financial controller for a manufacturing company and financial manager for a marketing and sales company under the control of that group. Ms. Tao graduated from the department of accounting of Shanghai University of Finance and Economics in 1992.

葉佩玲女士，56歲，為本公司非執行董事，亦為CIH的公司秘書、CIH集團的副總裁兼資產管理部主管。葉女士負責CIH集團投資項目的營運管理。葉女士由一九九四年起成為香港會計師公會資深會員，由一九九一年起成為特許公認會計師公會資深會員，並由二零零八年起成為英格蘭及威爾斯特許會計師公會會員。由一九八八年起，彼成為英國特許秘書及行政人員公會會士，以及由一九九四年起，彼成為香港公司秘書公會會士。於一九九四年二月加盟CIH集團前，葉女士於畢馬威會計師事務所擔任核數師及稅務顧問達七年。葉女士於一九八一年於嶺南學院畢業，取得工商管理及會計學系文憑，並於一九八三年取得會計學系榮譽文憑。

Ms. YIP Pui Ling, Rebecca, age 56, is a non-executive Director of our Company, company secretary of CIH, vice president and head of asset management of the CIH Group. Ms. Yip is responsible for the management of the operations of the CIH Group's invested projects. Ms. Yip is a fellow of The Hong Kong Institute of Certified Public Accountants since 1994, a fellow of Association of Chartered Certified Accountants since 1991, and an associate of The Institute of Chartered Accountants in England and Wales since 2008. Ms. Yip is also an associate of The Institute of Chartered Secretaries and Administrators since 1988 and The Hong Kong Institute of Company Secretaries since 1994. Prior to joining the CIH Group in February 1994, Ms. Yip worked for KPMG as an auditor and tax consultant for 7 years. Ms. Yip graduated from Lingnan College where she obtained a diploma in business administration and accounting in 1981 and a honours diploma in accounting in 1983.

獨立非執行董事

陳記煊先生，63歲，為本公司獨立非執行董事。陳先生於二零一零年四月九日加盟本集團。彼在外聘審核、訊息科技審核、培訓、會計及金融、公司秘書及公司行政管理、資訊系統管理、內部審核、訊息安全、風險管理及合規等專業領域有超過三十年的經驗。陳先生是香港會計師公會、英國特許公認會計師公會資深會員及澳洲會計師公會資深會員及訊息科技專家。陳先生亦是下列專業團體的會員或成員：香港電腦學會及美國人壽管理學會。彼亦是國際資訊系統審計與控制協會認可訊息系統審計師及香港董事學會資深會員。陳先生是思與智顧問有限公司的行政總裁、新里程電腦系統有限公司的高級顧問，於二零一零年九月一日至二零一四年八月三十一日為香港理工大學會計及金融學院的兼任教授。陳先生於一九九一年至一九九六年在康聯人壽保險有限公司(前稱怡和人壽保險有限公司)任職，離職前為合規總經理。彼於一九九六年至二零零零年在道亨銀行／國浩集團有限公司擔任內部審核主管，於二零零一年至二零零三年在星展銀行(香港)有限公司擔任大中華地區合規主管及董事總經理，於二零零四年至二零零五年在南順(香港)有限公司擔任集團財務總監，於二零零六年擔任香港會計師公會專業水平審核總監，並於二零零六年十二月至二零零九年四月擔任中國平安保險(集團)股份有限公司集團合規部主管。陳先生於一九七六年畢業於香港理工學院，獲得高級會計文憑。

鄧昭平先生，66歲，為本公司獨立非執行董事。鄧先生於二零一零年四月九日加盟本集團。彼自一九八五年加入Russell Reynolds Associates香港辦事處起一直在獵頭領域任職。鄧先生曾任Russell Reynolds Associates大中華區的主席，直至二零零八年年底從該行業退休為止。鄧先生在美國麻省波士頓的Tufts University接受教育，於一九七二年獲文學士學位，並於一九七五年畢業於位於康涅狄格州紐黑文的耶魯大學醫學院，取得公共衛生的碩士學位。彼為非公營機構如香港學術及職業資歷評審局成員。

Independent non-executive Directors

Mr. CHAN Kee Huen, Michael, age 63, is an independent non-executive Director of the Company. Mr. Chan joined our Group on 9 April 2010. He has over 33 years' experience in external audit, IT audit, training, accounting and finance, company secretarial and corporate administration, MIS management, internal audit, information security, risk management and compliance. Mr. Chan is a fellow of The Hong Kong Institute of Certified Public Accountants and The Chartered Association of Certified Accountants; and a fellow and specialist in information technology of CPA Australia. Mr. Chan is also associate or member of the following professional bodies: The Hong Kong Computer Society and the Life Management Institute. He is also a certified information systems auditor with the Information Systems Audit and Control Association and a fellow of the Hong Kong Institute of Directors. Mr. Chan is the chief executive of C&C Advisory Services Limited, senior advisor of New Frontier Computer Systems Limited and was an adjunct professor in the School of Accounting and Finance of the Hong Kong Polytechnic University from 1 September 2010 to 31 August 2014. Mr. Chan has worked at CMG Life Assurance Limited (formerly Jardine CMG Life Assurance Limited) from 1991 to 1996 and his last position was general manager, compliance. He was the head of internal audit of Dao Heng Bank/Guoco Group Limited from 1996 to 2000, the head of compliance in Greater China, managing director of DBS Bank (Hong Kong) Limited from 2001 to 2003, the group financial controller of Lam Soon (Hong Kong) Limited from 2004 to 2005, the director of Quality Assurance of HKICPA in 2006 and the head of group compliance of Ping An Insurance (Group) Company of China, Limited from December 2006 to April 2009. Mr. Chan graduated with a higher diploma in accountancy from Hong Kong Polytechnic in 1976.

Mr. TANG Chiu Ping, Raymond, age 66, is an independent non-executive Director of our Company. Mr. Tang joined our Group on 9 April 2010. He has been in the executive search field since 1985 when he joined the Hong Kong office of Russell Reynolds Associates. Mr. Tang was formerly chairman, Greater China at Russell Reynolds Associates until late 2008 when he retired from the industry. Mr. Tang was educated in the United States at Tufts University in Boston, Massachusetts where he obtained a bachelor of arts degree in 1972; and he graduated with a master's degree in public health from the Yale University School of Medicine in New Haven, Connecticut in 1975. Mr. Tang has served as a member of non-governmental organisations such as the Hong Kong Council of Academic Accreditation and Vocational Qualifications.

Biographical Details of Directors and Senior Management

Fritz Heinrich HORLACHER先生，65歲，為本公司獨立非執行董事。Horlacher先生於二零一一年二月十日加盟本集團。彼於醫藥行業擁有超過三十年的經驗。Horlacher先生於一九七四年開始在羅氏澳洲從事醫藥工作。其後由一九八一年至二零零八年於裕利醫藥亞太（「裕利醫藥」）工作，並由一九九五年至二零零八年擔任裕利醫藥的行政總裁，負責提供服務予亞太地區逾125個以研究為主的國際醫藥製造商的業務。Horlacher先生於二零零八年退任裕利醫藥行政總裁一職。由二零零五年至二零零七年，彼為Invida Group Pte Ltd的替任董事。由二零零二年至二零零四年，彼為Australian Pharmaceutical Industries Limited（於澳洲證券交易所上市的公司）的非執行董事。由二零零二年至二零零八年，彼為國際藥物批發商聯合會（International Federation of Pharmaceutical Wholesalers）董事會的亞洲代表。彼為Alliance Boots之醫藥批發部門之亞洲區域董事，並於二零一一年至二零一三年擔任廣州醫藥有限公司之董事兼董事會主席。Horlacher先生自二零一三年一月起擔任總部設在德國漢堡的全球醫療器械公司BSN Medical顧問委員會的非執行委員。Horlacher先生於一九六九年畢業於瑞士的Montana Institute及於一九七二年畢業於南非的Union College。

高級管理人員

梅志雄先生，48歲，為本公司的公司秘書、財務總監兼授權代表。梅先生於二零一零年十一月加盟本集團。梅先生擁有超過20年財務、審計和會計經驗。梅先生加入本公司前，曾於不同上市集團和國際會計師事務所擔任要職，其中包括羅兵咸永道會計師事務所、遠東發展集團和麗盛集團。梅先生曾於麗盛集團任職財務總監、公司秘書及執行董事，任期達七年。梅先生於加拿大University of Lethbridge取得管理（會計）學士學位，並於二零零二年在香港理工大學取得專業會計碩士學位，梅先生現為美國會計師公會會員及香港會計師公會會員。

Mr. Fritz Heinrich HORLACHER, age 65, is an independent non-executive Director of our Company. Mr. Horlacher joined our Group on 10 February 2011. He has over 30 years' experience in the pharmaceutical industry. Mr. Horlacher started his pharmaceutical career with Roche Australia in 1974. Mr. Horlacher worked at Zuellig Pharma Asia Pacific ("Zuellig Pharma") from 1981 to 2008 and was the chief executive officer of Zuellig Pharma from 1995 to 2008. He was responsible for its operations servicing more than 125 international research-based pharmaceutical manufacturers in the Asia Pacific region. Mr. Horlacher retired as chief executive officer of Zuellig Pharma in 2008. From 2005 to 2007, Mr. Horlacher was an alternate director of Invida Group Pte Ltd. Mr. Horlacher was a non-executive director of Australian Pharmaceutical Industries Limited (a company listed on the Australian Securities Exchange) from 2002 to 2004. Mr. Horlacher was the Asia representative on the board of directors of the International Federation of Pharmaceutical Wholesalers from 2002 to 2008. He was regional director of Asia for the Pharmaceutical Wholesale Division of Alliance Boots and was also a director and chairman of the Board of Guangzhou Pharmaceutical Corporation from 2011 to 2013. Mr. Horlacher is a non-executive member of the Advisory Board of BSN Medical, a global medical device company based in Hamburg, Germany, since January 2013. Mr. Horlacher graduated in 1969 from Montana Institute in Switzerland and from Union College in South Africa in 1972.

Senior Management

Mr. MUI Chi Hung, age 48, is the company secretary, chief financial officer and authorised representative of our Company. Mr. Mui joined our Group in November 2010. Mr. Mui has over 20 years of experience in financing, auditing and accounting. Prior to joining the Company, Mr. Mui held various senior positions in different listed groups and international accounting firms, including PricewaterhouseCoopers, Far East Consortium Group and Rising Development Group, where he spent 7 years serving as a financial controller, company secretary and executive director. Mr. Mui obtained his bachelor's degree in management majoring in accounting from the University of Lethbridge in Canada and his master's degree in professional accounting from the Hong Kong Polytechnic University in 2002. Mr. Mui is currently a member of American Institute of Certified Public Accountants and The Hong Kong Institute of Certified Public Accountants.

董事及高級管理人員履歷

Biographical Details of Directors and Senior Management

周戎先生，45歲，為本集團高級副總裁兼立華植提的總經理。周先生於二零零一年十二月加盟本集團，在醫藥業已累積超過20年經驗。加盟本集團前，由一九九一年至二零零一年，彼任職深圳三九集團旗下的公司。周先生於一九九一年在瀋陽建築工程學院取得供熱通風與空調工程工學學士學位。

徐廣先生，40歲，為寧波立華總經理。徐先生於二零零二年一月加盟本集團，在醫藥業擁有超過15年經驗。加盟本集團前，由一九九八年至二零零一年，彼任職深圳三九集團旗下的公司。徐先生於一九九六年新疆財經學院市場營銷專科畢業。

陳曉耘先生，45歲，為本集團市場推廣和業務發展副總裁。陳先生於二零一三年四月加盟本集團，在醫藥業擁有超過23年經驗。加盟本集團前，彼曾任上海中信國健藥業市場總監。陳先生於一九九二年在中國藥科大學獲得化學製藥專業工學學士學位，並於一九九九年復旦大學取得工商管理碩士學位。

朱迪漢先生，40歲，為本集團人力資源總監。朱先生於二零一三年四月加盟本集團，擁有17年的人力資源管理經驗。加盟本集團前，由二零零五年至二零一三年，彼曾任輝瑞投資有限公司的高級經理。朱先生於一九九七年在北京聯合大學紡織工程專業本科畢業。

李衛軍先生，36歲，為本集團業務運營總監兼立華植提的常務副總經理。李先生於二零零二年一月加盟本集團，在醫藥業擁有近15年經驗。加盟本集團前，由二零零零年至二零零一年，彼任職深圳三九集團旗下的公司。李先生於二零零零年在廈門大學取得會計學專業管理學學士學位。

程華中先生，42歲，為本集團內控合規總監。程先生於二零零一年十二月加盟本集團，在醫藥業已累積超過18年經驗。在加盟本集團前，由一九九六年至二零零一年，彼任職深圳三九集團旗下的公司。程先生於一九九六年在上海復旦大學取得電腦科學系資訊科學專業理學學士學位。

Mr. ZHOU Rong, age 45, is the senior vice president of the Group and general manager of Liwah Zhiti. Mr. Zhou joined our Group in December 2001 and has over 20 years of experience in the pharmaceutical industry. Prior to joining our Group, Mr. Zhou was employed by a company within the Shenzhen Sanjiu Group from 1991 to 2001. Mr. Zhou obtained his bachelor's degree in heating, ventilation and air-conditioning engineering from Shenyang Architectural and Civil Engineering Institute in 1991.

Mr. XU Guang, age 40, is the general manager of Ningbo Liwah. Mr. Xu joined the Group in January 2002 and has over 15 years of experience in the pharmaceutical industry. Prior to joining our Group, Mr. Xu was employed by a company within the Shenzhen Sanjiu Group from 1998 to 2001. Mr. Xu graduated in 1996 from Xinjiang Institute of Finance and Economics with a marketing major.

Mr. CHEN Xiao Yun, age 45, is the vice president of marketing and business development of the Group. Mr. Chen joined our Group in April 2013 and has over 23 years of experience in the pharmaceutical industry. Prior to joining our Group, Mr. Chen was the marketing director of Shanghai CP Guojian Pharmaceutical Co., Ltd. Mr. Chen obtained a bachelor of engineering degree majoring in pharmaceutical chemistry from China Pharmaceutical University in 1992 and a master's degree in business administration from Fudan University in 1999.

Mr. ZHU Di Han, age 40, is the human resources director of the Group. Mr. Zhu joined the Group in April 2013 and has over 17 years' experience in human resources. Prior to joining our Group, Mr. Zhu was the senior manager of Pfizer Investment Co. Ltd from 2005 to 2013. Mr. Zhu graduated in 1997 from Beijing Union University with a textile engineering major.

Mr. Li Wei Jun, age 36, is the director of business operations of the Group and executive deputy general manager of Liwah Zhiti. Mr. Li joined our Group in January 2002 and has 15 years of experience in the pharmaceutical industry. Before joining our Group, Mr. Li was employed by a company within the Shenzhen Sanjiu Group from 2000 to 2001. Mr. Li obtained a bachelor's degree in management majoring in accounting from Xiamen University in 2000.

Mr. CHENG Hua Zhong, age 42, is the director of internal control and compliance of the Group. Mr. Cheng joined the Group in December 2001 and has over 18 years of experience in the pharmaceutical industry. Prior to joining our Group, Mr. Cheng was employed by a company within the Shenzhen Sanjiu Group from 1996 to 2001. Mr. Cheng obtained a bachelor of science degree in computer science majoring in information science from Fudan University in 1996.

董事會報告

Report of the Directors

董事欣然提呈彼等之年度報告連同截至二零一四年十二月三十一日止年度之經審核綜合財務報表。

主要業務

本公司作為投資控股公司。其主要附屬公司及聯營公司之業務載於財務報表附註20及33。

業績及分派

本集團截至二零一四年十二月三十一日止年度之業績載於第67頁之綜合損益及其他全面收益表。

年內共向股東派付每股9.54港仙(約1.23美仙)之中期股息，合計39,591,000港元(約5,107,000美元)。

董事現建議向於二零一五年六月十五日名列本公司股東名冊之股東派付每股8.74港仙(約1.13美仙)之末期股息，合計36,271,000港元(約4,676,000美元)，惟須待股東於股東大會批准後，方可作實。

固定資產

本集團之物業、廠房及設備於年內之變動詳情載於綜合財務報表附註16。

借貸

本集團之借貸詳情載於財務報表附註26。

股本

本公司股本於年內之變動詳情載於財務報表附註24。

年內，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

The Directors are pleased to present their annual report together with the audited consolidated financial statements for the year ended 31 December 2014.

Principal Activities

The Company acts as an investment holding company. The activities of its principal subsidiaries and associate are set out in notes 20 and 33 to the financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2014 are set out in the consolidated statement of profit or loss and other comprehensive income on page 67.

An interim dividend of HK9.54 cents (approximately US1.23 cents) per share amounting to HK\$39,591,000 (approximately US\$5,107,000) in aggregate was paid to the shareholders during the year.

The Directors now recommend the payment of a final dividend of HK8.74 cents (approximately US1.13 cents) per share to the shareholders on the register of members of the Company on 15 June 2015, amounting to HK\$36,271,000 (approximately US\$4,676,000) in aggregate, subject to approval by the shareholders in general meeting.

Fixed Assets

Details of the movements in the property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

Borrowings

Particulars of borrowings of the Group are set out in note 26 to the financial statements.

Share Capital

Details of movements in share capital of the Company during the year are set out in note 24 to the financial statements.

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

本公司之可分派儲備

於二零一四年十二月三十一日，按照開曼群島公司法計算，本公司之可分派儲備金額為28,497,000美元，其中約4,676,000美元建議為本年度末期股息。本公司儲備於年內之變動詳情載於財務報表附註25。

主要客戶及供應商

年內，本集團之五大客戶銷售總額佔本集團銷售總額少於30%，而其中最大之客戶佔本集團銷售總額11.0%（二零一三年：9.8%）。

年內，本集團之五大供應商採購總額佔本集團採購總額44.6%（二零一三年：43.8%），而其中最大之供應商佔本集團採購總額15.0%（二零一三年：14.1%）。

董事、其聯繫人或據董事所知擁有本公司股本5%以上之本公司股東，於年內任何時間概無於本集團五大供應商或客戶中擁有任何權益。

董事

於年內及直至本報告日期，本公司之董事如下：

執行董事：

劉幫民先生(行政總裁)

非執行董事：

Stephen Burnau Hunt先生(主席)

李晉頤先生(副主席)

湯軍先生

陶芳芳女士

葉佩玲女士

獨立非執行董事：

陳記煊先生

鄧昭平先生

Fritz Heinrich Horlacher先生

按照本公司之章程細則第108條，Stephen Burnau Hunt先生、葉佩玲女士及陶芳芳女士將輪值退任，並符合資格重選連任。

Distributable Reserves of the Company

As at 31 December 2014, the Company's reserves available for distribution, calculated in accordance with the Companies Law of the Cayman Islands, amounted to US\$28,497,000, of which approximately US\$4,676,000 has been proposed as a final dividend for the year. Details of the movements in the reserves of the Company during the year are set out in note 25 to the financial statements.

Major Customers and Suppliers

During the year, the aggregate sales attributable to the Group's five largest customers accounted for less than 30% of the Group's total sales and sales from the largest customer included therein amounted to 11.0% (2013: 9.8%).

During the year, the aggregate purchases attributable to the Group's five largest suppliers accounted for 44.6% (2013: 43.8%) of the Group's total purchases and purchases from the largest supplier included therein amounted to 15.0% (2013: 14.1%).

At no time during the year did a Director, an associate of a Director or a shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) have an interest in any of the Group's five largest suppliers or customers.

Directors

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

Executive Director:

Mr. Liu Bang Min (*Chief Executive Officer*)

Non-executive Directors:

Mr. Stephen Burnau Hunt (*Chairman*)

Mr. Lee Jin Yi (*Deputy Chairman*)

Mr. Tang Jun

Ms. Tao Fang Fang

Ms. Yip Pui Ling, Rebecca

Independent non-executive Directors:

Mr. Chan Kee Huen, Michael

Mr. Tang Chiu Ping, Raymond

Mr. Fritz Heinrich Horlacher

In accordance with article 108 of the Company's articles of association, Mr. Stephen Burnau Hunt, Ms. Yip Pui Ling, Rebecca and Ms. Tao Fang Fang will retire by rotation and, being eligible, will offer themselves for re-election.

董事之服務合約

擬於應屆股東週年大會(「股東週年大會」)上重選連任之董事概無訂立本集團不可於一年內終止而毋須支付賠償(法定賠償除外)之服務合約。

Directors' Service Contracts

No Director proposed for re-election at the forthcoming annual general meeting ("AGM") has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

董事於股份、相關股份及債權證之權益及淡倉

於二零一四年十二月三十一日，董事及其聯繫人於本公司及其相聯法團之股份、相關股份及債權證中擁有記錄於本公司根據證券及期貨條例(「證券及期貨條例」)第352條須存置之登記冊內之權益及淡倉，或根據上市發行人董事進行證券交易的標準守則已知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉如下：

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 December 2014, the interests and short positions of the Directors and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to The Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

於本公司普通股中持有之好倉：

Long positions in ordinary shares of the Company:

| 董事姓名 | 身分 | 持有已發行 普通股數目 | 佔本公司已發行 股本之百分比 |
|--|---------------------------|---|--|
| Name of Director | Capacity | Number of issued ordinary shares held | Percentage of the issued share capital of the Company |
| 李晉頤先生 Mr. Lee Jin Yi | 實益擁有人 Beneficial owner | 500,000 (好倉) (Long position) | 0.12% |
| Stephen Burnau Hunt先生 Mr. Stephen Burnau Hunt | 實益擁有人 Beneficial owner | 100,000 (好倉) (Long position) | 0.02% |

除上文所披露者外，於二零一四年十二月三十一日，概無董事及其聯繫人於本公司或其任何相聯法團之任何股份、相關股份或債權證中擁有根據證券及期貨條例第352條須予以記錄之任何權益或淡倉，或根據上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之任何權益或淡倉。

Save as disclosed above, none of the Directors nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 December 2014 which was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

購買股份或債權證之安排

於年內任何時間，本公司、其控股公司或其任何附屬公司或同系附屬公司概無成為任何安排之訂約方，致使董事可透過購入本公司或任何其他公司之股份或債權證之方式而獲得利益。

董事於重大合約中之權益

概無本公司、其控股公司、同系附屬公司或附屬公司為其訂約方及董事直接或間接擁有其重大權益之重大合約，於年末或年內任何時間仍然有效。

主要股東

於二零一四年十二月三十一日，本公司根據證券及期貨條例第336條存置之主要股東名冊顯示，除以上披露有關若干董事之權益外，以下股東亦已知會本公司其於本公司已發行股本中擁有之相關權益及淡倉。

Arrangements to Purchase Shares or Debentures

At no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Interests in Contracts of Significance

No contract of significance, to which the Company, its holding company, fellow subsidiaries or subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Substantial Shareholders

As at 31 December 2014, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain Directors, the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company.

| 股東名稱 | 附註 | 身份 | 持有已發行 普通股數目 | 佔本公司已發行 股本之百分比 |
|---|-------|---|---|--|
| Name of shareholder | Notes | Capacity | Number of issued ordinary shares held | Percentage of the issued share capital of the Company |
| 國泰國際醫藥生產及銷售(中國)有限公司 (「國泰國際醫藥(中國)」) | 1 | 實益權益 Beneficial interest | 209,820,000 (好倉) (Long position) | 50.56% |
| Cathay International Pharma Manufacture and Distribution (China) Limited ("CI Pharma China") | | | | |
| 國泰國際長春生物技術及藥業有限公司 (「國泰國際長春」) | 1 | 受控法團權益 Interest of a controlled corporation | 209,820,000 (好倉) (Long position) | 50.56% |
| Cathay International Changchun Biotechnology and Pharmaceutical (China) Limited ("CIC") | | | | |
| 國泰國際生物技術及藥業(中國)有限公司 (「國泰國際生物技術及藥業(中國)」) | 1 | 受控法團權益 Interest of a controlled corporation | 209,820,000 (好倉) (Long position) | 50.56% |
| Cathay International Biotechnology & Pharmaceutical (China) Limited ("CI Biotech & Pharma China") | | | | |
| 國泰國際醫藥有限公司(「國泰國際醫藥」) | 1 | 受控法團權益 Interest of a controlled corporation | 209,820,000 (好倉) (Long position) | 50.56% |
| Cathay International Pharmaceutical Limited ("CIP") | | | | |
| 國泰國際生物技術有限公司(「國泰國際 生物技術」) | 1 | 受控法團權益 Interest of a controlled corporation | 209,820,000 (好倉) (Long position) | 50.56% |
| Cathay International Biotech Company Limited ("CIB") | | | | |
| Cathay International Holdings Limited ("CIH") | 1 | 受控法團權益 Interest of a controlled corporation | 209,820,000 (好倉) (Long position) | 50.56% |
| Cathay International Enterprises Limited ("CIE") | 2 | 受控法團權益 Interest of a controlled corporation | 209,820,000 (好倉) (Long position) | 50.56% |
| Wu Zhen Tao | 3 | 全權信託創辦人及信託 受益人 Founder of discretionary trusts and beneficiary of a trust | 209,820,000 (好倉) (Long position) | 50.56% |
| 鄭豪 Cheng Hoo | 4 | 受控法團權益 Interest of a controlled corporation | 32,180,000 (好倉) (Long position) | 7.75% |
| Loyal Peace Enterprises Limited ("Loyal Peace") | 4 | 實益權益 Beneficial interest | 32,180,000 (好倉) (Long position) | 7.75% |
| 永航有限公司 Ever Sail Limited | 4 | 受託人 Trustee | 32,180,000 (好倉) (Long position) | 7.75% |

董事會報告

Report of the Directors

附註：

(1) 該等股份由國泰國際醫藥(中國)持有。國泰國際醫藥(中國)由國泰國際長春擁有18%權益及由國泰國際生物技術及藥業(中國)擁有82%權益。國泰國際長春則由國泰國際生物技術及藥業(中國)擁有100%權益。國泰國際生物技術及藥業(中國)則由國泰國際醫藥全資擁有，而國泰國際醫藥乃由國泰國際生物技術全資擁有，後者由CIH全資擁有。因此，國泰國際長春、國泰國際生物技術及藥業(中國)、國泰國際醫藥、國泰國際生物技術及CIH被視為擁有該等股份之權益。

(2) CIH約60.99%權益由CIE持有。因此，CIE被視為於國泰國際醫藥(中國)所持有之股份中擁有權益。

(3) CIE之全部已發行股本由Wu Zhen Tao先生為Wu Zhen Tao先生及其家族成員之利益成立之信託(「Wu氏家人信託」)持有。作為Wu氏家人信託之創辦人，Wu Zhen Tao先生被視為於CIE所持有之股份中擁有權益。

(4) 永航有限公司擔任以本集團若干現任及前任管理層成員及僱員及／或彼等各自之家庭及／或慈善團體為受益人之全權信託之受託人(「管理層信託」)。Loyal Peace之全部已發行股本由永航有限公司持有。

Loyal Peace之全部已發行股本由永航有限公司作為管理層信託之受託人所持有，而永航有限公司由鄭豪先生全資擁有。因此，鄭豪先生被視為於Loyal Peace所持有之股份中擁有權益。

除上文所披露者外，概無任何人士(本公司董事除外，其權益載於上文「董事於股份、相關股份及債權證之權益及淡倉」一節)於本公司股份或相關股份中登記擁有根據證券及期貨條例第336條須予以記錄之權益或淡倉。

Notes:

(1) These shares are held by CI Pharma China. CI Pharma China is owned as to 18% by CIC and 82% by CI Biotech & Pharma China. CIC is in turn owned as to 100% by CI Biotech & Pharma China. CI Biotech & Pharma China is in turn wholly owned by CIP. CIP is wholly owned by CIB, which in turn is wholly owned by CIH. Therefore, CIC, CI Biotech & Pharma China, CIP, CIB, and CIH are deemed to be interested in these shares.

(2) CIH is held as to approximately 60.99% by CIE. Therefore, CIE is deemed to be interested in the shares held by CI Pharma China.

(3) The entire issued share capital of CIE is held by a trust set up by Mr. Wu Zhen Tao for the benefit of Mr. Wu Zhen Tao and members of his family ("Wu Family Trust"). Mr. Wu Zhen Tao as founder of the Wu Family Trust is deemed to be interested in the shares held by CIE.

(4) Ever Sail Limited, acting as trustee of a discretionary trust set up for the benefit of certain current and former management personnel and employees of the Group and/or their respective family and/or charity organisation ("the Management Trust"). The entire issued share capital of Loyal Peace is held by Ever Sail Limited.

The entire issued share capital of Loyal Peace is held by Ever Sail Limited acting as the trustee of the Management Trust whom in turn is wholly owned by Mr. Cheng Hoo. Therefore, Mr. Cheng Hoo is deemed to be interested in the shares held by Loyal Peace.

Save as disclosed above, no person, other than the Directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares, underlying shares and debentures" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

獨立性確認

本公司已根據香港聯合交易所有限公司證券上市規則(「上市規則」)第3.13條獲得每名獨立非執行董事作出其獨立性之年度確認。本公司認為所有獨立非執行董事均為獨立人士。

關連交易

根據上市規則之規定，本公司與本公司關連人士(定義見上市規則)之交易構成本公司之關連交易。本公司遵照上市規則規管及管理該等交易。

不獲豁免之持續關連交易

於二零一三年九月三日，立華植提與楊凌皓天及西安皓天(統稱「供應方」)訂立委託生產框架協議(「委託生產框架協議」)。根據委託生產框架協議，立華植提同意購買且供應方同意生產及向立華植提出售植物提取產品。預計植物提取產品將被本集團用作生產本集團在市場銷售的保健產品的主要成分。

於二零一四年十二月十七日，立華植提和供應方簽訂了為期三年的續簽委託生產框架協議(「續簽委託生產框架協議」)，有效期從二零一五年一月一日至二零一七年十二月三十一日(經雙方同意可以提前終止或延長)，以延續供應安排。

Confirmation of Independence

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company considers all of the independent non-executive Directors to be independent.

Connected Transactions

Pursuant to the requirements of the Listing Rules, the transactions between the Company and the connected person(s) (as defined under the Listing Rules) of the Company constitute connected transactions of the Company. The Company regulates and manages such transactions in compliance with the Listing Rules.

Non-Exempt Continuing Connected Transactions

On 3 September 2013, Liwah Zhiti entered into an entrusted manufacturing framework agreement (the "Entrusted Manufacturing Framework Agreement") with Yangling Haotian and Xian Haotian (collectively referred as "Suppliers"). According to the Entrusted Manufacturing Framework Agreement, Liwah Zhiti agreed to buy and the Suppliers agreed to produce and sell the plant extract products to Liwah Zhiti. It is contemplated that the plant extract products will be used by the Group for the production of key ingredients for healthcare products to be sold in the market by the Group.

On 17 December 2014, Liwah Zhiti and the Suppliers entered into a renewed entrusted manufacturing framework agreement (the "Renewed Entrusted Manufacturing Framework Agreement") for a further term of three years from 1 January 2015 to 31 December 2017 (subject to any early termination or extension by mutual consent) to renew the supply arrangements.

