



# 深圳市海王英特龍 生物技術股份有限公司

SHENZHEN NEPTUNUS INTERLONG  
BIO-TECHNIQUE COMPANY LIMITED\*

(a joint stock limited company incorporated  
in the People's Republic of China)

(於中華人民共和國註冊成立之股份有限公司)

Stock Code 股份代號: 8329

\* For identification purpose only 僅供識別之用



**2017** 年報  
Annual Report

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# Corporate Information

## 公司資料

### Directors

#### Executive Directors

Mr. Zhang Feng (*Chairman*)  
Mr. Xu Yan He (*General Manager*)

#### Non-Executive Directors

Mr. Liu Zhan Jun  
Ms. Yu Lin  
Mr. Song Ting Jiu  
Mr. Zhao Wen Liang

#### Independent Non-Executive Directors

Mr. Yick Wing Fat, Simon  
Mr. Poon Ka Yeung  
Mr. Zhang Jian Zhou

### Supervisors

Mr. Xiong Chu Xiong  
Mr. Wang Bin  
Ms. Li Ting

### Members of Remuneration Committee

Mr. Poon Ka Yeung (*Chairman of the Remuneration Committee*)  
Mr. Zhang Feng  
Mr. Yick Wing Fat, Simon

### Members of Audit Committee

Mr. Yick Wing Fat, Simon (*Chairman of the Audit Committee*)  
Mr. Poon Ka Yeung  
Ms. Yu Lin

### Members of Nomination Committee

Mr. Zhang Feng (*Chairman of the Nomination Committee*)  
Mr. Yick Wing Fat, Simon  
Mr. Poon Ka Yeung  
Mr. Zhang Jian Zhou

### Joint Company Secretaries

Ms. Lee Mei Yi (*FCS, FCIS*)  
Ms. Mu Ling Xia

### 董事

#### 執行董事

張鋒先生 (*主席*)  
徐燕和先生 (*總經理*)

#### 非執行董事

劉占軍先生  
于琳女士  
宋廷久先生  
趙文梁先生

#### 獨立非執行董事

易永發先生  
潘嘉陽先生  
章劍舟先生

### 監事

熊楚熊先生  
王彬先生  
李婷女士

### 薪酬委員會委員

潘嘉陽先生 (*薪酬委員會主席*)  
張鋒先生  
易永發先生

### 審核委員會委員

易永發先生 (*審核委員會主席*)  
潘嘉陽先生  
于琳女士

### 提名委員會委員

張鋒先生 (*提名委員會主席*)  
易永發先生  
潘嘉陽先生  
章劍舟先生

### 聯席公司秘書

李美儀女士 (*FCS, FCIS*)  
慕凌霞女士

### Compliance Officer

Mr. Zhang Feng

### Authorised Representatives

Mr. Xu Yan He  
Ms. Mu Ling Xia

### Auditors

Grant Thornton Hong Kong Limited

### Legal Adviser

Stephenson Harwood  
18th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong

### Principal Bank

China Construction Bank Shenzhen CBD Sub-branch

### H Share Registrar and Transfer Office in Hong Kong

Tricor Investor Services Limited  
Level 22, Hopewell Centre,  
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### Registered Office

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### Principal Place of Business in Hong Kong

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### Website

[www.interlong.com](http://www.interlong.com)

### Stock Code

8329

### 監察主任

張鋒先生

### 授權代表

徐燕和先生  
慕凌霞女士

### 核數師

致同(香港)會計師事務所有限公司

### 法律顧問

羅夏信律師事務所  
香港金鐘金鐘道95號統一中心18樓

### 主要往來銀行

中國建設銀行深圳中心區支行

### 香港H股過戶及登記處

卓佳證券登記有限公司  
香港灣仔皇后大道東183號  
合和中心22樓

### 註冊辦事處

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### 香港主要營業地點

香港金鐘金鐘道95號統一中心18樓

### 網站

[www.interlong.com](http://www.interlong.com)

### 股份代號

8329

# Chairman's Statement

## 主席報告

Dear shareholders

On behalf of the Board of Directors (the "Board") of Shenzhen Neptunus Interlong Bio-technique Company Limited (the "Company"), I am pleased to present the annual results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2017.

Looking back on 2017, the Chinese government furthers its effort in supply-side structural reform, and this helped unleash the vitality, drive and potential of the Chinese economy. The Gross Domestic Product exceeded estimation and grew at a growth rate of approximately 6.9%. In 2017, against the backdrop of pharmaceutical reform policies, the general growth rate of the pharmaceutical industry in China slowed down, though still exceeding most other industries in China. In respect of pharmaceutical manufacturing, impacted by the rapid promotion of policies such as quality consistency evaluation for generic drugs, quality standards and capability of risk tolerance of pharmaceutical manufacturers were further challenged, and this resulted in the accelerated pace of differentiation of pharmaceutical manufacturers and imminent restructuring of pharmaceutical manufacturing. In respect of pharmaceutical business, with "two invoice system" (兩票制) or "one invoice system" (一票制) undertaken in some provinces in mainland China, the industrial integration was coming, small and mid-sized enterprises faded out in the market while large-scaled enterprises have accelerated their pace of expansions, making the industry highly-concentrated. As such, in this year and next few years, the industry was and will be full of challenges as well as opportunities. The Group has to constantly monitor and consider new developments of the industry and the guiding direction of national policies, so as to align with the policy guidance and industry development while enhancing its competitiveness.

In 2017, the Group continuously strengthened and developed its business of various drugs including herbal medicine, generic drugs, transfusion and anti-tumor drugs, mitigating the impact of new national medical policies on the industrial enterprises. At the same time, also in accordance with industry development, the purchase and sales of medicines and healthcare food products business continued to expand sales network and products and tried innovative marketing models to further expand its business scale.

致各位股東：

本人謹代表深圳市海王英特龍生物技術股份有限公司(「本公司」)董事會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一七年十二月三十一日止之年度業績。

回顧二零一七年，中國供給側結構性改革持續深化，經濟活力、動力和潛力得到不斷釋放，國內生產總值超預期，增速約6.9%。二零一七年，受醫藥改革政策疊加影響，中國醫藥行業整體增速放緩，但仍超過國內絕大多數行業。在醫藥工業方面，受仿製藥一致性評價等政策快速推進的影響，製藥企業質量水平及抗風險能力將受到進一步考驗，製藥企業分化加速，醫藥工業洗牌臨近。在醫藥商業方面，隨著中國相關省份陸續實施「兩票制」或「一票制」，行業整合階段來臨，中小企業迅速衰落，大型企業加速擴張，行業集中度顯著提升。因此，本年度及之後幾個年度，醫藥產業充滿新機遇與挑戰，本集團則需不斷研究醫藥行業新的發展及國家政策的引導方向，順應政策引導和行業發展，繼續提升企業競爭力。

於二零一七年度，本集團繼續鞏固和穩定發展中藥、普藥、輸液及抗腫瘤藥物等多類藥品業務、降低國家醫藥新政策對工業企業的影響。同時藥品及保健食品的購銷業務也根據行業發展情況，繼續拓展銷售網絡和產品，嘗試創新營銷模式，進一步擴大業務規模。

Looking forward into 2018, the change in industry structure resulting from supply-side structural reform in China will continue. Meanwhile, the Chinese government has been setting higher standards for environmental protection. The momentum of China's economic reform and development gradually stabilized, and this propelled the development in the direction of pursuing for higher quality. In general, Chinese pharmaceutical industry will maintain a stable growing trend. In respect of pharmaceutical reform, policies such as premium controls in medical insurance, control on proportion of drug cost and quality consistency evaluation for generic drugs have brought significant impact on chemical agents, leading to substantial differentiation among pharmaceutical manufacturers. With the weakening effect of policies on decreasing drug prices in tender processes, the industry's recovery has become increasingly evident, while proprietary Chinese medicines will enjoy a greater market share owing to measures imposed by the state to facilitate the development of Chinese medicines. In respect of pharmaceutical business, "two invoice system" (兩票制) will quicken the restructuring of pharmaceutical industry. With the integration of pharmaceutical business, large and strong corporations and brands, leveraging on the strength in network and in capital, will become industry leaders, while small and mid-sized enterprises will be taken over or being eliminated from the market, making the market more concentrated. With numerous mergers and acquisitions in pharmaceutical market, brand and quality advantages enjoyed by those large and strong corporations and brands will appear clearly. The war for large corporations and brands has come.

The Board believes that the business of the Group is developing well and is confident about the business prospects of the Group. The Group will leverage on the opportunities and challenges in the pharmaceutical and healthcare industry brought by the national policies, as well as strive to eliminate the impact of unfavourable conditions. Meanwhile, the Group will also allocate more resources to the research and development of new drugs, quality consistency evaluation for generic drug and product quality assurance system, ensuring the sustainable and healthy development of the Group's pharmaceutical manufacturing and sales business.

On behalf of the Company and the Board, I would like to express my heartfelt gratitude to all shareholders, business partners and staff for their continuing support and trust in the Group.

**Zhang Feng**  
Chairman

展望二零一八年，中國供給側結構性改革所帶來的產業結構變化將會持續，同時，國家對環保的要求也在不斷提高，中國經濟轉型發展的態勢逐漸穩固，在高質量發展上邁出一大步。總體上看，中國醫藥行業整體將保持穩步增長。在醫藥政策改革方面，醫保控費、控制藥佔比、仿製藥一致性評價等政策對化學製劑衝擊較大，製藥企業將成明顯分化；隨著招標降價政策影響逐漸消化，國家促進中醫藥發展的措施帶動行業回暖，品牌中成藥將擁有較大的市場空間。在醫藥商業方面，「兩票制」將加速行業洗牌，醫藥商業進入整合階段，實力雄厚的品牌企業憑藉較強的渠道優勢和資金實力成為行業整合者，中小企業面臨被並購或淘汰的命運，行業整體集中度提升。隨著醫藥市場併購重組情況的大量發生，品牌企業的品牌優勢和品質優勢大大凸顯，大企業、大品牌集群作戰的時代已經到來。

董事會相信本集團的經營業務正朝著良好方面發展並對本集團的業務前景充滿信心。本集團將致力於把握國家政策給醫藥健康產業帶來的機遇和挑戰，力爭消除不利因素的影響，並加大對新藥研發、仿製藥一致性評價及產品質量保障體系的投入，以確保本集團藥品生產和銷售業務的持續穩定健康的發展。

本人謹此代表本公司及董事會向各股東、業務夥伴以及全體員工一直以來對本集團的支持和信賴表示衷心的感謝。

主席  
張鋒

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

For the year ended 31 December 2017 (the “Year”), the Group was principally engaged in the research and development, manufacturing and selling of medicines, and the purchase and sales of medicines and healthcare food products in the PRC. The medicines being sold by the Group mainly cover four therapeutic areas which are oncology, cardiovascular system, respiratory system and digestive system.

### Research and Development, Manufacturing and Selling of Medicines

Currently, the Group manufactures its own medicines through the production base (“Fuzhou Production Base”) located in Jin’an District, Fuzhou, Fujian Province, the PRC, including herbal medicine, generic drugs, transfusion, anti-tumor drugs and other drugs. The Fuzhou Production Base is the only narcotic production base in Fujian Province designated by the State and also the only medicine production base for army reserves in Fujian Province for the General Logistics Department of the Chinese People’s Liberation Army.

Currently, the Group’s research and development work is mainly serving by the way of independent research and development and cooperation with external research and development institutions to meet the internal development demands of the Group. Two pharmaceutical manufacturing subsidiaries of the Group are high-tech enterprises. They currently possess various new drugs and exclusive products with self-owned intellectual property rights, including Tegafur, Gimeracil and Oteracil Potassium Tablets (the “TGOP Tablets” 替吉奧片, a new drug for anti-gastric cancer), Xiaozheng Yigan Tablets (消症益肝片, an anti-liver-cancer drug), Proteoglycan Tablets (多糖蛋白片, for enhancing immune system), Biyuan Capsules (鼻淵膠囊, an anti-rhinitis medicine), Amaranth Berberine Capsules (莧菜黃連素膠囊, a drug for acute diarrhea) and HTK Myocardial Protection Cardioplegic Solution (HTK心肌停跳液, a Class III medical device). Among the aforesaid products, the research and development of HTK Myocardial Protection Cardioplegic Solution of a relevant subsidiary was awarded “Fujian Enterprise Excellent Innovation Achievement Prize” in the Year by Fujian Province Enterprise and Entrepreneur Union (福建省企業與企業家聯合會); and Amaranth Berberine Capsules was the top seller among the antidiarrheal Chinese patent medicines in urban retail drugstores of China in 2016 with a market share of approximately 33% according to the information released in August 2017 by Menet (previously known as China Pharmaceutical Economic Information Network), a pharmaceutical information web portal.

### 業務回顧

截至二零一七年十二月三十一日止年度(「本年度」), 本集團主要在中國從事藥品的研發、生產及銷售, 以及藥品及保健食品的購銷。本集團銷售的藥品主要涵蓋腫瘤、心血管系統、呼吸系統及消化系統四大治療領域。

### 藥品研發、生產及銷售

目前, 本集團的自有藥品通過位於中國福建省福州市晉安區的生產基地(「福州生產基地」)進行生產, 包括中藥、普藥、輸液、抗腫瘤藥物及各種其他藥物。福州生產基地, 是國家在福建省唯一指定的麻醉品生產基地, 也是國家及中國人民解放軍總後勤部在福建省唯一的戰備藥品儲備生產基地。

目前, 本集團研發工作主要通過自主研發和與外部研發機構合作的方式服務本集團的內部發展需求。本集團旗下現有兩家製藥附屬公司為高新技術企業。他們目前擁有多個新藥和自主知識產權獨家產品, 如抗胃癌新藥替吉奧片(「替吉奧片」)、抗肝癌藥消症益肝片、提高免疫力的多糖蛋白片、抗鼻炎用藥鼻淵膠囊、急性腹瀉用藥莧菜黃連素膠囊以及HTK心肌保護停跳液(國家三類醫療器械產品)等。其中, 相關附屬公司心肌保護停跳液的研究與產業化開發於本年度獲福建省企業與企業家聯合會授予了「福建企業創新優秀成果獎」; 根據中國醫藥資訊門戶一米內網(原名中國醫藥經濟信息網)於二零一七年八月發佈的信息, 莧菜黃連素膠囊在二零一六年中國城市零售藥店止瀉類中成藥中銷售第一, 市場份額約為33%。



## Management Discussion and Analysis 管理層討論及分析

Under the national policy in relation to quality consistency evaluation for generic drugs promulgated in 2016, appropriate types of medicines were proactively selected by a pharmaceutical manufacturing subsidiary of the Group and the first batch of selected medicines was selected to proceed the quality consistency evaluation for generic drugs in 2016, and the relevant work is under orderly progress.