董事會報告

Report of the Directors

委託生產框架協議及續簽的委託生產框架協議

日期

二零一三年九月三日

(二零一四年十二月十七日續簽)

協議各方

- (a) 本公司全資附屬公司立華植提；
- (b) CIH (本公司控股股東) 間接全資附屬公司楊凌皓天；及
- (c) CIH (本公司控股股東) 間接全資附屬公司西安皓天。

交易性質

根據委託生產框架協議及續簽的委託生產框架協議，在有效期(定義見下文)內，立華植提可按個別訂單從供應方購買植物提取產品。委託生產框架協議及續簽的委託生產框架協議並無規定最低購買額，而立華植提並無責任向供應方購買植物提取產品，供應方亦無責任向立華植提提供有關產品。

定價基礎

對於立華植提根據委託生產框架協議及續簽的委託生產框架協議向供應方購買的植物提取產品，其單位售價須根據個別訂單，參照該等產品當時的市場價格決定。立華植提將依照其用於第三方供應商的現有標準採購程序，與供應方磋商及決定購買價，將包括向市場其他獨立第三方供應商詢價及與供應方的報價比較。

Entrusted Manufacturing Framework Agreement and Renewed Entrusted Manufacturing Framework Agreement

Date

3 September 2013 (Renewed on 17 December 2014)

Parties

- (a) Liwah Zhiti, a wholly-owned subsidiary of the Company;
- (b) Yangling Haotian, an indirect wholly-owned subsidiary of CIH, a controlling shareholder of the Company; and
- (c) Xian Haotian, an indirect wholly-owned subsidiary of CIH, a controlling shareholder of the Company.

Transaction Nature

Pursuant to the Entrusted Manufacturing Framework Agreement and the Renewed Entrusted Manufacturing Framework Agreement, Liwah Zhiti may, during the Term (as defined below), acquire from the Suppliers, the plant extract products on an order-by-order basis. There is no minimum purchase amount under the Entrusted Manufacturing Framework Agreement and the Renewed Entrusted Manufacturing Framework Agreement, and Liwah Zhiti has no obligation to acquire the plant extract products from the Suppliers nor are the Suppliers required to provide them to Liwah Zhiti.

Pricing basis

For the plant extract products to be purchased by Liwah Zhiti from the Suppliers under the Entrusted Manufacturing Framework Agreement and the Renewed Entrusted Manufacturing Framework Agreement, the selling price per unit of the plant extract products shall be determined by reference to the prevailing prices of the products in the market on an order-by-order basis. Liwah Zhiti will follow its existing standard purchasing procedures with third party suppliers in negotiating and determining the purchase price with the Suppliers, which will involve obtaining fee quotations from other independent third party suppliers in the market and comparing them with those from the Suppliers.

供應方所提供的植物提取產品須為：

- (a) 按正常的商業條款及不遜於立華植提從提供立華植提指定的類似植物提取產品的獨立第三方獲取的條款；及
- (b) 參照植物提取產品當時的市場價格經公平決定的具競爭力價格。

The supply of the Plant Extracts Products by the Suppliers shall be:

- (a) on normal commercial terms and upon terms which are not less favourable to Liwah Zhiti than terms available to Liwah Zhiti from independent third parties supplying similar plant extract products specified by Liwah Zhiti; and
- (b) at a competitive pricing determined on arm's length basis by reference to the prevailing market price of the plant extract products.

有效期

委託生產框架協議的有效期於二零一三年九月三日開始，並於二零一四年十二月三十一日到期。續簽的委託生產框架協議於二零一五年一月一日開始，並於二零一七年十二月三十一日到期（經雙方同意可以提前終止或延長），除非任何一方於終止的生效日期前最少一個月向對方發出書面通知終止協議。

Term

The term of the Entrusted Manufacturing Framework Agreement commenced on 3 September 2013 and expired on 31 December 2014. The Renewed Entrusted Manufacturing Framework Agreement commenced on 1 January 2015 and will expire on 31 December 2017 (subject to any early termination or extension by mutual consent), unless terminated by either party by giving the other written notice of termination at least one month prior to the effective date of such termination.

年度上限

截至二零一四年十二月三十一日止年度，根據委託生產框架協議進行的不獲豁免持續關連交易的批准年度上限及實際交易金額載列如下：

Annual Caps

For the year ended 31 December 2014, the approved annual caps and the actual transaction amounts of the non-exempt continuing connected transactions under the Entrusted Manufacturing Framework Agreement are set out below:

| 截至二零一四年十二月三十一日止年度的年度上限 Annual caps for the year ended 31 December 2014 | 截至二零一四年十二月三十一日止年度的實際交易金額 Actual transaction amounts for the year ended 31 December 2014 |
|--|--|
| 人民幣28,000,000元 (約4,600,000美元) RMB28,000,000 (approximately US\$4.6 million) | 人民幣5,984,000元 (約974,000美元) RMB5,984,000 (approximately US\$974,000) |

根據上市規則第14A.38條，董事會已聘請本公司核數師就本集團之持續關連交易進行若干經協定之程序。核數師已向董事會匯報該等程序之事實結果。獨立非執行董事已審閱持續關連交易及核數師報告，並確認該等交易乃本公司於一般及日常業務過程按照一般商業條款及規管該等交易之協議條款訂立，而有關條款屬公平合理並符合本公司股東之整體利益。

Pursuant to Rule 14A.38 of the Listing Rules, the Board engaged the auditor of the Company to perform certain agreed-upon procedures in respect of the continuing connected transactions of the Group. The auditor has reported the factual findings on these procedures to the Board. The independent non-executive Directors have reviewed the continuing connected transactions and the report of the auditor and have confirmed that the transactions have been entered into by the Company in the ordinary and usual course of its business on normal commercial terms, and in accordance with the terms of the agreement governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

除上文所披露者外，截至二零一四年十二月三十一日止年度，財務報表附註32所披露之關連方交易並不構成根據上市規則第14A章之關連交易或持續關連交易，或僅根據上市規則第14A章的最低限額豁免而構成獲全面豁免之關連交易或持續關連交易。本公司已遵守根據上市規則第14A章的披露規定。

薪酬政策

本集團僱員之薪酬乃按彼等之表現、專業資歷、行業經驗及相關市場趨勢而釐定。

本公司董事之薪酬乃由薪酬委員會視乎本公司之業績、個人表現及可比較市場統計數據而決定。

優先購買權

本公司章程細則或開曼群島法例並無載有要求本公司向現有股東按比例提呈發售新股份之優先購買權條文。

足夠之公眾持股量

於本報告日期，根據本公司可獲得之公開資料及就本公司董事所知，本公司已維持上市規則第8.08條所規定之公眾持股量。

五年財務摘要

本集團業績與資產及負債於過去五個財政年度之摘要載於第5頁至第6頁。

Save as disclosed above, for the year ended 31 December 2014, the related party transactions disclosed in note 32 to the financial statements either did not constitute connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules, or only constituted fully exempted connected transactions or continuing connected transactions by virtue of the de minimis exemption under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Emolument Policy

The emoluments of the employees of the Group are determined with reference to individual performance, professional qualifications, experience in the industry and relevant market trends.

The emoluments of the Directors of the Company are decided by the Remuneration Committee, having regard to the Company's results, individual performance and comparable market statistics.

Pre-Emptive Rights

There is no provision for pre-emptive rights under the Company's articles of association, or the laws of the Cayman Islands, which would require the Company to offer new shares on a pro-rata basis to existing shareholders.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company as at the date of this report, the Company has maintained the prescribed public float as required under Rule 8.08 of the Listing Rules.

Five-Year Financial Summary

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on pages 5 to 6.

核數師

本公司將於應屆股東週年大會上提呈一項決議案，續聘香港立信德豪會計師事務所有限公司為本公司核數師。

Auditor

A resolution will be proposed at the forthcoming AGM of the Company to re-appoint BDO Limited as auditor of the Company.

代表董事會
朗生醫藥控股有限公司

ON BEHALF OF THE BOARD
Lansen Pharmaceutical Holdings Limited

主席
Stephen Burnau Hunt

Stephen Burnau Hunt
Chairman

香港
二零一五年三月二十七日

Hong Kong
27 March 2015

企業管治常規

由於董事會認為有效的企業管治常規在提升股東價值及保障股東及其他利益相關人士的權益實屬必要，故本公司與董事會致力達致及保持最高標準的企業管治。因此，本公司已採取合理的企業管治原則，以突顯董事會質素、有效的內部監控、嚴格的披露規定和透明度，以及對所有利益相關人士的問責性。

於截至二零一四年十二月三十一日止年度，本公司亦一直遵守上市規則附錄14所載企業管治守則及企業管治報告(「守則」)的所有守則條文，惟偏離守則第A.5條者除外。根據守則第A.5條，本公司應成立提名委員會，並訂有書面職權範圍，清楚列明其權力及職務。目前，本公司並無成立提名委員會，並將有關職能保留予薪酬委員會。自本公司於二零一零年在聯交所主板上市起，薪酬委員會獲授予提名委員會的職能。因此，董事會認為薪酬委員會成員擁有必要的經驗及知識，履行提名委員會的職能。董事會將不時檢討董事委員會的組成及運作，並於有需要時考慮成立提名委員會。

董事進行證券交易

本公司已採納條款不寬鬆於上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)之有關董事進行證券交易的操守守則。經向全體董事作出特定查詢後，所有董事確認，彼等一直遵守標準守則所載規定標準及本公司所採納有關董事進行證券交易的操守守則。

Corporate Governance Practices

The Company and the Board are devoted to achieving and maintaining the highest standards of corporate governance as the Board believes that effective corporate governance practices are fundamental to enhancing shareholder value and safeguarding interests of the shareholders and other stakeholders. Accordingly, the Company has adopted sound corporate governance principles that emphasise a quality Board, effective internal control, stringent disclosure practices and transparency and accountability to all stakeholders.

For the year ended 31 December 2014, the Company has also complied with all the code provisions of the Corporate Governance Code and Corporate Governance Report (the "Code") set out in Appendix 14 of the Listing Rules, except with a deviation from paragraph A.5 of the Code. Under paragraph A.5 of the Code, the Company should establish a Nomination Committee with specific written terms of reference which deal clearly with its authority and duties. Currently, the Company had not established a Nomination Committee and had retained the functions with the Remuneration Committee. The Remuneration Committee has been delegated the functions of a Nomination Committee since its listing on the Main Board of the Stock Exchange in 2010. As such, the Board is of the view that the members of the Remuneration Committee possess the necessary experience and knowledge to discharge the functions of a Nomination Committee. The Board shall review the composition and operation of the Board Committees from time to time and shall consider establishing a Nomination Committee if such need arises.

Directors' Securities Transactions

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding Directors' securities transactions adopted by the Company.

董事會

董事會負責領導及監控本集團的業務運作。董事會制定本集團的策略性方向、監督其運作，並監察其財務表現。管理層在董事會授權的範圍內管理本集團的業務。管理層向董事會負責本公司的整體營運。

本公司的章程細則列明須由董事會決策的事宜。

公司秘書或其助理負責編製董事會及董事委員會的會議記錄。會議記錄及書面決議案擬稿將於合理期間內向全體董事會成員或董事委員會成員傳閱，以供其審閱及表達意見。會議記錄及書面決議案的最終定稿將於合理時間內送交作記錄，而經簽署的副本將存置於由公司秘書保管的本公司會議記錄冊內，以供董事查閱。

於二零一四年十二月三十一日及於本報告日期，董事會包括一名執行董事、五名非執行董事及三名獨立非執行董事。董事詳情載於第27頁至第32頁「董事及高級管理人員履歷」一節及本公司網站。

The Board of Directors

The Board is responsible for leading and controlling the business operations of the Group. It formulates strategic directions, oversees the operations and monitors the financial performance of the Group. Management manages the businesses of the Group within the delegated power and authority given by the Board. Management is accountable to the Board for the Company's overall operation.

The Company's articles of association set out matters which are specifically reserved to the Board for its decision.

The Company Secretary or his assistant is responsible for taking minutes of the Board and Board Committees meetings. Draft minutes and written resolutions will be circulated to all Board members or Board Committees members for review and comment within a reasonable period of time. Final version of the minutes and written resolutions will be provided for record within a reasonable period of time and the signed copies are kept in the Company's minutes book maintained by the Company Secretary for Directors' inspection.

As at 31 December 2014 and at the date of this report, the Board comprises of one executive Director, five non-executive Directors and three independent non-executive Directors. A description of the Directors is set out in the "Biographical Details of Directors and Senior Management" section from pages 27 to 32 and on the Company's website.

企業管治報告

Corporate Governance Report

於二零一四年十二月三十一日及於本報告日期，董事會包括下列成員：

As at 31 December 2014 and at the date of this report, the Board comprises of the following members:

| 董事 | Directors | 首次獲委任 為董事會成員的日期 Date of first appointment to the Board | 最近一次重選連任 為董事的日期 Date of last re-election as Director |
|-------------------------------|---|--|--|
| 執行董事： | Executive Director: | | |
| 劉幫民先生(行政總裁) | Mr. Liu Bang Min (<i>Chief Executive Officer</i>) | 二零一三年四月九日 9 April 2013 | 二零一三年五月十五日 15 May 2013 |
| 非執行董事： | Non-executive Directors: | | |
| Stephen Burnau Hunt先生 (主席) | Mr. Stephen Burnau Hunt (<i>Chairman</i>) | 二零一零年四月九日 9 April 2010 | 二零一三年五月十五日 15 May 2013 |
| 李晉頤先生(副主席) | Mr. Lee Jin Yi (<i>Deputy Chairman</i>) | 二零一零年四月九日 9 April 2010 | 二零一三年五月十五日 15 May 2013 |
| 湯軍先生 | Mr. Tang Jun | 二零一零年四月九日 9 April 2010 | 二零一三年五月十五日 15 May 2013 |
| 陶芳芳女士 | Ms. Tao Fang Fang | 二零一零年一月八日 8 January 2010 | 二零一二年五月十四日 14 May 2012 |
| 葉佩玲女士 | Ms. Yip Pui Ling, Rebecca | 二零零九年九月十日 10 September 2009 | 二零一二年五月十四日 14 May 2012 |
| 獨立非執行董事： | Independent non-executive Directors: | | |
| 陳記煊先生 | Mr. Chan Kee Huen, Michael | 二零一零年四月九日 9 April 2010 | 二零一四年五月二十九日 29 May 2014 |
| 鄧昭平先生 | Mr. Tang Chiu Ping, Raymond | 二零一零年四月九日 9 April 2010 | 二零一四年五月二十九日 29 May 2014 |
| Fritz Heinrich Horlacher先生 | Mr. Fritz Heinrich Horlacher | 二零一一年二月十日 10 February 2011 | 二零一四年五月二十九日 29 May 2014 |

本集團會不時檢討董事會的規模及組成，當中會考慮上市規則的要求、本公司的業務範疇及性質，以確保董事會的規模足夠，得以帶來多方觀點，並作出有效決策。董事擁有不同背景，具備金融、人力資源及醫藥業務領域的專業知識。本公司網站及聯交所網站載有董事更新名單，載明其角色及職能。

The size and composition of the Board are reviewed from time to time, taking into account the requirements under the Listing Rules and the scope and nature of operations of the Company, to ensure that the size of the Board is adequate to provide a diversity of views and facilitate effective decision making. The Directors come from diverse background with varied expertise in finance, human resources and pharmaceutical business fields. The Company has maintained on the Company's website and on the website of the Stock Exchange an updated list of its Directors identifying their roles and functions.

獨立非執行董事

獨立非執行董事為本集團帶來各方面的技術及業務經驗。彼等亦通過董事會會議及董事委員會會議，對策略問題、表現及風險作出獨立評估。

根據上市規則第3.10(1)條，三名獨立非執行董事代表董事會的三分之一。三名獨立非執行董事中，其中一名擁有上市規則第3.10(2)條所規定的會計或相關財務管理專門技術的適當專業資格。

根據上市規則，本公司已收到每名獨立非執行董事有關其獨立性的年度確認函。基於該等確認函，據本公司所知，認為全體獨立非執行董事符合上市規則第3.13條所載的獨立性指引規定，彼等全體均為獨立人士。

主席及行政總裁

主席與行政總裁的職權已予區分。主席負責管理董事會，並領導其制定整體策略及業務發展方向，確保各董事均可獲得足夠、完整及可信的資料，在董事會會議內提到的問題均可得到合理的解釋。行政總裁負責管理本公司業務，實施董事會所制定的政策、業務目標及計劃，並就本公司整體營運向董事會負責。高級管理層在本公司行政總裁的領導下負責本集團的日常營運。

委任、重選及罷免

執行董事與本公司訂立服務協議，由二零一三年四月九日開始為期三年。各非執行董事及獨立非執行董事均與本公司訂立委任書，由二零一三年四月九日開始為期三年，惟Fritz Heinrich Horlacher先生除外，其委任日期於二零一四年二月十日開始。董事會委任的所有董事(不論為填補臨時空缺或屬董事會新增成員)均須於獲委任後首個股東週年大會退任並符合資格重選連任。

Independent Non-executive Directors

The independent non-executive Directors bring a wide range of skills and business experience to the Group. They also bring independent judgement on issues of strategy, performance and risk through their contribution to the Board meetings and to the Board Committees' meetings.

In compliance with Rule 3.10(1) of the Listing Rules, there are three independent non-executive Directors, representing one-third of the Board. Among the three independent non-executive Directors, one of them has appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to the Listing Rules. With reference to such confirmations, the Company, to its best knowledge, considers that all the independent non-executive Directors fulfill the guidelines on independence as set out in Rule 3.13 of the Listing Rules and all to be independent.

Chairman and Chief Executive Officer

The roles of the chairman are segregated from the chief executive officer. The chairman is responsible for managing the Board, steering the Board to formulate overall strategies and business development plans, ensuring the receipt of sufficient, complete and reliable information by each Director and the receipt of reasonable explanations for the issues raised at the Board meetings. The chief executive officer is responsible for managing the business of the Company and implementing policies, business objectives and plans formulated by the Board, and is accountable to the Board for the Company's overall operation. The senior management team is responsible for the day-to-day operations of the Group under the leadership of the chief executive officer of the Company.

Appointment, Re-election and Removal

The executive Director has entered into a service agreement with the Company for a term of three years commencing 9 April 2013. Each of the non-executive Directors and the independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years commencing 9 April 2013 except for Mr. Fritz Heinrich Horlacher whose commencement date was 10 February 2014. All Directors appointed by the Board either to fill a casual vacancy or as addition to the Board shall retire and be eligible for re-appointment at the first general meeting after appointment.

於每屆股東週年大會上，當時三分之一的董事（或如董事人數並非三或三的倍數，則最接近但不少於三分之一的人數）均須輪值退任，惟各董事（包括該等按特別年期獲委任者）須至少每三年輪值退任一次。

根據本公司的章程細則條文，Stephen Burnau Hunt 先生、葉佩玲女士及陶芳芳女士將輪值退任，並符合資格及願意於應屆股東週年大會上重選連任。

截至二零一四年十二月三十一日止年度，本公司並無成立提名委員會，但將此功能保留在薪酬委員會。薪酬委員會成員不時物色合適的合資格人士出任董事會成員，並挑選或在挑選提名董事或高級管理層人選的過程中向董事會作出推薦建議。於考慮提名新任董事或高級管理層時，薪酬委員會將考慮候選人的資歷、能力、工作經驗、領導才能及專業操守以及（就獨立非執行董事而言）獨立性規定。薪酬委員會已採納新任董事或高級管理層的提名程序，據此，(1) 將與候選人進行面試；及(2) 薪酬委員會將考慮並酌情向董事會提出合適的推薦意見。

At each AGM one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

In accordance with the provisions of the Company's articles of association, Mr. Stephen Burnau Hunt, Ms Yip Pui Ling, Rebecca and Ms. Tao Fang Fang will retire by rotation and, being eligible, offer themselves for re-election in the forthcoming AGM.

For the year ended 31 December 2014, the Company had not established a Nomination Committee but had retained the functions with the Remuneration Committee. The Remuneration Committee members from time to time identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships or senior management. In considering the nomination of new Directors or senior management, the Remuneration Committee will take into account the qualification, ability, working experience, leadership and professional ethics of the candidates as well as the independence requirement in the case of an independent non-executive Director. The Remuneration Committee has adopted procedures for nomination of a new Director or senior management, pursuant to which (1) an interview will be conducted with the prospective candidates; and (2) the Remuneration Committee will consider and, if thought fit, make suitable recommendations to the Board.

高級管理層變動

薪酬委員會及執行委員會已批准：

- 委任劉幫民先生兼任寧波朗生總經理，自二零一五年三月三十日生效；
- 李衛軍先生晉升為本集團業務運營總監，自二零一五年一月二十九日生效；
- 委任徐廣先生為寧波立華總經理，辭任寧波朗生總經理，自二零一五年三月三十日生效；
- 本集團高級副總裁周戎先生不再兼任寧波立華常務副總經理，自二零一五年一月二十九日生效；及
- 委任程華中先生為集團內控合規總監，自二零一五年一月二十九日生效。

持續專業發展

董事不斷留意作為本公司董事的責任及操守，以及有關本公司業務活動及發展的事宜。公司不時為董事更新及提供培訓，並就與董事的職務及職責有關的上市規則、適用法律、規則及法規的最新發展舉辦研討會。

董事獲董事會委任後將由高級行政人員全面簡介本集團的業務。董事定期獲提供持續教育及資料，確保彼等獲悉本集團經營業務的商業、法律與規管環境的最新變化。

Changes of Senior Management

The Remuneration and Executive Committees have approved:

- the appointment of Mr. Liu Bang Min concurrently as general manager of Ningbo Lansen, effective 30 March 2015;
- the promotion of Mr. Li Wei Jun as director of business operations of the Group, effective 29 January 2015;
- the appointment of Mr. Xu Guang as general manager of Ningbo Liwah and the resignation as general manager of Ningbo Lansen, effective 30 March 2015;
- the resignation of a concurrent post of Mr. Zhou Rong as executive deputy general manager of Ningbo Liwah, effective 29 January 2015; and
- the appointment of Mr. Cheng Hua Zhong as director of internal control and compliance of the Group, effective 29 January 2015.

Continuing professional development

The Directors keep abreast of responsibilities as a Director of the Company and of the conduct, business activities and development of the Company. The Company from time to time updates and provides training to the Directors, and organises seminars on the latest development of the Listing Rules, applicable laws, rules and regulations relating to Directors' duties and responsibilities.

Upon appointment to the Board, the Directors will be provided with a comprehensive briefing of the Group's businesses by senior executives. Continuing education and information are provided to the Directors regularly to ensure that the Directors are apprised of the latest changes in the commercial, legal and regulatory environment in which the Group conducts its businesses.

於截至二零一四年十二月三十一日止年度，本公司舉行了一次培訓環節，內容有關新公司條例對企業管治的影響。全體董事均已出席該次培訓。此外，個別董事亦已出席有關上市公司董事職務、職能及責任的其他課程，或透過參與培訓課程，或利用在線協助或閱讀相關資料進一步加強彼等的專業發展。

企業管治職能

董事會共同負責履行企業管治責任。年內，董事會將以下企業管治責任納入董事會職權範圍：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出推薦意見；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司遵守法例及監管規定的政策及慣例；
- 制定、檢討及監察行為守則以及遵守本公司僱員及董事適用的合規手冊(如有)；及
- 檢討本公司遵守守則的情況及在其年報內企業管治報告內的披露。

董事會多元化政策

於二零一三年八月二十九日，本公司根據守則所載規定採納董事會多元化政策。本公司確認並深信董事會多元化裨益良多，從而提升其表現質素。為實現可持續及均衡發展，本公司將董事會層面的日益多元化視作支持實現其策略目標及其可持續發展的要素。於設計董事會的組成方式時，已從多方面考慮董事會多元化，包括但不限於性別、年齡、文化及教育背景以及專業經驗。董事會的所有委任將以任人唯才為原則，並在考慮人選時以客觀條件以充分顧及董事會多元化的裨益。

During the year ended 31 December 2014, the Company has organised a training session covering the topic of the impact of the new Companies Ordinance to corporate governance. All Directors attended the training. In addition, individual directors also participated in other courses relating to the roles, functions and duties of a listed company director or further enhancement of their professional development by way of attending training courses or via online aids or reading relevant materials.

Corporate Governance Functions

The Board is collectively responsible for performing the corporate governance duties. During the year, the Board formalised the inclusion of the following corporate governance duties into the terms of reference of the Board:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Company's employees and the Directors; and
- to review the Company's compliance with the code and disclosure in the Corporate Governance Report in its Annual Report.

Board Diversity Policy

On 29 August 2013, the Company adopted the Board diversity policy in accordance with the requirement set out in the Code. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, and professional experience. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

董事會會議

董事會預期定期會晤，每年最少四次。於定期的會議之間，本集團的高級管理層會定期就本集團的業務活動及發展向董事提供資料。在董事認為有必要時，董事可隨時獲取本集團的資料及獨立專業意見。

截至二零一四年十二月三十一日止年度，董事會舉行了四次會議，而各董事的出席情況如下：

Board Meetings

The Board is expected to meet regularly at least four times a year. Between scheduled meetings, the senior management of the Group provides information to Directors on a regular basis regarding the activities and development in the businesses of the Group. The Directors have full access to information on the Group and independent professional advice at all times whenever deemed necessary by the Directors.

The Board held four meetings during the year ended 31 December 2014 with the attendance of each Director as follows:

| 董事 | Directors | 出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held | 出席率 Attendance rate |
|----------------------------|---|--|------------------------|
| 執行董事： | Executive Director: | | |
| 劉幫民先生(行政總裁) | Mr. Liu Bang Min (Chief Executive Officer) | 4/4 | 100% |
| 非執行董事： | Non-executive Directors: | | |
| Stephen Burnau Hunt先生(主席) | Mr. Stephen Burnau Hunt (Chairman) | 4/4 | 100% |
| 李晉頤先生(副主席) | Mr. Lee Jin Yi (Deputy Chairman) | 4/4 | 100% |
| 湯軍先生 | Mr. Tang Jun | 4/4 | 100% |
| 陶芳芳女士 | Ms. Tao Fang Fang | 4/4 | 100% |
| 葉佩玲女士 | Ms. Yip Pui Ling, Rebecca | 4/4 | 100% |
| 獨立非執行董事： | Independent non-executive Directors: | | |
| 陳記煊先生 | Mr. Chan Kee Huen, Michael | 4/4 | 100% |
| 鄧昭平先生 | Mr. Tang Chiu Ping, Raymond | 4/4 | 100% |
| Fritz Heinrich Horlacher先生 | Mr. Fritz Heinrich Horlacher | 4/4 | 100% |

就董事會的定期會晤而言，董事將至少提前十四天獲得書面會議通知及在會議前不少於三天獲得董事會議程及所需文件。就其他會議而言，在合理及切實的情況下，董事會盡量獲給予最早的通知。除本公司的章程細則所容許的該等情況外，於任何合約、交易、安排或向董事會提呈以供考慮的任何其他類別建議中擁有重大權益的董事，將須就相關決議案放棄投票，且有關董事不會被計入法定人數內。

With respect to regular meetings of the Board, the Directors will be given written notice of the meeting at least 14 days in advance and an agenda with supporting Board papers no less than three days prior to the meeting. For other meetings, Directors are given as much notice as is reasonable and practicable in the circumstances. Except for those circumstances permitted by the articles of association of the Company, a Director who has a material interest in any contract, transaction, arrangement or any other kind of proposal put forward to the Board for consideration, will abstain from voting on the relevant resolution and such Director is not counted as quorum.

董事會制定其特定書面職權範圍，載列職務、職責、權力及職能，當中包括以下各項：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理層的培訓及持續專業發展；
- 負責根據現行的會計準則及法律編製並真實公平地呈列財務報表、批准財務報表以及委聘本集團外聘核數師及與其保持聯繫；
- 檢討本公司遵守守則的情況及在其年報的企業管治報告內的披露；
- 與所有監管機構及組織協調有關本集團的一切事務，並監察與本集團相關且影響本集團的政策變動；及
- 確保向本集團股東負責及保持足夠溝通。

年內，主席及非執行董事(包括獨立非執行董事，但不包括執行董事及高級管理人員)舉行會議，討論執行董事的表現。

董事會亦討論了本公司的企業管治政策以及董事會及董事委員會履行的職責(見下文)。

The Board has devised its specific written terms of reference setting out its duties, responsibilities, powers and functions which include the following:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to take responsibility for the preparation and the true and fair presentation of the financial statements in accordance with the prevailing accounting standards and laws, approving the financial statements and appointing and liaising with the Group's external auditors;
- to review the Company's compliance with the code and disclosure in the Corporate Governance Report in its Annual Report;
- to liaise with all regulatory authorities and organisations on all matters relating to the Group, and monitor changes in their policies relating to and affecting the Group; and
- to ensure accountability towards and sufficient communication with the Group's shareholders.

During the year, a meeting of the Chairman and the non-executive Directors (including independent non-executive Directors) without the presence of the executive director and senior management was held to discuss the performance of the executive director.

The Board also discussed the policy for the corporate governance of the Company and duties performed by the Board and the Board Committees (see below).

董事委員會

董事會已成立審核委員會、薪酬委員會及執行委員會。各委員會的組成及職責請見下文。各委員會須根據各自的職權範圍向董事會提供建議，除各委員會的職權範圍另有訂明者外，其建議最終由董事會決定。

審核委員會

本公司的審核委員會由三名獨立非執行董事及兩名非執行董事組成。獨立非執行董事陳記煊先生現為審核委員會主席。審核委員會預期定期會晤，每年最少三次。

董事會已成立審核委員會，並已制定其書面職權範圍，載列董事會授予彼等的職務、職責及權力。審核委員會的職權範圍登載於本公司及聯交所網站。審核委員會的主要職務及職責包括：

- 監察與外聘核數師的關係，包括：
 - 就委任、續聘及罷免外聘核數師、批准外聘核數師的酬金及委聘條款向董事會提供建議以及處理任何有關核數師辭任或罷免的問題；
 - 按適用標準檢討及監察外聘核數師的獨立性及客觀性以及審核程序的效能；及
 - 就委聘外聘核數師提供非核數服務制定及執行政策；
- 審閱及監察本集團財務報表、年報及半年度報告的完整性，並審閱當中所載的重大財務報告判斷；及
- 檢討本集團財務報告及內部監控制度的有效性。

Board Committees

The Board has established the Audit Committee, the Remuneration Committee and the Executive Committee. Please see below for the composition and responsibilities of the committees. Each committee shall provide their recommendations to the Board based on their respective terms of reference. The decisions of the Board on such recommendations shall be final, unless otherwise stated in the terms of reference of these committees.

Audit Committee

The Audit Committee of the Company consists of three independent non-executive Directors and two non-executive Directors. Mr. Chan Kee Huen, Michael, an independent non-executive Director, currently serves as the chairman of the Audit Committee. The Audit Committee is expected to meet regularly at least three times per year.

The Board has established the Audit Committee with specific written terms of reference setting out the duties, responsibilities and authorities delegated by the Board. The terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange. The major duties and responsibilities of the Audit Committee include the following:

- to oversee the relationship with the external auditor, including:
 - to make recommendations to the Board on the appointment, re-appointment and removal of the external auditor, approve the remuneration and terms of engagement of the external auditor and address any questions of resignation or dismissal of such auditor;
 - to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; and
 - to develop and implement policy on the engagement of the external auditor to supply non-audit services;
- to review and monitor the integrity of the Group's financial statements, annual reports and half-year reports, and to review significant financial reporting judgements contained therein; and
- to review the effectiveness of the financial reporting and internal control systems of the Group.