During the Year, the sales of the large-capacity injection series products were affected by the unsatisfactory results of tendering process in some regions of Fujian Province. Given the situation, the Group will proactively keep up with pharmaceutical policies of Fujian Province, make proper arrangements for the bidding, strive to win bidding in more areas and actively expand the product sales network in 2018, thereby restrict and reverse the decrease in sales volume of the relevant products. Meanwhile, at the end of the Year, certain provisions for obsolete inventory and inventory write off were respectively made by the Group against the large-capacity injection products that were previously produced in a large scale to cope with the Designated Production of Injections Policy (輸液定點生產政策) in Fujian Province.

The Pharmaceutical GMP Certificate of a production line for large volume injections of glass bottles owned by a subsidiary of the Group, which has the smaller production capacity, was withdrawn in the middle of August 2017. The withdrawal of the certificate did not significantly affect the production and operation and the results of the Group for the Year. According to the current regulations of the PRC, if the Pharmaceutical GMP Certificate of a production line has been withdrawn, the pharmaceutical manufacturer can re-apply for the GMP certification for such production line after proper rectification and reforms. In light of this, the subsidiary will strive to re-obtain the Pharmaceutical GMP Certificate for relevant production line. At the same time, the Group will increase its investment in pharmaceutical manufacturing and quality assurance systems in 2018 for ensuring and upgrading the Group's product quality.

Thanks to the State's support for the development of herbal medicine industry, as well as the increasing demand for herbal medicine products, the sales revenue of the herbal medicine products during the Year continued its positive growth. In addition, the TGOP Tablets have won the bids in Fujian Province and Guangdong Province, and the sales of which is good. The sales revenue of the TGOP Tablets for the Year recorded substantial growth as compared with that of last year. The Group will continue to increase the promotion of herbal medicine products and the TGOP Tablets in 2018.

根據國家於二零一六年出臺的有關仿製藥一致性評價的政策，本集團旗下相關製藥附屬公司已積極篩選品種，並於二零一六年度啟動了首批篩選品種的仿製藥一致性評價，目前相關工作正在有序推進過程中。

因在福建省部分地區中標結果不理想，大容量注射劑系列產品在本年度的銷售受到一定影響。針對該情況，本集團於二零一八年將積極把握福建省醫藥政策動態，做好招投標工作，力爭擴大中標地區範圍，積極拓寬產品銷路，抑制和扭轉相關產品銷量下降的情況。同時，對原根據福建省輸液定點生產政策而增加生產的大容量注射劑產品，本集團在本年末相應計提了存貨減值準備和進行了報廢處理。

於二零一七年八月中旬，本集團一家附屬公司的一條產能較小的玻璃瓶大容量注射劑生產線被收回《藥品GMP證書》，該證書的收回對本集團本年度的生產經營及業績沒有產生重大影響。根據中國現行法規，被收回《藥品GMP證書》的生產線經整改後，藥品生產企業可就該生產線重新申請藥品GMP認證。鑒此，該附屬公司將盡力就相關生產線重新取得《藥品GMP證書》。同時，本集團於二零一八年將加大對藥品生產及質量保障體系的投入，進一步確保和提升本集團產品質量。

受益於國家對中醫藥產業發展的支持，以及國人對中藥產品需求的提升，中藥產品於本年度的銷售收入繼續保持良好增長。此外，替吉奧片目前已在福建省和廣東省中標，銷售情況良好，本年度替吉奧片的銷售收入較去年有較大幅度的增長。二零一八年本集團將繼續加大對中藥產品和替吉奧片的推廣力度。

## Management Discussion and Analysis

### 管理層討論及分析

The Group obtained the land use rights in respect of two pieces of lands located at Aojiangyuan District, Lianjiang County, Fuzhou City, Fujian Province, the PRC (the "Lands") through the listing for sales (掛牌出讓) organized by the Bureau of Land Resources of Lianjiang ("Lianjiang Land Bureau") on 19 April 2012 to build a pharmaceutical production base ("Lianjiang Project"). After the delivery of the Lands to the Group by Lianjiang Land Bureau in March 2015, the Group had been proactively conducting preliminary construction preparation work on the Lands in respect of the Lianjiang Project, but due to various factors, the construction progress had been slow. In light of this, the Group had actively communicated with the relevant government departments of Lianjiang County. On 19 October 2017, two subsidiaries of the Group, Neptunus Fuyao Pharmaceutical (Lianjiang) Co., Ltd. ("Neptunus Fuyao Lianjiang") and Neptunus Jinxiang Chinese Pharmaceutical (Lianjiang) Co., Ltd. ("Neptunus Jinxiang Lianjiang") respectively entered into a land resumption agreement with Lianjiang County Land Development Centre and Lianjiang Economic Development District Management Committee, pursuant to which Lianjiang County Land Development Centre redeemed the Lands for a total consideration of RMB63,869,886. As the Lianjiang Project was still in its early stage of construction with only preparatory work, the infrastructure was not completed and no actual operation commenced, thus the resumption of the Lands will not bring any material impact on the Group's normal course of production and operation. The proceeds from the resumption of the Lands will be used for more suitable new construction project or business development project. In the middle of November 2017, the Group received all consideration of the resumption of the Lands. Meanwhile, Neptunus Fuyao Lianjiang and Neptunus Jinxiang Lianjiang handed over the Lands and their ancillary assets to Lianjiang County Land Development Centre. The resumption of the Lands did not significantly impact on the Group's result of the Year.

### Purchase and Sales of Medicines and Healthcare Food Products

Currently, the main products distributed by the Group are medicines and healthcare food products, including the well-known product series of the Neptunus Ginkgo Leaves Tablets (海王銀杏葉片) and Neptunus Jinzun (海王金樽). In the Year, Neptunus® Yinkeluo® Ginkgo Leaves Tablets was listed in the Rui Sub-List of China Pharmaceutical Brand List (中國製藥•品牌榜銳榜) sponsored by Menet. The brands listed were the brands recorded high growth rate by the three great terminals of Menet in the most recent year and were selected into the Rui Sub-List through a stringent procedure. During the evaluating process, many professional research institutions, professionals and academics of the industry and entrepreneurs provided plenty of professional advice and the Rui Sub-List was of relatively great influence in China pharmaceutical industry.

本集團透過連江縣國土資源局(「連江國土局」)於二零一二年四月十九日主持的掛牌出讓中取得位於中國福建省福州市連江縣敖江園區的兩幅土地(「該等土地」)的土地使用權,旨在該等土地上建設醫藥生產基地(「連江項目」)。於二零一五年三月連江國土局將該等土地交付給本集團後,本集團就連江項目對該等土地一直積極進行初步建設籌備工作。但受一些綜合因素影響,連江項目建設進展一直緩慢。針對該情況,本集團與連江縣有關政府部門進行了積極溝通,於二零一七年十月十九日,本公司兩家附屬公司海王福藥製藥(連江)有限公司(「海王福藥連江」)和海王金象中藥製藥(連江)有限公司(「海王金象連江」)分別與連江縣土地發展中心和連江經濟開發管委會簽訂了收儲協議,據此,連江縣土地發展中心以人民幣63,869,886元的價格收儲該等土地。鑒於連江項目尚處於初期建設準備階段,沒有完成基礎建設和進行實際運營,所以土地收儲不會對本集團的正常生產經營產生重大影響,而土地收儲所得款項將用於本集團更為合適的新建設項目或業務發展項目。於二零一七年十一月中旬,本集團收到土地收儲的全部對價款。同時,海王福藥連江和海王金象連江已順利移交該等土地及其附屬資產給連江縣土地發展中心。本次土地收儲對本集團本年度的業績無重大影響。

### 藥品及保健食品購銷

目前,本集團主要代理產品為藥品及保健食品,其中包括著名的海王銀杏葉片系列產品和海王金樽系列產品。於本年度,海王®銀可絡®銀杏葉片入選了由米內網主辦的「中國製藥•品牌榜銳榜」。「中國製藥•品牌榜銳榜」是根據米內網三大終端監測數據顯示的最近一年內出現高增長率的新品牌,並通過嚴格篩選入圍銳榜。該評選過程中有眾多專業研究機構、行業專家學者及企業家提供了大量非常專業的意見,評選出的銳榜榜單在中國醫藥行業有較大影響力。

# Management Discussion and Analysis

## 管理層討論及分析

During the Year, the purchase and sales of medicines and healthcare food products business continued to grow. Among which, the sales volume through large and medium-sized chain drugstores continued to grow due to reasons such as the increase in demands in domestic pharmaceutical retail market and healthcare food products market, the increase in the number of products and categories distributed by the Group, adoption of a flexible and diversified sales policy, in-depth optimization of the sales force etc.. Due to the implementation of “two invoice system” (兩票制) and “one invoice system” (一票制) in the PRC, the marketing model of drugs that were sold to terminal medical institutions through professional sales promotion companies is still in the adjustment stage and the sales revenue of the relevant business remains substantially unchanged. The overall sales revenue of the purchase and sales of medicines and healthcare food products business continued to maintain positive growth.

In order to reduce the intermediate links in pharmaceutical circulation, the PRC government has progressively implemented “one invoice system” (一票制) or “two invoice system” (兩票制) in the relevant provinces. Due to the impact of such policies, certain pharmaceutical products which were originally distributed through the Group are now needed to be directly supplied to hospitals or terminal distributors by the pharmaceutical manufacturing enterprises. To offset the impact on sales revenue brought by the decrease in the quantities of the pharmaceutical products distributed by the Group, the Group has proactively adjusted its business model and has started to provide sales management services of pharmaceutical products to relevant pharmaceutical manufacturing enterprises. So far, the business is being carried out progressively.

In 2018, the Group will proactively leverage on the opportunities and challenges in the pharmaceutical circulation business brought by the national medical policies as well as strive the impact of unfavourable conditions, so as to maintain the growth of the purchase and sales of medicines and healthcare food products business.

### Environment, Society and Governance

The Group has been giving emphasis and taking actions in the aspects of environment, society and governance, including: constantly improving production efficiency, conserved resources and enhanced employees' awareness of environmental protection. Regarding production, the output corresponding to unit carbon emission increases, the pollution and the emission of hazardous substance which are in violation of laws and regulations are banned. Regarding office management, office supplies and energy consumption are conserved. Also, the Group actively improved the working environment and committed to social responsibility.

於本年度，藥品及保健食品購銷業務繼續保持增長。其中：通過大中型連鎖藥店銷售的藥品及保健食品，因國內藥品零售市場及保健品市場的需求上升、本集團代理分銷產品數量和類別的增加、採取靈活多樣銷售政策、深入優化銷售隊伍等原因，銷售收入持續上升；通過專業銷售推廣公司銷售至終端醫療機構的藥品，因受國內「兩票制」和「一票制」實施的影響，尚處於營銷模式的調整期，相關業務的銷售收入沒有大的變化。總體而言，藥品及保健食品購銷業務的銷售收入繼續保持良好的增長趨勢。

為降低藥品流通的中間環節，中國政府於相關省份積極實施「一票制」或「兩票制」。受到該等政策的影響，原透過本集團分銷的部分藥品，現需由藥品生產企業直接向醫院或終端分銷商供應。為了彌補部分藥品分銷數量下降對銷售收入的影響，本集團積極調整業務模式，開始向相關藥品生產企業提供藥品銷售管理服務。目前，該業務正在逐步開展。

二零一八年度，本集團將積極把握國家醫藥政策給醫藥流通業務帶來的機遇和挑戰，同時力爭消除不利因素的影響，以保持現有藥品及保健食品購銷業務的持續增長。

### 環境、社會及管治

本集團一直在環境、社會及管治方面予以重視及積極行動，包括：不斷提高生產效率、節約資源，及增強員工環境保護意識。在生產環節提高單位碳排放對應產出額，杜絕違反法律法規的污染及危險物排放；在辦公管理環節，節約辦公耗材及能耗使用；積極改善員工生產辦公環境；努力承擔社會責任等。

## Management Discussion and Analysis

### 管理層討論及分析

During the Year, the Company engaged a professional third party institution to assist the Company in conducting the comprehensive communication (from various dimensions) with stakeholders by way of face-to-face communication, telephone interview, questionnaire and survey. The relevant results are not only the important reference to which we review and promote the sustainable development agenda of the Group, but also provide a powerful basis for the material selection and preparation of our environmental, social and governance report.

The environmental, social and governance report prepared by the Company pursuant to Appendix 20 of the GEM Listing Rules will be published within three months following the release of the Company's annual report.

### PROSPECTS AND OUTLOOK

With the Chinese government's continual reforms on the pharmaceutical industry, pharmaceutical enterprises will face more stringent regulations. Although this may create short-term operating pressures, the Group believes that a better regulated market will ultimately bring opportunities to pharmaceutical enterprises in China and keep the pharmaceutical industry grow in the long term. The Group believes that the growth of the pharmaceutical industry in China is supported by a combination of favourable factors, including the ageing population, the overall two-child policy, Chinese government's continual investment of resources and funds in the pharmaceutical industry, and the rising income level and better affordability of domestic consumers. Going forward, the Group will leverage on the opportunities and challenges in the pharmaceutical and healthcare industry brought by the national policies, as well as strive to eliminate the impact of unfavourable conditions. Meanwhile, the Group will also allocate more resources to the research and development of new drugs, quality consistency evaluation for generic drug and product quality assurance system, ensuring the sustainable and healthy development of the Group's pharmaceutical manufacturing and sales business.