截至二零一四年十二月三十一日止年度，審核委員會舉行了三次會議，而各成員的出席情況如下：

The Audit Committee held three meetings during the year ended 31 December 2014 with the attendance of each member as follows:

| 審核委員會成員姓名 | Name of Audit Committee members | 出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held | 出席率 Attendance rate |
|----------------------------|--|--|------------------------|
| 陳記煊先生(主席) | Mr. Chan Kee Huen, Michael (<i>Chairman</i>) | 3/3 | 100% |
| 李晉頤先生 | Mr. Lee Jin Yi | 3/3 | 100% |
| 葉佩玲女士 | Ms. Yip Pui Ling, Rebecca | 3/3 | 100% |
| 鄧昭平先生 | Mr. Tang Chiu Ping, Raymond | 3/3 | 100% |
| Fritz Heinrich Horlacher先生 | Mr. Fritz Heinrich Horlacher | 2/3 | 67% |

截至二零一四年十二月三十一日止年度，審核委員會已：

During the year ended 31 December 2014, the Audit Committee had:

- 於呈交董事會批准前與管理層及外聘核數師審閱中期業績及年度業績以及有關公告，包括有關披露規定、財務報告的完整性及本集團所採納的會計政策；
- 與管理層討論影響本集團綜合財務報表的重大判斷；
- 審閱外聘核數師的薪酬及委聘條款，以及就外聘核數師的委任向董事會提供推薦建議；
- 審閱及討論內部監控報告，包括在上一份報告中所提出的建議的實施情況；及
- 審閱及評估本集團內部監控及風險管理的充足性及效力。

- reviewed with management and external auditor on the interim results and annual results and related announcements including the related disclosures, integrity of financial reporting and the accounting policies adopted by the Group prior to submission to the Board for approval;
- discussed with management on significant judgements affecting the Group's consolidated financial statements;
- reviewed the remuneration and terms of engagement of the external auditor and recommended the Board on the appointment of the external auditor;
- reviewed and discussed the internal control reports including the status of implementing recommendations from the previous reports; and
- reviewed and assessed the adequacy and effectiveness of the Group's internal control and risk management.

薪酬委員會

本公司的薪酬委員會由三名獨立非執行董事及兩名非執行董事組成。獨立非執行董事鄧昭平先生現為薪酬委員會主席。薪酬委員會預期定期會晤，每年至少一次。

Remuneration Committee

The Remuneration Committee of the Company consists of three independent non-executive Directors and two non-executive Directors. Mr. Tang Chiu Ping, Raymond, an independent non-executive Director, currently serves as the chairman of the Remuneration Committee. The Remuneration Committee is expected to meet regularly at least once per year.

董事會已成立薪酬委員會，並已制定其書面職權範圍，載列董事會授予彼等的職務、職責及權力。薪酬委員會的職權範圍登載於本公司及聯交所網站。薪酬委員會的主要職務及職責為：

- 就本公司全體董事及高級管理層的薪酬政策及架構向董事會提供推薦建議及為制訂該等薪酬政策制定一套正式透明的程序，並在董事會考慮授予董事及高級管理層的薪酬總額及／或福利前不時提出該等推薦建議；
- 評估執行董事及高級管理層的表现；
- 考慮同類公司支付的薪酬、須付出的時間及職責以及本集團內其他職位的僱用條件；
- 遵守董事會不時指定或本公司組織章程所載或上市規則或任何適用法例所定的任何要求、指示及規例；
- 評估獨立非執行董事的獨立性；
- 釐定提名董事及高級管理層的政策；
- 就有關提名、委任或重新委任董事及高級管理層事宜向董事會作出推薦建議；及
- 至少每年審閱董事會的架構、規模及多元化(包括但不限於性別、年齡、文化及教育背景以及專業經驗)，並就任何建議變動向董事會作出推薦建議，以實行本公司的企業策略。

The Board has established the Remuneration Committee with specific written terms of reference setting out the duties, responsibilities and authorities delegated by the Board. The terms of reference of the Remuneration Committee are available on the websites of the Company and the Stock Exchange. The major duties and responsibilities of the Remuneration Committee are:

- to make recommendations to the Board on the Company's remuneration policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy and placing such recommendations before the Board concerning the total remuneration and/or benefits granted to the Directors and senior management from time to time;
- to assess the performance of executive Directors and senior management;
- to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or any applicable law;
- to assess the independence of independent non-executive Directors;
- to determine the policy for the nomination of Directors and senior management;
- to make recommendations to the Board on the nomination, appointment or re-appointment of Directors and senior management; and
- to review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, and professional experience) of the Board at least annually; and make recommendations on any proposed changes to the Board to implement the Company's corporate strategy.

企業管治報告

Corporate Governance Report

截至二零一四年十二月三十一日止年度，薪酬委員會舉行了兩次會議，而各成員的出席情況如下：

The Remuneration Committee held two meetings during the year ended 31 December 2014 with the attendance of each member as follows:

| 薪酬委員會成員姓名 | Name of Remuneration Committee members | 出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held | 出席率 Attendance rate |
|----------------------------|---|--|------------------------|
| 鄧昭平先生(主席) | Mr. Tang Chiu Ping, Raymond (<i>Chairman</i>) | 2/2 | 100% |
| Stephen Burnau Hunt先生 | Mr. Stephen Burnau Hunt | 2/2 | 100% |
| 李晉頤先生 | Mr. Lee Jin Yi | 2/2 | 100% |
| 陳記煊先生 | Mr. Chan Kee Huen, Michael | 2/2 | 100% |
| Fritz Heinrich Horlacher先生 | Mr. Fritz Heinrich Horlacher | 2/2 | 100% |

截至二零一四年十二月三十一日止年度，薪酬委員會：

During the year ended 31 December 2014, the Remuneration Committee:

- 對執行董事及高級管理層的表現進行評估；
 - 檢討董事及高級管理層的薪酬架構／待遇以及就其薪酬向董事會提供推薦建議；
 - 釐定提名董事的政策；
 - 討論董事會多元化政策的實行情況；及
 - 就於下屆股東週年大會建議重選退任董事向董事會作出推薦建議。
- assessed the performance of the executive Director and the senior management;
 - reviewed the remuneration structure/ package of the Directors and the senior management, and made recommendation to the Board on their remuneration;
 - determined policy for the nomination of Directors;
 - discussed the implementation of the Board diversity policy; and
 - made recommendation to the Board on the proposed re-election of the retiring Directors at the forthcoming annual general meeting.

企業管治報告 Corporate Governance Report

截至二零一四年十二月三十一日止年度董事酬金明細如下：

The following table shows the breakdown of Directors' remuneration for the year ended 31 December 2014:

| | | 薪金、津貼和 袍金 | 實物福利 | 退休福利 計劃供款 | 總計 |
|--------------------------|--------------------------------------|-----------------|--|---|-----------------|
| | | Fees | Salaries, allowances and benefits in kind | Retirement benefit plans contributions | Total |
| | | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 |
| 執行董事： | Executive Director: | | | | |
| 劉幫民 | Liu Bang Min | – | 365 | 18 | 383 |
| 非執行董事： | Non-executive Directors: | | | | |
| Stephen Burnau Hunt | Stephen Burnau Hunt | 39 | – | – | 39 |
| 李晉頤 | Lee Jin Yi | – | – | – | – |
| 湯軍 | Tang Jun | – | 10 | – | 10 |
| 陶芳芳 | Tao Fang Fang | – | – | – | – |
| 葉佩玲 | Yip Pui Ling, Rebecca | – | – | – | – |
| 獨立非執行董事： | Independent non-executive Directors: | | | | |
| 陳記煊 | Chan Kee Huen, Michael | 32 | – | – | 32 |
| 鄧昭平 | Tang Chiu Ping, Raymond | 32 | – | – | 32 |
| Fritz Heinrich Horlacher | Fritz Heinrich Horlacher | 29 | – | – | 29 |
| | | 132 | 375 | 18 | 525 |

截至二零一四年十二月三十一日止年度高級管理人員的成員按組別劃分的酬金：

The remuneration of the members of the senior management by band for the year ended 31 December 2014:

| | | 二零一四年 2014 人數 No of individuals |
|---------------------|-------------------------|--|
| 零至129,000美元 | Nil–US\$129,000 | 2 |
| 129,001美元至193,500美元 | US\$129,001–US\$193,500 | 1 |
| 193,501美元至258,000美元 | US\$193,501–US\$258,000 | 4 |

執行委員會

本公司的執行委員會由一名執行董事及三名非執行董事組成，非執行董事李晉頤先生現為執行委員會主席。

董事會已成立執行委員會並制定書面職權範圍，列明董事會賦予的職務、職責及權力。執行委員會的主要職務及職責包括審閱財務及財務相關事宜、協助制訂年度及中長期公司策略、審批新業務發展計劃及審批研發項目。

執行委員會成員通常每月舉行會議，及時了解本集團最新的經營情況和業績表現，以及監察並確保管理層實行董事會所訂立的方向及策略。

截至二零一四年十二月三十一日止年度，執行委員會舉行了十次會議，而各成員的出席情況如下：

Executive Committee

The Executive Committee of the Company consists of one executive Director and three non-executive Directors. Mr. Lee Jin Yi, a non-executive Director, currently serves as the chairman of the Executive Committee.

The Board has established the Executive Committee with specific written terms of reference setting out the duties, responsibilities and authorities delegated by the Board. The major duties and responsibilities of the Executive Committee include reviewing the financials and financial-related matters, assisting in developing annual and medium- to long-term corporate strategies, reviewing and approving new business development plans, and reviewing and approving research and development projects.

Executive Committee members normally meet every month to keep abreast of the latest activities and performance of the Group and to monitor and ensure that management carries out the directions and strategies set by the Board.

The Executive Committee held ten meetings during the year ended 31 December 2014 with the attendance of each member as follows:

| 執行委員會成員姓名 | Name of Executive Committee members | 出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held | 出席率 Attendance rate |
|-----------|-------------------------------------|--|------------------------|
| 李晉頤先生(主席) | Mr. Lee Jin Yi (Chairman) | 10/10 | 100% |
| 劉幫民先生 | Mr. Liu Bang Min | 10/10 | 100% |
| 陶芳芳女士 | Ms. Tao Fang Fang | 10/10 | 100% |
| 葉佩玲女士 | Ms. Yip Pui Ling, Rebecca | 7/10 | 70% |

問責及審核

財務報告

董事知悉彼等須根據法定要求及會計標準編製本集團財務報表的責任，亦知悉彼等須確保本集團財務報表適時刊發的責任。

香港立信德豪會計師事務所有限公司知悉其於截至二零一四年十二月三十一日止年度之綜合財務報表的核數師報告內之報告責任。

董事及核數師有關財務報表的責任載列於本報告第65至66頁「獨立核數師報告」。

管理層每月向董事會全體成員提供更新資料，詳細載列有關本集團的表現及狀況，提供平衡及易於理解的評估。

核數師酬金

於本年度，香港立信德豪會計師事務所有限公司獲委任為本集團核數師，任期至下屆股東週年大會結束時止。

於截至二零一四年十二月三十一日止年度，就香港立信德豪會計師事務所有限公司提供之核數及非核數服務而已付／應付之費用如下：

Accountability and Audit

Financial Reporting

The Directors acknowledge their responsibilities for preparing the financial statements of the Group in accordance with statutory requirements and accounting standards. The Directors also acknowledge their responsibilities to ensure that the financial statements for the Group are published in a timely manner.

BDO Limited acknowledges its reporting responsibilities in the auditor's report on the consolidated financial statements for the year ended 31 December 2014.

The Directors' and auditor's responsibilities in respect of the financial statements are set out in the "Independent Auditor's Report" on pages 65 to 66 in this report.

Management has provided to all members of the Board with monthly updates giving a balanced and understandable assessment of the Group's performance and position in detail.

Auditor's Remuneration

During the year, BDO Limited was appointed as the Group's auditor until the conclusion of next AGM.

During the year ended 31 December 2014, the fees paid/payable to BDO Limited in respect of audit and non-audit services were as follows:

| 服務性質 | Services rendered | 已付／應付費用 Fee paid/payable 千美元 US\$'000 |
|-------|--------------------|--|
| 核數服務 | Audit services | 150 |
| 非核數服務 | Non-audit services | 27 |

非核數服務主要包括有關關連交易的中期審閱及其他專業服務。

The non-audit services mainly consisted of interim review and other professional services in relation to the connected transactions.

公司秘書

公司秘書梅志雄先生在對董事會的支援上發揮重要作用，確保董事會內資訊暢順流通及依循董事會政策及程序。

Company Secretary

The Company Secretary, Mr. Mui Chi Hung, plays an important role in supporting the Board by ensuring good information flow within the Board and that board policy and procedures are followed.

全體董事可獲得公司秘書的建議及服務，而公司秘書就管治及監管事項定期向董事會提供最新資料，並安排董事的入職培訓及專業發展。

於截至二零一四年十二月三十一日止年度，公司秘書已進行不少於15小時的專業培訓，符合上市規則第3.29條的規定。

內部監控及風險評估

董事會須負責本集團的內部監控系統並須負責檢討該系統的成效，包括財務、營運及合規監控。董事會致力實施有效及完善的內部監控系統以保障股東的利益及本集團的資產。

為進一步鞏固本集團的內部監控，本公司已成立內部監管部門。本公司多名部門主管定期與內部監管部門會面，確保本集團設有及維持健全的內部監控制度。為增進本集團相關人員的知識，本公司於適當時就相關規則及適用法例向彼等提供培訓。

年內，內部監管部門已就某些重要監控領域（涉及財務、營運及合規監控以及風險管理功能）進行內部監控審閱。本公司認為內部監管部門現時屬充足，並將於日後有需要時考慮成立內部審核職能。

此外，管理層已經分析監控環境及風險評估，評估各項所實行的監控措施，並與董事會協定內部監控制度的檢討範圍。檢討方式包括與有關管理層及職員進行討論、審閱有關內部監控系統的文件、對內部監控設計上任何不足之處的結果進行評估，以及提供改善建議（如適用）。另一方面，董事會繼續不時檢討業務發展及營運對內部監控系統的影響，以評價本集團設立內部審核職能的需要。

All Directors may access to the advice and services of the Company Secretary who regularly updates the Board on governance and regulatory matters and should also facilitate induction and professional development of Directors.

During the year ended 31 December 2014, the Company Secretary has undertaken no less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

Internal Control and Risk Assessment

The Board is responsible for the internal control system of the Group and has the responsibility for reviewing its effectiveness including financial, operational and compliance controls. The Board is committed to implementing an effective and sound internal control system to safeguard the interest of shareholders and the Group's assets.

To further strengthen the internal control of the Group, an internal control department was established. Several department heads of the Company met with the internal control department regularly to ensure a sound internal control system is in place and maintained. To enhance the knowledge of relevant staff of the Group, training will be provided to them in the matter of relevant rules and applicable laws as and when appropriate.

During the year, the internal control department has performed internal control reviews covering certain key control areas including financial, operational and compliance controls and risk management functions. The Company considered that the internal control department is sufficient at this moment and will consider establishing an internal audit function in the future if necessary.

Also, management has analysed the control environment and risk assessment, assessed the various controls implemented and agreed with the Board on the scope of review over the system of internal controls. The approach of the review includes discussing with relevant management and staff members, reviewing relevant documentation of the internal control system and evaluating findings on any deficiencies in the design of the internal controls and developing recommendations for improvement, where appropriate. On the other hand, the Board continues to review, from time to time, the impact of development of business and operations on the system of internal control to evaluate the need for setting up an internal audit function for the Group.

管理層已向審核委員會報告檢討結果，使其能就系統的成效進行評估。審核委員會曾舉行會議討論調查所得，並已認可有關的檢討結果送交董事會審閱。基於所提供的資料連同其本身的觀察，並在審核委員會的協助下，董事會信納就本集團的營運及業務性質及規模而言，現行內部監控及風險管理程序達滿意水準。董事會將繼續確保管理層會不時就系統及程序作適當檢討，以保持高水準的內部監控，並將於必要時對內部監控作出改變。

Management has reported the results of the reviews to the Audit Committee for its evaluation on the effectiveness of the system. Meetings were held by the Audit Committee to discuss the findings and the results of the reviews which were endorsed for reporting to the Board. The Board is satisfied that, based on the information supplied, coupled with its own observations and with the assistance of the Audit Committee, the present internal controls and risk management processes are satisfactory for the nature and size of the Group's operations and business. The Board will continue to ensure that appropriate review of the systems and procedures is being carried out by management from time to time to maintain a high standard of internal control and will make appropriate changes to the internal control system, if necessary.

內幕消息

本公司對於有關處理及發放內幕消息的程序及內部監控措施：

- 知悉其根據上市規則及證券及期貨條例項下的責任，原則是涉及內幕消息時必須在有所決定後即時公佈；
- 成立內幕消息監控團隊，監察內幕消息事宜並及時向董事會匯報；
- 根據證券及期貨事務監察委員會頒佈的內幕消息披露指引實施其自訂的政策及申報制度；及
- 就外界對本集團事務作出的查詢訂立及落實回應程序。

Inside information

With respect to the procedures and internal controls for the handling and dissemination of inside information, the Company

- is aware of its obligations under the Listing Rules and the SFO and the overriding principle that information which is expected to be inside information should be announced once it is the subject of a decision;
- has set up an inside information control team to supervise inside information matters and report to the Board in a timely manner;
- has implemented its own policy and reporting system based on Guidelines on Disclosure of Inside Information issued by the Securities and Futures Commission; and
- has established and implemented procedures for responding to external enquiries about the Group's affairs.

董事及高級職員的責任

於二零一四年／二零一五年度，本公司已為所有董事及高級管理人員更新董事及高級職員的責任保險。該等保險就企業活動上所產生的成本、費用、開支及責任為該等董事及高級管理人員提供保障。

Directors' and officers' liability

The Company has renewed Directors' and Officers' liabilities insurance for all the Directors and senior management of the Company for the year 2014/2015. The insurance covers them against costs, charges, expenses and liabilities incurred arising out of corporate activities.

與股東的溝通

董事認同本公司股東長期支持的重要性，故董事會非常重視股東表達觀點的權利，並對股東向本公司提供建議感到由衷感謝。

本公司的投資者關係活動包括：

- 定期與分析員及投資者舉行會議（一對一會議／小組會議、路演或實地考察）；
- 與分析員及傳媒舉行會議，宣佈公司業績；
- 舉行股東週年大會，以提供機會讓股東直接與董事會溝通；
- 按時於本公司及聯交所網站刊發公告、中期報告、年報及／或通函；及
- 於本公司網站提供本集團的最新資料。

於截至二零一四年十二月三十一日止年度，本公司之組織章程大綱及章程細則並無變動。

股東權利

本公司股東週年大會為股東提供機會，可與董事、管理層及外聘核數師會面並向他們提問。

本公司將安排董事會主席及各董事委員會的主席出席股東週年大會，與股東交流意見及解答股東問題。

只要股東的股份已記錄於本公司股東名冊，任何股東便有權出席股東週年大會，且本公司鼓勵股東出席股東週年大會。本公司將於大會舉行前最少20個完整營業日或21整日（以較長者為準）向股東發出股東週年大會通知。

本公司上屆股東週年大會為於二零一四年五月二十九日在香港金鐘道95號統一中心十樓統一會議中心一號廳舉行的二零一四年股東週年大會（「二零一四年股東週年大會」）。全體董事及本公司外聘核數師香港立信德豪會計師事務所有限公司均有出席二零一四年股東週年大會。

Communications with Shareholders

The Directors recognise the importance of long-term support from the shareholders of the Company. The Board highly respects the shareholders' rights to express their views and appreciates their suggestions to the Company.

Our investor relations activities include:

- regular meetings (one-to-one/group meetings, roadshows or site visits) with analysts and investors;
- conferences with analysts and the press to announce the Company's results;
- the holding of an AGM which provides an opportunity for the shareholders to communicate directly with the Board;
- the publication of announcements, interim reports, annual reports and/or circulars on a timely basis via the Company's and the Stock Exchange's websites; and
- the availability of the latest information of the Group on the Company's website.

There is no change in the Company's memorandum and articles of association during the year ended 31 December 2014.

Shareholder's Rights

The AGM provides opportunities for the shareholders to meet and raise questions to our Directors, management and the external auditor.

The Company will arrange for the Chairman of the Board and the respective chairman of each of the Board Committees to attend the AGM to exchange views with shareholders and answer their questions.

Any shareholder is encouraged and entitled to attend the AGM, provided that their shares have been recorded in the register of members of the Company. The notice of AGM will be given to all shareholders at least 20 clear business days or 21 clear days (whichever is longer) before the meeting.

The last annual general meeting of the Company was the 2014 annual general meeting ("2014 AGM"), held on 29 May 2014 at Room 1, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong. All Directors and the external auditor of the Company, BDO Limited, attended the 2014 AGM.

本公司於二零一四年股東週年大會上提呈獨立決議案，包括建議宣派末期股息、重選董事、續聘核數師、授權發行及購回股份的一般授權。本公司採用按股數投票方式表決所有決議案。

所有於二零一四年股東週年大會上向股東提呈的決議案已獲通過。本公司香港股份過戶登記處卓佳證券登記有限公司獲委任為監票人，監察及點算於大會的表決票數。按股數投票表決的結果於大會上宣佈以及於本公司及聯交所網站登載。

股東可召開股東特別大會（「股東特別大會」）的途徑

本公司董事須應股東要求立即正式召開股東特別大會，該等股東須於提出要求當日持有附帶於本公司股東大會表決權利的不少於十分一本公司繳足股本，而不論其章程細則為何。

提出要求須列明召開會議目的，並須由要求者簽署，呈交至本公司的主要營業地點（地址為香港德輔道中189號李寶椿大廈12樓1203-4室）予公司秘書，當中或附有若干文件，由一名或多名要求者簽署的各張表格。

有關要求將由本公司的股份過戶登記處核實，並待彼等確認該要求為恰當後，公司秘書將向董事會提出將有關決議案載入股東特別大會議程內。

如董事自提交要求當日起計二十一內並無正式召開大會，要求者可自行召開大會，惟任何就此召開的大會須於所述日期起計兩個月內舉行。

向董事會提問的程序

問題須以書面提出並隨附提問者的聯絡資料，呈交至本公司的主要營業地點（地址為香港德輔道中189號李寶椿大廈12樓1203-4室）予公司秘書。

At the 2014 AGM, separate resolutions including declaration of final dividend, the re-election of Directors, the re-appointment of auditor, the authorisation to grant the general mandate to issue and repurchase of shares were proposed. The Company adopted poll voting for all resolutions.

All resolutions put to shareholders at the 2014 AGM were passed. The Company's Hong Kong Share Registrar, Tricor Investor Services Limited, was appointed as scrutineers to monitor and count the poll votes cast at that meeting. The results of the voting by poll were declared at the meeting and published on the websites of the Company and the Stock Exchange.

The way by which shareholders can convene an extraordinary general meeting ("EGM")

The Directors, notwithstanding anything in the Company's articles of association shall, on the requisition of shareholders holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company having the right of voting at general meetings of the Company, forthwith proceed duly to convene an EGM.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the Company Secretary at the Company's principal place of business at Suites 1203-4, 12/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong, and may consist of several documents in like form each signed by one or more requisitionists.

The request will be verified with the Company's Share Registrars and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the resolution in the agenda for the EGM.

If the Directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of two months from the said date.

The procedures for sending enquiries to the Board

The enquiries must be in writing with contact information of the requisitionists and deposited at the Company Secretary at the Company's principal place of business at Suites 1203-4, 12/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong.

於股東大會動議的程序

如於股東週年大會或股東特別大會提呈議案，股東須附上該等議案的書面通知，連同詳細聯絡資料，呈交至本公司的主要營業地點（地址為香港德輔道中189號李寶椿大廈12樓1203-4室）予公司秘書。有關要求將由本公司的股份過戶登記處核實，並待彼等確認該要求為恰當後，公司秘書將向董事會提出將有關決議案載入股東大會議程內。

就股東於股東週年大會或股東特別大會所提呈議案而給予全體股東考慮的通知期限根據議案的性質釐定如下：

- 倘議案於股東特別大會上構成一項普通決議案，最少14日書面通知（通知期包括10個營業日）。
- 倘議案於股東特別大會上構成本公司一項特別決議案或於股東週年大會上構成本公司任何一項決議案，最少21日書面通知（通知期包括20個營業日）。

投資者關係的聯絡事宜

本公司重視股東、投資者及公眾人士的反饋意見。歡迎透過以下途徑向本公司提出查詢及建議：

香港

請按以下方式聯絡我們的公司秘書：

電話：(852) 2828 9285
郵件：香港德輔道中189號李寶椿大廈
12樓1203-4室
電郵：ir@lansen.com.cn

中國

請按以下方式聯絡我們的投資者關係部：

電話：(86) 755 2532 3058
郵件：中國深圳市羅湖區紅寶路139號
京基100 D座1804室
(郵編518001)
電郵：ir@lansen.com.cn

於本公司網站www.lansen.com.cn可提供最新的投資者關係資料。

The procedures for making proposals at Shareholders' Meetings

To put forward proposals at an AGM or EGM, the shareholders should submit a written notice of those proposals with detailed contact information to the Company Secretary at the Company's principal place of business at Suites 1203-4, 12/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong. The request will be verified with the Company's Share Registrars and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the resolution in the agenda for the general meeting.

The notice period to be given to all shareholders for consideration of the proposal raised by the shareholders concerned at an AGM or EGM varies according to the nature of the proposal, as follows:

- At least 14 days' notice (the notice period must include 10 business days) in writing if the proposal constitutes an ordinary resolution of the Company in an EGM.
- At least 21 days' notice (the notice period must include 20 business days) in writing if the proposal constitutes a special resolution of the Company in an EGM or any resolution of the Company in an AGM.

Investor Relations Contacts

The Company values feedbacks from shareholders, investors and the public. Enquiries and proposals are welcome and can be put to the Company via the following means:

Hong Kong

Please contact our Company Secretary at:

By phone：(852) 2828 9285
By post：Suite 1203-4, 12/F., Li Po Chun Chambers,
189 Des Voeux Road Central, Hong Kong
By e-mail：ir@lansen.com.cn

The PRC

Please contact our Investor Relations Department at:

By phone：(86) 755 2532 3058
By post：Room 1804, Tower D, KK100, 139 Hongbao Road,
Luohu District, Shenzhen, PRC (Post code 518001)
By e-mail：ir@lansen.com.cn

The latest investor relations information is available on the Company's website at www.lansen.com.cn.