在本年度，本公司聘請第三方專業機構，協助本公司以面對面溝通、電話訪談、問卷調查等多種形式，從各個維度與各利益相關方群體進行全面溝通。相關的結果既是我們審視及推進本集團的可持續發展議程的重要參考，也為我們的環境、社會及管治報告的選材及籌備提供了有力的依據。

本公司按GEM上市規則附錄二十編製的環境、社會及管治報告將於本公司年報刊發後的三個月內刊發。

### 前景及展望

隨著中國政府不斷推動醫藥行業的改革，醫藥企業將面臨更嚴厲的監管。儘管這會帶來短期經營壓力，但本集團相信，更加規範的市場最終將為中國的醫藥企業帶來契機，並讓中國的醫藥行業能夠維持長遠增長。本集團認為，中國醫藥行業的增長受到眾多有利因素的支持，包括人口老齡化，全面二胎政策，中國政府對醫藥行業持續的資金和資源投入，以及國內消費者收入水平和支付能力的不斷提升。未來，本集團將致力於把握國家政策給醫藥健康產業帶來的機遇和挑戰，力爭消除不利因素的影響，並加大對新藥研發、仿製藥一致性評價及產品質量保障體系的投入，以確保本集團藥品生產和銷售業務的持續穩定健康的發展。

### FINANCIAL REVIEW

The Group's revenue for the Year was approximately RMB790,286,000 (2016: approximately RMB759,111,000), representing an increase of approximately 4.11% as compared with the corresponding period of last year. For the revenue, approximately RMB427,022,000 which amounted to approximately 54.03% of the revenue was derived from the manufacturing and selling of medicines segment, while approximately RMB363,264,000 which amounted to approximately 45.97% of the revenue was derived from the sales and distribution of medicines and healthcare products segment. During the Year, the revenue from the manufacturing and selling of medicines segment remained basically the same as compared with last year's while the revenue of the sales and distribution of medicines and healthcare products segment increased by approximately 10.73%. Thereby the total revenue of the Group had an overall increase. In the Year, as relevant provinces in the mainland China progressively implemented "one invoice system" (一票制) or "two invoice system" (兩票制) in pharmaceutical circulation, certain relevant businesses of the Group's sales and distribution of medicines and healthcare products segment were gradually changed from the purchase and distribution business model to pharmaceutical sales management service business model. The Group's revenue derived from sales management services of pharmaceutical products in the Year was approximately RMB11,215,000, which amounted to approximately 3.09% of the revenue of the sales and distribution of medicines and healthcare products segment.

During the Year, the Group's gross profit margin was approximately 54% (2016: approximately 51%), representing a slight increase of approximately 3 percentage points as compared with the corresponding period of last year. The increase in gross profit margin was mainly due to the fact that (i) after many provinces in the mainland China progressively implemented "two invoice system" (兩票制) in pharmaceutical circulation in the Year, pharmaceutical manufacturers' invoiced sales revenue increased, thereby the gross margin increased accordingly. And with the overall promotion and implementation of the "two invoice system" (兩票制), relevant influence will gradually grow and reflect; and (ii) affected by the change of tender policy in Fujian Province, the sales structure of the Group's manufacturing and selling of medicines segment has changed, and there was a relative decline in sales volume of products with lower profit margin during the Year and there was a relative increase in sales volume of products with higher profit margin during the Year.

During the Year, the Group's gross profit was approximately RMB425,031,000 (2016: approximately RMB387,206,000), representing an increase of approximately 9.77% as compared with the corresponding period of last year. The increase in gross profit was mainly due to (i) the increase in the Group's gross profit margin during the Year; and (ii) an overall increase in the Group's revenue, as a result of the increase in the sales scale of the sales and distribution of medicines and healthcare products segment.

### 財務回顧

本集團於本年度之收入約為人民幣790,286,000元(二零一六年：約人民幣759,111,000元)，較去年同期上升約4.11%。於收入中，約人民幣427,022,000元來自於生產和銷售藥品分部，佔收入約54.03%；約人民幣363,264,000元來自於銷售及分銷藥品及保健品分部，佔收入約45.97%。於本年度，生產銷售藥品分部的收入較去年同期基本持平，而銷售及分銷藥品及保健品分部的收入上升約10.73%，因此本集團整體收入有所上升。於本年度，因中國大陸相關省份陸續實施醫藥流通「兩票制」或「一票制」，本集團銷售及分銷藥品及保健品的部分相關業務，由購銷業務模式逐步轉化為藥品銷售管理服務模式，本年度本集團藥品銷售管理服務業務收入總額約人民幣11,215,000元，約佔銷售及分銷藥品及保健品分部收入的3.09%。

本集團於本年度之毛利率約為54% (二零一六年：約51%)，較去年同期輕微上升約3個百分點。毛利率的上升主要是因為(i)本年度中國大陸多個省份陸續開始實施醫藥流通「兩票制」，藥品生產企業開票銷售收入增加，毛利率相應增長，隨著「兩票制」的全面推廣和實施，有關影響逐漸增強和體現；及(ii)受福建省招標政策變動的影響，本集團生產和銷售藥品分部的銷售結構有所變化，低毛利產品於本年度銷量相對下降，高毛利產品於本年度銷量相對上升。

本集團於本年度之毛利約人民幣425,031,000元(二零一六年：約人民幣387,206,000元)，較去年同期上升約9.77%。毛利的上升主要是因為(i)本集團的毛利率較去年同期有所增加；及(ii)銷售及分銷藥品及保健品分部的銷售規模增長，本集團整體收入有所增長。

## Management Discussion and Analysis

### 管理層討論及分析

During the Year, the Group's selling and distribution expenses were approximately RMB262,777,000 (2016: approximately RMB225,786,000), representing an increase of approximately 16.38% as compared with the corresponding period of last year. The increase in selling and distribution expenses was mainly due to the fact that (i) as the sales scale of the sales and distribution of medicines and healthcare products segment increased, its sales expenses increased accordingly; (ii) the successive implementation of the "two invoice system" (兩票制) across the country and the implementation of the "one invoice system" (一票制) in Fujian province resulted a significant increase in sales expenses as compared with the corresponding period of last year.

During the Year, the Group's administrative expenses were approximately RMB51,523,000 (2016: approximately RMB50,441,000), which increased approximately 2.15% as compared with the corresponding period of last year.

During the Year, the Group's other operating expenses amounted to approximately RMB46,942,000 (2016: approximately RMB29,200,000), representing a significant increase of approximately 60.76% as compared with the corresponding period of last year. The increase in other operating expenses was mainly due to the fact that (i) during the Year, the Group accelerated the process to push forward the quality consistency evaluation for generic drugs. The relevant expenses incurred from the quality consistency evaluation for generic drugs were very high and reckoned in the research and development costs during the Year, which caused a significant increase in research and development costs as compared with the corresponding period of last year; and (ii) after the Fujian government launched the Designated Production of Injections Policy (輸液定點生產政策) in 2015, the Group's manufacturing and selling of medicines segment over-produced injection products to ensure supply. But the policy was cancelled later, which caused inventory backlog of the injection products. Certain provisions for obsolete inventory and inventory write off were made respectively against relevant overstocked injection products by the end of the Year.

本集團於本年度之銷售及分銷開支約人民幣262,777,000元(二零一六年:約人民幣225,786,000元),較去年同期增加約16.38%。銷售及分銷開支增加主要由於(i)銷售及分銷藥品及保健品分部的銷售規模增長,故銷售費用有相應增加;及(ii)全國「兩票制」的陸續實施及福建省實施「一票制」,造成銷售費用較去年同期有大幅增加。

本集團於本年度之行政開支約人民幣51,523,000元(二零一六年:約人民幣50,441,000元),較去年同期增加約2.15%。

本集團於本年度之其他經營開支約為人民幣46,942,000元(二零一六年:約人民幣29,200,000元),較去年同期大幅上升約60.76%。其他經營開支上升主要是由於(i)本集團於本年度加快推進仿製藥一致性評價工作,本年度計入當期研發費用的仿製藥一致性評價相關費用較高,導致研發費用較去年同期有大幅上升;及(ii)二零一五年福建省政府出臺輸液定點生產政策,本集團生產和銷售藥品分部為了保障供給,輸液產品超量生產,後因政府輸液定點生產政策取消,造成輸液產品庫存積壓,本年末本集團對相關積壓輸液產品相應計提了存貨減值準備和進行報廢處理。

# Management Discussion and Analysis

## 管理層討論及分析

During the Year, the Group's finance costs amounted to approximately RMB3,229,000 (2016: approximately RMB3,886,000), representing a significant decrease of approximately 16.91%. The decrease in finance costs was mainly because the Group has repaid part of the bank borrowings and the average loan rate decreased slightly.

Due to the above reasons, the Group's profit after tax decreased from approximately RMB72,817,000 of the corresponding period of last year, to approximately RMB55,429,000 of the Year. Profit attributable to the owners of the Company decreased from approximately RMB62,692,000 of the corresponding period of last year, to approximately RMB50,257,000 of the Year, representing a decrease of approximately 19.84%.

### LIQUIDITY AND FINANCIAL RESOURCES

The Group usually finances its operating and investing activities with its internal financial resources and bank loans. The Group's transactions are mainly denominated in Renminbi and the Group reviews its working capital and finance requirements on a regular basis.

#### Banking Facilities

As at 31 December 2017, the Group's short-term bank borrowings amounted to RMB30,000,000. Details of banking facilities please refer to note 23 to the consolidated financial statements.

#### Shareholder's Entrusted Loan

The Company obtained a shareholder's entrusted loan of RMB9,000,000 from Shenzhen Neptunus Bio-engineering Co., Ltd. ("Neptunus Bio-engineering") through an entrusted arrangement with a bank. Neptunus Bio-engineering had undertaken to the Company that it would not demand repayment of the above-mentioned shareholder's entrusted loan unless and until: (1) the repayment of such shareholder's entrusted loan would not adversely affect the operations of the Company and/or its business objectives as set out in the prospectus published by the Company on 29 August 2005 (the "Prospectus"); (2) each of the independent non-executive Directors was of the opinion that the repayment of such shareholder's entrusted loan would not adversely affect the operations of the Company and/or the implementation of its business objectives as set out in the Prospectus, and the Company would make an announcement in respect of the decision of the independent non-executive Directors made under (2); and (3) the Company had a positive cash flow and had retained profits in the relevant financial year.

本集團於本年度之財務成本約人民幣3,229,000元(二零一六年：約人民幣3,886,000元)，較去年同期大幅下降約16.91%。財務成本的下降主要由於歸還了部分銀行借款，以及平均貸款利率有所下降，故銀行貸款利息有所下降。

由於上述原因，本集團稅後溢利由去年同期約人民幣72,817,000元，下降至本年度約人民幣55,429,000元；本公司擁有人應佔溢利由去年同期約人民幣62,692,000元，下降至本年度約人民幣50,257,000元，下降約19.84%。

### 流動資金及財務資源

本集團一般以內部財務資源及銀行借貸作為其經營及投資活動之資金。本集團之買賣交易主要以人民幣列值，並定期檢討對流動資金及融資的需要。

#### 銀行融資

於二零一七年十二月三十一日，本集團之短期銀行借款為人民幣30,000,000元。有關銀行融資詳情請見綜合財務報表附註23。

#### 股東委託借款

本公司透過與銀行訂立委托安排自深圳市海王生物工程股份有限公司(「海王生物」)取得股東委託借款人民幣9,000,000元。海王生物已向本公司承諾其將不會要求本公司償還上述股東委託借款，除非及直至：(1)償還該股東委託借款將不會對本公司之業務及／或本公司於二零零五年八月二十九日刊發之招股章程(「招股章程」)所載本公司之業務目標構成不利影響；(2)各獨立非執行董事認為償還該股東委託借款將不會對本公司之業務及／或實行招股章程所載本公司之業務目標構成不利影響，以及本公司將就獨立非執行董事根據(2)所作決定作出公告；及(3)本公司於有關財政年度錄得正數現金流量及保留盈利。

# Management Discussion and Analysis

## 管理層討論及分析

### NET CURRENT ASSETS

As at 31 December 2017, the Group had net current assets of approximately RMB470,663,000. Current assets comprised cash and cash equivalents of approximately RMB350,724,000, inventories of approximately RMB146,468,000, trade and other receivables of approximately RMB203,041,000. Current liabilities comprised trade and other payables of approximately RMB176,949,000, interest-bearing bank borrowings to be repaid within one year of RMB30,000,000, current tax of approximately RMB13,220,000, entrusted loan of RMB9,000,000 and deferred revenue of approximately RMB401,000. The net current assets increased approximately by RMB104,990,000 as compared with that of approximately RMB365,673,000 as at 31 December 2016. The increase in net current assets as compared to that on 31 December 2016 was mainly due to the fact that (i) as sales scale of the Group increased, cash and cash equivalents aggregately increased by approximately RMB25,529,000; (ii) trade and other payables decreased by approximately RMB10,175,000; and (iii) interest-bearing bank borrowings decreased by RMB70,000,000.

### PLEDGE OF ASSETS

As at 31 December 2017, banking facilities of the Group of RMB30,000,000 were secured by pledge of its buildings and prepaid lease payments and the pledged buildings and prepaid lease payments were stated at an aggregate value of approximately RMB94,038,000.

### FOREIGN CURRENCY RISK

During the Year, the Group's operating revenue, major selling costs and capital expenditure were denominated in RMB. As at 31 December 2017, the Group's cash and cash equivalents were mainly denominated in RMB. As such, the foreign currency risk facing the Group is limited. Currently, the Group has not adopted any financial instrument for hedging purposes.

### SEGMENT INFORMATION

Segment revenue and segment results by business and region of the Group for the Year are set out in note 6 to the consolidated financial statements.

### 流動資產淨值

於二零一七年十二月三十一日，本集團流動資產淨值約為人民幣470,663,000元。流動資產包括現金及現金等價物約人民幣350,724,000元，存貨約人民幣146,468,000元，應收賬款及其他應收款項約人民幣203,041,000元。流動負債包括應付賬款及其他應付款約人民幣176,949,000元，一年以內到期的附息銀行借款人民幣30,000,000元，即期稅項約人民幣13,220,000元，委託借款人民幣9,000,000元及遞延收益約人民幣401,000元。與二零一六年十二月三十一日的流動資產淨值約人民幣365,673,000元比較，增加了約人民幣104,990,000元。流動資產淨值較二零一六年十二月三十一日增加的原因主要為：(i)因本集團銷售規模增長，現金及現金等價物合計增加約人民幣25,529,000元；(ii)應付賬款及其他應付款減少約人民幣10,175,000元；及(iii)附息銀行借款減少人民幣70,000,000元。

### 資產抵押

於二零一七年十二月三十一日，本集團銀行融資人民幣30,000,000元以其房屋及預付租賃款項作抵押，且已抵押房屋及預付租賃款項的賬面值合計約人民幣94,038,000元。

### 匯率風險

於本年度，本集團之經營收入、主要銷售成本及資本開支均以人民幣列值。於二零一七年十二月三十一日，本集團現金及現金等價物主要以人民幣列值，因此，本集團面臨的匯率風險不大。目前本集團並無採用任何金融工具作對沖用途。

### 分部資料

本集團於本年度以業務及地區分類之分部收入及分部業績載於綜合財務報表附註6。



### CAPITAL COMMITMENTS

As at 31 December 2017, the Group has contracted commitments for future capital expenditure of approximately RMB430,000. The Board believes that such capital expenditure can be financed by the Group's bank deposits and bank borrowings.

### CONTINGENT LIABILITY

As at 31 December 2017, the Group had no significant contingent liability.

### MAJOR INVESTMENT PLANS

During the Year, the Group did not make major investments.

### HUMAN RESOURCES

As at 31 December 2017, the Group employed a total of 1,231 staff (2016: 1,251).

During the Year, the staff costs including directors' remuneration which amounted to approximately RMB71,511,000 (2016: approximately RMB73,967,000). The salaries and fringe benefits of the Group's employees remained competitive. The employees' incentives were reviewed and determined annually pursuant to the remuneration and bonus policies of the Group based on the performance of the employees. The Group also provided various other benefits to its employees.

Compared with 31 December 2016, there was no significant movement in the number of employees of the Group at the end of the Year.

The Group monitored closely the remuneration and fringe benefits of the employees and rewarded employees in accordance with the Group's business performance. In addition, training and development opportunities for the employees were also provided by the Group.

### 資本承諾

於二零一七年十二月三十一日，本集團已訂約就未來資本開支作出承擔約人民幣430,000元。董事會相信此等資本開支可以從本集團銀行存款及銀行借款支付。

### 或然負債

於二零一七年十二月三十一日，本集團並無重大或然負債。

### 重大投資計劃

於本年度內，本集團並無進行重大投資。

### 人力資源

於二零一七年十二月三十一日，本集團僱用合共1,231名員工(二零一六年：1,251名)。

本年度的僱員成本(包括董事酬金)約為人民幣71,511,000元(二零一六年：約人民幣73,967,000元)。本集團僱員之薪金及福利維持於具競爭力水平，而僱員之獎勵乃根據本集團之薪酬及獎金政策按僱員表現每年檢討及釐定。本集團為僱員提供多種福利。

相對於二零一六年十二月三十一日，本年末本集團僱員人數並無重大變動。

本集團密切關注僱員的薪酬與福利水平，並根據本集團之業務表現獎勵僱員。此外，本集團亦為僱員提供培訓及發展機會。

# Directors, Supervisors and Senior Management Profile

## 董事、監事及高級管理層履歷

### Executive Directors

Mr. Zhang Feng (張鋒), aged 45, has been appointed as the chairman of the Board and the compliance officer of the Company since June 2011. He obtained a MBA degree from University of Technology, Sydney. Mr. Zhang studied in Göteborg University, Sweden. He was a member of the 10th and 11th Jilin Provincial Committee of the Chinese People's Political Consultative Conference and the deputy chairman of the 10th and 11th session of Jilin Youth Federation (吉林省青年聯合會). He is a member of the 13th National Committee of Chinese People's Political Consultative Conference, a standing committee member of the 12th Jilin Provincial Committee of Chinese People's Political Consultative Conference, the deputy chairman of the 12th session of Jilin Youth Federation (吉林省青年聯合會), the president of the 8th session of council of Jilin Province Youth Entrepreneurs Association (吉林省青年企業家協會) and the deputy chairman of the 11th Jilin Federation of Industry and Commerce (吉林省工商聯). Mr. Zhang was the general manager of Shenzhen Neptunus Pharmaceutical Co., Ltd. and Shenzhen Neptunus Tongai Pharmaceutical Manufacturing Company Ltd., the deputy general manager and the chief marketing officer of Neptunus Bio-engineering. He is currently the deputy chairman of the 7th session of the board of directors of Neptunus Bio-engineering, the controlling shareholder of the Company which directly and indirectly holds 73.51% of the entire issued share capital of the Company, a director of Shenzhen Neptunus Group Company Limited, and Ascendent Bio-Technology Company Limited, the legal representative of Shenzhen Neptunus Changjian Pharmaceutical Company Limited, the chairman of the board of directors and the legal representative of Shenzhen Neptunus Pharmaceutical Company Limited, Fuzhou Neptunus Fuyao Pharmaceutical Company Limited and Fuzhou Neptunus Jinxiang Chinese Pharmaceutical Company Limited.

Mr. Xu Yan He (徐燕和), aged 60, has been appointed as an executive Director since June 2011. On 3 March 2016, he was appointed as the general manager and authorised representative of the Company. Mr. Xu graduated from Zhejiang Engineering College, the PRC, with a bachelor's degree in 1982, and has nearly 30 years of experience in pharmaceutical manufacturing industry in China. He was a member of the 11th and 12th Fujian Provincial People's Congress. He is a member of the 13th Fujian Provincial People's Congress, the standing deputy president of Fujian Pharmaceutical Profession Association (福建省醫藥行業協會), the deputy president of Fujian Pharmaceutical Association (福建省藥學會) and Fujian Medical Insurance Association (福建省醫療保險協會). Mr. Xu is a director of Fuzhou Neptunus Fuyao Pharmaceutical Company Limited and Fuzhou Neptunus Jinxiang Chinese Pharmaceutical Co., Ltd., legal representative of Fuzhou Fuyao Medical Co., Ltd., the chairman of the board of directors and the legal representative of Neptunus Fuyao Pharmaceutical (Lianjiang) Company Limited and Neptunus Jinxiang Chinese Pharmaceutical (Lianjiang) Company Limited. Mr. Xu has received a number of recognition, including Outstanding Entrepreneur in Fujian and Outstanding Pharmacist in China.

### 執行董事

張鋒先生，45歲，自二零一一年六月起獲委任為董事會主席及本公司監察主任。張先生畢業於悉尼科技大學，獲工商管理(MBA)碩士學位，曾在瑞典歌德堡大學學習。主要社會職務：中國人民政治協商會議第十三屆全國委員會委員、吉林省政協第十屆、第十一屆委員會委員和第十二屆委員會常委、吉林省青年聯合會委員會第十屆、第十一屆和第十二屆副主席、吉林省青年企業家協會第八屆理事會會長、吉林省工商聯第十一屆副主席等。企業職務：歷任深圳海王藥業有限公司總經理、深圳海王童愛製藥有限公司總經理、海王生物副總經理兼品牌與營銷總監。現任海王生物(本公司控股股東，直接及間接持有本公司全部已發行股本的73.51%)第七屆董事局副主席、深圳海王集團股份有限公司董事、艾斯特生物科技有限公司董事、深圳海王長健醫藥有限公司法人代表、深圳海王藥業有限公司董事兼法人代表、福州海王福藥製藥有限公司董事長兼法人代表及福州海王金象中藥有限公司董事長兼法人代表。

徐燕和先生，60歲，自二零一一年六月起獲委任為執行董事，於二零一六年三月三日獲委任為本公司總經理和授權代表。徐先生一九八二年於中國浙江工學院本科畢業，在中國藥品製造行業有近三十年的豐富經驗。徐先生為福建省第十一屆、第十二屆及第十三屆人大代表、福建省醫藥行業協會常務副會長、福建省藥學會副理事長及福建省醫療保險協會副會長。徐先生現任福州海王福藥製藥有限公司董事、福州海王金象中藥製藥有限公司董事、福州福藥醫藥有限公司法人代表、海王福藥製藥(連江)有限公司董事長兼法人代表及海王金象中藥製藥(連江)有限公司董事長兼法人代表。徐先生曾獲福建省優秀企業家、中國優秀藥師等多項榮譽。

## Directors, Supervisors and Senior Management Profile

### 董事、監事及高級管理層履歷

#### Non-executive Directors

Mr. Liu Zhan Jun (劉占軍), aged 59, has been appointed as a non-executive Director since June 2011. Mr. Liu graduated from Nankai University, the PRC in 1997, with a doctoral degree in Economics and a postdoctoral degree in Management. As a professor, he is a renowned expert in corporate management and development strategies. Mr. Liu was the assistant to the secretary and head of Research and Consulting Department of China Development Institute in Shenzhen, China (綜合開發研究院(中國•深圳)), and the independent director of Neptunus Bio-engineering. He led and participated in a number of national key research projects and corporate consulting programmes. Mr. Liu has extensive experience in corporate management and capital operation. He is currently a director of the 7th session of the board of directors and president of Neptunus Bio-engineering, a director of Shenzhen Neptunus Changjian Pharmaceutical Company Limited, Ascendent Bio-Technology Company Limited, Neptunus Fuyao Pharmaceutical (Lianjiang) Company Limited and Neptunus Jinxiang Chinese Pharmaceutical (Lianjiang) Company Limited.

Ms. Yu Lin (于琳), aged 60, has been appointed as a non-executive Director since February 2005. Ms. Yu graduated from Sun Yat-Sen University of the PRC, and has more than 30 years of experience in biochemical and pharmaceutical industries in the PRC. Ms. Yu was the director and vice-president of Neptunus Bio-engineering and was responsible for the research and development of new products. Currently, she is the legal representative and the chairman of the board of directors of Shenzhen Neptunus Pharmaceutical Technology Research Company Limited (深圳海王醫藥科技研究院有限公司) and a director of Fuzhou Neptunus Fuyao Pharmaceutical Company Limited.

Mr. Song Ting Jiu (宋廷久), aged 62, has been appointed as a non-executive Director since January 2014. Mr. Song graduated from Northeast Dianli University in 1982. Mr. Song was engaged in the macroscopic and strategic research regarding energy and the State's economic development at the Energy Research Institute under Chinese Academy of Sciences and was granted the First Class Award of the State Scientific and Technological Progress Award during such period. Since 1985, he has been engaged in financial management and was appointed the positions of office supervisor, deputy head and head at the Branch and Sub-branch of the Bank of China in Shenzhen Municipality. Since 2002, he started taking tasks regarding enterprise management and was the deputy general manager at Guangdong Heng Feng Investment Company Limited (廣東恒豐投資有限公司), deputy general manager at Shenzhen Heng Feng Real Property Company (深圳恒豐房地產公司), managing deputy general manager at Heng Feng Hai Yue Hotel (恒豐海悅酒店), general manager of Jiangsu Neptunus Health Food Company Limited, vice-president of Neptunus Bio-engineering, and the deputy general manager of the Company.

#### 非執行董事

劉占軍先生，59歲，自二零一一年六月起獲委任為非執行董事。劉先生一九九七年畢業於中國南開大學，經濟學博士、管理學博士後、教授，著名企業管理與發展戰略專家。曾任綜合開發研究院(中國•深圳)秘書長助理、研究諮詢部部長、海王生物獨立董事。曾主持和參與國家多項重點研究課題和企業諮詢工作，具有豐富的企業管理與資本運作經驗。現任海王生物第七屆董事局董事兼總裁、深圳海王長健醫藥有限公司董事、艾斯特生物科技有限公司董事、海王福藥製藥(連江)有限公司董事及海王金象中藥製藥(連江)有限公司董事。

于琳女士，60歲，自二零零五年二月起獲委任為非執行董事。于女士畢業於中國中山大學，在中國生化及製藥行業擁有逾三十年的經驗。于女士曾任海王生物董事及副總裁，主管其新產品研究與發展業務。現任深圳海王醫藥科技研究院有限公司法人代表兼董事長及福州海王福藥製藥有限公司董事。

宋廷久先生，62歲，自二零一四年一月起獲委任為非執行董事。宋先生一九八二年畢業於東北電力學院。宋先生曾在國家經委中國科學院能源研究所從事能源與國家經濟發展的宏觀戰略研究，期間曾獲得國家科技進步一等獎。一九八五年起從事金融管理方面工作，曾在中國銀行深圳市分行及下屬支行任辦公室主任、副行長、行長等職務。二零零二年開始從事企業管理工作，曾任廣東恒豐投資有限公司副總經理、深圳恒豐房地產公司副總經理、恒豐海悅酒店常務副總經理、江蘇海王健康食品有限公司總經理、海王生物副總裁及本公司副總經理。

## Directors, Supervisors and Senior Management Profile

### 董事、監事及高級管理層履歷

Mr. Zhao Wen Liang (趙文梁), aged 42, was appointed as an executive Director on 3 March 2016. He was re-designated to non-executive Director on 6 June 2016. Mr. Zhao graduated from Harbin Normal University and has been engaged in the sales management of pharmaceutical products. He joined Neptunus Bio-engineering since 1998 and previously served as regional sales manager as well as other positions. Mr. Zhao joined the Group in January 2013 and was the general manager of Shenzhen Neptunus Changjian Pharmaceutical Company Limited. He is currently a director of Shenzhen Neptunus Changjian Pharmaceutical Company Limited, Fuzhou Neptunus Fuyao Pharmaceutical Company Limited and Fuzhou Neptunus Jinxiang Chinese Pharmaceutical Company Limited, and an executive director and legal representative of Shenzhen Quanyao Network Pharmaceutical Co., Ltd. (深圳市全藥網醫藥有限公司). He has over 10 years of experience in the marketing management of pharmaceutical products.