獨立核數師報告 Independent Auditor's Report



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永安中心25樓

致朗生醫藥控股有限公司股東
(於開曼群島註冊成立的有限公司)

To the shareholders of Lansen Pharmaceutical Holdings Limited
(incorporated in the Cayman Islands with limited liability)

本核數師(以下簡稱「我們」)已審計列載於第67至148頁朗生醫藥控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一四年十二月三十一日的綜合及公司財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋資料。

We have audited the consolidated financial statements of Lansen Pharmaceutical Holdings Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 67 to 148, which comprise the consolidated and company statements of financial position as at 31 December 2014, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據《國際財務報告準則》及香港《公司條例》的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見，並按照審計業務約定書的條文僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

我們已根據《國際審計準則》進行審計。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存在任何重大錯誤陳述。

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

BDO Limited
香港立信德豪會計師事務所有限公司

BDO Limited, a Hong Kong limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

獨立核數師報告

Independent Auditor's Report

審計涉及執行情序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據《國際財務報告準則》真實而公平地反映 貴公司及 貴集團於二零一四年十二月三十一日的事務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

香港立信德豪會計師事務所有限公司
執業會計師

余翠芳
執業證書編號：P05440

香港，二零一五年三月二十七日

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2014 and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

BDO Limited
Certified Public Accountants

Yu Tsui Fong
Practising Certificate Number: P05440

Hong Kong, 27 March 2015

綜合損益及其他全面收益表

Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零一四年十二月三十一日止年度 For the year ended 31 December 2014

| | | 二零一四年 2014 | 二零一三年 2013 |
|---------------------|---|-----------------|--------------------|
| | | 千美元 US\$'000 | 千美元 US\$'000 |
| | | 附註 Notes | |
| 收入 | Revenue | 6 | 116,817 |
| 銷售成本 | Cost of sales | | (54,346) |
| 毛利 | Gross profit | | 62,471 |
| 其他收入 | Other income | 6 | 3,609 |
| 銷售及分銷開支 | Selling and distribution expenses | | (33,497) |
| 行政開支 | Administrative expenses | | (13,661) |
| 經營溢利 | Profit from operations | 8 | 18,922 |
| 財務成本 | Finance costs | 9 | (3,010) |
| 應佔聯營公司之 除稅後溢利 | Share of post-tax profit of an associate | | 2,156 |
| 除所得稅前溢利 | Profit before income tax | | 18,068 |
| 所得稅開支 | Income tax expense | 11 | (4,088) |
| 年度溢利 | Profit for the year | | 13,980 |
| 其他全面收益 | Other comprehensive income | | |
| 期後可能重新分類至 損益之項目： | <i>Item that may be reclassified subsequently to profit or loss:</i> | | |
| 換算海外業務產生之 匯兌差額 | Exchange differences arising on translation of foreign operations | | (1,199) |
| 年度其他全面收益 (扣除稅項) | Other comprehensive income for the year, net of tax | | (1,199) |
| 年度全面收益總額 | Total comprehensive income for the year | | 12,781 |
| 本公司擁有人應佔溢利 | Profit attributable to owners of the Company | 12 | 13,980 |
| 本公司擁有人應佔全面 收益總額 | Total comprehensive income attributable to owners of the Company | | 12,781 |
| 每股盈利 — 基本及攤薄 | Earnings per share — basic and diluted | 14 | 3.4美仙 cents |
| | | | 2.8美仙 cents |

綜合財務狀況表

Consolidated Statement of Financial Position

於二零一四年十二月三十一日 As at 31 December 2014

| | | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|--------------|---|-------------|----------------------------------|----------------------------------|
| | | 附註 Notes | | |
| 資產 | ASSETS | | | |
| 非流動資產 | Non-current assets | | | |
| 物業、廠房及設備 | Property, plant and equipment | 16 | 34,819 | 35,012 |
| 預付土地租賃款項 | Prepaid land lease payment | 17 | 2,354 | 2,440 |
| 無形資產 | Intangible assets | 18 | 23,299 | 13,301 |
| 商譽 | Goodwill | 19 | 6,824 | 6,824 |
| 於聯營公司之權益 | Interest in an associate | 20 | 35,113 | 34,109 |
| | | | 102,409 | 91,686 |
| 流動資產 | Current assets | | | |
| 存貨 | Inventories | 21 | 16,880 | 17,185 |
| 貿易及其他應收款項 | Trade and other receivables | 22 | 70,036 | 57,465 |
| 預付土地租賃款項 | Prepaid land lease payment | 17 | 59 | 59 |
| 可收回稅項 | Tax recoverable | | — | 500 |
| 已抵押銀行存款 | Pledged bank deposits | 23 | 27,072 | 14,458 |
| 現金及現金等價物 | Cash and cash equivalents | 23 | 15,819 | 11,029 |
| | | | 129,866 | 100,696 |
| 總資產 | Total assets | | 232,275 | 192,382 |
| 權益及負債 | EQUITY AND LIABILITIES | | | |
| 資本及儲備 | Capital and reserves | | | |
| 本公司擁有人應佔權益 | Equity attributable to owners of the Company | | | |
| 股本 | Share capital | 24 | 4,150 | 4,150 |
| 股份溢價 | Share premium | 25 | 30,819 | 39,645 |
| 外匯儲備 | Foreign exchange reserve | 25 | 12,261 | 13,460 |
| 法定儲備 | Statutory reserve | 25 | 7,874 | 6,650 |
| 保留溢利 | Retained profits | | 59,501 | 46,745 |
| 總權益 | Total equity | | 114,605 | 110,650 |

綜合財務狀況表

Consolidated Statement of Financial Position

於二零一四年十二月三十一日 As at 31 December 2014

| | | 附註 Notes | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-----------------|--|-------------|----------------------------------|----------------------------------|
| 非流動負債 | Non-current liabilities | | | |
| 遞延稅項負債 | Deferred tax liabilities | 27 | 993 | 378 |
| 流動負債 | Current liabilities | | | |
| 借貸 | Borrowings | 26 | 84,811 | 59,152 |
| 流動稅項負債 | Current tax liabilities | | 1,776 | 1,566 |
| 貿易及其他應付款項 | Trade and other payables | 28 | 28,974 | 20,636 |
| 其他金融負債 | Other financial liabilities | 29 | 1,116 | — |
| | | | 116,677 | 81,354 |
| 總負債 | Total liabilities | | 117,670 | 81,732 |
| 總權益及負債 | Total equity and liabilities | | 232,275 | 192,382 |
| 流動資產淨值 | Net current assets | | 13,189 | 19,342 |
| 總資產減流動負債 | Total assets less current liabilities | | 115,598 | 111,028 |

第67至148頁的財務報表已於二零一五年三月二十七日獲董事會批准及授權刊發，並由以下人士代表簽署：

The financial statements on pages 67 to 148 were approved and authorised for issue by the Board of Directors on 27 March 2015 and are signed on its behalf by:

董事
Director
劉幫民
LIU Bang Min

董事
Director
葉佩玲
YIP Pui Ling, Rebecca

財務狀況表

Statement of Financial Position

截至二零一四年十二月三十一日止年度 As at 31 December 2014

| | | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-----------------|---|-------------|----------------------------------|----------------------------------|
| | | 附註 Notes | | |
| 資產 | ASSETS | | | |
| 非流動資產 | Non-current assets | | | |
| 於附屬公司之權益 | Interest in a subsidiary | 15 | 25,020 | 25,020 |
| 流動資產 | Current assets | | | |
| 應收附屬公司款項 | Amount due from a subsidiary | 15 | 7,828 | 16,998 |
| 預付款項 | Prepayments | | — | 19 |
| 現金及現金等價物 | Cash and cash equivalents | 23 | 5,005 | 3 |
| | | | 12,833 | 17,020 |
| 總資產 | Total assets | | 37,853 | 42,040 |
| 權益及負債 | EQUITY AND LIABILITIES | | | |
| 資本及儲備 | Capital and reserves | | | |
| 本公司擁有人應佔權益 | Equity attributable to owners of the Company | | | |
| 股本 | Share capital | 24 | 4,150 | 4,150 |
| 股份溢價 | Share premium | 25 | 30,819 | 39,645 |
| 累計虧損 | Accumulated losses | 25 | (2,322) | (1,955) |
| 總權益 | Total equity | | 32,647 | 41,840 |
| 流動負債 | Current liabilities | | | |
| 借貸 | Borrowings | 26 | 5,000 | — |
| 應計款項 | Accruals | 28 | 206 | 200 |
| 總負債 | Total liabilities | | 5,206 | 200 |
| 總權益及負債 | Total equity and liabilities | | 37,853 | 42,040 |
| 流動資產淨值 | Net current assets | | 7,627 | 16,820 |
| 總資產減流動負債 | Total assets less current liabilities | | 32,647 | 41,840 |

董事
Director

劉幫民
LIU Bang Min

董事
Director

葉佩玲
YIP Pui Ling, Rebecca

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二零一四年十二月三十一日止年度 For the year ended 31 December 2014

| | | 股本 | 股份溢價 | 外匯儲備 | 法定儲備 | 保留溢利 | 總權益 |
|------------------|---|------------------------------------|---------------|--------------------------|-------------------|------------------|--------------|
| | | Share capital | Share premium | Foreign exchange reserve | Statutory reserve | Retained profits | Total equity |
| | | 千美元 | 千美元 | 千美元 | 千美元 | 千美元 | 千美元 |
| | | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| 截至二零一三年 | | Year ended 31 December 2013 | | | | | |
| 十二月三十一日止年度 | | | | | | | |
| 於二零一三年一月一日之結餘 | Balance at 1 January 2013 | 4,150 | 49,568 | 9,981 | 5,347 | 36,357 | 105,403 |
| 股息(附註13) | Dividends (note 13) | — | (9,923) | — | — | — | (9,923) |
| 與擁有人進行交易 | Transactions with owners | — | (9,923) | — | — | — | (9,923) |
| 年度溢利 | Profit for the year | — | — | — | — | 11,691 | 11,691 |
| 其他全面收益 | Other comprehensive income | — | — | 3,479 | — | — | 3,479 |
| 年度全面收益總額 | Total comprehensive income for the year | — | — | 3,479 | — | 11,691 | 15,170 |
| 轉撥至法定儲備 | Appropriations to statutory reserve | — | — | — | 1,303 | (1,303) | — |
| 於二零一三年十二月三十一日之結餘 | Balance at 31 December 2013 | 4,150 | 39,645 | 13,460 | 6,650 | 46,745 | 110,650 |
| 截至二零一四年 | | Year ended 31 December 2014 | | | | | |
| 十二月三十一日止年度 | | | | | | | |
| 於二零一四年一月一日之結餘 | Balance at 1 January 2014 | 4,150 | 39,645 | 13,460 | 6,650 | 46,745 | 110,650 |
| 股息(附註13) | Dividends (note 13) | — | (8,826) | — | — | — | (8,826) |
| 與擁有人進行交易 | Transactions with owners | — | (8,826) | — | — | — | (8,826) |
| 年度溢利 | Profit for the year | — | — | — | — | 13,980 | 13,980 |
| 其他全面收益 | Other comprehensive income | — | — | (1,199) | — | — | (1,199) |
| 年度全面收益總額 | Total comprehensive income for the year | — | — | (1,199) | — | 13,980 | 12,781 |
| 轉撥至法定儲備 | Appropriations to statutory reserve | — | — | — | 1,224 | (1,224) | — |
| 於二零一四年十二月三十一日之結餘 | Balance at 31 December 2014 | 4,150 | 30,819 | 12,261 | 7,874 | 59,501 | 114,605 |

綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一四年十二月三十一日止年度 For the year ended 31 December 2014

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|--------------------|--|----------------------------------|----------------------------------|
| 來自經營業務之現金流量 | Cash flows from operating activities | | |
| 除所得稅前溢利 | Profit before income tax | 18,068 | 15,081 |
| 調整： | Adjustments for: | | |
| 已確認財務成本 | Finance costs recognised | 3,010 | 1,653 |
| 利息收入 | Interest income | (452) | (417) |
| 應佔聯營公司之除稅後溢利 | Share of post-tax profit of an associate | (2,156) | (1,590) |
| 貿易應收款項減值／(撥回) | Provision for/ (Reversal of) impairment of trade receivables | 10 | (568) |
| 其他應收款項減值／(撥回) | Provision for/ (Reversal of) impairment of other receivables | 15 | (4) |
| 物業、廠房及設備折舊 | Depreciation of property, plant and equipment | 2,624 | 1,783 |
| 預付土地租賃款項攤銷 | Amortisation of prepaid land lease payment | 64 | 64 |
| 出售物業、廠房及設備虧損 | Losses on disposals of property, plant and equipment | 7 | 137 |
| 出售無形資產之收益 | Gain on disposals of intangible assets | (34) | — |
| 無形資產撇銷 | Write off of intangible assets | 729 | 328 |
| 無形資產攤銷 | Amortisation of intangible assets | 630 | 597 |
| 陳舊存貨減值撥備 | Provision for impairment of obsolete inventories | 247 | 95 |
| 營運資金變動前之經營溢利 | Operating profit before working capital changes | 22,762 | 17,159 |
| 存貨增加 | Increase in inventories | (96) | (5,060) |
| 貿易及其他應收款項增加 | Increase in trade and other receivables | (13,757) | (2,933) |
| 貿易及其他應付款項增加 | Increase in trade and other payables | 8,514 | 19 |
| 經營產生之現金 | Cash generated from operations | 17,423 | 9,185 |
| 已付利息 | Interest paid | (2,972) | (1,733) |
| 已付所得稅 | Income tax paid | (2,758) | (3,126) |

綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一四年十二月三十一日止年度 For the year ended 31 December 2014

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|--------------------|--|----------------------------------|----------------------------------|
| 經營活動產生之現金淨額 | <i>Net cash generated from operating activities</i> | 11,693 | 4,326 |
| 來自投資活動之現金流量 | Cash flows from investing activities | | |
| 已抵押銀行存款增加 | Increase in pledged bank deposits | (12,689) | (5,822) |
| 已抵押其他應收款減少 | Decrease in pledged other receivables | 659 | 2,670 |
| 購買物業、廠房及設備 | Purchase of property, plant and equipment | (2,758) | (6,355) |
| 出售無形資產所得款項 | Proceeds from disposals of intangible assets | 402 | — |
| 購買無形資產 | Purchase of intangible assets | (10,762) | (2,725) |
| 出售物業、廠房及設備所得款項 | Proceeds from disposals of property, plant and equipment | 6 | 63 |
| 收取聯營公司股息 | Dividend received from an associate | 836 | 426 |
| 已收利息 | Interest received | 452 | 417 |
| 投資活動所用現金淨額 | <i>Net cash used in investing activities</i> | (23,854) | (11,326) |
| 來自融資活動之現金流量 | Cash flows from financing activities | | |
| 借貸所得款項 | Proceeds from borrowings | 87,829 | 64,986 |
| 償還借貸款項 | Repayment of borrowings | (61,975) | (48,675) |
| 已付股息 | Dividends paid | (8,826) | (9,923) |
| 融資活動產生之現金淨額 | <i>Net cash generated from financing activities</i> | 17,028 | 6,388 |
| 現金及現金等價物之淨(增加)/減少 | Net increase/(decrease) in cash and cash equivalents | 4,867 | (612) |
| 年初現金及現金等價物 | Cash and cash equivalents at beginning of year | 11,029 | 11,381 |
| 匯率變動之影響 | Effects of exchange rate changes | (77) | 260 |
| 年末現金及現金等價物 | Cash and cash equivalents at end of year | 15,819 | 11,029 |

1. 公司資料

朗生醫藥控股有限公司(「本公司」)於二零零九年九月十日在開曼群島註冊成立為獲豁免有限公司，其股份自二零一零年五月七日起在香港聯合交易所有限公司(「聯交所」)主板上市。本公司的註冊辦事處為Clifton House, 75 Fort Street, P. O. Box 1350, Grand Cayman KY1-1108, Cayman Islands。本公司的主要營業地點位於香港德輔道中189號李寶椿大廈12樓1203-4室。

本公司的主要業務活動為投資控股。本公司附屬公司(連同本公司，統稱「本集團」)的主要業務活動為製造及買賣藥品。本集團主要在中華人民共和國(「中國」)進行業務，詳情載於附註33。年內，本集團業務概無重大變動。

本公司為Cathay International Holdings Limited(「CIH」)的附屬公司，該公司在百慕達註冊成立，其股份在倫敦證券交易所上市。董事認為最終控股公司為CIH。

2. 綜合財務報表編製基準

綜合財務報表乃根據國際會計準則委員會(「國際會計準則委員會」)頒佈的所有適用國際財務報告準則、國際會計準則及詮釋(以下統稱「國際財務報告準則」)及香港《公司條例》的披露規定編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則(「上市規則」)規定的適用披露。

綜合財務報表根據歷史成本基準編製，惟於各報告期末按公平值計量的若干金融負債則除外。計量基準詳情載於以下會計政策。除另有註明外，綜合財務報表以美元(「美元」)(即等同本公司的功能貨幣)呈列，而所有價值均調整至最接近千位。

1. Corporate Information

Lansen Pharmaceutical Holdings Limited (the "Company") is an exempted limited liability company incorporated in the Cayman Islands on 10 September 2009 and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 7 May 2010. The Company's registered office is located at Clifton House, 75 Fort Street P. O. Box 1350, Grand Cayman KY1-1108, the Cayman Islands. The Company's principal place of business is located at Suites 1203-4, 12/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries (together with the Company referred to as the "Group") are manufacturing and trading of pharmaceutical products. The principal activities of the Group are carried out in the People's Republic of China (the "PRC") and are set out in note 33. There were no significant changes in the Group's operations during the year.

The Company is a subsidiary of Cathay International Holdings Limited ("CIH"), a company incorporated in Bermuda and whose shares are listed on the London Stock Exchange. The directors consider the ultimate holding company to be CIH.

2. Basis of Preparation of Consolidated Financial Statements

The consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards, International Accounting Standards and Interpretations (hereinafter collectively referred to as "IFRSs") issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The consolidated financial statements have been prepared under the historical cost basis except for certain financial liabilities that are measured at fair values at the end of each reporting period. The measurement bases are fully described in the accounting policies set out below. The consolidated financial statements are presented in United States Dollars ("US\$"), which is the same as the functional currency of the Company and all values are rounded to the nearest thousand except when otherwise indicated.

3. 採納新訂及經修訂國際財務報告準則

3.1 採納新訂及經修訂國際財務報告準則 — 於二零一四年一月一日生效

| | |
|---------------------------------|-------------|
| 國際財務報告準則 | 投資實體 |
| 第10號、國際財務報告準則第12號及國際會計準則第27號的修訂 | (二零一一年) |
| 國際會計準則 | 抵銷金融資產及金融負債 |
| 第32號的修訂 | |
| 國際財務報告詮釋委員會 — 詮釋第21號 | 徵費 |

除下文闡釋者外，採納此等修訂對本集團的財務報表並無重大影響。

國際會計準則第32號的修訂，抵銷金融資產及金融負債

此等修訂通過對國際會計準則第32號加設應用指引而澄清有關抵銷之規定，該指引對實體「目前擁有法律上可強制執行權利以抵銷」之時間以及總額結算機制被認為是等同於淨額結算之時間作出澄清。此修訂可予追溯應用。由於本集團並無抵銷類似安排，採納此修訂對該等財務報表並無產生影響。

3. Adoption of New and Revised IFRSs

3.1 Adoption of new and revised IFRSs — effective 1 January 2014

| | |
|---------------------------|---|
| Amendments to IFRS 10, | Investment Entities |
| IFRS 12 and IAS 27 | (2011) |
| Amendments to IAS 32 | Offsetting Financial Assets and Financial Liabilities |
| IFRIC — Interpretation 21 | Levies |

Except as explained below, the adoption of these amendments has no material impact on the Group's financial statements.

Amendments to IAS 32, Offsetting Financial Assets and Financial Liabilities

The amendments clarify the offsetting requirements by adding application guidance to IAS 32 which clarifies when an entity "currently has a legally enforceable right to set off" and when a gross settlement mechanism is considered equivalent to net settlement. The amendments are applied retrospectively. The adoption of the amendments has no impact on these financial statements as the Group does not have any offsetting arrangements.

3. 採納新訂及經修訂國際財務報告準則(續)

3.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則

本集團並無提早採納下列已頒佈但尚未生效的新訂及經修訂國際財務報告準則(與本集團的財務報表可能相關)。

| | |
|----------------------------|---|
| 國際財務報告準則(修訂) | 國際財務報告準則二零一零年至二零一二年週期的年度改進 ² |
| 國際財務報告準則(修訂) | 國際財務報告準則二零一一年至二零一三年週期的年度改進 ¹ |
| 國際財務報告準則(修訂) | 國際財務報告準則二零一二年至二零一四年週期的年度改進 ³ |
| 國際財務報告準則第9號(二零一四年) | 金融工具 ⁵ |
| 國際財務報告準則第15號 | 與客戶訂約收入 ⁴ |
| 國際會計準則第1號的修訂 | 披露決定 ³ |
| 國際會計準則第16號及國際會計準則第38號的修訂 | 對可接受的折舊及攤銷方法的闡釋 ³ |
| 國際會計準則第27號的修訂 | 獨立財務報表的權益法 ³ |
| 國際財務報告準則第10號及國際會計準則第28號的修訂 | 投資者與其聯營公司或合營企業之間的資產出售或注資 ³ |

¹ 於二零一四年七月一日或之後開始的年度期間生效

² 於二零一四年七月一日或之後開始的年度期間或於該日期或之後發生的交易生效

3. Adoption of New and Revised IFRSs (Continued)

3.2 New and revised IFRSs that have been issued but are not yet effective

The following new and revised IFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

| | |
|----------------------------------|--|
| IFRSs (Amendments) | Annual Improvements IFRSs 2010–2012 Cycle ² |
| IFRSs (Amendments) | Annual Improvements IFRSs 2011–2013 Cycle ¹ |
| IFRSs (Amendments) | Annual Improvements IFRSs 2012–2014 Cycle ³ |
| IFRS 9 (2014) | Financial Instruments ⁵ |
| IFRS 15 | Revenue from Contracts with Customers ⁴ |
| Amendments to IAS 1 | Disclosure Initiative ³ |
| Amendments to IAS 16 and IAS 38 | Clarification of Acceptable Methods of Depreciation and Amortisation ³ |
| Amendments to IAS 27 | Equity Method in Separate Financial Statements ³ |
| Amendments to IFRS 10 and IAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ |

¹ Effective for annual periods beginning on or after 1 July 2014

² Effective for annual periods beginning, or transactions occurring, on or after 1 July 2014

3. 採納新訂及經修訂國際財務報告準則(續)

3.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

- ³ 於二零一六年一月一日或之後開始的年度期間生效
- ⁴ 於二零一七年一月一日或之後開始的年度期間生效
- ⁵ 於二零一八年一月一日或之後開始的年度期間生效

國際財務報告準則第9號(二零一四年)·金融工具

國際財務報告準則第9號引入有關金融資產分類及計量的新規定。根據為持有資產以收取合約現金流量的業務模式(業務模式測試)的目標持有並以所訂立合約條款產生的現金流量純粹用作支付尚未償還本金額的本金及利息(合約現金流量特點測試)的債務工具一般按攤銷成本計量。倘實體的業務模式兼具持有及收取合約現金流量以及出售金融資產，則符合合約現金流量特點測試的債務工具乃按以公平值計入其他全面收益(「以公平值計入其他全面收益」)計量。實體可於初步確認時不可撤回地選擇按以公平值計入其他全面收益以計量並非持作買賣的權益工具。所有其他債務及權益工具均以按公平值變動列入損益。

國際財務報告準則第9號(二零一四年)包括就並非以按公平值變動列入損益計量的所有金融資產設立新增的預期虧損減值模式，取代於國際會計準則第39號的產生虧損模式，以及新增一般對沖會計規定，以容許實體於財務報表更有效反映其風險管理活動。

3. Adoption of New and Revised IFRSs (Continued)

3.2 New and revised IFRSs that have been issued but are not yet effective (Continued)

- ³ Effective for annual periods beginning on or after 1 January 2016
- ⁴ Effective for annual periods beginning on or after 1 January 2017
- ⁵ Effective for annual periods beginning on or after 1 January 2018

IFRS 9 (2014), Financial Instruments

IFRS 9 (2014) introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income ("FVTOCI") if the objective of the entity's business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss ("FVTPL").

IFRS 9 (2014) includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in IAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

3. 採納新訂及經修訂國際財務報告準則(續)

3.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第9號(二零一四年)·金融工具(續)

國際財務報告準則第9號(二零一四年)沿用國際會計準則第39號有關金融負債的確認、分類及計量規定，惟按以公平值計入其他全面收益劃分的金融負債除外，其中歸因於負債的信貨風險變動的公平值變動數額乃於其他全面收益確認，惟因此新增或擴大會計錯配者除外。此外，國際財務報告準則第9號(二零一四年)保留國際會計準則第39號有關終止確認金融資產及金融負債的規定。

國際財務報告準則第15號·與客戶訂約收入

當國際財務報告準則第15號生效後，將取代現時的收入確認指引，包括國際會計準則第18號收入、國際會計準則第11號建築合約及相關詮釋。國際財務報告準則第15號的核心原則為實體所確認的收入應指明為向客戶轉移經承諾的商品或服務，而金額為反映實體預期就交換該等商品或服務而有權獲得的代價。具體而言，該項準則引入有關收入確認的5步模式：1) 識別與客戶訂立的合約；2) 識別合約內的履約責任；3) 釐定交易價格；4) 將交易價格分配至合約內的履約責任；及5) 於實體達成履約責任時(或就此)確認收入。

根據國際財務報告準則第15號，當實體於達成履約責任時(或就此)確認收入，即當與特定履約責任相關的商品或服務的「控制權」轉移予客戶時。國際財務報告準則第15號已加入更為明確的指引以處理特定情況。此外，國際財務報告準則第15號要求更為廣泛的披露。

3. Adoption of New and Revised IFRSs (Continued)

3.2 New and revised IFRSs that have been issued but are not yet effective (Continued)

IFRS 9 (2014), Financial Instruments (Continued)

IFRS 9 (2014) carries forward the recognition, classification and measurement requirements for financial liabilities from IAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, IFRS 9 (2014) retains the requirements in IAS 39 for derecognition of financial assets and financial liabilities.

IFRS 15, Revenue from Contracts with Customers

IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related Interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition: 1) identify the contract(s) with a customer; 2) identify the performance obligations in the contract; 3) determine the transaction price; 4) allocate the transaction price to the performance obligations in the contract; and 5) recognise revenue when (or as) the entity satisfies a performance obligation.

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

3. 採納新訂及經修訂國際財務報告準則(續)

3.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第15號，與客戶訂約收入(續)

本集團亦正在評估此等新修訂及經修訂國際財務報告準則的潛在影響。董事目前尚未適宜對本集團財務報表所受之影響作出量化評估。

4. 主要會計政策概要

編製該等財務報表所採用的主要會計政策概述於下文。除另有說明外，該等政策已於所有呈列年度貫徹應用。

綜合基準

綜合財務報表包含本公司及由本公司控制的實體及其附屬公司的財務報表。

附屬公司乃於本集團取得有關附屬公司的控制權起開始綜合入賬，並於本集團失去有關附屬公司的控制權時終止綜合入賬。具體而言，年內所收購或出售附屬公司的收入及開支乃自本集團取得控制權當日起計入綜合損益及其他全面收益表，直至本集團不再控制有關附屬公司的日期為止。

如有需要，將會對附屬公司的財務報表作出調整，使其會計政策與本集團的會計政策一致。

有關本集團成員之間交易的所有集團內公司間的資產及負債、權益、收入、支出及現金流量均於綜合入賬時悉數對銷。

3. Adoption of New and Revised IFRSs (Continued)

3.2 New and revised IFRSs that have been issued but are not yet effective (Continued)

IFRS 15, Revenue from Contracts with Customers (Continued)

The Group is in the process of making an assessment of the potential impact of these new and revised IFRSs and the directors are not yet in a position to quantify the effects on the Group's financial statements.

4. Summary of Significant Accounting Policies

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

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

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

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

4. 主要會計政策概要(續)

附屬公司

附屬公司為本公司可對其行使控制權的被投資方。倘以下三項要素均存在，則本公司控制被投資方：對被投資方擁有權力；承擔或享有被投資方產生的可變回報的風險或權利；及有能力運用其權力以影響有關可變回報。如有事實及情況顯示控制權的任何此等要素可能有所變動，則會重新評估控制權。

在本公司財務狀況表內，附屬公司權益按成本減任何減值虧損列賬。附屬公司業績由本公司按報告日期的已收及應收股息入賬。所有股息，不論是否從被投資方的收購前或收購後溢利中收取，均在本公司的損益內確認。

商譽

收購業務所產生的商譽按收購業務當日所確定成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽乃分配予預期會從合併的協同效益中受惠的本集團各現金產生單位(或現金產生單位組別)(「現金產生單位」)。

已獲分配商譽的現金產生單位乃每年進行減值測試，或於有跡象顯示該單位可能減值時更頻繁地進行測試。就於某個報告期間內進行收購所產生的商譽而言，已獲分配商譽的現金產生單位將於該報告期間結束前進行減值測試。倘現金產生單位的可收回金額少於其賬面值，則首先分配減值虧損以減少該單位獲分配的任何商譽的賬面值，再根據該單位各項資產的賬面值按比例分配予該單位的其他資產。商譽的任何減值虧損直接於損益內確認。就商譽確認的減值虧損不會於往後期間撥回。

出售相關現金產生單位時，商譽的應佔金額乃計入於出售時釐定的損益金額。

4. Summary of Significant Accounting Policies (Continued)

Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, interest in a subsidiary is carried at cost less any impairment losses. The result of the subsidiary is accounted for by the Company on the basis of dividends received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

Goodwill

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

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) ("CGU") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

4. 主要會計政策概要(續)

商譽(續)

本集團有關收購聯營公司所產生商譽的政策於有關聯營公司的政策中詳述。

聯營公司

聯營公司為本集團對其擁有重大影響且並非為附屬公司或屬合營安排的實體。重大影響指參與被投資方的財務及經營決策但並非控制或共同控制該等政策的權力。

聯營公司的業績及資產與負債乃採用權益會計法計入此等綜合財務報表。根據權益法，於聯營公司的權益初步按成本於綜合財務狀況表確認，其後則調整以確認本集團應佔聯營公司的損益及其他全面收益。當本集團應佔一間聯營公司虧損超出本集團於該聯營公司的權益(包括任何實質上組成本集團於該聯營公司投資淨額一部分的長期權益)，則本集團將終止確認其應佔進一步虧損。倘本集團代表該聯營公司產生法定或推定責任或作出付款時，方會確認進一步虧損。

於聯營公司的權益自被投資方成為聯營公司當日起使用權益法入賬。於收購聯營公司的權益時，投資成本超出本集團應佔被投資方可識別資產及負債公平值淨額的任何部分乃確認為商譽，並計入有關投資的賬面值內。本集團應佔可識別資產及負債公平值淨額超出投資成本的任何部分，經重估後乃直接於收購有關投資期間的損益中確認。

4. Summary of Significant Accounting Policies (Continued)

Goodwill (Continued)

The Group's policy for goodwill arising on the acquisition of an associate is described in policy for associate.

Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an interest in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

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

4. 主要會計政策概要(續)

聯營公司(續)

國際會計準則第39號的規定乃用於釐定是否需要就本集團於聯營公司的權益確認任何減值虧損。如有需要，投資的全部賬面值(包括商譽)乃根據國際會計準則第36號資產減值作為單一資產，並通過比較可收回金額(即使用價值與公平值減出售成本的較高者)與其賬面值進行減值測試。已確認的任何減值虧損構成有關投資賬面值的一部分。該減值虧損的任何撥回乃根據國際會計準則第36號予以確認，惟以有關投資的可收回金額其後增加者為限。

當投資不再作為聯營公司當日或當投資(或其一部份)獲分類為持作出售起，本集團乃終止使用權益法。當本集團保留於前聯營公司的權益，且有關的保留權益為金融資產時，則本集團於該日按公平值計量保留權益，而公平值則被視為根據國際會計準則第39號首次確認時的公平值。聯營公司於終止使用權益法當日的賬面值與任何保留權益的公平值及出售聯營公司部份權益所得任何所得款項之間的差額，乃計入於出售時所釐定聯營公司的損益。此外，倘該聯營公司直接出售相關資產或負債，則本集團將需要按相同基準將該聯營公司以往於其他全面收益確認的所有金額入賬。因此，倘該聯營公司以往於其他全面收益確認的損益將重新分類為出售相關資產或負債的損益，則本集團乃於終止使用權益法時將來自權益的盈虧重新分類至損益(列作重新分類調整)。

當本集團減少其於聯營公司的所有權權益但本集團繼續使用權益法時，則本集團會將以往於其他全面收益確認而有關減少所有權權益比例的盈虧重新分類至損益，惟前提是該盈虧於出售相關資產或負債時將重新分類至損益。

4. Summary of Significant Accounting Policies (Continued)

Associates (Continued)

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's interest in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment (or a portion thereof) is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

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

4. 主要會計政策概要(續)

聯營公司(續)

當集團實體與本集團的聯營公司進行交易(例如出售或注入資產),則與聯營公司交易所產生的損益乃於本集團的綜合財務報表確認,惟僅以與本集團無關的聯營公司權益為限。

物業、廠房及設備

物業、廠房及設備(包括持作生產或提供貨品或服務或作行政用途的土地及樓宇,但按下文所述不包括在建物業)以成本減累計折舊及減值虧損(如有)列賬。

物業、廠房及設備成本包括其購買價及收購該等項目的直接應計成本。

僅當與資產項目相關的未來經濟利益可能流入本集團及該項目成本能可靠計量時,其後成本方會計入該資產賬面值或確認為獨立資產(如適用)。被取代部分的賬面值終止確認。所有其他維修及保養於產生期間在損益內確認為開支。

物業、廠房及設備透過於物業、廠房及設備(在建物業除外)的估計可使用年期內以直線法撇銷項目成本減估計剩餘價值後進行折舊。估計可使用年期、估計剩餘價值及折舊法於每個報告期末檢討,任何估計變動影響往後入賬。主要類別的物業、廠房及設備折舊如下:

| | |
|-------|--------|
| 樓宇及廠房 | 20至50年 |
| 機器 | 3至10年 |
| 汽車 | 5至12年 |
| 傢俱及設備 | 5至15年 |

4. Summary of Significant Accounting Policies (Continued)

Associates (Continued)

When a group entity transacts with an associate of the Group (such as a sale or contribution of assets), profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Property, plant and equipment

Property, plant and equipment including land and buildings held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below) are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the period in which they are incurred.