### Independent Non-executive Directors

Mr. Yick Wing Fat, Simon (易永發), aged 60, has been appointed as an independent non-executive Director since August 2005. Mr. Yick holds a bachelor's degree in business administration, majoring in accounting, from the Chinese University of Hong Kong. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Chartered Association of Certified Accountants in England. Mr. Yick has more than 30 years of experience in auditing, direct investment, investment banking and corporate advisory services. In addition, Mr. Yick is an independent non-executive director and chairman of the audit committee of Shanghai International Shanghai Growth Investment Limited and China Singyes Solar Technologies Holdings Limited (the shares of these two companies are listed on the Main Board of the Stock Exchange), an independent non-executive director, the convener of the nomination committee and a member of the strategy committee of Chengdu Xinrong Environment Co., Ltd. (the shares of which are listed on the Shenzhen Stock Exchange), and an independent non-executive director, the chairman of the remuneration and nomination committee and a member of the audit and compliance committee of Nexteer Automotive Group Limited (the shares of which are listed on the Main Board of the Stock Exchange).

趙文梁先生，42歲，於二零一六年三月三日獲委任為執行董事。其後於二零一六年六月六日調任為非執行董事。趙先生畢業於哈爾濱師範大學，一直從事藥品銷售管理工作。自一九九八年加入海王生物，曾任區域銷售經理等職。趙先生於二零一三年一月加入本集團，曾任深圳海王長健醫藥有限公司總經理，現任深圳海王長健醫藥有限公司董事、福州海王金象中藥有限公司董事及深圳市全藥網醫藥有限公司執行董事及法人代表。趙先生在藥品營銷管理方面有著十多年的經驗。

### 獨立非執行董事

易永發先生，60歲，自二零零五年八月起獲委任為獨立非執行董事。易先生畢業於香港中文大學，主修會計，並取得工商管理學士學位，現為香港會計師公會和英國特許會計師公會資深會員。易先生從事審計、直接投資、投資銀行及企業顧問的工作已超過三十年。此外，易先生在滬光國際上海發展投資有限公司及中國興業太陽能技術控股有限公司（兩家股份均於聯交所主板上市之公司）擔任獨立非執行董事及審計委員會主席，在成都市興蓉環境股份有限公司（一家股份於深圳證券交易所上市之公司）擔任獨立非執行董事，提名委員會召集人，戰略委員會委員，同時也在耐世特汽車系統集團有限公司（一家股份於聯交所主板上市之公司）擔任獨立非執行董事、薪酬及提名委員會主席、及審核及合規委員會委員。

## Directors, Supervisors and Senior Management Profile

### 董事、監事及高級管理層履歷

Mr. Poon Ka Yeung (潘嘉陽), aged 51, has been appointed as an independent non-executive Director since August 2005. Mr. Poon obtained his bachelor's degree in mathematics with minor in economics and marketing from the Chinese University of Hong Kong in 1989 and was further admitted to the MBA degree by the University of Hull, United Kingdom, in 1996. Mr. Poon has been appointed as an Honorary Institute Fellow of the Asia-Pacific Institute of Business of the Chinese University of Hong Kong since April 2002. He has been teaching marketing-related subjects for the master's degree in science program, MBA program and Global Executive MBA program (OneMBA) of the Chinese University of Hong Kong. Since June 2008, he has been appointed as visiting Adjunct Associate Professor in the Department of Marketing of the Chinese University of Hong Kong. In addition, Mr. Poon has been appointed as an independent non-executive director of Great Eagle Holdings Limited (the shares of which are listed on the Main Board of the Stock Exchange) since March 2016.

Mr. Zhang Jian Zhou (章劍舟), aged 48, has been appointed as an independent non-executive Director since 21 January 2016. Mr. Zhang graduated from China Youth University of Political Studies with a B.A. degree in 1990, from Beijing Foreign Studies University with a LL.B degree in 1992, and from Boston University with a LL.M degree in 2002. He had been an assistant professor of International Trade Law at Guangdong University of Technology from 1992 to 1993. Mr. Zhang has been in private practice since 1993 when he was qualified to practice law in the PRC. He is now a partner of Beijing Anjie (Shenzhen) Law Firm, an arbitrator of the Arbitration Committee of Shenzhen and the Arbitration Committee of Hainan Province.

### Supervisors

Mr. Xiong Chu Xiong (熊楚熊), aged 62, has been appointed as a supervisor of the Company since June 2008. Mr. Xiong obtained a doctorate degree in accountancy from Xiamen University in 1992. Mr. Xiong was appointed as an independent director of Neptunus Bio-engineering up to August 2007. Mr. Xiong is currently an accounting professor of Shenzhen University. Mr. Xiong is also the independent director of Shahe Industrial Co., Ltd. (沙河實業股份有限公司) (stock code: 000014), China National Accord Medicines Corporation Ltd. (國藥集團一致藥業股份有限公司) (stock code: 000028), Shenzhen Wongtee International Enterprise Co., Ltd. (深圳市皇庭國際企業股份有限公司) (stock code: 000056) and Shenzhen Laibao Hi-Tech Co., Ltd. (深圳萊寶高科股份有限公司) (stock code: 002106). The Shares of these four companies are listed on the Shenzhen Stock Exchange.

潘嘉陽先生，51歲，自二零零五年八月起獲委任為獨立非執行董事。潘先生於一九八九年取得香港中文大學數學學士學位，副修經濟及市場推廣，並於一九九六年取得英國赫爾大學工商管理碩士(MBA)學位。潘先生自二零零二年四月起獲委任為香港中文大學亞太工商研究所名譽教研學人。潘先生一直為香港中文大學科學碩士課程、MBA課程及全球行政MBA課程(OneMBA)教授市場相關科目。自二零零八年六月起，潘先生獲委任為香港中文大學市場學系客座副教授。此外，自二零一六年三月起，潘先生在鷹君集團有限公司(一家股份於聯交所主板上市之公司)擔任獨立非執行董事。

章劍舟先生，48歲，自二零一六年一月二十一日起獲委任為獨立非執行董事。章先生於一九九零年畢業於中國青年政治學院，一九九二年畢業於北京外國語大學，二零零二年畢業於美國波士頓大學，分別獲教育學學士、法學學士和法學碩士學位。一九九二年至一九九三年在廣東工業大學執教國際貿易法課程。章先生於一九九三年考取律師資格並開始執業。彼現為北京安杰(深圳)律師事務所合夥人、深圳仲裁委員會仲裁員以及海南仲裁委員會仲裁員。

### 監事

熊楚熊先生，62歲，自二零零八年六月起獲委任為本公司監事。熊先生於一九九二年畢業於中國廈門大學，獲會計學博士學位。於二零零七年八月前，熊先生任海王生物獨立董事。熊先生現任深圳大學會計學教授，同時兼任於深圳證券交易所上市的沙河實業股份有限公司(股份代號：000014)、國藥集團一致藥業股份有限公司(股份代號：000028)、深圳市皇庭國際企業股份有限公司(股份代號：000056)以及深圳萊寶高科股份有限公司(股份代號：002106)的獨立董事。

## Directors, Supervisors and Senior Management Profile

### 董事、監事及高級管理層履歷

Mr. Wang Bin (王彬), aged 57, has been appointed as a supervisor of the Company since June 2011. Mr. Wang graduated from Precision Instrument Department of Harbin Institute of Technology, the PRC, with a master's degree in 1986. He was a teacher in Precision Instrument Department of Harbin Institute of Technology, the deputy general manager of Shenzhen Jingshan Group Joint-stock Company Limited (深圳京山集團股份有限公司), the chief human resources officer of Shenzhen Neptunus Group Company Limited (between 1997 and 2000) and the deputy dean of Harbin Institute of Technology Shenzhen Graduate School.

Ms. Li Ting (李婷), aged 36, has been appointed as an employee representative supervisor of the Company since 30 December 2016. Ms. Li obtained a bachelor's degree of science from Guangdong Pharmaceutical University in 2004 and a master degree of commerce (advanced) from the University of Queensland, Australia in 2008 with major in professional accounting. Ms. Li joined the Company in September 2009 and previously served as a general ledger accountant, accounting supervisor, assistant to Board secretary (financial controller) as well as other positions. Since February 2016, she has been serving as the director of the Board office of the Company. And she started to hold a concurrent post as the deputy director of compliance in the risk control and compliance department of the Company since July 2017. Ms. Li possesses China securities practice qualification and China intermediate accounting certification. She has rich experience in finance, accounting and listed company governance.

### Senior Management

Ms. Lee Mei Yi (李美儀), aged 50, has been appointed as a joint company secretary of the Company since 1 December 2008. Ms. Lee is a director of Corporate Services Department of Tricor Services Limited and a fellow member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries. Ms. Lee has over 20 years of experience in the corporate secretarial area.

Ms. Mu Ling Xia (慕凌霞), aged 47, has been appointed as the joint company secretary, the Board secretary, the financial controller and the authorized representative of the Company since April 2016, and vice general manager of the Company since 25 June 2017. Ms. Mu graduated from Xi'an Jiaotong University majoring in applied economics and obtained a master degree in economics. Ms. Mu is a qualified board secretary of listed companies as recognised by the Shenzhen Stock Exchange and a qualified professional accountant in China. She also has China securities practice qualification and is a affiliate member of the Hong Kong Institute of Chartered Secretaries. Ms. Mu previously served as the board secretary of Shenzhen Overglobe Development Company Limited (深圳市中僑發展股份有限公司), the director of the board office of Neptunus Bio-engineering, the securities affairs representative authorised by the board of directors of Neptunus Bio-engineering as well as other positions. Ms. Mu has been working on areas such as listed company securities, financing and management for nearly 20 years and she possesses rich working experience in listed company governance, capital operations, information disclosure, investor relations management, investment and financing.

王彬先生，57歲，自二零一一年六月起獲委任為本公司監事。王先生一九八六年畢業於中國哈爾濱工業大學精密儀器系，獲碩士學位。曾任哈爾濱工業大學精密儀器系教師、深圳京山集團股份有限公司副總經理、深圳海王集團股份有限公司人事行政總監（一九九七年至二零零零年），哈爾濱工業大學深圳研究生院副院長。

李婷女士，36歲，自二零一六年十二月三十日起獲委任為本公司職工代表監事。李女士於二零零四年獲得廣東藥學院理學學士學位，並於二零零八年獲得澳大利亞昆士蘭大學商學碩士（高級）學位，主修專業會計學。李女士於二零零九年九月加入本公司，曾擔任總賬會計、會計主管、董事會秘書（財務負責人）助理等職務，自二零一六年二月起擔任本公司董事會辦公室主任，同時自二零一七年七月起兼任本公司風控合規部合規副總監。李女士已具有中國證券從業資格，中國中級會計師職稱，其於財務、會計及上市公司治理有豐富的經驗。

### 高級管理層

李美儀女士，50歲，自二零零八年十二月一日起獲委任為本公司聯席公司秘書。李女士為卓佳專業商務有限公司企業服務部董事，並為英國特許秘書及行政人員公會及香港特許秘書公會資深會員。李女士擁有逾二十年的公司秘書經驗。

慕凌霞女士，47歲，自二零一六年四月起獲委任為本公司聯席公司秘書、董事會秘書、財務負責人及授權代表，以及自二零一七年六月二十五日起獲委任為本公司副總經理。慕女士畢業於西安交通大學應用經濟學專業，獲授經濟學碩士學位。慕女士具備深圳證券交易所上市公司董事會秘書資格，中國大陸會計從業資格、中國證券從業資格等從業資質，並為香港特許秘書公會聯席成員。彼曾任深圳市中僑發展股份有限公司董事會秘書、海王生物董事局辦公室主任及海王生物董事局授權證券事務代表等職務。慕女士從事上市公司證券、財務及管理工作近二十年，擁有豐富的上市公司治理、資本運作、信息披露、投資者關係管理、財務及投融資工作經驗。

# Report of the Directors

## 董事會報告

The Board is pleased to present the report of Directors and the consolidated financial statements of the Group for the year ended 31 December 2017.

### Principal Activities

During the Year, the Group was principally engaged in the research and development, production and sales of medicines, the purchase and sales of medicines and healthcare food products.

### Business Review

Details of business review during the Year are set out on pages 6 to 10 of this annual report.

### Summary of Financial Information

A summary of the published consolidated results and assets and liabilities of the Group for the last two financial years ended 31 December 2017, and the published consolidated results and assets and liabilities of the Group for the Year is set out on pages 57 to 162.

### Dividends

The Directors do not recommend the distribution of any dividends for the Year (2016: Nil).

### Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group and the Company during the Year are set out in note 14 to the consolidated financial statements.

### Share Capital

There has been no movement for the Company's share capital during the Year, details of which are set out in note 27 to the consolidated financial statements.

### Reserves

Details of movements in the reserves of the Group and Company during the Year are set out in note 28 to the consolidated financial statements.

### Distributable Reserves

At 31 December 2017, the Company had no distributable reserves, while its accumulated loss, calculated in accordance with the Company's articles of association and relevant rules and regulations, amounted to approximately RMB102,047,000.

董事會欣然提呈本集團截至二零一七年十二月三十一日止年度的董事會報告及綜合財務報表。

### 主要業務

本集團於本年度主要從事藥品的研究與開發、生產和銷售、藥品及保健食品購買及銷售。

### 業務回顧

業務回顧於本年度的詳情載本年報第6至10頁。

### 財務資料摘要

有關本集團截至二零一七年十二月三十一日止過去兩個財政年度的公佈綜合業績及資產與負債，以及本集團於本年度的公佈綜合業績及資產與負債的摘要，載於第57至162頁。

### 股息

董事並不建議就本年度派發任何股息(二零一六年：無)。

### 物業、廠房及設備

本集團及本公司的物業、廠房及設備於本年度的變動詳情，載於綜合財務報表附註14。

### 股本

本公司股本於本年度並無變動，其詳情載於綜合財務報表附註27。

### 儲備

本集團及本公司儲備於本年度的變動詳情，載於綜合財務報表附註28。

### 可供分派儲備

於二零一七年十二月三十一日，本公司並無可供分派儲備，而根據本公司的公司章程有關規定及規則計算，本公司的累計虧損約為人民幣102,047,000元。

# Report of the Directors

## 董事會報告

### Capitalized Interest

The Group has no capitalized interest during the Year.

### Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the PRC which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

### Purchase, Sales Or Redemption of the Listed Shares of the Company

The Company and its subsidiaries did not purchase, sell or redeem any of the Company's listed shares during the Year. The Company and its subsidiaries also did not redeem, purchase or cancel any of their redeemable securities.

### Major Customers and Suppliers

In the Year, sales to the Group's five largest customers accounted for approximately 13.19% of the total sales for the Year and sales to the largest customer included therein amounted to approximately 4.06% of the total sales for the Year. Purchases from the Group's five largest suppliers accounted for approximately 41.09% of the total purchases for the Year and purchases from the largest supplier included therein amounted to approximately 20.96% of the total purchases for the Year.

Save as disclosed in this report, none of the Directors, the supervisors of the Company or any of their associates or any shareholders (who, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Company's five largest customers and suppliers.

### Directors and Supervisors

The Directors and supervisors of the Company during the Year and up to the date of this report, and their terms of employment were:

#### Executive Directors

Mr. Zhang Feng	3 years from his re-appointment on 25 June 2017
Mr. Xu Yan He	3 years from his re-appointment on 25 June 2017

### 資本化利息

本集團於本年度並無資本化利息。

### 優先購買權

本公司的公司章程或中國法律概無訂明有關優先購買權的條文，規定本公司須按比例向現有股東發售新股份。

### 購買、出售或贖回本公司的上市股份

本公司或其附屬公司於本年度並無購買、出售或贖回本公司的任何上市股份。本公司或其附屬公司亦無贖回、購回或注銷其可贖回證券。

### 主要客戶及供貨商

於本年度，本集團五大客戶的銷售額佔本年度總銷售約13.19%，其中最大客戶的銷售額佔本年度總銷售約4.06%。於本年度，本集團五大供貨商的採購額佔本年度總採購額約41.09%，其中最大的供貨商的採購額佔本年度總採購額約20.96%。

除本報告所披露者外，本公司的董事及監事或彼等任何聯繫人或任何股東（就董事所知擁有本公司已發行股本5%以上者），概無擁有本公司五大客戶及供貨商的任何實益權益。

### 董事及監事

本公司於本年度及到本報告日期為止，在任董事及監事及其任期如下：

#### 執行董事

張鋒先生	於二零一七年六月二十五日再次獲委任，為期三年
徐燕和先生	於二零一七年六月二十五日再次獲委任，為期三年



#### Non-executive Directors

Mr. Liu Zhan Jun	3 years from his re-appointment on 25 June 2017
Ms. Yu Lin	3 years from her re-appointment on 25 June 2017
Mr. Song Ting Jiu	3 years from his re-appointment on 25 June 2017
Mr. Zhao Wen Liang	3 years from his re-appointment on 25 June 2017

#### Independent non-executive Directors

Mr. Yick Wing Fat, Simon	3 years from his re-appointment on 25 June 2017
Mr. Poon Ka Yeung	3 years from his re-appointment on 25 June 2017
Mr. Zhang Jian Zhou	3 years from his re-appointment on 25 June 2017

#### Supervisors

Mr. Xiong Chu Xiong	3 years from his re-appointment on 25 June 2017
Mr. Wang Bin	3 years from his re-appointment on 25 June 2017
Ms. Li Ting	3 years from her re-appointment on 25 June 2017

The Company confirms that as at the date of this report, it has received annual confirmations of independence from Mr. Yick Wing Fat, Simon, Mr. Poon Ka Yeung and Mr. Zhang Jian Zhou. The Company still considers the three independent non-executive Directors during the Year to be independent pursuant to Rule 5.09 of the GEM Listing Rules.

#### 非執行董事

劉占軍先生	於二零一七年六月二十五日再次獲委任，為期三年
于琳女士	於二零一七年六月二十五日再次獲委任，為期三年
宋廷久先生	於二零一七年六月二十五日再次獲委任，為期三年
趙文梁先生	於二零一七年六月二十五日再次獲委任，為期三年

#### 獨立非執行董事

易永發先生	於二零一七年六月二十五日再次獲委任，為期三年
潘嘉陽先生	於二零一七年六月二十五日再次獲委任，為期三年
章劍舟先生	於二零一七年六月二十五日再次獲委任，為期三年

#### 監事

熊楚熊先生	於二零一七年六月二十五日再次獲委任，為期三年
王彬先生	於二零一七年六月二十五日再次獲委任，為期三年
李婷女士	於二零一七年六月二十五日再次獲委任，為期三年

本公司確認截至本報告日期，其已收悉易永發先生、潘嘉陽先生以及章劍舟先生周年獨立性之確認書。本公司仍認為三名獨立非執行董事於本年度符合 GEM 上市規則第 5.09 條條文規定之獨立性。

# Report of the Directors

## 董事會報告

### Service Contracts of Directors and Supervisors

Each of the Directors and supervisors of the Company has entered into a service contract with the Company with a term up to 24 June 2020 and is subject to termination by either party giving not less than three months' prior written notice to the other.

None of the Directors or supervisors of the Company has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

### Directors' and Supervisors' Remuneration

Directors' remuneration is subject to shareholders' approval at general meetings. Other emoluments are determined by the Remuneration Committee with reference to Directors' duties, responsibilities and performance and the results of the Company. Details of the remuneration of the Directors are set out in note 10 to the consolidated financial statements.

According to the service contracts entered into between the Company and its supervisors, (i) the Company shall pay Mr. Xiong Chu Xiong the remuneration of RMB30,000 per annum for his service as a supervisor; (ii) the Company shall pay Mr. Wang Bin the remuneration of RMB30,000 per annum for his service as a supervisor; and (iii) Ms. Li Ting, the employee representative supervisor, is entitled to a supervisor's allowance of RMB20,000 per annum for her service as a supervisor.

### Five Highest Paid Employees

The five highest paid employees and their remuneration are set out in note 11 to the consolidated financial statements.

### Directors' and Supervisors' Interests in Contracts

Save for the service contracts of the Directors and supervisors of the Company as disclosed above, there were no transactions, arrangements or contracts of significance to which the Company or its controlling shareholder was a party and in which a Director or supervisor of the Company had a material interest, either directly or indirectly, subsisting at the end of the Year or at any time during the Year.

### Share Option Scheme, Convertible Securities and Warrants

Up to 31 December 2017, the Company and its subsidiaries have not adopted any share option scheme and have not granted any option, convertible securities, warrants or other similar rights.

### 董事及監事的服務合同

本公司各董事及監事已與本公司訂立服務合同，有效期至二零二零年六月二十四日止，並可由任何一方向對方發出不少於三個月的事先書面通知終止。

本公司的董事或監事概無與本公司訂有本公司不可於一年內毋須支付賠償（法定賠償除外）而終止的服務合同。

### 董事及監事薪酬

董事袍金須於股東大會上取得股東批准。其他酬金由薪酬委員會參考董事的職務、職責、表現及本公司業績後釐定。董事薪酬的詳情載於綜合財務報表附註10。

根據本公司與監事訂立的服務合同，(i)本公司每年應向熊楚熊先生支付監事酬金人民幣3萬元整；(ii)本公司每年應向王彬先生支付監事酬金人民幣3萬元整；及(iii)本公司每年應向職工代表監事李婷女士支付監事津貼人民幣2萬元整。

### 五名最高薪酬僱員

五名最高薪酬僱員及其薪酬，載於綜合財務報表附註11。

### 董事及監事的合同權益

除上文所披露的本公司董事及監事服務合同外，本公司或其控股股東並無訂有本公司的董事或監事直接或間接擁有重大權益，且於本年度結束時或本年度內任何時間仍然生效的任何重大交易、安排或合同。

### 購股權計劃、可轉換證券及認股權證

截至二零一七年十二月三十一日，本公司及其附屬公司未曾採納任何購股權計劃，亦無授出任何購股權、可轉換證券、認股權證或其他類似權利。

## Permitted Indemnity Provision

At no time during the Year and up to the date of this report, there was or is, any permitted indemnity provision being in force for the benefit of any of the Directors of the Company or an associate company.

During the Year, a Directors, Supervisors and Senior Management Liability Insurance is in place to provide appropriate cover for the directors, supervisors and senior management of the Group. However, such insurance coverage shall not extend to any matter in respect of any fraud or dishonesty which may attach to such director, supervisor and senior management.

## Interests and Short Positions of Directors, Supervisors and Chief Executives in the Listed Securities

As far as the Directors or supervisors of the Company are aware, as at 31 December 2017, the interests and short position of the Directors, supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of part XV of the Securities and Futures Ordinance), which were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the Securities and Futures Ordinance (“SFO”) (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be and were recorded in the register to be kept by the Company, or were required, pursuant to Rule 5.46 to Rule 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange were as follows:

Long positions in the shares of the Company:

Director 董事	Capacity 身份	Type of interests 權益種類	Number of domestic shares held 持有 內資股數目	Approximate percentage of all the domestic shares 佔所有 內資股之 概約百分比	Approximate percentage of the Company's issued share capital 佔本公司已 發行股本之 概約百分比
Mr. Song Ting Jiu (Note (a)) 宋廷久先生 (附註(a))	Beneficial owner 實益擁有人	Personal 個人	1,521,500	0.12%	0.09%

Notes:

(a) Non-executive Director of the Company

## 獲准許的彌補條文

在本年度內及截至本報告日期，概不存在任何以本公司任何董事或關連公司為受益人的任何獲准許彌補條文。

於本年度本公司已設有董監事及高級管理人員責任保險，為本集團之董事、監事及高級管理人員提供適當的保障。然而有關保險責任範圍並不會涵蓋相關董事、監事及高級管理人員可能涉及之任何欺詐或不誠實事宜。

## 董事、監事及最高行政人員於上市證券中的權益及淡倉

就本公司董事或監事所知，截至二零一七年十二月三十一日，本公司董事、監事及最高行政人員於本公司及其相聯法團（定義見證券及期貨條例第十五部）之股份、相關股份及債權證中擁有須根據證券及期貨條例（「證券及期貨條例」）第十五部知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之有關條文被當作或視為彼等擁有之權益或淡倉）；或須根據證券及期貨條例第352條須由本公司存備之登記冊將記錄及已記錄之權益或淡倉；或根據GEM上市規則第5.46條至5.67條之規定而須知會本公司及聯交所之權益及淡倉如下：

於本公司股份之好倉：

附註：

(a) 為本公司非執行董事

## Report of the Directors

### 董事會報告

Long positions in shares of associated corporations of the Company:

於本公司相聯法團股份之好倉：

Director/Chief Executive 董事／最高行政人員	Capacity 身份	Type of interests 權益種類	Name of associated corporation 相聯法團名稱	Number of shares in associated corporation 持有相聯法團之股份數目	Approximate percentage of associated corporation's issued share capital 佔相聯法團已發行股本之概約百分比
Mr. Zhang Feng (Note (a)) 張鋒先生(附註(a))	Beneficial owner 實益擁有人	Personal 個人	Neptunus Bio-engineering 海王生物	1,331,093	0.05%
Mr. Liu Zhan Jun (Note (b)) 劉占軍先生(附註(b))	Beneficial owner 實益擁有人	Personal 個人	Neptunus Bio-engineering 海王生物	8,883,793	0.34%
Ms. Yu Lin (Note (c)) 于琳女士(附註(c))	Beneficial owner 實益擁有人	Personal 個人	Neptunus Bio-engineering 海王生物	2,144,660	0.08%
Mr. Song Ting Jiu (Note (d)) 宋廷久先生(附註(d))	Beneficial owner 實益擁有人	Personal 個人	Neptunus Bio-engineering 海王生物	1,516,200	0.06%
Mr. Zhao Wen Liang (Note (e)) 趙文梁先生(附註(e))	Beneficial owner 實益擁有人	Personal 個人	Neptunus Bio-engineering 海王生物	700,000	0.03%
Ms. Mu Ling Xia (Note (f)) 慕凌霞女士(附註(f))	Beneficial owner 實益擁有人	Personal 個人	Neptunus Bio-engineering 海王生物	656,000	0.02%

Notes:

- (a) Mr. Zhang Feng, chairman of the Board of the Company and deputy chairman of the board of directors of Neptunus Bio-engineering, was beneficially interested in approximately 0.05% of the entire issued share capital of Neptunus Bio-engineering, the Company's controlling shareholder, which in turn held directly and indirectly the beneficial interest in approximately 73.51% of the entire issued share capital of the Company, of which 70.38% was directly held and 3.13% was indirectly held through Shenzhen Neptunus Oriental Investment Company Limited ("Neptunus Oriental").
- (b) Mr. Liu Zhan Jun, non-executive Director of the Company and director and president of Neptunus Bio-engineering, was beneficially interested in approximately 0.34% of the entire issued capital of Neptunus Bio-engineering, the Company's controlling shareholder, which in turn held directly and indirectly the beneficial interest in approximately 73.51% of the entire issued share capital of the Company, of which 70.38% was directly held and 3.13% was indirectly held through Neptunus Oriental.
- (c) Ms. Yu Lin, non-executive Director of the Company, was beneficially interested in approximately 0.08% of the entire issued share capital of Neptunus Bio-engineering, the Company's controlling shareholder, which in turn held directly and indirectly the beneficial interest in approximately 73.51% of the entire issued share capital of the Company, of which 70.38% was directly held and 3.13% was indirectly held through Neptunus Oriental.
- (d) Mr. Song Ting Jiu, non-executive Director of the Company, was beneficially interested in approximately 0.06% of the entire issued share capital of Neptunus Bio-engineering, the Company's controlling shareholder, which in turn held directly and indirectly the beneficial interest in approximately 73.51% of the entire issued share capital of the Company, of which 70.38% was directly held and 3.13% was indirectly held through Neptunus Oriental.
- (e) Mr. Zhao Wen Liang, non-executive Director of the Company, was beneficially interested in approximately 0.03% of the entire issued share capital of Neptunus Bio-engineering, the Company's controlling shareholder, which in turn held directly and indirectly the beneficial interest in approximately 73.51% of the entire issued share capital of the Company, of which 70.38% was directly held and 3.13% was indirectly held through Neptunus Oriental.
- (f) Ms. Mu Ling Xia, vice general manager of the Company, was beneficially interested in approximately 0.02% of the entire issued share capital of Neptunus Bio-engineering, the Company's controlling shareholder, which in turn held directly and indirectly the beneficial interest in approximately 73.51% of the entire issued share capital of the Company of which 70.38% was directly held and 3.13% was indirectly held through Neptunus Oriental.