Property, plant and equipment are depreciated so as to write off the cost of items of property, plant and equipment (other than properties under construction) less their estimated residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, estimated residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The major categories of property, plant and equipment are depreciated as follows:

| | |
|-------------------------|-------------|
| Building and plant | 20–50 years |
| Machinery | 3–10 years |
| Motor vehicles | 5–12 years |
| Furniture and equipment | 5–15 years |

4. 主要會計政策概要 (續)

物業、廠房及設備 (續)

在建工程按成本減減值虧損列賬。成本包括專業費用、直接建築成本及(就合資格資產而言)按本集團的會計政策資本化的借貸成本。當令資產可作其擬定用途所需的一切建築工程大致完成時，該等成本將不再資本化，而在建工程乃轉撥至物業、廠房及設備的適當類別。於完成及預備作其擬定用途之前，在建工程不會計提任何折舊。

倘資產的賬面值高於其估計可收回金額，則資產乃即時撇減至其可收回金額。

物業、廠房及設備項目於出售時或於預期不會因繼續使用有關資產產生未來經濟效益時終止確認。因出售或終止使用物業、廠房及設備項目而產生的任何收益或虧損會按出售所得款項淨額與資產賬面值之間的差額釐定，並於出售時在損益內確認。

預付土地租賃款項

預付土地租賃款項指收購土地使用長期權益的首付款。該等付款按成本減累計攤銷及任何減值虧損列賬。攤銷在介乎48至50年的租賃期內按直線法計算。

無形資產(商譽除外)及研發成本

無形資產(商譽除外)

獨立收購的無形資產初步按成本確認。初步確認後，可使用年期有限的無形資產會按成本減累計攤銷及任何減值虧損列賬。可使用年期有限的無形資產會於估計可使用年期內按直線法作攤銷撥備。無形資產於可供使用時開始計算攤銷。攤銷開支於損益內確認並計入行政開支。

可使用年期無限的無形資產會按成本減其後任何累計減值虧損列賬。

4. Summary of Significant Accounting Policies (Continued)

Property, plant and equipment (Continued)

Construction in progress is stated at cost less impairment losses. Costs include professional fees, direct costs of construction and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Capitalisation of these costs ceases and the construction in progress is transferred to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net sales proceeds and its carrying amount, and is recognised in profit or loss on disposal.

Prepaid land lease payment

Prepaid land lease payment represent up-front payments to acquire long term interest in the usage of land. These payments are stated at cost less accumulated amortisation and any impairment losses. Amortisation is calculated on straight-line method over the lease terms between 48 to 50 years.

Intangible assets (other than goodwill) and research and development costs

Intangible assets (other than goodwill)

Intangible assets acquired separately are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any impairment losses. Amortisation for intangible assets with finite useful lives is provided on straight-line method over their estimated useful lives. Amortisation commences when the intangible assets are available for use. The amortisation expense is recognised in profit or loss and included in administrative expenses.

Intangible assets with indefinite useful lives are carried at cost less any subsequent impairment accumulated losses.

4. 主要會計政策概要(續)

無形資產(商譽除外)及研發成本(續)

研發成本

個別項目開發開支產生的無形資產在符合以下確認規定時確認：

- 顯示供內部使用或出售的準產品具技術可行性；
- 本集團有意完成及使用或出售無形資產；
- 本集團顯示有能力使用或出售無形資產；
- 無形資產將透過內部使用或出售而產生可能經濟利益；
- 有足夠技術、財務及其他資源支持無形資產的完成；及
- 歸屬於該無形資產的開支能夠可靠計量。

不符上述標準的開發開支及內部項目研究階段的開支於產生時在損益確認。

可使用年期有限的已資本化開發成本於產品可供使用時按直線法於估計可使用年期攤銷。攤銷開支於損益內確認並計入行政開支。可使用年期無限的已資本化開發成本每年進行減值測試。

無形資產於出售時或預期於使用或出售不會帶來未來經濟效益時終止確認。終止確認無形資產時所產生的收益或虧損(以出售所得款項淨額與該資產賬面值的差額計算)將於終止確認資產期間的損益內確認。

4. Summary of Significant Accounting Policies (Continued)

Intangible assets (other than goodwill) and research and development costs (Continued)

Research and development costs

An intangible asset arising from development expenditure on an individual project is recognised provided they meet the following recognition requirements:

- demonstration of technical feasibility of completing the prospective product for internal use or sale;
- there is intention to complete the intangible asset and use or sell it;
- the Group's ability to use or sell the intangible asset is demonstrated;
- the intangible asset will generate probable economic benefits through internal use or sale;
- sufficient technical, financial and other resources are available for completion; and
- the expenditure attributable to the intangible asset can be reliably measured.

Development expenditure which does not meet the above criteria and expenditure on the research phase of internal projects are recognised in profit or loss when incurred.

Capitalised development costs that have a finite useful life are amortised on straight-line method over their estimated useful lives, when the products are available for use. The amortisation expense is recognised in profit or loss and included in administrative expenses. Capitalised development costs with indefinite useful lives are tested for impairment annually.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4. 主要會計政策概要 (續)

有形及無形資產(商譽除外)的減值

可使用年期無限的無形資產及尚未可供使用的無形資產通過比較其賬面值與可回收金額每年進行減值測試，而不論是否有跡象顯示其可能減值。

於報告期末，本集團審閱可使用年期有限的有形及無形資產賬面值，以釐定是否存在任何跡象顯示該等資產已遭受減值虧損。倘存在上述任何跡象，本公司將估計資產的可收回金額，以釐定減值虧損(如有)的程度。如無法估計某項個別資產的可收回金額，本集團會估計該項資產所屬的現金產生單位的可收回金額。倘能識別一個合理和貫徹的分配基準，亦會將企業資產分配至個別現金產生單位，或分配至可以識別合理和貫徹的分配基準的現金產生單位最小組合。

可收回金額指公平值減銷售成本與在用價值兩者間的較高者。於評定在用價值時，估計未來現金流量以稅前折現率折現至現值，而稅前折現率反映現時市場評估的貨幣時間價值及資產特定風險。

倘資產(或現金產生單位)的可收回金額估計少於其賬面值，則資產(或現金產生單位)的賬面值將調低至其可收回金額。減值虧損即時於損益中確認，除非相關資產按重估值列賬，在該情況下，減值虧損作為重估減值處理。

4. Summary of Significant Accounting Policies (Continued)

Impairment of tangible and intangible assets (other than goodwill)

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired.

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets that have a finite useful life to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

4. 主要會計政策概要(續)

有形及無形資產(商譽除外)的減值(續)

倘有形及無形資產(商譽除外)的減值虧損其後撥回，則資產(或現金產生單位)的賬面值會調高至經修訂的估計可收回金額，惟已增加的賬面值不得超越在資產於過往年度並無確認減值虧損的情況下釐定的賬面值(扣除任何折舊或攤銷)。減值虧損撥回即時於損益內確認，除非相關資產按重估值列賬，在該情況下，減值虧損撥回作為重估增值處理。

金融工具

當本公司／本集團成為工具合約條文的訂約方時，會確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量。因收購或發行金融資產及金融負債(按公平值計入損益的金融資產及金融負債除外)而直接產生的交易成本於初步確認時於該項金融資產或金融負債的公平值中計入或扣除(如適用)。因收購按公平值計入損益的金融資產或金融負債而直接產生的交易成本即時於損益內確認。

金融資產

本集團的金融資產分類為貸款及應收款項。常規買賣的所有金融資產根據買賣日期確認及終止確認。常規買賣指須於規例或有關市場慣例設立的時間框架內交付資產的金融資產買賣。

4. Summary of Significant Accounting Policies (Continued)

Impairment of tangible and intangible assets (other than goodwill) (Continued)

Where an impairment loss of tangible and intangible assets (other than goodwill) subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined, net of any depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Financial assets and financial liabilities are recognised when the Company/Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace concerned.

4. 主要會計政策概要 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項指於活躍市場並無報價的定額或可釐定付款的非衍生金融資產。貸款及應收款項(包括貿易及其他應收款項、已抵押銀行存款以及現金及現金等價物)以實際利率法按攤銷成本減任何已識別減值虧損(請參閱下文金融資產減值的會計政策)列賬。

實際利率法

實際利率法為計算金融資產攤銷成本及於有關期間分配利息收入的方法。實際利率指將金融資產於整個預計年期或(倘適用)較短期間的估計未來現金收款(包括構成實際利率組成部分的所有已付或已收費用、交易成本及其他溢價或折讓)準確折現至初步確認時賬面淨值的利率。

金融資產減值

金融資產應在報告期末評估是否存在減值跡象。如果存在客觀證據，顯示金融資產的估計未來現金流量將因初步確認該金融資產後發生的一項或多項事件而受影響，則該金融資產出現減值。

就金融資產而言，減值的客觀證據可包括：

- 發行人或交易對手出現重大財政困難；或
- 違約(例如未能繳付或延遲償還利息及本金)；或
- 借款人有可能面臨破產或進行財務重組；或
- 因財政困難而導致金融資產失去活躍市場；或
- 權益工具投資的公平值大幅或持續下降至低於其成本。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These (including trade and other receivables, pledged bank deposits and cash and cash equivalents) are carried at amortised cost using effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties; or
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

4. 主要會計政策概要 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

就若干類別金融資產(如貿易及其他應收款項)而言，已評估為不會單獨作出減值的資產其後會一併評估減值。應收款項組合減值的客觀證據可包括本集團過往收款記錄、組合中逾期六個月至一年的平均信貸期的拖欠付款宗數增加，及與拖欠應收款項有關的國家或地方經濟狀況出現明顯變動。

就按攤銷成本列賬的金融資產而言，當有客觀證據顯示資產減值時，會於損益確認減值虧損，並按資產賬面值與按原實際利率折現的估計未來現金流量現值的差額計量。

金融資產的所有減值虧損會直接於金融資產賬面值中扣減，惟賬面值透過使用撥備賬扣減的貿易及其他應收款項則除外。撥備賬內的賬面值變動會於損益中確認。當貿易及其他應收款項被視為不可收回時，將於撥備賬內撇銷。

倘於隨後期間減值虧損的數額減少，而此項減少與確認減值虧損後發生的一項事件有客觀聯繫，則先前確認的減值虧損於損益中撥回，惟撥回減值當日的資產賬面值不得超過在並無確認減值情況下的攤銷成本。

金融負債及權益

本公司／本集團發行的金融負債及權益工具根據所訂立合約安排實質與金融負債及權益工具的定義分類。

金融負債分類為「按攤銷成本計量的金融負債」或「按公平值計入損益的金融負債」。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For certain categories of financial assets, such as trade and other receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of six months to one year, and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade and other receivable is considered uncollectible, it is written off against the allowance account.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Company/ Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified as either "financial liabilities at amortised cost" or "financial liabilities at fair value through profit or loss".

4. 主要會計政策概要 (續)

金融工具 (續)

金融負債及權益 (續)

按攤銷成本計量的金融負債

金融負債為支付現金或其他金融資產(包括借貸、貿易及其他應付款項)的責任，於本集團成為工具合約責任訂約方時確認，最初按公平值(扣除發行成本)入賬。該等負債其後按攤銷成本使用實際利率法計量。

按公平值計入損益的金融負債

金融負債於金融負債在初步確認時持作買賣或指定按公平值計入損益時分類為按公平值計入損益。

倘符合下列準則，金融負債可於初步確認時指定按公平值計入損益：(i)有關指定消除或在很大程度上削減了以不同基準計量負債或確認其收益或虧損可能導致的不一致的處理；(ii)有關負債屬於一組金融負債的一部分，該等金融負債根據已制定的風險管理策略按公平值基準管理及評估其表現；或(iii)金融負債包括須單獨入賬的嵌入式衍生工具。

於初步確認後，按公平值計入損益的金融負債按公平值計量，而公平值的變動則於其產生期間於損益確認。

實際利率法

實際利率法為計算金融負債攤銷成本及於有關期間分配利息開支的方法。實際利率為準確折現金融負債於預計年期或(倘適用)較短期間內的估計未來現金付款的利率。

利息開支按實際利率基準確認。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at amortised cost

Financial liabilities are obligations to pay cash or other financial assets including borrowings, trade and other payables are recognised when the Group becomes party to the contractual obligations of the instrument and are initially recorded at fair value, net of issue costs. They are subsequently measured at amortised cost, using effective interest method.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or is designated as at fair value through profit or loss on initial recognition.

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

4. 主要會計政策概要(續)

金融工具(續)

金融負債及權益(續)

權益工具

權益工具為證明本集團於扣減所有負債後在資產中有剩餘權益的任何合約。

本公司所發行的權益工具按已收所得款項減直接發行成本列賬。

終止確認

當從資產收取現金流量的合約權利屆滿或金融資產已轉讓，且本集團已轉讓金融資產擁有權絕大部分風險及回報時，會終止確認金融資產。

終止確認金融資產時，資產賬面值與已收及應收代價以及已於其他全面收益確認並於權益累計的累計收益或虧損總額之間的差額，於損益確認。

金融負債於有關合約訂明的責任獲履行、註銷或屆滿時終止確認。終止確認的金融負債賬面值與已付及應付代價之間的差額，於損益確認。

存貨

存貨按成本與可變現淨值兩者中的較低者列賬。成本包括直接材料及(如適用)直接勞工成本及將存貨送達目前位置和狀況所產生的經常性費用。成本按加權平均法計算。可變現淨值指存貨在日常業務中的估計售價減所有估計完工成本以及營銷、銷售及分銷所產生的成本。

現金及現金等價物

現金及現金等價物包括銀行及手頭現金，銀行活期存款及短期而易於套現的投資，而該等投資並無重大的價值變動風險，可隨時兌換成可知數額的現金，且原有到期時限不超過三個月。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derecognition

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Cash and cash equivalents

Cash and cash equivalents represent cash at banks and in hand, demand deposits with banks and short-term highly liquid investment with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

4. 主要會計政策概要 (續)

收入確認

收入按已收或應收代價的公平值計量，指日常業務中所出售貨品及他人使用本集團資產所產生的利息並扣除折扣後的應收款項。倘經濟利益可能流入本集團，且收入及成本(如適用)能夠可靠計量，則收入確認如下：

貨品銷售收入於轉讓擁有權的風險及回報(即貨品付運及所有權轉移至客戶)時確認。

利息收入根據結存本金及時間基準按實際利率累計。

所得稅

年內所得稅包括當期稅項及遞延稅項。

當期稅項根據日常業務所得損益(已就毋須繳納所得稅或不獲寬減所得稅的項目作出調整)，按於報告期末已頒佈或實質上已頒佈的稅率計算。

遞延稅項會就用作財務報告用途的資產及負債賬面值與用作稅項用途的相應金額的暫時差額確認。除商譽及不影響會計或應課稅溢利的已確認資產及負債外，會就所有暫時差額確認遞延稅項負債。遞延稅項資產於有可能動用應課稅溢利抵銷可扣減暫時差額時確認。遞延稅項按適用於預期變現資產或結清負債賬面值的方式以及於報告期末已頒佈或實質上已頒佈的稅率計量。

所得稅於損益內確認，惟當所得稅涉及於其他全面收益內確認的項目時，有關稅項亦於其他全面收益內確認，或當所得稅涉及直接於權益內確認的項目時，有關稅項亦直接於權益內確認。

4. Summary of Significant Accounting Policies (Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business and the use by others of the Group's assets yielding interest, net of discounts. Provided it is probable that the economic benefits will flow to the Group and revenue and costs, if applicable, can be reliably measured, revenue is recognised as follows:

Revenue from sales of goods is recognised on transfer of risks and rewards of ownership, which is at the time of delivery and the title is passed to customer.

Interest income is accrued on time basis on the principal outstanding at effective interest rate.

Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the assets or liabilities is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

4. 主要會計政策概要(續)

外幣

本公司／集團實體以其業務營運所處的主要經濟環境貨幣(「功能貨幣」)以外的貨幣進行的交易，按進行交易時的當前匯率入賬。外幣貨幣資產及負債則以報告期末的當前匯率換算。以外幣列值並按公平值列賬的非貨幣項目按釐定公平值日期當前匯率重新換算。按外幣以歷史成本計量的非貨幣項目毋須重新換算。

因結算及換算貨幣項目而產生的匯兌差額會於產生期間在損益中確認。重新換算以公平值列賬的非貨幣項目所產生的匯兌差額於期內計入損益，惟重新換算非貨幣項目產生的盈虧差異於其他全面收益內確認，在此情況下，匯兌差額亦於其他全面收益確認。

於綜合賬目時，海外業務的收入及開支項目按年內平均匯率換算為本集團呈報貨幣(即美元)，除非期內匯率波幅嚴重，在此情況下，則使用交易進行時的相若匯率。海外業務所有資產及負債按報告期末的當前匯率換算。所產生的匯兌差額(如有)在其他全面收益內確認並於權益內作為外匯儲備累計。

出售海外業務時，確認於該業務截至出售日期止的外匯儲備的累計匯兌差額，將重新分類至損益，作為出售溢利或虧損的一部分。

租賃

當租賃條款將絕大部分擁有權的風險及回報轉移至承租人時，該租賃分類為融資租賃。其他所有租賃皆歸類為經營租賃。

4. Summary of Significant Accounting Policies (Continued)

Foreign currencies

Transactions entered into by the Company / group entities in currencies other than the currency of the primary economic environment in which it/they operate(s) (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. US\$) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

Leases

Leases are classified as finance leases whenever the term of the lease transfer substantially all the risks and rewards of ownership to lessee. All other leases are classified as operating leases.

4. 主要會計政策概要 (續)

租賃 (續)

本集團作為承租人

經營租賃應付的租金總額於租期內以直線法在損益中確認。已收取的租賃獎勵於租期內確認為租金開支總額的組成部分。

退休福利成本

僱員退休福利透過定額供款計劃提供。

本集團根據強制性公積金計劃條例(「強積金計劃」)設立定額供款退休福利計劃，供所有有資格參加強積金計劃的僱員參與。供款按僱員基本薪金的一定百分比或強積金計劃要求的最高強制性供款作出。

本集團於中國營運的附屬公司僱員則須參加由當地市政府設立的中央退休金計劃。該等附屬公司須按薪金成本的一定百分比向中央退休金計劃供款。

就退休福利計劃而言，本集團的唯一責任為作出指定供款。供款乃於到期應付時確認為有關定額供款福利計劃的開支。倘有欠款或預付款項，則可能確認負債及資產，並基於其通常為短期性質而計入流動負債或流動資產。

借貸成本

直接歸屬於購置、建造或生產合資格資產(須經過相當長時間才可作擬定用途或銷售用途的資產)的借貸成本，應資本化為該等資產成本的一部分，直至有關資產大致可作擬定用途或出售用途為止。有待用於合資格資產的特定借貸在用作臨時投資所賺取的收入，會從合資格資本化的借貸成本中扣除。

所有其他借貸成本於產生期間在損益確認。

4. Summary of Significant Accounting Policies (Continued)

Leases (Continued)

The Group as lessee

The total rentals payable under the operating leases are recognised in profit or loss on straight-line method over the lease term. Lease incentives received are recognised as an integrated part of the total rental expense, over the term of the lease.

Retirement benefit costs

Retirement benefits to employees are provided through defined contribution plans.

The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance (“MPF Scheme”), for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries or the maximum mandatory contribution as required by the MPF Scheme.

The employees of the Group’s subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of its payroll costs to the central pension scheme.

The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions. The contributions recognised in respect to defined contribution benefit plans are expenses as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short term nature.

Borrowings costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Income earned on temporary investments of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 主要會計政策概要(續)

政府補助金

政府補助金只能在合理確定可以取得補助金及本集團將符合所有附帶條件時按公平值確認。與成本相關的政府補助金將予遞延，並在損益確認，所確認期間為補助金與擬補助成本相應配合。與購買資產相關的政府補助金於綜合財務狀況表中計入負債作為遞延政府補助金，並於相關資產的預計年內以直線法在損益確認。

與收入相關的政府補助金於綜合損益及其他全面收益表「其他收入」項下合計呈列。

關連方

- (a) 倘屬以下人士，則該人士或該人士的近親為本集團關連方：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本公司母公司的主要管理層成員；
- (b) 倘符合下列任何條件，則該實體為本集團關連方：
- (i) 該實體與本集團屬同一集團的成員公司(即各自的母公司、附屬公司及同系附屬公司乃互相關連)；
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或集團成員公司的聯營公司或合營企業，而另一實體亦為該集團的成員公司)；
 - (iii) 該實體及本集團均為同一第三方的合營企業；

4. Summary of Significant Accounting Policies (Continued)

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of assets are included in liabilities as deferred government grants in the consolidated statement of financial position and are recognised in profit or loss on straight-line method over the expected lives of the related assets.

Government grants relating to income is presented in gross under "Other income" in the consolidated statement of profit or loss and other comprehensive income.

Related parties

- (a) A person or a close member to that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of the Company's parent;
- (b) An entity is related to the Group if any of the following conditions apply:
- (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) the entity and the Group are joint ventures of the same third party;

4. 主要會計政策概要 (續)

關連方 (續)

(b) (續)

- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
- (v) 實體為本集團或與本集團有關連的實體就僱員利益設立的離職福利計劃；
- (vi) 實體受(a)內所識別人士控制或共同控制；及
- (vii) (a)(i) 內所識別人士對實體有重大影響或屬該實體(或該實體的母公司)的主要管理層成員。

一名人士的近親指與該實體交易時預期可能影響該名人士或受該名人士影響的家庭成員，並包括：

- (i) 該名人士的子女及配偶或家庭夥伴；
- (ii) 該名人士的配偶或家庭夥伴的子女；及
- (iii) 該名人士或該名人士的配偶或家庭夥伴的家屬。

分部呈報

本集團根據定期向執行董事呈報的內部財務資料確定其經營分部及編製分部資料，該等財務資料乃供執行董事作為決定如何分配資源至本集團各業務分部及檢討該等業務分部表現之用。

4. Summary of Significant Accounting Policies (Continued)

Related parties (Continued)

(b) (Continued)

- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a); and
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components.

4. 主要會計政策概要(續)

分部呈報(續)

本集團根據國際財務報告準則第8號用於呈報分部的計量政策與其根據國際財務報告準則編製的財務報表所採用者一致，惟下述各項除外：

- 以權益法入賬的應佔聯營公司業績
- 所得稅
- 財務成本
- 非由經營分部業務活動直接應佔的公司收入及開支，於計算經營分部的經營業績時並未被包括在內。

5. 重要會計估計及判斷

於應用本集團的會計政策時，董事須就並非從其他來源顯而易見的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及認為屬有關的其他因素為基礎。實際結果有別於該等估計。

估計及相關假設按持續基準檢討。至於對會計估計的修訂，倘修訂僅影響該期間，則於修訂估計期間確認；倘修訂影響當前及未來期間，則於修訂期間及未來期間確認。

貿易及其他應收款項減值

貿易及其他應收款項減值乃根據可向債務人收回應收款項的機會進行評估所得。確定減值時需要管理層作出判斷及估計，倘未來實際結果或期望有異於原本估計，則該等差異將影響在該等估計改變期間應收款項和減值虧損／撥回減值虧損的賬面值。

4. Summary of Significant Accounting Policies (Continued)

Segment reporting (Continued)

The measurement policies the Group uses for reporting segments under IFRS 8 are the same as those used in its financial statements prepared under IFRS, except that:

- share of results of associate accounted for using equity method
- income tax
- finance costs
- corporate income and expenses which are not directly attributable to the business activities of any operating segment are not included in arriving at the operating results of the operating segment.

5. Critical Accounting Estimates and Judgements

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Impairment of trade and other receivables

Impairment of trade and other receivables is made based on assessment of the recoverability of receivables from debtors. The identification of the impairment requires management judgements and estimates where the actual outcome or expectation in future is different from the original estimate, such differences will impact the carrying value of the receivables and impairment losses/reversal of impairment losses in the period in which such estimate has been changed.

5. 重要會計估計及判斷(續)

無形資產的可使用年期

管理層估計開發成本(即內部產生的藥業知識產權及永久免專利費許可不會終止的技術專業知識)具有無限使用年期，皆因彼等相信，此等無形資產預計可以提供現金流量的期間並無可預見的期限，而此等知識產權可在某段期間內以極低成本續期，且產品可在市場上存續。

管理層為獨家分銷權及技術專業知識釐定估計可使用年期。該等估計乃參照資產的法定使用期限及本集團有意透過使用無形資產獲取未來經濟利益的估計期限。有關估計可因科技創新、客戶行為變化及競爭對手因應行業週期所採取的行動而顯著改變。

管理層將在估計可使用年期少於先前的估計年期時增加攤銷費用，或將於未來現金流量少於預期及下跌至低於無形資產賬面值時確認減值虧損。

當期所得稅及遞延稅項

本集團須繳納中國所得稅。釐定稅項撥備金額及相關稅項支付時間時，須作出重大判斷。一般業務中有多項交易及計算所釐定的最終稅項並不確定。本集團參考現行稅法及慣例根據可能出現的結果估計確認稅項。若該等事項的最終稅務結果與最初記錄的金額不同，則有關差額將影響釐定期間的所得稅及遞延稅項撥備。

5. Critical Accounting Estimates and Judgements (Continued)

Useful lives of intangible assets

The management estimates the development costs, which represented the intellectual property rights generated internally in pharmaceutical industry and technical know-how with perpetual royalty-free license with no termination, have indefinite useful lives as they believe that there is no foreseeable limit on the period of time over which these intangibles are expected to provide cash flows and these intellectual property rights can be renewable in a period of time at minimal cost and the products are continuing in the market.

The estimated useful lives of the exclusive distribution rights and technical know-how were made by the management with reference to the legal limits on the use of the assets and the estimated periods that the Group intends to derive future economic benefits from the use of intangible assets. It could change significantly as a result of technical innovations, changed customer behavior and competitor actions in response to industry cycles.

Management will increase the amortisation charge where useful lives are less than previously estimated lives, or will recognise impairment loss when future cash flows are less than expectation and fall below the carrying amount of the intangible assets.

Current income tax and deferred tax

The Group is subject to income taxes in the PRC. Significant judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxations. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises taxes based on estimates of the likely outcome with reference to current tax laws and practices. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provision in the period in which such determination is made.

5. 重要會計估計及判斷(續)

商譽減值

釐定商譽是否減值需要評估獲分配商譽的現金產生單位的在用價值。計算在用價值需要本集團估計預期源自現金產生單位的未來現金流量及合適的折現率以計算現值。當實際未來現金流量低於預期，則可能出現重大減值虧損。於二零一四年十二月三十一日，商譽賬面值為6,824,000美元。可收回金額計算詳情於附註19披露。

無形資產減值

無形資產的減值虧損乃就賬面值超出其可收回金額的數額確認。可收回金額為公平值減銷售成本及在用價值的較高者，乃參考於截至報告日期現有最佳資料釐定。倘本集團管理層改變評估減值的假設(包括現金流量預測中採用的折現率或經營及增長率假設)，或會對減值測試所用淨現值構成重大影響，因而影響本集團的財務狀況及營運業績。於二零一四年十二月三十一日，無形資產賬面值為23,299,000美元。

或然代價的公平值

本集團根據於附註29披露的對相關藥品未來表現結果的預計以及收購協議的條款釐定有關購入無形資產或然代價的公平值。或然代價的公平值將於未來表現結果與此前預測不相符時向上或向下調整，因此，或然代價公平值的變動會影響本集團的財務狀況及營運業績。

5. Critical Accounting Estimates and Judgements (Continued)

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2014, the carrying amount of goodwill is US\$6,824,000. Details of the recoverable amount calculation are disclosed in note 19.

Impairment of intangible assets

Impairment losses for intangible assets are recognised for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use, are determined with reference to the best information available at the end of the reporting date. Changing the assumptions selected by the Group's management in assessing impairment, including the discount rates or the operating and growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial position and results of operations. As at 31 December 2014, the carrying amount of intangible assets is US\$23,299,000.

Fair value of contingent consideration

The Group determines the fair value of contingent consideration of purchase of intangible assets as disclosed in note 29 based on the forecast of future performance results of the related pharmaceutical product and terms of acquisition agreement. The fair value of contingent consideration will be revised upward or downward where future performance results are different from previous forecast and as a result, the change of fair value of contingent consideration will affect the Group's financial position and results of operations.

6. 收入及其他收入

本集團於年內的收入(即本集團的營業額)及其他收入的分析如下:

6. Revenue and Other Income

An analysis of the Group's revenue, which is also the Group's turnover, and other income for the years are as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|---------|-----------------------------|----------------------------------|----------------------------------|
| 銷售貨品的收入 | Revenue from sales of goods | 116,817 | 95,074 |
| 其他收入 | Other income | | |
| 銀行利息收入 | Bank interest income | 452 | 417 |
| 政府補助金 | Government grants | 2,199 | 1,990 |
| 交接收入 | Transition income | 729 | — |
| 其他 | Others | 229 | 202 |
| | | 3,609 | 2,609 |

本集團獲中國地方政府提供補助金以嘉許本集團的表現及開發高科技藥品。收取的補助金不附帶任何條件。

The Group received grants from the local government in the PRC as recognition of the Group's performance and development of high-technology pharmaceutical products. The grants received were not subject to any conditions.

於二零一四年三月二十八日，本集團與 Novartis AG 及 Novartis Pharma AG (統稱「諾華」) 達成協議，以收購醫藥產品的權利與專業知識。由於在交接期內，本集團尚未取得在中國生產或進口該醫藥產品所需的許可證，因此諾華將向本集團提供交接服務，包括在中國供應該醫藥產品，以供諾華進行銷售。交接收入指轉移由諾華銷售該醫藥產品所產生的溢利。醫藥產品證書已在二零一五年三月轉讓到本集團。管理層預期交接期將於二零一五年內結束。

On 28 March 2014, the Group reached an agreement with Novartis AG and Novartis Pharma AG (collectively "Novartis") to acquire the rights and know-how related to pharmaceutical product. As the Group has not obtained the required licences to manufacture or import the pharmaceutical product in the PRC during the transition period, Novartis would supply the transition services to the Group which include the supply of the pharmaceutical product for sale carried out by Novartis in the PRC. Transition income represented the transfer of profit generated from the sales of pharmaceutical product by Novartis. The Certificate of Pharmaceutical Product was transferred to the Group in March 2015. The management expects the transition period will be ended by the end of 2015.

7. 分部資料

就資源分配及評估分部表現而向執行董事，即主要營運決策人呈報的資料乃以所交付的貨品類型為基礎。

本集團根據國際財務報告準則第8號的須予呈報及經營分部如下：

- 專科藥品：開發、生產及銷售主要用於風濕及皮膚科領域的專科產品
- 植物提取及保健產品：開發、生產及銷售中藥提取物及保健產品
- 其他藥品

以下為本集團按須予呈報及經營分部劃分的持續經營所產生的收入及業績分析。

截至二零一四年十二月三十一日止年度

7. Segment Information

Information reported to the executive directors, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance based on the types of goods delivered.

The Group’s reportable and operating segments under IFRS 8 are as follows:

- Specialty pharmaceuticals: development, production and sale of specialty pharmaceuticals mainly used in the field of rheumatology and dermatology
- Plant extract and healthcare products: development, production and sale of Chinese medicine extracts and healthcare products
- Other pharmaceuticals

The following is an analysis of the Group’s revenue and results from continuing operations by reportable and operating segment.

For the year ended 31 December 2014

| | | 專科藥品 | 植物提取及 保健產品 | 其他藥品 | 總計 |
|----------|----------------------------|------------------------------|---|--------------------------|-----------------|
| | | Specialty pharmaceuticals | Plant extract and healthcare products | Other pharmaceuticals | Total |
| | | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 |
| 須予呈報分部收入 | Reportable segment revenue | 70,730 | 35,854 | 10,233 | 116,817 |
| 須予呈報分部溢利 | Reportable segment profit | 21,891 | 6,475 | 608 | 28,974 |

財務報表附註

Notes to the Financial Statements

截至二零一四年十二月三十一日止年度 For the year ended 31 December 2014

7. 分部資料(續)

截至二零一三年十二月三十一日止年度

7. Segment Information (Continued)

For the year ended 31 December 2013

| | | 專科藥品 Specialty pharmaceuticals 千美元 US\$'000 | 植物提取及 保健產品 Plant extract and healthcare products 千美元 US\$'000 | 其他藥品 Other pharmaceuticals 千美元 US\$'000 | 總計 Total 千美元 US\$'000 |
|----------|----------------------------|---|---|---|--------------------------------|
| 須予呈報分部收入 | Reportable segment revenue | 57,571 | 28,720 | 8,783 | 95,074 |
| 須予呈報分部溢利 | Reportable segment profit | 19,217 | 4,436 | 852 | 24,505 |

本集團經營分部業績的總額與財務報表呈報的本集團主要財務數據的對賬如下：

The totals presented for the Group's operating segments reconciled to the Group's key financial figures as presented in the financial statements as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|--------------|--|----------------------------------|----------------------------------|
| 溢利或虧損 | Profit or loss | | |
| 須予呈報分部溢利 | Reportable segment profit | 28,974 | 24,505 |
| 應佔聯營公司的除稅後溢利 | Share of post-tax profit of an associate | 2,156 | 1,590 |
| 其他未分配收入 | Other income not allocated | 3,609 | 2,609 |
| 未分配開支 | Expenses not allocated | (13,661) | (11,970) |
| 財務成本 | Finance costs | (3,010) | (1,653) |
| 除所得稅前溢利 | Profit before income tax | 18,068 | 15,081 |

上文所呈報分部收入指來自外在客戶所得的收入。本年度並無分部間銷售(二零一三年：無)。

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2013: nil).

經營分部的會計政策與附註4所述本集團的會計政策一致。須予呈報分部溢利指各分部的毛利減銷售及分銷開支，乃向執行董事匯報作資源分配及表現評估用途的計量方法。

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Reportable segment profit represents the gross profit less selling and distribution expenses by each segment. This is the measure reported to the executive directors for the purpose of resources allocation and performance assessment.

7. 分部資料(續)

年內，本集團收入當中的11%（二零一三年：10%）來自「植物提取及保健產品」分部中的單一客戶。於報告日期，本集團貿易應收款項的21%（二零一三年：21%）來自於該客戶。

本集團的收入劃分作下列地區：

7. Segment Information (Continued)

During the year, 11% (2013: 10%) of the Group's revenue was derived from a single customer in the "Plant extract and healthcare products" segment. As at the reporting date, 21% (2013: 21%) of the Group's trade receivables was due from this customer.

The Group's revenues are divided into the following geographical areas:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|--------|--------------------|----------------------------------|----------------------------------|
| 中國(常駐) | The PRC (domicile) | 108,996 | 89,743 |
| 海外 | Overseas | 7,821 | 5,331 |
| | | 116,817 | 95,074 |

客戶的地區位置以提供服務或付運貨品的位置為基準。本公司為於開曼群島註冊成立的投資控股公司，而本集團在當地並無任何業務。本集團的主要營運及工作團隊位於中國，因此，中國就國際財務報告準則第8號「經營分部」所規定的披露而言被視作本集團的常駐國家。

於兩個年度，本集團的所有非流動資產幾乎均位於中國。

由於並無定期向執行董事提供分部資產或分部負債資料，故並無呈列有關資料。

The geographical location of customers is based on the location at which the services were provided or the goods delivered. The Company is an investment holding company incorporated in the Cayman Islands where the Group does not have any activities, the Group has the majority of its operations and workforce in the PRC, and therefore, the PRC is considered as the Group's country of domicile for the purpose of the disclosures as required by IFRS 8 "Operating Segments".

Almost all of the non-current assets of the Group were located in the PRC in both years.

No segment assets or segment liabilities is presented as they are not regularly provided to the executive directors.

8. 經營溢利

本集團的經營溢利乃經扣除／(計入)下列各項得出：

8. Profit from Operations

The Group's profit from operations has been arrived at after charging / (crediting):

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|---------------|--|----------------------------------|----------------------------------|
| 核數師酬金 | Auditor's remuneration | 206 | 183 |
| 物業、廠房及設備折舊 | Depreciation of property, plant and equipment | 2,624 | 1,783 |
| 陳舊存貨減值撥備 | Provision for impairment of obsolete inventories | 247 | 95 |
| 貿易應收款項減值／(撥回) | Provision for/ (Reversal of) impairment of trade receivables | 10 | (568) |
| 其他應收款項減值／(撥回) | Provision for/ (Reversal of) impairment of other receivables | 15 | (4) |
| 匯兌(收益)／虧損淨額 | Net exchange (gain)/loss | (16) | 14 |
| 確認為開支的存貨成本 | Cost of inventories recognised as expenses | 52,944 | 41,789 |
| 土地及樓宇的經營租賃開支 | Operating lease charges in respective of land and building | 510 | 504 |
| 研發成本 | Research and development costs | 1,274 | 1,342 |
| 出售物業、廠房及設備的虧損 | Losses on disposals of property, plant and equipment | 7 | 137 |
| 出售無形資產收益 | Gain on disposals of intangible assets | (34) | — |
| 無形資產撇銷 | Write off of intangible assets | 729 | 328 |
| 預付土地租賃款項攤銷 | Amortisation of prepaid land lease payment | 64 | 64 |
| 無形資產攤銷 | Amortisation of intangible assets | 630 | 597 |
| 員工成本(包括董事薪酬) | Staff costs (including directors' remuneration) | | |
| — 工資及薪金 | — Wages and salaries | 10,688 | 8,628 |
| — 定額供款計劃 | — Defined contribution plan | 2,100 | 1,716 |
| | | 12,788 | 10,344 |

9. 財務成本

9. Finance Costs

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|----------------------|--|----------------------------------|----------------------------------|
| 須於五年內悉數償還的銀行 借貸利息 | Interest on bank borrowings wholly repayable within five years | 2,972 | 1,733 |
| 折現回撥(附註29) | Unwinding of discount on provision (note 29) | 38 | — |
| 減：計入在建工程的資本化利息 | Less: Interest capitalised included in construction in progress | — | (80) |
| | | 3,010 | 1,653 |

10. 董事和五名最高薪人士的薪酬

10. Remuneration of Directors and Five Highest Paid Individuals

董事薪酬

已付及應付予本公司董事的薪酬總額如下：

Directors' remuneration

The aggregate amount of remuneration paid and payable to the directors of the Company are as follows:

| | | 薪金、津貼和 袍金 | 實物福利 Salaries, allowances and benefits in kind | 退休福利 計劃供款 Retirement benefit plans contributions | 總計 Total |
|--------------------------|--------------------------------------|-----------------|--|--|-----------------|
| | | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 |
| 截至二零一四年十二月三十一日止年度 | Year ended 31 December 2014 | | | | |
| 執行董事： | Executive director: | | | | |
| 劉幫民 | Liu Bang Min | — | 365 | 18 | 383 |
| 非執行董事： | Non-executive directors: | | | | |
| Stephen Burnau Hunt | Stephen Burnau Hunt | 39 | — | — | 39 |
| 李晉頤 | Lee Jin Yi | — | — | — | — |
| 湯軍 | Tang Jun | — | 10 | — | 10 |
| 陶芳芳 | Tao Fang Fang | — | — | — | — |
| 葉佩玲 | Yip Pui Ling, Rebecca | — | — | — | — |
| 獨立非執行董事： | Independent non-executive directors: | | | | |
| 陳記煊 | Chan Kee Huen, Michael | 32 | — | — | 32 |
| 鄧昭平 | Tang Chiu Ping, Raymond | 32 | — | — | 32 |
| Fritz Heinrich Horlacher | Fritz Heinrich Horlacher | 29 | — | — | 29 |
| | | 132 | 375 | 18 | 525 |

10. 董事和五名最高薪人士的薪酬
(續)

董事薪酬(續)

10. Remuneration of Directors and Five Highest Paid
Individuals (Continued)

Directors' remuneration (Continued)

| | | 袍金 | 薪金、津貼和 實物福利 | 退休福利 計劃供款 | 總計 |
|--------------------------|--|----------|--|--|----------|
| | | Fees | Salaries, allowances and benefits in kind | Retirement benefit plans contributions | Total |
| | | 千美元 | 千美元 | 千美元 | 千美元 |
| | | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| 截至二零一三年十二月三十一日止年度 | Year ended 31 December 2013 | | | | |
| 執行董事： | Executive directors: | | | | |
| 劉幫民(於二零一三年四月九日獲委任) | Liu Bang Min (appointed on 9 April 2013) | — | 179 | 16 | 195 |
| 徐軍(於二零一三年四月八日辭任) | Xu Jun (resigned on 8 April 2013) | — | 40 | 3 | 43 |
| 非執行董事： | Non-executive directors: | | | | |
| Stephen Burnau Hunt | Stephen Burnau Hunt | 39 | — | — | 39 |
| 李晉頤 | Lee Jin Yi | — | — | — | — |
| 湯軍 | Tang Jun | — | 8 | — | 8 |
| 陶芳芳 | Tao Fang Fang | — | — | — | — |
| 葉佩玲 | Yip Pui Ling, Rebecca | — | — | — | — |
| 獨立非執行董事： | Independent non-executive directors: | | | | |
| 陳記煊 | Chan Kee Huen, Michael | 32 | — | — | 32 |
| 鄧昭平 | Tang Chiu Ping, Raymond | 32 | — | — | 32 |
| Fritz Heinrich Horlacher | Fritz Heinrich Horlacher | 29 | — | — | 29 |
| | | 132 | 227 | 19 | 378 |

10. 董事和五名最高薪人士的薪酬 (續)

五名最高薪人士

五名最高薪人士包含本公司一名董事(二零一三年: 一名), 彼等的薪酬詳情於上文所示分析反映。餘下四名(二零一三年: 四名)最高薪人士的薪酬詳情如下:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|------------|---|----------------------------------|----------------------------------|
| 薪金、津貼和實物福利 | Salaries, allowances and benefits in kind | 818 | 484 |
| 退休福利計劃供款 | Retirement benefit plans contributions | 48 | 41 |
| 總計 | Total | 866 | 525 |

支付予上述各非董事人士的薪酬介乎以下範疇:

| | | 二零一四年 2014 人數 No of individuals | 二零一三年 2013 人數 No of individuals |
|---------------------|-------------------------|---|---|
| 零至129,000美元 | Nil-US\$129,000 | — | 3 |
| 129,001美元至193,500美元 | US\$129,001-US\$193,500 | — | 1 |
| 193,501美元至258,000美元 | US\$193,501-US\$258,000 | 4 | — |

截至二零一四年十二月三十一日及二零一三年十二月三十一日止年度, 概無董事豁免或同意豁免任何薪酬的安排。

截至二零一四年十二月三十一日及二零一三年十二月三十一日止年度, 本集團於年內概無向董事或任何五名最高薪人士支付酬金, 作為加入本集團或加入本集團後的獎勵或離職賠償。

10. Remuneration of Directors and Five Highest Paid Individuals (Continued)

Five highest paid individuals

The five highest paid individuals consisted of one (2013: one) director of the Company, details of whose remuneration are reflected in the analysis presented above. Details of remuneration of the remaining four (2013: four) highest paid individuals are as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|------------|---|----------------------------------|----------------------------------|
| 薪金、津貼和實物福利 | Salaries, allowances and benefits in kind | 818 | 484 |
| 退休福利計劃供款 | Retirement benefit plans contributions | 48 | 41 |
| 總計 | Total | 866 | 525 |

The remuneration paid to each of the above non-director individuals were within the following bands:

| | | 二零一四年 2014 人數 No of individuals | 二零一三年 2013 人數 No of individuals |
|---------------------|-------------------------|---|---|
| 零至129,000美元 | Nil-US\$129,000 | — | 3 |
| 129,001美元至193,500美元 | US\$129,001-US\$193,500 | — | 1 |
| 193,501美元至258,000美元 | US\$193,501-US\$258,000 | 4 | — |

There was no arrangement under which a director waived or agreed to waive any remuneration for the years ended 31 December 2014 and 31 December 2013.

During the years ended 31 December 2014 and 31 December 2013, no emolument was paid by the Group to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group, or compensation for loss of office during the year.

11. 所得稅開支

11. Income Tax Expense

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-----------------------------|--|----------------------------------|----------------------------------|
| 當期稅項 — 中國企業所得稅 (「企業所得稅」) | Current tax — PRC Enterprise Income Tax ("EIT") | | |
| — 年度稅項 | — tax for the year | 3,596 | 3,142 |
| — 過往年度(超額撥備)/撥備不足 | — (over)/ under provision in respect of prior years | (122) | 54 |
| | | 3,474 | 3,196 |
| 遞延稅項(附註27) | Deferred tax (note 27) | 614 | 194 |
| 所得稅開支 | Income tax expense | 4,088 | 3,390 |

在中國產生的應課稅溢利稅項已按本集團經營所在稅務司法權區的適用稅率計算。

根據中國企業所得稅法(「企業所得稅法」)及其實施細則，中國附屬公司的稅率為25% (二零一三年：25%)。

一間獲認證為中國高新科技企業的附屬公司自二零一零年一月一日起享有15%的優惠企業所得稅率。

本集團一間附屬公司為外商獨資企業，根據中國外商投資企業和外國企業所得稅法，其在抵銷過往年度稅務虧損後的首個獲利年度起，首兩年全數免繳企業所得稅，隨後三年減半繳納企業所得稅，其稅率已於二零一三年達到25%的標準稅率。

根據企業所得稅法、其規則及法規，從事若干合資格農業業務的企業可獲若干稅務優惠，包括就從有關業務獲取的溢利全數免繳企業所得稅。本集團一間從事合資格農業業務的中國附屬公司可全數免繳企業所得稅。

Tax on assessable profits arising in the PRC has been calculated at the applicable rates of tax prevailing in the tax jurisdiction in which the Group operates.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2013: 25%).

A subsidiary has been certified as a new high technology enterprise in the PRC and enjoyed a preferential EIT rate of 15% starting from 1 January 2010.

A subsidiary of the Group is a wholly-owned foreign enterprise in accordance with the Income Tax Law of the PRC for Enterprise with Foreign Investment and Foreign Enterprises and is entitled to full exemption from EIT for two years and a 50% reduction in the following three years thereafter starting from the first profit making year after offsetting prior years' tax losses, its tax rate reached the standard rate at 25% in 2013.

According to the EIT law, its rules and regulations, enterprises that engage in certain qualifying agricultural business are eligible for certain tax benefits, including full EIT exemption on profits derived from such business. A subsidiary of the Group in the PRC engaged in qualifying agricultural business is entitled to full exemption of EIT.

11. 所得稅開支(續)

年內所得稅開支與綜合損益及其他全面收益表所示除所得稅前溢利的對賬如下：

11. Income Tax Expense (Continued)

The income tax expense for the year can be reconciled to the profit before income tax per the consolidated statement of profit or loss and other comprehensive income as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|----------------------|--|--|----------------------------------|
| 除所得稅前溢利 | Profit before income tax | 18,068 | 15,081 |
| 按適用於有關司法權區的溢利稅率計算的稅項 | Tax on profit at the rates applicable to the jurisdictions concerned | 3,554 | 3,173 |
| 不可扣稅開支的稅務影響 | Tax effect on non-deductible expenses | 1,256 | 526 |
| 毋須課稅收入的稅務影響 | Tax effect of non-taxable income | (52) | (35) |
| 應佔聯營公司除稅後溢利的稅務影響 | Tax effect of share of post-tax profits of an associate | (356) | (262) |
| 過往年度(超額撥備)/撥備不足 | (Over)/Under-provision in respect of prior years | (122) | 54 |
| 授予中國附屬公司的稅務寬免 | Tax exemption granted to PRC subsidiaries | (83) | (111) |
| 其他 | Others | (109) | 45 |
| 所得稅開支 | Income tax expense | 4,088 | 3,390 |

12. 本公司擁有人應佔溢利

本公司擁有人應佔綜合溢利13,980,000美元(二零一三年：11,691,000美元)中，虧損367,000美元(二零一三年：虧損359,000美元)已於本公司財務報表內處理。

12. Profit Attributable to Owners of the Company

Of the consolidated profit attributable to owners of the Company of US\$13,980,000 (2013: US\$11,691,000), a loss of US\$367,000 (2013: a loss of US\$359,000) has been dealt with in the financial statements of the Company.

13. 股息

13. Dividends

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|----------------------------------|--|----------------------------------|----------------------------------|
| 年內確認為分派的股息： | Dividend recognised as distribution during the year: | | |
| 每股9.54港仙(約1.23美仙)的 二零一四年中期股息 | 2014 interim dividend — HK9.54 cents (approximately US1.23 cents) per share | 5,107 | — |
| 每股6.95港仙(約0.9美仙)的 二零一三年末期股息 | 2013 final dividend — HK6.95 cents (approximately US0.9 cents) per share | 3,719 | — |
| 每股8.34港仙(約1.08美仙)的 二零一三年中期股息 | 2013 interim dividend — HK8.34 cents (approximately US1.08 cents) per share | — | 4,462 |
| 每股10.20港仙(約1.32美仙)的 二零一二年末期股息 | 2012 final dividend — HK10.20 cents (approximately US1.32 cents) per share | — | 5,461 |
| | | 8,826 | 9,923 |

於報告期末後，董事建議派付截至二零一四年十二月三十一日止年度的末期股息每股8.74港仙(約1.13美仙)，總計36,271,000港元(約4,676,000美元)(二零一三年：截至二零一三年十二月三十一日止年度的末期股息為每股6.95港仙(約0.9美仙))，惟須待股東於應屆股東大會批准後，方可作實。建議末期股息於報告日期尚未確認為負債。

Subsequent to the end of the reporting period, a final dividend of HK8.74 cents (approximately US1.13 cents), totally amounting to HK\$36,271,000 (approximately US\$4,676,000) in respect of the year ended 31 December 2014 (2013: final dividend of HK6.95 cents (approximately US0.9 cents) in respect of the year ended 31 December 2013) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming general meeting. The proposed final dividends have not been recognised as a liability at the reporting date.

14. 每股盈利

每股基本盈利按年內本公司擁有人應佔綜合溢利及415,000,000股已發行股份(二零一三年：415,000,000股股份)計算。

本集團於年內及上一年並無潛在攤薄股份。

14. Earnings per Share

The calculation of the basic earnings per share is based on the consolidated profit attributable to owners of the Company and 415,000,000 shares in issue during the year (2013: 415,000,000 shares).

The Group had no potential dilutive shares during the year and prior year.

15. 於附屬公司的權益

15. Interest in a Subsidiary

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-----------|------------------------------|--|----------------------------------|
| 非上市投資，按成本 | Unlisted investment, at cost | 25,020 | 25,020 |

應收附屬公司款項為無抵押、免息及須應要求償還。董事認為，結餘的賬面值與其公平值相若。

The amount due from a subsidiary is unsecured, interest-free and repayable on demand. The directors consider that the carrying amount of the balance approximates to its fair value.

16. 物業、廠房及設備
本集團

16. Property, Plant and Equipment
Group

| | | 樓宇及廠房 | 機器 | 汽車 | 傢具及設備 | 在建工程 | 總計 |
|-------------------|--|-----------------------|-----------------|-------------------|-------------------------------|-----------------------------|-----------------|
| | | Building and plant | Machinery | Motor vehicles | Furniture and equipment | Construction in progress | Total |
| | | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 |
| 於二零一三年一月一日 | At 1 January 2013 | | | | | | |
| 成本 | Cost | 18,476 | 7,798 | 1,198 | 2,081 | 5,953 | 35,506 |
| 累計折舊 | Accumulated depreciation | (2,355) | (2,203) | (470) | (811) | — | (5,839) |
| 賬面淨值 | Net carrying amount | 16,121 | 5,595 | 728 | 1,270 | 5,953 | 29,667 |
| 截至二零一三年十二月三十一日止年度 | Year ended 31 December 2013 | | | | | | |
| 年初賬面淨值 | Opening net carrying amount | 16,121 | 5,595 | 728 | 1,270 | 5,953 | 29,667 |
| 匯兌調整 | Exchange adjustment | 554 | 192 | 20 | 39 | 88 | 893 |
| 添置 | Additions | 56 | 1,167 | 37 | 374 | 4,801 | 6,435 |
| 折舊 | Depreciation | (603) | (721) | (129) | (330) | — | (1,783) |
| 處置 | Disposals | — | (136) | (15) | (49) | — | (200) |
| 從在建工程轉撥 | Transfer from construction in progress | 8,211 | 2,418 | — | 177 | (10,806) | — |
| 年末賬面淨值 | Closing net carrying amount | 24,339 | 8,515 | 641 | 1,481 | 36 | 35,012 |
| 於二零一三年十二月三十一日 | At 31 December 2013 | | | | | | |
| 成本 | Cost | 27,371 | 11,314 | 1,078 | 2,408 | 36 | 42,207 |
| 累計折舊 | Accumulated depreciation | (3,032) | (2,799) | (437) | (927) | — | (7,195) |
| 賬面淨值 | Net carrying amount | 24,339 | 8,515 | 641 | 1,481 | 36 | 35,012 |
| 截至二零一四年十二月三十一日止年度 | Year ended 31 December 2014 | | | | | | |
| 年初賬面淨值 | Opening net carrying amount | 24,339 | 8,515 | 641 | 1,481 | 36 | 35,012 |
| 匯兌調整 | Exchange adjustment | (220) | (77) | (6) | (12) | 1 | (314) |
| 添置 | Additions | 447 | 1,293 | 53 | 391 | 574 | 2,758 |
| 折舊 | Depreciation | (1,015) | (1,083) | (131) | (395) | — | (2,624) |
| 處置 | Disposals | — | (1) | — | (12) | — | (13) |
| 從在建工程轉撥 | Transfer from construction in progress | 420 | — | — | — | (420) | — |
| 年末賬面淨值 | Closing net carrying amount | 23,971 | 8,647 | 557 | 1,453 | 191 | 34,819 |
| 於二零一四年十二月三十一日 | At 31 December 2014 | | | | | | |
| 成本 | Cost | 27,996 | 12,509 | 1,121 | 2,739 | 191 | 44,556 |
| 累計折舊 | Accumulated depreciation | (4,025) | (3,862) | (564) | (1,286) | — | (9,737) |
| 賬面淨值 | Net carrying amount | 23,971 | 8,647 | 557 | 1,453 | 191 | 34,819 |

於二零一四年十二月三十一日，賬面值為7,400,000美元(二零一三年：10,034,000美元)的若干物業已抵押以取得銀行融資及銀行借貸(附註26)。

As at 31 December 2014, certain properties with a carrying amount of US\$7,400,000 (2013: US\$10,034,000) were pledged to secure the banking facilities and bank borrowings (note 26).

17. 預付土地租賃款項 本集團

17. Prepaid Land Lease Payment Group

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|---------------|--|----------------------------------|----------------------------------|
| 香港境外，按以下方式持有： | Outside Hong Kong, held on: | | |
| — 中期租約 | — medium term lease | 2,413 | 2,499 |
| 減：計入流動資產的流動部分 | Less: Current portion included in current assets | (59) | (59) |
| 計入非流動資產的非流動部分 | Non-current portion included in non-current assets | 2,354 | 2,440 |
| 年初賬面淨值 | Opening net carrying amount | 2,499 | 2,495 |
| 年度攤銷 | Amortisation for the year | (64) | (64) |
| 匯兌調整 | Exchange adjustment | (22) | 68 |
| 年末賬面淨值 | Closing net carrying amount | 2,413 | 2,499 |
| 賬面值總額 | Gross carrying amount | 2,890 | 2,916 |
| 累計攤銷 | Accumulated amortisation | (477) | (417) |
| 賬面淨值 | Net carrying amount | 2,413 | 2,499 |

於二零一四年十二月三十一日，賬面值為951,000美元(二零一三年：1,222,000美元)的若干預付土地租賃款項已抵押以取得銀行融資及銀行借貸(附註26)。

As at 31 December 2014, certain prepaid land lease payment with carrying amounts of US\$951,000 (2013: US\$1,222,000) were pledged to secure the banking facilities and bank borrowings (note 26).

18. 無形資產
本集團

18. Intangible Assets
Group

| | | 獨家分銷權 Exclusive distribution rights 千美元 US\$'000 (附註a) (note a) | 技術專業知識 Technical know-how 千美元 US\$'000 (附註b) (note b) | 開發成本 Development costs 千美元 US\$'000 (附註c) (note c) | 具無限使用年 期的技術 專業知識 Indefinite- lived technical know-how 千美元 US\$'000 (附註d) (note d) | 總計 Total 千美元 US\$'000 |
|-----------------------|-----------------------------|--|---|--|--|--------------------------------|
| 於二零一三年一月一日 | At 1 January 2013 | | | | | |
| 成本 | Cost | 160 | 6,576 | 5,441 | — | 12,177 |
| 累計折舊 | Accumulated amortisation | — | (884) | (129) | — | (1,013) |
| 賬面淨值 | Net carrying amount | 160 | 5,692 | 5,312 | — | 11,164 |
| 截至二零一三年十二月三十一日 止年度 | Year ended 31 December 2013 | | | | | |
| 年初賬面淨值 | Opening net carrying amount | 160 | 5,692 | 5,312 | — | 11,164 |
| 匯兌調整 | Exchange adjustment | 10 | 162 | 165 | — | 337 |
| 添置 | Additions | 325 | 766 | 1,634 | — | 2,725 |
| 攤銷 | Amortisation | — | (597) | — | — | (597) |
| 撤銷 | Write off | — | — | (328) | — | (328) |
| 年末賬面淨值 | Closing net carrying amount | 495 | 6,023 | 6,783 | — | 13,301 |
| 於二零一三年十二月三十一日 | At 31 December 2013 | | | | | |
| 成本 | Cost | 495 | 7,536 | 6,916 | — | 14,947 |
| 累計折舊 | Accumulated amortisation | — | (1,513) | (133) | — | (1,646) |
| 賬面淨值 | Net carrying amount | 495 | 6,023 | 6,783 | — | 13,301 |
| 截至二零一四年十二月三十一日 止年度 | Year ended 31 December 2014 | | | | | |
| 年初賬面淨值 | Opening net carrying amount | 495 | 6,023 | 6,783 | — | 13,301 |
| 匯兌調整 | Exchange adjustment | (5) | (57) | (53) | — | (115) |
| 添置 | Additions | — | 52 | 2,710 | 9,078 | 11,840 |
| 攤銷 | Amortisation | (33) | (597) | — | — | (630) |
| 撤銷 | Write off | — | — | (729) | — | (729) |
| 處置 | Disposals | — | — | (368) | — | (368) |
| 年末賬面淨值 | Closing net carrying amount | 457 | 5,421 | 8,343 | 9,078 | 23,299 |
| 於二零一四年十二月三十一日 | At 31 December 2014 | | | | | |
| 成本 | Cost | 490 | 7,520 | 8,474 | 9,078 | 25,562 |
| 累計折舊 | Accumulated amortisation | (33) | (2,099) | (131) | — | (2,263) |
| 賬面淨值 | Net carrying amount | 457 | 5,421 | 8,343 | 9,078 | 23,299 |

18. 無形資產(續)**本集團(續)**

截至二零一四年十二月三十一日止年度，本集團決定終止若干正在進行的研發項目，主要是由於原料藥成本不斷攀升所致。減值虧損729,000美元已於行政開支內確認，以將無形資產的賬面值撇減至可收回金額零。

附註：

(a) 獨家分銷權

- (i) 於二零一一年，本集團與上海愛的發製藥有限公司及Ethypharm SA (統稱「愛的發」) 訂立獨家協議。

根據協議，本集團獲授酮洛芬／奧美拉唑緩釋膠囊藥物(「藥品」)的中國獨家市場經銷權，自藥品推出日期起為期10年。

根據本獨家分銷權協議，本集團須於國家食品藥品監督管理局(「國家食品藥品監督管理局」) 授出進口藥品註冊證(「進口藥品註冊證」) 當日向愛的發支付245,000美元(相當於約人民幣1,500,000元)；及須就向國家食品藥品監督管理局申請進口藥品註冊證所須臨床研究支付1,062,000美元(約人民幣6,500,000元)。分銷權代價於截至報告日期止披露為承擔(附註30)。截至批准該等綜合財務報表日期，註冊程序尚在進行中。

- (ii) 於二零一三年十二月，本集團與一名供應商訂立獨家協議，以取得一種藥品在中國為期10年的分銷權。此分銷權將按直線基準按10年年期(即自二零一四年一月一日開始的分銷權期間)攤銷。

- (b) 技術專業知識主要指就開發及生產若干藥品而收購的技術及配方。

自二零一一年七月一日起，有關口腔崩解片的技術專業知識按直線基準按十一年年期攤銷。

18. Intangible Assets (Continued)**Group (Continued)**

For the year ended 31 December 2014, the Group decided to terminate several research and development projects which were under development, mainly due to the surging bulk pharmaceutical cost. An impairment loss of US\$729,000 was recognised in administrative expenses to write the carrying amount of the intangible assets down to its recoverable amount of zero.

Notes:

(a) Exclusive distribution rights

- (i) In 2011, the Group entered into an exclusive agreement with Shanghai Ethypharm Pharmaceutical Co. Ltd and Ethypharm SA (collectively referred to as "Ethypharm").

Under the agreement, the Group has been granted the exclusive rights for the marketing and distribution of ketoprofen/omeprazole slow-release capsules (the "Drug") in the PRC for a period of 10 years from the launch date of the Drug.

Pursuant to the agreement of this exclusive distribution rights, the Group is committed to pay US\$245,000 (equivalent to approximately RMB1,500,000) to Ethypharm on the date of the grant of the Import Drug License ("IDL") from the State Food and Drug Administration ("SFDA"); and committed to pay US\$1,062,000 (approximately RMB6,500,000) for the clinical studies that required from SFDA to apply the IDL application. The consideration of the distribution rights had been disclosed as commitment at the end of the reporting date (note 30). Up to the date of approval for these consolidated financial statements, the registration process is still in progress.

- (ii) In December 2013, the Group entered into an exclusive agreement with a supplier to secure the distribution rights of 10 years for one pharmaceutical product in the PRC. This exclusive right will amortise on a straight-line basis over 10 years, being the period of the distribution right, starting from 1 January 2014.

- (b) Technical know-how mainly represents techniques and formulae acquired for the development and production of certain pharmaceutical products.

With effect from 1 July 2011, technical know-how in relation to the oral disintegrating tablets had been amortised on a straight-line basis over 11 years.