Save as disclosed above, as at 31 December 2017, none of the Directors, supervisors or chief executives of the Company nor their respective associates held any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO, or were required, pursuant to section 352 of the SFO, to be and were recorded in the register to be kept by the Company, or were required, pursuant to Rule 5.46 to Rule 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

附註：

- (a) 本公司董事會主席及海王生物董事局副主席張鋒先生實益擁有本公司控股股東海王生物全部已發行股本約0.05%之權益，而海王生物直接及間接實益擁有本公司全部已發行股本約73.51%之權益，其中70.38%為直接持有，3.13%經深圳海王東方投資有限公司(「海王東方」)間接持有。
- (b) 本公司非執行董事及海王生物董事兼總裁劉占軍先生實益擁有本公司控股股東海王生物全部已發行股本約0.34%之權益，而海王生物直接及間接實益擁有本公司全部已發行股本約73.51%之權益，其中70.38%為直接持有，3.13%經海王東方間接持有。
- (c) 本公司非執行董事于琳女士實益擁有本公司控股股東海王生物全部已發行股本約0.08%之權益，而海王生物直接及間接實益擁有本公司全部已發行股本約73.51%之權益，其中70.38%為直接持有，3.13%經海王東方間接持有。
- (d) 本公司非執行董事宋廷久先生實益擁有本公司控股股東海王生物全部已發行股本約0.06%之權益，而海王生物直接及間接實益擁有本公司全部已發行股本約73.51%之權益，其中70.38%為直接持有，3.13%經海王東方間接持有。
- (e) 本公司非執行董事趙文梁先生實益擁有本公司控股股東海王生物全部已發行股本約0.03%之權益，而海王生物直接及間接實益擁有本公司全部已發行股本約73.51%之權益，其中70.38%為直接持有，3.13%經海王東方間接持有。
- (f) 本公司副總經理慕凌霞女士實益擁有本公司控股股東海王生物全部已發行股本約0.02%之權益，而海王生物直接及間接實益擁有本公司全部已發行股本約73.51%之權益，其中70.38%為直接持有，3.13%經海王東方間接持有。

除上文所披露者外，於二零一七年十二月三十一日，本公司董事、監事或最高行政人員或彼等各自之聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第十五部)之股份、相關股份或債權證中擁有須根據證券及期貨條例第十五部知會本公司及聯交所之權益及淡倉；或須根據證券及期貨條例第352條須由本公司備存之登記冊將記錄或已記錄之權益或淡倉；或根據GEM上市規則第5.46條至5.67條之規定而須知會本公司及聯交所之權益及淡倉。

# Report of the Directors

## 董事會報告

### Substantial Shareholders' Interests in Shares and Underlying Shares

So far as the Directors and supervisors of the Company are aware, as at 31 December 2017, the interests and/or short positions held by shareholders (not being a Director, a supervisor or a chief executive of the Company) in shares or underlying shares of the Company which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or had otherwise notified to the Company were as follows:

Long positions in the shares of the Company:

### 主要股東於股份及相關股份的權益

據本公司董事及監事所知，於二零一七年十二月三十一日，股東（並非本公司董事、監事或最高行政人員）根據證券及期貨條例第336條須由本公司備存之登記冊所記錄的本公司股份或相關股份或以其他方式知會本公司的任何權益及／或淡倉如下：

於本公司股份之好倉：

Name of Substantial Shareholder 主要股東名稱	Capacity 身份	Number of domestic shares held 持有內資股股份數目	Approximate percentage of all the domestic shares 佔所有內資股的概約百分比	Approximate percentage of the Company's issued share capital 佔本公司已發行股本的概約百分比
Neptunus Bio-engineering (Note (a)) 海王生物(附註(a))	Beneficial owner 實益擁有人	1,181,000,000	94.33%	70.38%
	Interest in controlled corporation 受控制法團權益	52,464,500	4.19%	3.13%
Shenzhen Neptunus Group Company Limited ("Neptunus Group") (Note (b)) 深圳海王集團股份有限公司 (「海王集團」)(附註(b))	Interest in controlled corporation 受控制法團權益	1,233,464,500	98.52%	73.51%
Shenzhen Neptunus Holding Group Company Limited ("Neptunus Holding") (Previously known as "Shenzhen Yinhetong Investment Company Limited") (Note (c)) 深圳海王控股集團有限公司 (「海王控股」)(前稱「深圳市銀河通投資有限公司」)(附註(c))	Interest in controlled corporation 受控制法團權益	1,233,464,500	98.52%	73.51%
Mr. Zhang Si Min (Note (d)) 張思民先生(附註(d))	Interest in controlled corporation 受控制法團權益	1,233,464,500	98.52%	73.51%
Ms. Wang Jin Song (Note (e)) 王勁松女士(附註(e))	Interest of spouse 配偶權益	1,233,464,500	98.52%	73.51%

Notes:

- (a) Neptunus Bio-engineering was deemed to be interested in the 52,464,500 domestic shares of the Company held by Neptunus Oriental as the entire issued share capital of Neptunus Oriental was beneficially owned by Neptunus Bio-engineering. Neptunus Bio-engineering was also directly interested in 1,181,000,000 domestic shares of the Company. Therefore, Neptunus Bio-engineering was directly and indirectly interested in 1,233,464,500 domestic shares of the Company.
- (b) Neptunus Group was deemed to be interested in the 1,233,464,500 domestic shares of the Company, which relate to the same parcel of shares referred to in note (a) above, held by Neptunus Bio-engineering as Neptunus Group was beneficially interested in approximately 45.96% of the entire issued share capital of Neptunus Bio-engineering.
- (c) Neptunus Holding was deemed to be interested in 1,233,464,500 domestic shares of the Company, which relate to the same parcel of shares referred to in note (a) above, held by Neptunus Bio-engineering as Neptunus Holding was beneficially interested in approximately 59.68% of the entire issued share capital of Neptunus Group, which in turn was beneficially interested in approximately 45.96% of the entire issued share capital of Neptunus Bio-engineering.
- (d) Mr. Zhang Si Min ("Mr. Zhang") was deemed to be interested in 1,233,464,500 domestic shares of the Company, which relate to the same parcel of shares referred to in note (a) above, held by Neptunus Bio-engineering as Mr. Zhang was beneficially interested in 70% of the entire issued share capital of Neptunus Holding and the entire issued share capital of Shenzhen Haihe Investment and Development Company Limited ("Haihe"), which in turn was beneficially interested in approximately 59.68% and 20% of the entire issued share capital of Neptunus Group respectively. Neptunus Group was beneficially interested in approximately 45.96% of the entire issued share capital of Neptunus Bio-engineering.
- (e) Ms. Wang Jin Song ("Ms. Wang") was deemed to be interested in 1,233,464,500 domestic shares of the Company, which relate to the same parcel of shares referred to in note (a) above, held by Neptunus Bio-engineering as Ms. Wang is the spouse of Mr. Zhang and was taken to be beneficially interested in any shares held by Mr. Zhang.

Save as disclosed above, the Directors and supervisors of the Company are not aware of any other persons (except the Directors, supervisors or chief executives of the Company) who held any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO as at 31 December 2017.

附註：

- (a) 由於海王生物實益擁有海王東方全部已發行股本100%的權益，而海王東方擁有本公司52,464,500股內資股份的權益，因此海王生物被視為擁有由海王東方持有的本公司52,464,500股內資股份的權益。同時海王生物直接持有本公司1,181,000,000股內資股份的權益，因此海王生物被視為直接及間接擁有本公司1,233,464,500股內資股份的權益。
- (b) 由於海王集團實益擁有海王生物全部已發行股本約45.96%的權益，因此海王集團被視為擁有由海王生物持有的本公司1,233,464,500股內資股份的權益，與上文附註(a)所述同一筆股份相關。
- (c) 由於海王控股實益擁有海王集團全部已發行股本約59.68%的權益，而海王集團實益擁有海王生物全部已發行股本約45.96%的權益，因此海王控股被視為擁有由海王生物持有的本公司1,233,464,500股內資股份的權益，與上文附註(a)所述同一筆股份相關。
- (d) 由於張思民先生(「張先生」)實益擁有海王控股全部已發行股本70%的權益及深圳市海合投資發展有限公司(「海合」)全部已發行股本100%的權益，而海王控股及海合分別實益擁有海王集團全部已發行股本約59.68%和20%的權益，而海王集團實益擁有海王生物全部已發行股本約45.96%的權益，因此張先生被視為擁有由海王生物持有的本公司1,233,464,500股內資股份的權益，與上文附註(a)所述同一筆股份相關。
- (e) 由於王勁松女士(「王女士」)為張先生之配偶，所以被視為於由張先生所持有之任何股份中實益擁有權益，因此王女士被視為擁有由海王生物持有的本公司1,233,464,500股內資股份的權益，與上文附註(a)所述同一筆股份相關。

除上文所披露者外，截至二零一七年十二月三十一日，本公司董事或監事概不知悉有任何其他人士(本公司董事、監事或最高行政人員除外)於本公司之股份或相關股份中，擁有根據證券及期貨條例第336條須由本公司備存之登記冊所記錄之權益及淡倉。

# Report of the Directors

## 董事會報告

### Continuing Connected Transactions Continuing Connected Transactions Exempt from Independent Shareholders' Approval Requirements

The continuing connected transactions of the Group exempt from independent shareholders' approval requirements during the Year are set out below:

#### ***Nepstar Distribution Agreement***

On 17 December 2014, the Company entered into a distribution agreement ("Nepstar Distribution Agreement") with Shenzhen Nepstar Pharmaceutical Company Limited ("Nepstar") (a company indirectly owned by Mr. Zhang Si Min, a brother of the chairman of the Company's Board, and therefore a connected person of the Company), pursuant to which the Group agreed to supply self-manufactured drugs to Nepstar and its subsidiaries. The annual caps of such transactions for the year 2015, 2016 and 2017 would not exceed RMB21,000,000, RMB24,000,000 and RMB26,000,000 respectively.

During the Year, the Group has supplied drugs of approximately RMB15,596,000 in total to Nepstar and its subsidiaries, which has not exceeded the annual cap of the above agreement.

#### ***Neptunus Jiankang Distribution Agreement***

On 17 December 2014, the Company entered into a distribution agreement (the "Neptunus Jiankang Distribution Agreement") with Shenzhen Neptunus Jiankang Technology Development Company Limited (深圳市海王健康科技發展有限公司) ("Neptunus Jiankang"), a fellow subsidiary and a connected person of the Company, pursuant to which the Group agreed to purchase and distribute various food and healthcare food products manufactured by Neptunus Jiankang and its subsidiaries. The annual caps of such transactions for the year of 2015, 2016 and 2017 would not exceed RMB6,000,000, RMB7,500,000 and RMB9,500,000 respectively.

During the Year, the Group purchased various food and healthcare food products in aggregate of approximately RMB7,389,000 from Neptunus Jiankang and its subsidiaries, which did not exceed the annual cap of the above agreement.

### 持續關連交易

#### 獲豁免獨立股東批准規定的持續關連交易

本集團於本年度內獲豁免獨立股東批准規定的持續關連交易載列如下：

#### ***海王星辰代銷協議***

於二零一四年十二月十七日，本公司與深圳市海王星辰醫藥有限公司（「海王星辰」）（由本公司董事會主席之胞兄張思民先生間接擁有，因此為本公司的關連人士）訂立一項代銷協議（「海王星辰代銷協議」），據此，本集團同意向海王星辰及其附屬公司供應自產藥品，並且二零一五年度、二零一六年度及二零一七年度交易上限分別不超過人民幣21,000,000元、人民幣24,000,000元及人民幣26,000,000元。

於本年度，本集團向海王星辰及其附屬公司供應藥品共約人民幣15,596,000元，該金額並未超出於上述協議之年度上限。

#### ***海王健康代銷協議***

於二零一四年十二月十七日，本公司與深圳市海王健康科技發展有限公司（「海王健康」）（本公司的同系附屬公司及關連人士）訂立一項代銷協議（「海王健康代銷協議」），據此，本集團同意購買及代銷海王健康及其附屬公司所生產的各類食品和保健食品，並且二零一五年度、二零一六年度及二零一七年度交易上限分別不超過人民幣6,000,000元、人民幣7,500,000元及人民幣9,500,000元。

於本年度，本集團向海王健康及其附屬公司採購各種食品和保健食品共約人民幣7,389,000元，該金額並無超出上述協議之年度上限。



#### **Hangzhou Neptunus Purchase and Sales Framework Agreement**

On 29 July 2016, Neptunus Changjian entered into a purchase and sales framework agreement (the “Hangzhou Neptunus Purchase and Sales Framework Agreement”) with Hangzhou Neptunus Bio-engineering Co., Ltd. (杭州海王生物工程股份有限公司) (“Hangzhou Neptunus”), which is wholly-owned by Neptunus Group (a connected person of the Company by being the controlling shareholder of Neptunus Bio-engineering) and therefore a fellow subsidiary and a connected person of the Company, pursuant to which Neptunus Changjian will purchase certain food and healthcare food products manufactured by Hangzhou Neptunus for distribution in the PRC. The annual caps of such transactions would not exceed RMB12,000,000, RMB14,000,000 and RMB16,000,000 for the period from 29 July 2016 to 31 December 2016 and for the year of 2017 and 2018 respectively.

On 17 October 2017, the Company and Neptunus Group (a connected person of the Company) entered into a purchase framework agreement (the “Healthcare Food and Food Purchase Framework Agreement”), pursuant to which the Group will purchase certain food and healthcare food products from Neptunus Group and its subsidiaries (excluding the Group) (the “Intermediate Parent Group”) for distribution in the PRC for the period from 1 January 2018 to 31 December 2020. The Healthcare Food and Food Purchase Framework Agreement was approved by the independent shareholders of the Company on 15 December 2017 and became effective on 1 January 2018. After the execution of the Healthcare Food and Food Purchase Framework Agreement, the purchase of certain food and healthcare food products by the Group from the Intermediate Parent Group will be governed by it. To ensure that the relevant purchase of certain food and healthcare food between the two groups will be governed by the same set of terms and conditions under the Healthcare Food and Food Purchase Framework Agreement, the Hangzhou Neptunus Purchase and Sales Framework Agreement was terminated on 1 January 2018.