18. 無形資產(續)

本集團(續)

(b) (續)

於二零一三年，寧波立華製藥有限公司(「寧波立華」)與CIH的間接附屬公司天津市隆佰生物工程科技有限公司(「隆佰」)訂立藥品技術轉讓協議。根據協議，寧波立華同意以現金代價2,419,000美元(約人民幣14,800,000元)向隆佰收購米索前列醇開發項目。米索前列醇開發項目包括專有技能、相關材料和技術、知識產權、專利、許可證和執照及若干配套設備(「米索前列醇開發項目」)。代價將在多個里程碑付款時由寧波立華以現金支付予隆佰。截至二零一四年十二月三十一日止年度，寧波立華已支付763,000美元(約人民幣4,670,000元)。餘下代價已於報告日期結束時披露為承擔(附註30)。

(c) 開發成本主要指製藥技術當中內部產生的知識產權(「知識產權」)。

董事認為該等知識產權具無限使用年期，原因在於醫藥業的知識產權預期可提供現金流量的期間並無可見限制。此等知識產權可於一段時間以極低成本重續，而產品亦可繼續應市。

倘知識產權出現減值，資產賬面值應立刻撇減或撇銷至開支。具無限使用年期的知識產權不會進行攤銷，並於每個財政年度年末進行年度減值測試，而倘有跡象顯示具無限使用年期的知識產權可能減值，將更頻密地進行減值測試。

(d) 具無限使用年期的技術專業知識指不會終止的永久免專利費許可。

於二零一四年三月二十八日，本公司的間接全資附屬公司朗生藥業(香港)有限公司(「朗生藥業」)(i)與諾華訂立資產購買協議，據此諾華同意向朗生藥業轉讓受讓資產(包括與醫藥產品相關的技術、書籍及記錄、特定商標、商業信息及醫療信息)；及(ii)訂立許可協議，以便發出關於醫藥產品在國內(即中國(不包括香港、澳門及台灣))的許可，總現金代價為8,000,000美元首期付款，加總額最高為1,500,000美元的額外里程碑付款(與朗生藥業在二零一四年三月二十八日後取得的銷售額掛鈎)。

該醫藥產品包含特定的活性藥物成分，是以新適確得商標在國內推廣及銷售的一款乳膏，主要用於治療某些糖皮質類固醇反應性的炎性皮膚病的繼發感染。

18. Intangible Assets (Continued)

Group (Continued)

(b) (Continued)

In 2013, Ningbo Liwah Pharmaceutical Company Limited ("Ningbo Liwah") entered into a pharmaceutical technology transfer agreement with Tianjin Longbai Biological Engineering and Technology Company Limited ("Longbai"), an indirect subsidiary of CIH. Pursuant to the agreement, Ningbo Liwah agreed to acquire from Longbai the misoprostol development project for a cash consideration of US\$2,419,000 (approximately RMB14,800,000). The misoprostol development project comprised the know-how and related materials and technology, intellectual properties, patent, permit(s) and license(s), and certain supporting equipment ("Misoprostol Development project"). The consideration will be paid by Ningbo Liwah to Longbai in cash in several milestone payments. Up to the year ended 31 December 2014, Ningbo Liwah had paid US\$763,000 (approximately RMB4,670,000). The remaining consideration had been disclosed as commitment at the end of the reporting date (note 30).

(c) Development costs mainly represent intellectual property rights ("IPRs") generated internally for the pharmaceutical technology.

The directors consider these IPRs have indefinite useful lives as there is no foreseeable limit on the period of time over which the IPR in pharmaceutical industry is expected to provide cash flows. These IPR can be renewable in a period of time at minimal cost and the products are continuing in the market.

If the IPR becomes impaired, the carrying amounts of the asset should be written down or written off immediately to expense. IPR with indefinite useful lives is not amortised and are tested for impairment annually at each financial year end or more frequently if there are indications that IPR with indefinite useful lives might be impaired.

(d) Indefinite-lived technical know-how represents a perpetual royalty-free licence with no termination.

On 28 March 2014, Lansen Medicine (Hong Kong) Limited ("LMHK"), an indirect wholly-owned subsidiary of the Company, entered into (i) the asset purchase agreement with Novartis pursuant to which Novartis agrees to transfer to LMHK the transferred assets (including know-how, books and records, specified trademarks, commercial information and medical information relating to the pharmaceutical product), and (ii) the licence agreement to grant the Licences, relating to the pharmaceutical product in the territory (i.e. the PRC, excludes Hong Kong, Macau and Taiwan) for a total cash consideration comprising an upfront payment of US\$8,000,000, plus additional milestone payments of a total maximum US\$1,500,000, linked to sales achieved by LMHK.

The pharmaceutical product contains specific active pharmaceutical ingredients and it is marketed and sold as a cream under trademark Sicorten Plus in the territory. It will primarily be used to treat certain corticosteroid-responsive inflammatory skin diseases secondary infection.

19. 商譽 本集團

19. Goodwill Group

| | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-----|----------------------------------|----------------------------------|
| 賬面值 | 6,824 | 6,824 |

本集團於二零零五年收購寧波立華及朗生醫藥(深圳)有限公司(「深圳朗生」)。該等交易以收購會計法入賬。

The Group acquired Ningbo Liwah and Lansen Medicine (Shenzhen) Company Limited (“Shenzhen Lansen”) in 2005. These transactions have been accounted for by the acquisition method of accounting.

本集團於每個財政年度年末就商譽進行年度減值測試，倘有跡象顯示商譽可能減值，將更頻密地進行減值測試。

The Group tests goodwill annually for impairment at each financial year end, or more frequently if there are indications that goodwill might be impaired.

就減值測試而言，商譽及可使用年期無限的無形資產已分配至一個現金產生單位，包括主要業務為製造及買賣專科藥的附屬公司，其獲分類至經營分部的「專科藥」。

For the purpose of impairment testing, goodwill and intangible assets with indefinite useful lives have been allocated to one CGU, including subsidiaries with principal activities of manufacturing and trading of specialty pharmaceuticals which is identical to the “Specialty pharmaceuticals” under operating segment.

上述現金產生單位可收回金額的基準及其主要相關假設概述如下：

The basis of the recoverable amounts of the above CGU and its major underlying assumptions are summarised below:

該現金產生單位的可收回金額以在用價值計算法釐定。該計算法使用基於獲管理層批准未來五年期的財務預算的現金流量預測以及10%的折現率(二零一三年：11%)。超過五年期的現金流量採用增長率0%預測，此增長率乃根據醫藥行業增長預測而定。在用價值計算法的其他主要假設乃關於現金流入／流出的估計，當中包括預算銷售及毛利率。有關估計乃基於該單位過往表現以及管理層對市場發展的預期。管理層相信，任何此等假設可能出現的合理變動將不會導致總賬面值超過其可收回總額。

The recoverable amount of this CGU has been determined based on a value-in-use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and discount rate of 10% (2013: 11%). The growth rate used to extrapolate the cash flows beyond the five-year period is 0% which is based on pharmaceutical industry growth forecast. Other key assumptions for the value-in-use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit’s past performance and management’s expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount.

截至二零一四年十二月三十一日止年度，本集團管理層決定，任何包含商譽及可使用年期無限的無形資產的現金產生單位並無減值。

During the year ended 31 December 2014, management of the Group determines that there are no impairments of any of its CGU containing goodwill and intangible assets with indefinite useful lives.

20. 於聯營公司的權益
本集團

20. Interest in an Associate
Group

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|--------|---------------------|----------------------------------|----------------------------------|
| 應佔資產淨值 | Share of net assets | 16,078 | 14,902 |
| 商譽 | Goodwill | 19,035 | 19,207 |
| | | 35,113 | 34,109 |

有關本集團於報告期末的聯營公司詳情如下：

Details of the Group's associate at the end of the reporting period is as follows:

| 公司名稱 Name of entity | 註冊成立地點及 營業地點 Place of incorporation and operation | 本集團所持擁有權權益及 投票權的比例 Proportion of ownership interest and voting power held by the Group | | 主要業務 Principal activity |
|--|---|--|---------------|---|
| | | 二零一四年 2014 | 二零一三年 2013 | |
| 浙江司太立製藥股份有限公司 (「司太立」) Zhejiang Starry Pharmaceutical Company Limited ("Starry") | 中國 The PRC | 21.5% | 21.5% | 生產原料藥和中間體 Production of bulk pharmaceuticals and intermediates |

上述聯營公司乃採用權益法於綜合財務報表入賬。

The above associate was accounted for using the equity method in the consolidated financial statements.

20. 於聯營公司的權益(續)**本集團(續)**

有關本集團聯營公司的財務資料概要載列如下：

**20. Interest in an Associate (Continued)
Group (Continued)**

Summarised financial information in respect of the Group's associate is set out below:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|---------------------|---|--|----------------------------------|
| 於十二月三十一日 | As at 31 December | | |
| 流動資產 | Current assets | 65,832 | 61,488 |
| 非流動資產 | Non-current assets | 127,708 | 104,885 |
| 流動負債 | Current liabilities | (81,937) | (80,088) |
| 非流動負債 | Non-current liabilities | (40,981) | (22,613) |
| 截至十二月三十一日止年度 | Year ended 31 December | | |
| 收入 | Revenue | 107,152 | 111,627 |
| 年度溢利 | Profit for the year | 11,017 | 8,126 |
| 年度其他全面收益 | Other comprehensive income for the year | — | — |
| 年度全面收益總額 | Total comprehensive income for the year | 11,017 | 8,126 |
| 年度自聯營公司收取的股息 | Dividends received from the associate during the year | 836 | 426 |

20. 於聯營公司的權益(續)

本集團(續)

以上概述的財務資料與綜合財務報表所
確認於聯營公司的權益賬面值的對賬：

**20. Interest in an Associate (Continued)
Group (Continued)**

Reconciliation of the above summarised financial information to
the carrying amount of the interest in an associate recognised in
the consolidated financial statements:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-----------------|---|--|----------------------------------|
| 司太立擁有人應佔權益 | Equity attributable to owners of Starry | 68,817 | 62,728 |
| 本集團於司太立的擁有權權益比例 | Proportion of the Group's ownership interest in Starry | 21.5% | 21.5% |
| 商譽 | Goodwill | 14,796 | 13,487 |
| 於收購時公平值調整的影響 | Effect of fair value adjustments at acquisition | 1,427 | 1,441 |
| 其他調整 | Other adjustments | (145) | (26) |
| 本集團於司太立的權益賬面值 | Carrying amount of the Group's interest in Starry | 35,113 | 34,109 |

21. 存貨

本集團

**21. Inventories
Group**

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-----|------------------|--|----------------------------------|
| 原材料 | Raw materials | 2,010 | 4,510 |
| 在製品 | Work-in-progress | 8,370 | 6,474 |
| 製成品 | Finished goods | 6,500 | 6,201 |
| | | 16,880 | 17,185 |

21. 存貨(續)**本集團(續)**

於截至二零一四年十二月三十一日止年度內，已就原材料及製成品的賬面值作出247,000美元(二零一三年：95,000美元)的撥備。

22. 貿易及其他應收款項**本集團****21. Inventories (Continued)****Group (Continued)**

During the year ended 31 December 2014, provisions of US\$247,000 (2013: US\$95,000) against the carrying value of raw materials and finished goods have been made.

22. Trade and Other Receivables**Group**

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|--------------|---|--|----------------------------------|
| 貿易應收款項 | Trade receivables | 38,716 | 33,367 |
| 減：貿易應收款項減值撥備 | Less: provision for impairment of trade receivables | (233) | (918) |
| | | 38,483 | 32,449 |
| 應收票據 | Bills receivables | 19,540 | 15,282 |
| 貿易應收款項及應收票據 | Trade and bills receivables | 58,023 | 47,731 |
| 預付款項及其他應收款項 | Prepayments and other receivables | 12,013 | 9,734 |
| | | 70,036 | 57,465 |

董事認為，貿易及其他應收款項的賬面值與其公平值相若。

本集團的政策是向其客戶提供平均90至120日(二零一三年：90日至120日)的信貸期。

The directors consider that the carrying amounts of trade and other receivables approximate their fair values.

The Group has a policy of allowing an average credit period of 90 to 120 days to its customers (2013: 90 to 120 days).

22. 貿易及其他應收款項(續)

本集團(續)

根據發票日期，截至報告日期止，本集團的貿易應收款項及應收票據(扣除減值虧損)賬齡分析如下：

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|----------|------------------|----------------------------------|----------------------------------|
| 90日或以下 | 90 days or below | 41,012 | 42,670 |
| 91至180日 | 91-180 days | 9,610 | 3,965 |
| 181至365日 | 181-365 days | 7,401 | 1,096 |
| | | 58,023 | 47,731 |

本集團的貿易應收款項及應收票據結餘包括總賬面值5,936,000美元(二零一三年：4,455,000美元)的應收款項，該等應收款項於報告日期已逾期但本集團未就減值虧損計提撥備。該等款項與多名近期並無欠款記錄的獨立客戶有關。根據過往經驗，本公司董事認為，由於信用質量並無重大變動，且結餘依然被視可全數收回，因而毋須就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

本集團已逾期但並未減值的貿易應收款項賬齡分析如下：

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-----------|---------------------------|----------------------------------|----------------------------------|
| 逾期1至90日 | Past due over 1-90 days | 5,481 | 3,359 |
| 逾期91至275日 | Past due over 91-275 days | 455 | 1,096 |
| | | 5,936 | 4,455 |

22. Trade and Other Receivables (Continued) Group (Continued)

Based on the invoice date, the ageing analysis of the trade and bills receivables (net of impairment losses) of the Group as of the end of the reporting date is as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|------------------|------------------|----------------------------------|----------------------------------|
| 90 days or below | 90 days or below | 41,012 | 42,670 |
| 91-180 days | 91-180 days | 9,610 | 3,965 |
| 181-365 days | 181-365 days | 7,401 | 1,096 |
| | | 58,023 | 47,731 |

Included in the Group's trade and bills receivables balance are debtors with aggregate carrying amount of US\$5,936,000 (2013: US\$4,455,000) which are past due as at the reporting date for which the Group has not provided for impairment loss. These relate to a number of independent customers of whom there is no recent history of default. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

The Group's ageing analysis of past due but not impaired trade receivables is as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|---------------------------|---------------------------|----------------------------------|----------------------------------|
| Past due over 1-90 days | Past due over 1-90 days | 5,481 | 3,359 |
| Past due over 91-275 days | Past due over 91-275 days | 455 | 1,096 |
| | | 5,936 | 4,455 |

22. 貿易及其他應收款項(續)**本集團(續)**

本集團貿易應收款項的減值撥備變動如下：

**22. Trade and Other Receivables (Continued)
Group (Continued)**

Movement on the Group's provision for impairment of trade receivables is as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|----------------|--|--|----------------------------------|
| 於一月一日 | At 1 January | 918 | 1,903 |
| 匯兌調整 | Exchange adjustment | (12) | 38 |
| 貿易應收款項的減值／(撥回) | Provision for/ (Reversal of) impairment of trade receivables | 10 | (568) |
| 視作不可收回而撇銷的金額 | Amounts written off as uncollectible | (683) | (455) |
| 於十二月三十一日 | At 31 December | 233 | 918 |

上述貿易應收款項的減值撥備乃就個別減值的貿易應收款項計提。個別減值的應收款項主要與有財政困難的客戶有關，預期僅有部分應收款項預期可收回。本集團並無就該等結餘持有任何抵押品。

The above provision for impairment of trade receivables is made for individually impaired trade receivables. The individually impaired receivables mainly relate to customers that were in financial difficulties and only a portion of the receivables is expected to be recovered. The Group does not hold any collateral over these balances.

於二零一四年十二月三十一日，未逾期或未減值的貿易應收款項為32,547,000美元(二零一三年：27,994,000美元)，該等貿易應收款項與眾多近期並無欠款記錄的客戶有關。

As at 31 December 2014, trade receivables of US\$32,547,000 (2013: US\$27,994,000) were neither past due nor impaired. These related to a large number of diversified customers for whom there was no recent history of default.

於截至二零一三年十二月三十一日止年度內，本集團向金融機構貼現其具完全追索權的部分應收票據。倘應收票據欠款，本集團有義務向金融機構支付拖欠款項。利息按每年從金融機構收取的所得款項5.6%計息，直至應收票據支付日期止。因此，本集團面臨貼現票據信貸虧損及延遲付款的風險。

During the year ended 31 December 2013, the Group discounted part of its bills receivables with full recourse to financial institutions. In the event of default by the bills receivables, the Group was obliged to pay the financial institutions the amount in default. Interest was charged at 5.6% per annum on the proceeds received from the financial institutions until the date the bills receivables pay. The Group was therefore exposed to the risks of credit losses and late payment in respect of the discounted bills.

於二零一四年十二月三十一日概無已貼現票據。

There were no discounted bills as at 31 December 2014.

22. 貿易及其他應收款項(續)**本集團(續)**

由於本集團保留貼現應收票據的絕大部分風險及回報，故貼現交易並不符合國際會計準則第39號終止確認金融資產的規定。於二零一三年十二月三十一日，應收票據130,000美元繼續於本集團財務報表獲確認，儘管其已合法轉讓予金融機構。貼現交易的所得款項已作為資產擔保融資(附註26)計入借貸內，直至已收取應收票據或本集團償付金融機構的所有虧損。於二零一三年十二月三十一日，與貼現票據相關的資產擔保融資負債為130,000美元。

由於應收票據已合法轉讓予金融機構，故本集團無權釐定應收票據的處置。

於二零一四年十二月三十一日，賬面值為14,668,000美元(二零一三年：4,642,000美元)的若干應收票據已抵押以取得銀行借貸(附註26)。相關負債的賬面值為13,500,000美元(二零一三年：7,100,000美元)。

於二零一三年十二月三十一日，賬面值為659,000美元的若干其他應收款項已抵押以取得銀行借貸(附註26)。應收款項已於二零一四年六月二十四日到期，並按2%的年利率計息。相關負債的賬面值為1,289,000美元。於二零一四年十二月三十一日，概無抵押其他應收款項以獲得銀行借款。

於二零一四年十二月三十一日，由於預期其他應收款項不會全數收回，故已就若干長期未清償應收款項確認該等應收款項減值撥備1,000美元(二零一三年：649,000美元)。本集團並無就該等結餘持有任何抵押品。

**22. Trade and Other Receivables (Continued)
Group (Continued)**

The discounting transactions did not meet the requirements in IAS 39 for de-recognition of financial assets as the Group retains substantially all of the risks and rewards of ownership of the discounted bills receivables. At 31 December 2013, bills receivables of US\$130,000 continued to be recognised in the Group's financial statements even though they have been legally transferred to the financial institutions. The proceeds of the discounting transactions were included in borrowings as asset-backed financing (note 26) until the bills receivables were collected or the Group settles any losses suffered by the financial institutions. At 31 December 2013, the asset-backed financing liability related to discounted bills amounted to US\$130,000.

Because the bills receivables have been transferred to the financial institutions legally, the Group did not have the authority to determine the disposition of the bills receivables.

As at 31 December 2014, certain bills receivables with carrying amounts of US\$14,668,000 (2013: US\$4,642,000) were pledged to secure bank borrowings (note 26). The carrying amount of the associated liability was US\$13,500,000 (2013: US\$7,100,000).

As at 31 December 2013, certain other receivables with carrying amounts of US\$659,000 were pledged to secure bank borrowings (note 26). The receivables matured on 24 June 2014 and carried interest at 2% per annum. The carrying amount of the associated liability was US\$1,289,000. There were no other receivables pledged to secure bank borrowings as at 31 December 2014.

As at 31 December 2014, a provision for impairment of other receivables of US\$1,000 (2013: US\$649,000) was recognised for certain long outstanding receivables as these receivables are not expected to be fully recovered. The Group does not hold any collateral over these balances.

22. 貿易及其他應收款項(續)**本集團(續)**

本集團其他應收款項的減值撥備變動如下：

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|---------------|---|----------------------------------|----------------------------------|
| 於一月一日 | At 1 January | 649 | 635 |
| 匯兌調整 | Exchange adjustment | (5) | 18 |
| 其他應收款項減值/(撥回) | Provision for/(Reversal of) impairment of other receivables | 15 | (4) |
| 視作不可收回而撇銷的金額 | Amounts written off as uncollectible | (658) | — |
| 於十二月三十一日 | At 31 December | 1 | 649 |

除減值金額外，上述資產並未逾期或減值。上述結餘內包括的金融資產與近期並無欠款記錄的應收款項有關。

**22. Trade and Other Receivables (Continued)
Group (Continued)**

Movement on the Group's provision for impairment of other receivables is as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|---------------|---|----------------------------------|----------------------------------|
| 於一月一日 | At 1 January | 649 | 635 |
| 匯兌調整 | Exchange adjustment | (5) | 18 |
| 其他應收款項減值/(撥回) | Provision for/(Reversal of) impairment of other receivables | 15 | (4) |
| 視作不可收回而撇銷的金額 | Amounts written off as uncollectible | (658) | — |
| 於十二月三十一日 | At 31 December | 1 | 649 |

Except for the amount impaired, none of the above assets is either past due or impaired. The financial assets included in the above balances related to receivables for which there was no recent history of default.

23. 已抵押銀行存款/現金及現金等價物**23. Pledged Bank Deposits/Cash and Cash Equivalents**

| | | 本集團 Group | | 本公司 Company | |
|-----------|-----------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
| 現金及銀行結餘 | Cash and bank balances | 42,891 | 25,487 | 5,005 | 3 |
| 減：已抵押銀行存款 | Less: pledged bank deposits | (27,072) | (14,458) | — | — |
| 現金及現金等價物 | Cash and cash equivalents | 15,819 | 11,029 | 5,005 | 3 |

現金及銀行結餘包括銀行及手頭現金以及原到期日在三個月或以下的短期銀行存款。銀行現金根據每日銀行存款利率按浮動利率計息。短期定期存款存入銀行並按市場利率賺取利息。

Cash and bank balances comprise cash at banks and in hand, and short-term bank deposits with an original maturity of three months or less. Cash at banks earn interest at floating rates based on daily bank deposits rates. Short-term time deposits are placed with banks and earn interest at market interest rates.

23. 已抵押銀行存款／現金及現金等價物(續)

於二零一四年十二月三十一日及二零一三年十二月三十一日的已抵押銀行存款指本集團為取得若干銀行融資及銀行借貸(附註26)而抵押的銀行存款。

於二零一四年十二月三十一日，本集團的現金及銀行結餘包括36,848,000美元(二零一三年：23,447,000美元)的銀行結餘，該結餘以人民幣(「人民幣」)計值及存於中國的銀行。人民幣並非為自由兌換的貨幣。

24. 股本

23. Pledged Bank Deposits/Cash and Cash Equivalents (Continued)

Pledged bank deposits represent the Group's bank deposits pledged to secure certain banking facilities and bank borrowings (note 26) as of 31 December 2014 and 31 December 2013.

As at 31 December 2014, included in cash and bank balances of the Group was US\$36,848,000 (2013: US\$23,447,000) of bank balances denominated in Renminbi ("RMB") placed with banks in the PRC. RMB is not a freely convertible currency.

24. Share Capital

| | 股份數目 Number of shares | 金額 Amount 千美元 US\$'000 |
|---|---|---------------------------------|
| 法定： 於二零一三年一月一日、 二零一三年十二月三十一日及 二零一四年十二月三十一日 | Authorised： At 1 January 2013, 31 December 2013 and 31 December 2014 | |
| | 20,000,000,000 | 200,000 |
| 已發行及繳足： 於二零一三年一月一日、 二零一三年十二月三十一日及 二零一四年十二月三十一日 | Issued and fully paid： At 1 January 2013, 31 December 2013 and 31 December 2014 | |
| | 415,000,000 | 4,150 |

25. 儲備

股份溢價指超過已配發股份面值的差額。

法定儲備指按照中國有關法例規定，將中國附屬公司的溢利分配至不可分派儲備金賬。

外匯儲備指換算外國附屬公司財務報表的匯兌差額。

25. Reserves

The share premium represents the excess over the nominal value for shares allotted.

The statutory reserve represents appropriation of profits of the PRC subsidiaries to non-distributable reserve fund account as required by the relevant PRC statute.

The foreign exchange reserve represents exchange differences arising from the translation of the financial statements of foreign subsidiaries.

25. 儲備(續)
本公司

25. Reserves (Continued)
Company

| | | 股份溢價 Share premium 千美元 US\$'000 | 累計虧損 Accumulated losses 千美元 US\$'000 | 總計 Total 千美元 US\$'000 |
|---------------|--|---|--|--------------------------------|
| 於二零一三年一月一日 | At 1 January 2013 | 49,568 | (1,596) | 47,972 |
| 股息(附註13) | Dividends (note 13) | (9,923) | — | (9,923) |
| 與擁有人進行交易 | Transactions with owners | (9,923) | — | (9,923) |
| 年度虧損 | Loss for the year | — | (359) | (359) |
| 年度其他全面收益 | Other comprehensive income for the year | — | — | — |
| 年度全面收益總額 | Total comprehensive income for the year | — | (359) | (359) |
| 於二零一三年十二月三十一日 | At 31 December 2013 | 39,645 | (1,955) | 37,690 |
| 股息(附註13) | Dividends (note 13) | (8,826) | — | (8,826) |
| 與擁有人進行交易 | Transactions with owners | (8,826) | — | (8,826) |
| 年度虧損 | Loss for the year | — | (367) | (367) |
| 年度其他全面收益 | Other comprehensive income for the year | — | — | — |
| 年度全面收益總額 | Total comprehensive income for the year | — | (367) | (367) |
| 於二零一四年十二月三十一日 | At 31 December 2014 | 30,819 | (2,322) | 28,497 |

26. 借貸
本集團

26. Borrowings
Group

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|--------|-------------------------------|----------------------------------|----------------------------------|
| 定息銀行借貸 | Fixed-rate bank borrowings | 21,409 | 20,284 |
| 浮息銀行借貸 | Variable-rate bank borrowings | 63,402 | 38,738 |
| 資產擔保融資 | Assets-backed financing | — | 130 |
| | | 84,811 | 59,152 |
| 有抵押 | Secured | 54,692 | 34,374 |
| 無抵押 | Unsecured | 30,119 | 24,778 |
| | | 84,811 | 59,152 |

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|---------------|---|----------------------------------|----------------------------------|
| 銀行借貸 | Bank borrowings | 84,811 | 59,022 |
| 於一年內到期的資產擔保融資 | Assets-backed financing due within one year | — | 130 |
| 一年內償還 | Repayable within one year | 84,811 | 59,152 |

本公司

Company

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|------------|---|----------------------------------|----------------------------------|
| 有抵押及浮息銀行借貸 | Secured and variable-rate bank borrowings | 5,000 | — |
| 一年內償還 | Repayable within one year | 5,000 | — |

26. 借貸(續)

於二零一四年十二月三十一日及二零一三年十二月三十一日，若干銀行融資須待與本集團若干財務狀況比率相關的契諾獲履行後方可作實，有關安排於金融機構的借貸安排中屬常見。倘本集團違反契諾，已提取的融資須按要求償還。

本集團定期監控有關契諾的遵守情況，按照定期貸款的償還時間表還款。本集團為只要本集團繼續符合該等規定，銀行不大可能行使其酌情權要求還款。於二零一四年十二月三十一日及二零一三年十二月三十一日，並無違反已提取融資的相關契諾。

銀行借貸的賬面值以下列貨幣計值：

26. Borrowings (Continued)

As at 31 December 2014 and 31 December 2013, certain banking facilities are subject to the fulfillment of covenants relating to certain financial position ratios of the Group, as are commonly found in lending arrangements with financial institutions. If the Group was to breach the covenants, the drawn down facilities would become repayable on demand.

The Group regularly monitors its compliance with these covenants, makes repayments in accordance with the repayment schedule of the term loans. The Group does not consider that it is probable for the bank to exercise its discretion to demand repayment for as long as the Group continues to meet these requirements. As at 31 December 2014 and 31 December 2013, none of the covenants relating to drawn down facilities had been breached.

The carrying amounts of bank borrowings are denominated in the following currencies:

| | | 本集團 Group | | 本公司 Company | |
|------------|--|-----------------|-----------------|----------------------|-----------------|
| | | 二零一四年 2014 | 二零一三年 2013 | 二零一四年 2014 | 二零一三年 2013 |
| | | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 |
| 人民幣借貸 | Borrowings in RMB | 28,926 | 24,207 | — | — |
| 美元借貸 | Borrowings in US\$ | 51,050 | 33,656 | 5,000 | — |
| 港元(「港元」)借貸 | Borrowings in Hong Kong Dollars ("HK\$") | 4,835 | 1,289 | — | — |
| | | 84,811 | 59,152 | 5,000 | — |
| | | | | 二零一四年 2014 | 二零一三年 2013 |
| 實際年利率： | Effective interest rate per annum: | | | | |
| 銀行借貸 | Bank borrowings | | | 3.65% | 3.78% |

26. 借貸(續)

若干有抵押銀行借貸及銀行融資乃獲得本公司及本集團若干附屬公司擔保。此外，有抵押銀行借貸及銀行融資乃以若干銀行存款、應收票據、其他應收款項、物業、廠房及設備與預付土地租賃款項作為擔保。該等已抵押資產於報告日期的賬面值如下：

26. Borrowings (Continued)

Certain secured bank borrowings and banking facilities were guaranteed by the Company and certain subsidiaries of the Group. In addition, the secured bank borrowings and banking facilities were secured by certain bank deposits, bills receivables, other receivables, property, plant and equipment and prepaid land lease payment. The carrying values of these assets pledged at the reporting date are as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-----------|-------------------------------|----------------------------------|----------------------------------|
| 物業、廠房及設備 | Property, plant and equipment | 7,400 | 10,034 |
| 預付土地租賃款項 | Prepaid land lease payment | 951 | 1,222 |
| 已抵押銀行存款 | Pledged bank deposits | 27,072 | 14,458 |
| 已抵押應收票據 | Pledged bills receivables | 14,668 | 4,642 |
| 已抵押其他應收款項 | Pledged other receivables | — | 659 |
| | | 50,091 | 31,015 |

無抵押銀行借貸30,119,000美元(二零一三年：24,778,000美元)以本公司或本集團若干附屬公司作擔保。

The unsecured bank borrowings of US\$30,119,000 (2013: US\$24,778,000) were guaranteed by the Company or certain subsidiaries of the Group.

資產擔保融資指不符合國際會計準則第39號終止確認規定的保理交易所獲得的融資款項。相關金融資產計入貿易及其他應收款項(附註22)。該等借貸於一年內到期，並以人民幣償還。有關借貸已於年內悉數償還。

The asset-backed financing represented the amount of financing obtained in factoring transactions which did not meet the de-recognition requirements in IAS 39. The corresponding financial assets were included in trade and other receivables (note 22). These borrowings matured within one year and were repayable in RMB. Such borrowings have been fully repaid during the year.

27. 遞延稅項負債

本集團

27. Deferred Tax Liabilities

Group

| | | 未分派盈利的 中國預扣稅 | 遞延開發成本 | 其他 | 總計 |
|---------------|------------------------------------|---|----------------------------------|-----------------|-----------------|
| | | PRC withholding tax on undistributed earnings | Deferred development costs | Others | Total |
| | | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 |
| 於二零一三年一月一日 | At 1 January 2013 | 181 | — | — | 181 |
| 匯兌調整 | Exchange adjustment | — | 3 | — | 3 |
| 於損益扣除(附註11) | Charge to profit or loss (note 11) | — | 166 | 28 | 194 |
| 於二零一三年十二月三十一日 | At 31 December 2013 | 181 | 169 | 28 | 378 |
| 於二零一四年一月一日 | At 1 January 2014 | 181 | 169 | 28 | 378 |
| 匯兌調整 | Exchange adjustment | — | 1 | — | 1 |
| 於損益扣除(附註11) | Charge to profit or loss (note 11) | — | 604 | 10 | 614 |
| 於二零一四年十二月三十一日 | At 31 December 2014 | 181 | 774 | 38 | 993 |

根據中國企業所得稅法，自二零零八年一月一日起，就中國附屬公司所賺取溢利而宣派的股息須繳納預扣稅。綜合財務報表內並未就中國附屬公司的55,954,000美元(二零一三年：44,648,000美元)累計溢利所產生的暫時差額作出遞延稅項撥備，原因在於本集團可控制暫時差額的撥回時間，且該等暫時差額可能不會於可預見將來撥回。

本公司

於二零一四年十二月三十一日及二零一三年十二月三十一日，本公司並無任何重大暫時差額。

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to US\$55,954,000 (2013: US\$44,648,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Company

As at 31 December 2014 and 31 December 2013, the Company did not have any material temporary differences.

28. 貿易及其他應付款項
本集團

28. Trade and Other Payables
Group

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-------------|-----------------------------|----------------------------------|----------------------------------|
| 貿易應付款項 | Trade payables | 8,037 | 10,321 |
| 應付票據 | Bills payables | 6,946 | — |
| 其他應付款項及應計款項 | Other payables and accruals | 13,991 | 10,315 |
| | | 28,974 | 20,636 |

根據發票日期，截至報告日期止，本集團的貿易應付款項賬齡分析如下：

Based on invoice date, the ageing analysis of the trade payables of the Group as at the end of the reporting date is as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|----------|------------------|----------------------------------|----------------------------------|
| 90日或以下 | 90 days or below | 4,640 | 7,491 |
| 91至180日 | 91-180 days | 1,033 | 500 |
| 181至365日 | 181-365 days | 927 | 1,074 |
| 超過365日 | Over 365 days | 1,437 | 1,256 |
| | | 8,037 | 10,321 |

董事認為，貿易及其他應付款項的賬面值與其公平值相若。

The directors consider that the carrying amounts of trade and other payables approximate to their fair values.

本公司

Company

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|------|----------|----------------------------------|----------------------------------|
| 應計款項 | Accruals | 206 | 200 |

29. 其他金融負債

本集團

29. Other Financial Liabilities

Group

| | | 千美元 US\$'000 |
|---|---|-----------------|
| 於二零一三年一月一日、 二零一三年十二月三十一日及 二零一四年一月一日 | At 1 January 2013, 31 December 2013 and 1 January 2014 | — |
| 購入具無限使用年期的技術專業知識所產生的或然代價(附註18d) | Contingent consideration arose from the acquisition of indefinite-lived technical know-how (note 18d) | 1,078 |
| 於損益扣除的折現回撥(附註9) | Unwinding of discount charge on provision to profit or loss (note 9) | 38 |
| 於二零一四年十二月三十一日 | At 31 December 2014 | 1,116 |

30. 財務承擔

經營租約承擔
本集團

30. Financial Commitments

Operating lease commitment
Group

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|------------------------|---|----------------------------------|----------------------------------|
| 根據不可撤銷經營租約的未來最低應付租金如下： | Future minimum rental payable under non-cancellable operating lease are as follows: | | |
| 1年內 | Within one year | 106 | 74 |
| 第2至5年 | In the second to fifth years | — | 63 |
| | | 106 | 137 |

本集團以經營租約租用若干物業。租約年期介乎一至五年，可於屆滿日期或本集團和有關業主雙方協定的日期選擇重續租期。該等租約概不包括任何或然租金。

The Group leases certain properties under operating leases. The leases terms are between one and five years, with options to renew the lease terms at the expiry dates or at days as mutually agreed between the Group and the respective landlords. None of these leases includes any contingent rentals.

財務報表附註

Notes to the Financial Statements

截至二零一四年十二月三十一日止年度 For the year ended 31 December 2014

30. 財務承擔(續) 經營租約承擔(續) 本公司

30. Financial Commitments (Continued) Operating lease commitment (Continued) Company

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|------------------------|---|----------------------------------|----------------------------------|
| 根據不可撤銷經營租約的未來最低應付租金如下： | Future minimum rental payable under non-cancellable operating lease are as follows: | | |
| 1年內 | Within one year | 35 | 5 |

資本承擔 本集團

Capital commitment Group

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|--------------|--|----------------------------------|----------------------------------|
| 已批准及訂約的資本承擔： | Capital commitments authorised and contracted for: | | |
| 無形資產 | Intangible assets | 6,341 | 3,887 |
| 建築及設備 | Construction and equipment | 323 | 127 |
| | | 6,664 | 4,014 |

於二零一四年十二月三十一日及二零一三年十二月三十一日，本公司概無資本承擔。

The Company had no capital commitments as at 31 December 2014 and 31 December 2013.

31. 風險管理

本集團面對來自其經營及投資活動的多項財務風險。本集團的風險管理於其總部協調，並與董事緊密合作，積極集中確保本集團的短期至中期現金流量。

信貸風險

本集團的信貸風險主要來自貿易應收款項。綜合財務狀況表呈列的金額已扣除應收呆賬撥備，此乃經本集團管理層根據過往經驗及對當前經濟環境的評估得出。

為減低信貸風險，本集團管理層已訂立信貸政策，指派團隊負責釐定信貸限額、信貸審批及其他監控過程，以確保採取跟進行動收回逾期債項。

本公司亦面對提供56,768,000美元的財務擔保而產生的信貸風險。

於二零一四年十二月三十一日，貿易應收款項總額中有21%（二零一三年：21%）來自本集團最大客戶。

流動資金信貸風險有限，皆因對手方是知名銀行。

31. Risk Management

The Group is exposed to a variety of financial risks which result from its operating and investing activities. The Group's risk management is coordinated at its headquarters in close cooperation with the directors and focuses on actively securing the Group's short to medium term cash flows.

Credit risk

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the consolidated statement of financial position are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

In order to minimise the credit risk, the management of the Group has formulated a credit policy and delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

The Company is also exposed to credit risk arising from the provision of financial guarantees amounted to US\$56,768,000.

As of 31 December 2014, 21% (2013: 21%) of the total trade receivables was due from the Group's largest customer.

The credit risk on liquid funds is limited because the counterparties are reputable banks.

31. 風險管理(續)

流動資金風險

本公司董事已建立適當的流動資金風險管理框架以管理本集團的短、中、長期資金及流動資金管理需求。

本集團通過維持充足儲備、銀行融通和儲備借貸融資，持續監察預測及實際現金流量和配對金融資產及負債的到期情況以管理流動資金風險。此外，本集團定期監察其流動資金需求及其遵守貸款契諾的情況，以確保其維持足夠現金儲備以應付其長短期流動資金需求。

下表詳述本集團非衍生金融負債的餘下合約到期詳情。下表乃根據本集團可被要求還款最早日期的金融負債未折現現金流量編製。具體而言，不論銀行是否可能選擇行使權利，附帶按要求償還條款的銀行貸款均計入最早時間範圍。其他非衍生金融負債的到期日分析按已協定還款日期編製。

31. Risk Management (Continued)

Liquidity risk

The directors of the Company have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Moreover, the Group regularly monitors its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash to meet its liquidity requirement in the short and long term.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

31. 風險管理(續)**流動資金風險(續)**

下表包含利息及本金現金流量。在利息流為按浮動利率計算的情況下，未貼現金額按於報告期末的利率計算。

本集團

| | | 二零一四年 2014 | | | | 合約未折現 現金流量總計 |
|-------------|---|--|---|---|-------|---|
| | 1年內 或按要求 Within one year or on demand 千美元 US\$'000 | 1至2年 Between one and two years 千美元 US\$'000 | 2至5年 Between two and five years 千美元 US\$'000 | 5年以上 Over five years 千美元 US\$'000 | | Total contractual undiscounted cash flows 千美元 US\$'000 |
| 借貸 | Borrowings | 86,597 | — | — | — | 86,597 |
| 貿易應付款項及應付票據 | Trade and bills payables | 14,983 | — | — | — | 14,983 |
| 其他應付款項及應計款項 | Other payables and accruals | 11,970 | — | — | — | 11,970 |
| 其他金融負債 | Other financial liabilities | — | — | — | 1,500 | 1,500 |
| | | 113,550 | — | — | 1,500 | 115,050 |

| | | 二零一三年 2013 | | 1年內 或按要求 Within one year or on demand 千美元 US\$'000 | 合約未折現 現金流量總計 Total contractual undiscounted cash flows 千美元 US\$'000 |
|-------------|-----------------------------|---------------|--|--|---|
| 借貸 | Borrowings | | | 60,332 | 60,332 |
| 貿易應付款項及應付票據 | Trade and bills payables | | | 10,321 | 10,321 |
| 其他應付款項及應計款項 | Other payables and accruals | | | 10,315 | 10,315 |
| | | | | 80,968 | 80,968 |

附帶按要求償還條款的銀行借貸計入上述到期分析的「1年內或按要求」時間範圍。

Bank borrowings with a repayment on demand clause are included in the "within one year or on demand" time band in the above maturity analysis.

31. 風險管理(續)
流動資金風險(續)
本公司

31. Risk Management (Continued)
Liquidity risk (Continued)
Company

| | | 二零一四年 2014 | |
|------|------------|------------------------------------|--|
| | | 1年內 或按要 求 | 合約未折現 現金流 總計 |
| | | Within one year or on demand | Total contractual undiscounted cash flows |
| | | 千美 元 | 千美 元 |
| | | US\$'000 | US\$'000 |
| 借貨 | Borrowings | 5,138 | — |
| 應計款項 | Accruals | 206 | 206 |
| 總計 | Total | 5,344 | 206 |

| | | 二零一三年 2013 | |
|------|----------|------------------------------------|---|
| | | 1年內 或按要 求 | 合約未折現 現金流 總計 |
| | | Within one year or on demand | Total contractual undiscounted cash flows |
| | | 千美 元 | 千美 元 |
| | | US\$'000 | US\$'000 |
| 應計款項 | Accruals | 200 | 200 |

倘浮息變動有別於報告期末所釐定的利率估計，則上文就非衍生金融負債浮息工具所包含的款項或會有變。

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

本公司就其附屬公司借貸融資提供的合約財務擔保為56,768,000美元(二零一三年：38,244,000美元)。誠如董事所評估，銀行不太可能就該等擔保合約向本公司申索損失。此外，本公司附屬公司不太可能無法償還銀行借貸。因此，本公司並無就該等擔保項下的責任作出撥備。

The contractual financial guarantees provided by the Company in respect of the borrowing facilities of its subsidiaries are US\$56,768,000 (2013: US\$38,244,000). As assessed by the directors, it is not probable that the bank would claim the Company for losses in respect of the guarantee contracts. In addition, it is not probable that the subsidiaries of the Company would default repayment of bank borrowings. Accordingly, no provision for the Company's obligation under guarantees has been made.

31. 風險管理(續)**外幣風險**

本集團交易貨幣所承受的外幣風險輕微，原因在於本集團附屬公司持有的大部分金融資產及負債均以該等附屬公司的有關功能貨幣計值。

本集團目前並無外幣對沖政策。然而，管理層監察外匯風險，並將於有需要時考慮對沖重大外幣風險。

利率風險

本集團面對的市場利率變動風險主要與以浮動利率計息的本集團債項責任有關。本集團的銀行借貸利率和還款條款已於附註26披露。本集團目前並無任何利率對沖政策。

下列敏感度分析乃根據報告期末非衍生工具的利率風險釐定。就浮動利率負債而言，有關分析乃假設報告期末的尚未償還負債金額於整個年度均未償還而編製。在向主要管理人員內部報告利率風險時使用50個基點上升或下降幅度，此亦為管理層對利率合理可能變動的評估。

倘利率下降／上升50個基點，而所有其他變數維持不變：

- 本集團截至二零一四年十二月三十一日止年度的溢利及於二零一四年十二月三十一日的保留溢利分別增加／減少308,000美元(二零一三年：增加／減少189,000美元)，此乃主要由於本集團浮息銀行借貸面對的利率風險所致。
- 本集團於二零一四年十二月三十一日的權益增加／減少308,000美元(二零一三年：增加／減少189,000美元)。

31. Risk Management (Continued)**Foreign currency risk**

The Group has minimal transactional currency exposure to foreign currency risk as most of the financial assets and liabilities held by the Group's subsidiaries are denominated in the respective functional currency of such subsidiaries.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The interest rate and terms of repayment of bank borrowings of the Group are disclosed in note 26. The Group currently does not have an interest rate hedging policy.

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points lower/higher and all other variables were held constant:

- The Group's profit for the year ended 31 December 2014 and retained profits as at 31 December 2014 would increase/decrease by US\$308,000 (2013: increase/decrease by US\$189,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate bank borrowings.
- The Group's equity as at 31 December 2014 would increase/decrease by US\$308,000 (2013: increase/decrease by US\$189,000).

31. 風險管理(續)

利率風險(續)

- 本公司截至二零一四年十二月三十一日止年度的虧損及於二零一四年十二月三十一日的累計虧損分別減少/增加25,000美元(二零一三年:零),此乃主要由於本公司浮息銀行借貸面對的利率風險所致。
- 本公司於二零一四年十二月三十一日的權益減少/增加25,000美元(二零一三年:零)。

按類別劃分的金融資產及負債概要

財務狀況表所呈列的賬面值與下列金融資產及金融負債類別有關。

本集團

31. Risk Management (Continued)

Interest rate risk (Continued)

- The Company's loss for the year ended 31 December 2014 and accumulated loss as at 31 December 2014 would decrease/increase by US\$25,000 (2013: nil). This is mainly attributable to the Company's exposure to interest rates on its variable rate bank borrowings.
- The Company's equity at 31 December 2014 would decrease/increase by US\$25,000 (2013: nil).

Summary of financial assets and liabilities by category

The carrying amounts presented in the statements of financial position relate to the following categories of financial assets and financial liabilities.

Group

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|----------------|---|----------------------------------|----------------------------------|
| 金融資產 | Financial assets | | |
| 貸款及應收款項: | Loans and receivables: | | |
| 貿易及其他應收款項 | Trade and other receivables | 62,043 | 50,801 |
| 已抵押銀行存款 | Pledged bank deposits | 27,072 | 14,458 |
| 現金及現金等價物 | Cash and cash equivalents | 15,819 | 11,029 |
| | | 104,934 | 76,288 |
| 金融負債 | Financial liabilities | | |
| 按攤銷成本列賬的金融負債: | Financial liabilities at amortised cost: | | |
| 借貸 | Borrowings | 84,811 | 59,152 |
| 貿易及其他應付款項 | Trade and other payables | 26,953 | 17,528 |
| | | 111,764 | 76,680 |
| 按公平值計入損益的金融負債: | Financial liabilities at fair value through profit or loss: | | |
| 其他金融負債 | Other financial liabilities | 1,116 | — |
| | | 112,880 | 76,680 |

31. 風險管理(續)

按類別劃分的金融資產及負債概要(續)

本公司

31. Risk Management (Continued)Summary of financial assets and liabilities by category
(Continued)

Company

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|---------------|--|----------------------------------|----------------------------------|
| 金融資產 | Financial assets | | |
| 貸款及應收款項： | Loans and receivables: | | |
| 應收附屬公司款項 | Amount due from a subsidiary | 7,828 | 16,998 |
| 現金及現金等價物 | Cash and cash equivalents | 5,005 | 3 |
| | | 12,833 | 17,001 |
| 金融負債 | Financial liabilities | | |
| 按攤銷成本列賬的金融負債： | Financial liabilities at amortised cost: | | |
| 借貸 | Borrowings | 5,000 | — |
| 應計款項 | Accruals | 206 | 200 |
| | | 5,206 | 200 |

資本管理

本集團管理其資本，以確保本集團的實體可持續經營，同時藉著優化債務與權益平衡為股東帶來最大回報。本集團的整體策略由往年至今維持不變。

本集團的資本架構包括債務(包含附註26披露的借貸)、現金及銀行結餘及本公司擁有人應佔權益(包含已發行資本、儲備及保留溢利)。

本集團按其整體融資架構釐定資本金額。本集團應經濟狀況變動及相關資產的風險特點，管理資本架構並作出調整。為維持或調整資本架構，本集團可能調整派付予股東的股息金額、退回資本予股東、發行新股份或出售資產以減債。

Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 26, cash and bank balances and equity attributable to owners of the Company, comprising issued capital, reserves and retained earnings.

The Group sets the amount of capital in proportion to its overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

31. 風險管理(續)

資本管理(續)

截至報告日期止的淨資產負債比率如下：

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|-------------------|---|----------------------------------|----------------------------------|
| 借貸(附註26) | Borrowings (note 26) | 84,811 | 59,152 |
| 減：現金及現金等價物(附註23) | Less: Cash and cash equivalents (note 23) | (15,819) | (11,029) |
| 減：已抵押銀行存款(附註23) | Less: Pledged bank deposits (note 23) | (27,072) | (14,458) |
| 減：已抵押其他應收款項(附註22) | Less: Pledged other receivables (note 22) | — | (659) |
| 債務淨額 | Net debt | 41,920 | 33,006 |
| 權益 | Equity | 114,605 | 110,650 |
| 淨負債權益比率 | Net debt to equity ratio | 36.6% | 29.8% |

其他金融負債的公平值計量

誠如附註18d所披露，於二零一四年三月二十八日，本集團與諾華達成協議，以收購醫藥產品的權利與專業知識。該交易的總現金代價包括8,000,000美元的首期付款，另加最高總額為1,500,000美元的里程碑付款(該款項將與本集團其後取得的銷售額掛鈎)。

本集團根據此或然代價安排可能須支付的全部未來付款的潛在未貼現金額介乎0美元至1,500,000美元。

31. Risk Management (Continued)

Capital management (Continued)

The net gearing ratio at the end of the reporting date was as follows:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|---|--|----------------------------------|----------------------------------|
| Borrowings (note 26) | | 84,811 | 59,152 |
| Less: Cash and cash equivalents (note 23) | | (15,819) | (11,029) |
| Less: Pledged bank deposits (note 23) | | (27,072) | (14,458) |
| Less: Pledged other receivables (note 22) | | — | (659) |
| Net debt | | 41,920 | 33,006 |
| Equity | | 114,605 | 110,650 |
| Net debt to equity ratio | | 36.6% | 29.8% |

Fair Value Measurements of Other Financial Liabilities

As disclosed in note 18d, on 28 March 2014, the Group reached an agreement with Novartis to acquire the rights and know-how related to pharmaceutical product. The total cash consideration of the transaction comprised an upfront payment of US\$8,000,000, plus additional milestone payments of a total maximum amount of US\$1,500,000, which would be linked to the sales amount achieved by the Group subsequently.

The potential undiscounted amount of all future payments that the Group could be required to make under this contingent consideration arrangement is between US\$0 and US\$1,500,000.

31. 風險管理(續)**其他金融負債的公平值計量(續)**

下表呈列於二零一四年十二月三十一日的綜合財務狀況表內，根據公平值層級及按照經常性基準以公平值計量的金融負債。公平值層級有以下級別：

- 第1級：相同資產於活躍市場的報價(未經調整)；
- 第2級：該資產於第1級所包含的報價以外可直接(即按價格)或間接(即自價格得出)觀察的輸入數據；及
- 第3級：該資產或負債並非基於可觀察市場數據的輸入數據(不可觀察輸入數據)。

31. Risk Management (Continued)**Fair Value Measurements of Other Financial Liabilities (Continued)**

The following tables present financial liabilities included in the consolidated statement of financial position as at 31 December 2014 measured at fair value on a recurring basis according to the fair value hierarchy. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

| | 第1級 Level 1 千美元 US\$'000 | 第2級 Level 2 千美元 US\$'000 | 第3級 Level 3 千美元 US\$'000 | 總計 Total 千美元 US\$'000 |
|--------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| 二零一四年十二月三十一日 負債 | | | | |
| 按公平值計入損益的金融 負債 | | | | |
| 其他金融負債 | — | — | 1,116 | 1,116 |
| | — | — | 1,116 | 1,116 |

於二零一三年十二月三十一日，並無按公平值計量的金融負債。

As at 31 December 2013, there were no such financial liabilities measured at fair value.

於本年度並無就此或然代價於損益確認收益或虧損。

No gain or loss relating to this contingent consideration has been recognised in profit or loss for the current year.

31. 風險管理(續)

其他金融負債的公平值計量(續)

或然代價的公平值乃使用貼現現金流估算。公平值乃基於若干不可觀察的參數(包括貼現率、銷售額達標的概率及銷售額達標的期間)釐定。該等重大不可觀察輸入數據及該等輸入數據與或然代價公平值的關係顯示如下：

| 重大不可觀察輸入數據 | 不可觀察輸入數據與公平值的關係 |
|-----------------------|--------------------|
| 4.7%的貼現率 | 貼現率越高，則公平值越低。 |
| 銷售額達標的概率，即100% | 銷售額達標的概率越高，則公平值越高。 |
| 銷售額達標的期間，即二零一九年及二零二一年 | 銷售額達標的期間越早，則公平值越高。 |

32. 關連方交易

年內，本集團與關連方訂立下列交易：

31. Risk Management (Continued)

Fair Value Measurements of Other Financial Liabilities (Continued)

The fair value of the contingent consideration was estimated by applying the discounted cash flow. The determination of fair value is based on certain parameters including the discount rate, the probability of sales achievement and the period of sales achievement, which are unobservable. The significant unobservable inputs and relationship of these inputs to fair value contingent consideration are shown as below:

| Significant unobservable input(s) | Relationship of unobservable inputs to fair value |
|--|---|
| Discount rate of 4.7% | The higher the discount rate, the lower the fair value. |
| Probability of sales achievement, which is 100% | The higher the probability of sales achievement, the higher the fair value. |
| Period of sales achievement, which are year 2019 and year 2021 | The earlier the period of sales achievement, the higher the fair value. |

32. Related Party Transactions

During the year, the Group entered into the following transactions with related parties:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|----------------|---|----------------------------------|----------------------------------|
| <i>買賣交易：</i> | <i>Trading transactions：</i> | | |
| 已付同系附屬公司加工費開支 | Processing fee expenses paid to a fellow subsidiary | 330 | 23 |
| 向同系附屬公司購買貨品 | Purchase of goods from fellow subsidiaries | 644 | 3 |
| 向同系附屬公司銷售貨品 | Sales of goods to a fellow subsidiary | 11 | — |
| <i>其他交易：</i> | <i>Other transactions：</i> | | |
| 已付同系附屬公司租金開支 | Rental expenses paid to fellow subsidiaries | 33 | 12 |
| 已收同系附屬公司顧問費用收入 | Consultancy fee income received from fellow subsidiaries | 64 | 27 |
| 收購同系附屬公司的無形資產 | Acquisition of intangible assets from a fellow subsidiary | — | 760 |

32. 關連方交易(續)

下列結餘於報告期末尚未清償：

32. Related Party Transactions (Continued)

The following balances were outstanding at the end of the reporting period:

| | | 二零一四年 2014 千美元 US\$'000 | 二零一三年 2013 千美元 US\$'000 |
|----------|-------------------------------------|--|----------------------------------|
| 同系附屬公司欠款 | Amounts owed by fellow subsidiaries | 4,420 | 4,590 |

同系附屬公司欠款指就將購買貨品或將提供加工服務而給予供應商的墊款。未清償款項為無抵押、免息及須應要求償還。於二零一四年或二零一三年內，本集團並無就同系附屬公司欠款的呆壞賬作出任何撥備，亦無就關連方交易提供或獲得任何擔保。

本公司董事認為，以上關連方交易乃按正常商業條款在一般日常業務中進行。

主要管理人員薪酬指附註10所披露支付予本公司董事的金額。

The amount owed by fellow subsidiaries represented the advances to suppliers on the goods to be purchased or processing services to be provided. The amounts outstanding are unsecured, interest-free and repayable on demand. The Group has not made any allowance for bad or doubtful debts in respect of amounts owed by fellow subsidiaries nor has any guarantee been given or received during 2014 or 2013 regarding related party transactions.

The directors of the Company are of the opinion that the above related party transactions were conducted on normal commercial terms and in the ordinary and usual course of business.

Remuneration for key management personnel represents amounts paid to the Company's directors as disclosed in note 10.

33. 本公司附屬公司詳情

附屬公司的一般資料

本公司附屬公司於報告期末的詳情如下：

33. Particulars of Subsidiaries of the Company

General information of the subsidiaries

Details of the Company's subsidiaries at the end of the reporting period are set out follows.

| 名稱 Name | 註冊成立/ 成立國家/ 地點 Country/ Place of incorporation/ establishment | 主要營業地點 Principal place of business | 已發行及繳足股本/ 註冊資本詳情 Particulars of issued and fully paid share capital/ registered capital | 本集團所持擁有權權益及 投票權的比例 Proportion of ownership interest and voting power held by the Group | | 主要業務 Principal activities |
|---|---|--|--|---|---------------|------------------------------|
| | | | | 二零一四年 2014 | 二零一三年 2013 | |
| 直接持有權益 Interests held directly | | | | | | |
| 朗生醫藥控股有限公司 Lansen Pharmaceutical Holdings Limited | 英屬處女群島 The British Virgin Island (the "BVI") | 香港 Hong Kong | 29,491,360股 每股面值1美元的普通股 29,491,360 ordinary shares of US\$1 each | 100% | 100% | 投資控股 Investment holding |
| 間接持有權益 Interests held indirectly | | | | | | |
| Brilliant Manufacture Limited | 英屬處女群島 The BVI | 香港 Hong Kong | 1股面值1美元的普通股 1 ordinary share of US\$1 | 100% | 100% | 投資控股 Investment holding |
| Flash Universal Limited | 英屬處女群島 The BVI | 香港 Hong Kong | 1股面值1美元的普通股 1 ordinary share of US\$1 | 100% | 100% | 投資控股 Investment holding |
| Horizon Network Limited | 英屬處女群島 The BVI | 香港 Hong Kong | 1股面值1美元的普通股 1 ordinary share of US\$1 | 100% | 100% | 投資控股 Investment holding |
| Magnificent Worldwide Limited | 英屬處女群島 The BVI | 香港 Hong Kong | 1股面值1美元的普通股 1 ordinary share of US\$1 | 100% | 100% | 投資控股 Investment holding |
| 豐勤有限公司 Full Keen Limited | 香港 Hong Kong | 香港 Hong Kong | 1股面值1港元的普通股 1 ordinary share of HK\$1 | 100% | 100% | 投資控股 Investment holding |
| 朗生投資(香港)有限公司 Lansen Investments (Hong Kong) Limited | 香港 Hong Kong | 香港 Hong Kong | 100股 每股面值1港元的普通股 100 ordinary shares of HK\$1 each | 100% | 100% | 投資控股 Investment holding |
| 朗生醫藥(香港)有限公司 Lansen Pharmaceutical (Hong Kong) Limited | 香港 Hong Kong | 香港 Hong Kong | 1股面值1港元的普通股 1 ordinary share of HK\$1 | 100% | 100% | 投資控股 Investment holding |
| 立華植物提取(香港)有限公司 Liwah Plant Extract (Hong Kong) Limited | 香港 Hong Kong | 香港 Hong Kong | 1股面值1港元的普通股 1 ordinary share of HK\$1 | 100% | 100% | 投資控股 Investment holding |
| 萊丰國際有限公司 Point Kin International Limited | 香港 Hong Kong | 香港 Hong Kong | 1股面值1港元的普通股 1 ordinary share of HK\$1 | 100% | 100% | 投資控股 Investment holding |

33. 本公司附屬公司詳情(續)

33. Particulars of Subsidiaries of the Company
(Continued)

附屬公司的一般資料(續)

General information of the subsidiaries (Continued)

| 名稱 Name | 註冊成立/ 成立國家/ 地點 Country/ Place of incorporation/ establishment | 主要營業地點 Principal place of business | 已發行及繳足股本/ 註冊資本詳情 Particulars of issued and fully paid share capital/ registered capital | 本集團所持擁有權權益及 投票權的比例 Proportion of ownership interest and voting power held by the Group | | 主要業務 Principal activities |
|--|---|--|--|---|---------------|-----------------------------------|
| | | | | 二零一四年 2014 | 二零一三年 2013 | |
| 間接持有權益 Interests held indirectly | | | | | | |
| 朗生藥業(香港)有限公司 Lansen Medicine (Hong Kong) Limited | 香港 Hong Kong | 香港 Hong Kong | 1股面值1港元的普通股 1 ordinary share of HK\$1 | 100% | | 醫藥業務 — Pharmaceutical business |
| 朗生醫藥(深圳)有限公司 Lansen Medicine (Shenzhen) Company Limited | 中國(附註a) The PRC (note a) | 中國 The PRC | 人民幣29,498,000元 RMB29,498,000 | 100% | 100% | 醫藥業務 Pharmaceutical business |
| 寧波立華製藥有限公司 Ningbo Liwah Pharmaceutical Company Limited | 中國(附註b) The PRC (note b) | 中國 The PRC | 人民幣236,000,000元 RMB236,000,000 | 100% | 100% | 醫藥業務 Pharmaceutical business |
| 寧波立華植物提取技術有限公司 Ningbo Liwah Plant Extraction Technology Limited | 中國(附註b) The PRC (note b) | 中國 The PRC | 人民幣28,000,000元 RMB28,000,000 | 100% | 100% | 醫藥業務 Pharmaceutical business |
| 寧波朗生醫藥有限公司 Ningbo Lansen Pharmaceutical Company Limited | 中國(附註c) The PRC (note c) | 中國 The PRC | 人民幣35,000,000元 RMB35,000,000 | 100% | 100% | 醫藥業務 Pharmaceutical business |
| 亳州朗生藥材產業有限公司 Bozhou Lansen Herbal Industry Limited | 中國(附註a) The PRC (note a) | 中國 The PRC | 人民幣3,500,000元 RMB3,500,000 | 100% | 100% | 醫藥業務 Pharmaceutical business |
| 寧波朗生醫藥科技有限公司 Ningbo Lansen Pharmaceutical Technology Company Limited | 中國(附註b) The PRC (note b) | 中國 The PRC | 人民幣1,000,000元 RMB1,000,000 | 100% | 100% | 醫藥業務 Pharmaceutical business |

附註

Notes

(a) 於中國成立為有限公司

(a) Established as a limited liability company in the PRC

(b) 於中國成立為外商獨資企業

(b) Established as a wholly foreign owned enterprise in the PRC

(c) 於中國成立為中外合資企業

(c) Established as a sino-foreign equity joint venture in the PRC

年末概無任何附屬公司發行任何債務證券。

None of the subsidiaries had issued any debt securities at the end of the year.

33. 本公司附屬公司詳情(續)

本集團的組成

主要業務

Principal activities

33. Particulars of Subsidiaries of the Company
(Continued)

Composition of the Group

註冊成立／成立地點

Place of incorporation/
establishment

全資附屬公司數目

Number of wholly-owned
subsidiaries

二零一四年

2014

二零一三年

2013

| | | | |
|-------------------------|-----------|----|----|
| 醫藥業務 | 中國 | | |
| Pharmaceutical business | The PRC | 6 | 6 |
| 醫藥業務 | 香港 | | |
| Pharmaceutical business | Hong Kong | 1 | — |
| 投資控股 | 香港 | | |
| Investment holding | Hong Kong | 5 | 5 |
| 投資控股 | 英屬處女群島 | | |
| Investment holding | The BVI | 5 | 5 |
| | | 17 | 16 |



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