During the Year, Neptunus Changjian has purchased food and healthcare food products of approximately RMB10,981,000 from Hangzhou Neptunus, which did not exceed the annual cap of the above agreement.

#### **Jiamusi Neptunus Purchase and Sales Framework Agreement**

On 29 July 2016, Neptunus Changjian and Jiamusi Neptunus Pharmaceutical Company Limited (“Jiamusi Neptunus”), a fellow subsidiary and a connected person of the Company, entered into a purchase and sales framework agreement (the “Jiamusi Neptunus Purchase and Sales Framework Agreement”), pursuant to which Jiamusi Neptunus will purchase certain pharmaceutical products from Neptunus Changjian for the distribution within the Heilongjiang Province and the surrounding areas. The annual caps of such transactions for the period from 29 July 2016 to 31 December 2016 and for the year of 2017 and 2018, would not exceed RMB5,000,000, RMB6,000,000 and RMB7,200,000 respectively.

#### **杭州海王購銷框架協議**

於二零一六年七月二十九日，海王長健與杭州海王生物工程股份有限公司(「杭州海王」)(為海王集團全資擁有，而海王集團為海王生物控股股東並因此為本公司關連人士，因此杭州海王為本公司同系附屬公司及關連人士)訂立一份購銷框架協議(「杭州海王購銷框架協議」)，據此，海王長健將購買由杭州海王製造的若干食品及保健食品在中國進行分銷，並且從二零一六年七月二十九日起至二零一六年十二月三十一日止期間、二零一七年度及二零一八年度交易上限分別不超過人民幣12,000,000元、人民幣14,000,000元及人民幣16,000,000元。

於二零一七年十月十七日，本公司與海王集團(本公司的關連人士)訂立一份採購框架協議(「保健食品及食品採購框架協議」)，據此，本集團將自海王集團及其附屬公司(本集團除外)(「中間母公司集團」)購買若干食品及保健食品，以於二零一八年一月一日起至二零二零年十二月三十一日止期間於中國進行分銷。保健食品及食品採購框架協議於二零一七年十二月十五日獲本公司獨立股東批准，並已於二零一八年一月一日生效。由於保健食品及食品採購框架協議執行後本集團向中間母公司集團採購若干食品及保健食品將受該協議規管。為確保兩個集團之間的若干食品及保健食品的相關採購受保健食品及食品採購框架協議項下同一套條款及條件監管，杭州海王購銷框架協議已於二零一八年一月一日終止。

於本年度，海王長健向杭州海王購買食品及保健食品共約人民幣10,981,000元，該金額並無超出上述協議之年度上限。

#### **佳木斯海王購銷框架協議**

於二零一六年七月二十九日，海王長健與佳木斯海王醫藥有限公司(「佳木斯海王」)(本公司的同系附屬公司及關連人士)訂立一份購銷框架協議(「佳木斯海王購銷框架協議」)，據此，佳木斯海王將購買海王長健若干藥品以分銷至黑龍江省及周邊區域，並且從二零一六年七月二十九日起至二零一六年十二月三十一日止期間、二零一七年度及二零一八年度交易上限分別不超過人民幣5,000,000元、人民幣6,000,000元及人民幣7,200,000元。

## Report of the Directors

### 董事會報告

On 30 June 2017, the Company and Neptunus Group (a connected person of the Company) entered into a sales framework agreement (the “Neptunus Group Sales Framework Agreement”), pursuant to which the Group agreed to sell certain self-manufactured or distributed products, including certain pharmaceutical products and healthcare food products, to the Intermediate Parent Group for the period from 30 June 2017 to 31 December 2019. After the execution of the Neptunus Group Sales Framework Agreement, the sales of self-manufactured or distributed products (including certain pharmaceutical products and healthcare food products) by the Group to the Intermediate Parent Group will be governed by it. To ensure that the relevant sales of pharmaceutical products and healthcare food products between the two groups will be governed by the same set of terms and conditions under the Neptunus Group Sales Framework Agreement, the Jiamusi Neptunus Purchase and Sales Framework Agreement was terminated on 30 June 2017 and the transaction amounts under the Jiamusi Neptunus Purchase and Sales Framework Agreement for the year 2017 will be governed by the Neptunus Group Sales Framework Agreement.

#### **Neptunus Shenyu Distribution Framework Agreement**

On 9 March 2017, Neptunus Changjian and Shenzhen Neptunus Shenyu Industrial Company Limited (“Neptunus Shenyu”), a fellow subsidiary and a connected person of the Company, entered into a distribution framework agreement (the “Neptunus Shenyu Distribution Framework Agreement”), pursuant to which Neptunus Changjian agreed to purchase various daily consumable products from Neptunus Shenyu for distribution on a non-exclusive basis in the pharmacy retail chain stores in the PRC. The cap of such transactions for the period from 9 March 2017 to 31 December 2017 would not exceed RMB5,000,000.

During the Year, Neptunus Changjian has purchased various daily consumable products of approximately RMB96,000 in total from Neptunus Shenyu, which did not exceed the annual cap of the above agreement.

#### **Neptunus Group Sales Framework Agreement**

As mentioned aforesaid, on 30 June 2017, the Company and Neptunus Group (a connected person of the Company) entered into the Neptunus Group Sales Framework Agreement, pursuant to which the Group agreed to sell certain self-manufactured or distributed products, including certain pharmaceutical products and healthcare food products, to the Intermediate Parent Group. The annual caps of such transactions for the period from 30 June 2017 to 31 December 2017 and for the year of 2018 and 2019 would not exceed RMB22,000,000, RMB27,000,000 and RMB34,000,000 respectively.

During the Year, the Group has sold products of approximately 13,342,000 in total to the Intermediate Parent Group, which did not exceed the annual cap of the above agreement.

於二零一七年六月三十日，本公司與海王集團（本公司的關連人士）訂立一份銷售框架協議（「海王集團銷售框架協議」），據此，本集團同意於二零一七年六月三十日起至二零一九年十二月三十一日止期間向中間母公司集團出售若干自行生產或分銷的產品，包括若干藥品及保健食品。由於海王集團銷售框架協議執行後，本集團向中間母公司集團銷售自行生產或分銷的產品（包括若干藥品及保健食品）將受該協議規管。為確保兩個集團之間的藥品及保健食品的相關銷售受海王集團銷售框架協議項下同一套條款及條件監管，佳木斯海王購銷框架協議已於二零一七年六月三十日終止。佳木斯海王購銷框架協議項下二零一七年度之交易金額將受海王集團銷售框架協議監管。

#### **海王參玉代銷框架協議**

於二零一七年三月九日，海王長健與深圳市海王參玉實業有限公司（「海王參玉」）（本公司的同系附屬公司及關連人士）訂立一份代銷框架協議（「海王參玉代銷框架協議」），據此，海王長健同意自海王參玉採購各類日用消費品以於中國的零售連鎖藥店進行非獨家分銷，並且從二零一七年三月九日起至二零一七年十二月三十一日止期間交易上限為不超過人民幣5,000,000元。

於本年度，海王長健自海王參玉採購各類日用消費品共約人民幣96,000元，該金額並無超出上述協議之年度上限。

#### **海王集團銷售框架協議**

如前文所述，於二零一七年六月三十日，本公司與海王集團（本公司的關連人士）訂立海王集團銷售框架協議，據此，本集團同意向中間母公司集團出售若干自行生產或分銷的產品（包括若干藥品及保健食品），並且從二零一七年六月三十日起至二零一七年十二月三十一日止期間、二零一八年度及二零一九年度交易上限分別不超過人民幣22,000,000元、人民幣27,000,000元及34,000,000元。

於本年度，本集團向中間母公司集團出售產品共約人民幣13,342,000元，該金額並無超出上述協議之年度上限。

#### **Sales Management Service Framework Agreement**

On 1 September 2017, Neptunus Changjian and Neptunus Pharmaceutical (a wholly-owned subsidiary of Neptunus Group and therefore a fellow subsidiary and a connected person of the Company) entered into a sales management service framework agreement for pharmaceutical products (the "Sales Management Service Framework Agreement"), pursuant to which Neptunus Changjian agreed to provide sales management service of pharmaceutical products to Neptunus Pharmaceutical. The annual caps of such transactions for the period from 1 September 2017 to 31 December 2017 and the year of 2018 would not exceed RMB14,000,000 and RMB25,000,000 respectively.

During the Year, Neptunus Changjian has provided sales management service of pharmaceutical products of approximately RMB11,215,000 in total to Neptunus Pharmaceutical, which did not exceed the annual cap of the above agreement.

Having considered the above, the Directors (including non-executive Directors and independent non-executive Directors) are of the opinion that the Nepstar Distribution Agreement, the Neptunus Jiankang Distribution Agreement, the Hangzhou Neptunus Purchase and Sales Framework Agreement, the Neptunus Shenyu Distribution Framework Agreement, the Neptunus Group Sales Framework Agreement and the Sales Management Service Framework Agreement (1) were entered into in the ordinary and usual course of business of the Group; (2) are on normal commercial terms and on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The auditor of the Company has issued a letter to the Board confirming that the above continuing connected transactions:

- (i) have received the approval of the Board;
- (ii) were, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group;
- (iii) have been entered into in accordance with the relevant agreements governing the transactions; and
- (iv) did not exceed the respective annual caps.

#### **銷售管理服務框架協議**

於二零一七年九月一日，海王長健與海王藥業（為海王集團全資附屬公司，因此為本公司的同系附屬公司及關連人士）訂立一份藥品銷售管理服務框架協議（「銷售管理服務框架協議」），據此，海王長健同意向海王藥業提供藥品的銷售管理服務，並且從二零一七年九月一日起至二零一七年十二月三十一日期間及二零一八年度交易上限分別不超過人民幣14,000,000元及人民幣25,000,000元。

於本年度，海王長健向海王藥業提供的藥品銷售管理服務共約人民幣11,215,000元，該金額並無超出上述協議之年度上限。

經考慮上文所述，董事（包括非執行董事及獨立非執行董事）認為，海王星辰代銷協議、海王健康代銷協議、杭州海王購銷框架協議、海王參玉代銷框架協議、海王集團銷售框架協議及銷售管理服務框架協議(1)乃於本集團日常及一般業務過程中訂立；(2)乃按一般商業條款進行，且交易條款公平合理，符合本公司及其股東的整體利益。

本公司核數師已向董事會發出函件，確認上述持續關連交易：

- (i) 已獲得董事會批准；
- (ii) 倘交易涉及由本集團提供貨品或服務，則於所有重大方面均遵守本集團的定價政策；
- (iii) 已根據規管交易的相關協議訂立；及
- (iv) 並無超逾各自年度上限。

# Report of the Directors

## 董事會報告

### Continuing Connected Transaction Not Exempt from Independent Shareholders' Approval Requirements

The continuing connected transaction of the Group not exempt from independent shareholders' approval requirements within the Year are set out below:

#### Neptunus Pharmaceutical Distribution Agreement

On 10 December 2015, Neptunus Changjian entered into a distribution agreement (the "Neptunus Pharmaceutical Distribution Agreement") with Neptunus Pharmaceutical (a wholly-owned subsidiary of Neptunus Group and therefore a fellow subsidiary and a connected person of the Company), pursuant to which Neptunus Changjian will purchase various pharmaceutical products manufactured by Neptunus Pharmaceutical and distribute such products within the PRC for the period from 1 January 2016 to 31 December 2018. The Neptunus Pharmaceutical Distribution Agreement became effective on 4 March 2016, upon the approval by the independent shareholders of the Company at the extraordinary general meeting. On 11 October 2016, the same parties entered into a supplementary agreement (the "Supplementary Agreement"), pursuant to which, upon the approval of independent shareholders of the Company at the extraordinary general meeting held on 23 December 2016, the annual caps under the Neptunus Pharmaceutical Distribution Agreement for the period from 4 March 2016 to 31 December 2016 and for the year 2017 and 2018, were revised to RMB91,100,000, RMB114,000,000 and RMB143,500,000 respectively.

During the Year, Neptunus Changjian has purchased pharmaceutical products of approximately RMB75,170,000 from Neptunus Pharmaceutical, which did not exceed the annual cap of the above agreement.

Having considered the above, the Directors (including non-executive Directors and independent non-executive Directors) are of the opinion that the Neptunus Pharmaceutical Distribution Agreement (as supplemented by the Supplementary Agreement) (1) was entered into in the ordinary and usual course of business of the Group; (2) are on normal commercial terms and on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

### 不獲豁免獨立股東批准規定的持續關連交易

本集團於本年度內不獲豁免獨立股東批准規定的持續關連交易載列如下：

#### 海王藥業代銷協議

於二零一五年十二月十日，海王長健與海王藥業（為海王集團全資附屬公司，因此為本公司的同系附屬公司及關連人士）訂立一份代銷協議（「海王藥業代銷協議」），據此，海王長健將購買由海王藥業製造的各類藥品，以於二零一六年一月一日至二零一八年十二月三十一日期間在中國進行分銷。海王藥業代銷協議於二零一六年三月四日在股東特別大會上獲本公司獨立股東批准生效。於二零一六年十月十一日，相同訂約方訂立一份補充協議（「補充協議」），於二零一六年十二月二十三日股東特別大會上經本公司獨立股東批准後，海王藥業代銷協議交易上限修訂為從二零一六年三月四日至二零一六年十二月三十一日期間、二零一七年度及二零一八年度分別為人民幣91,100,000元、114,000,000元及人民幣143,500,000元。

於本年度，海王長健向海王藥業購買藥品共約人民幣75,170,000元，該金額並無超出上述協議之年度上限。

經考慮上文所述，董事（包括非執行董事及獨立非執行董事）認為，海王藥業代銷協議（經補充協議補充）(1)乃於本集團日常及一般業務過程中訂立；(2)乃按一般商業條款進行，且交易條款公平合理，符合本公司及其股東的整體利益。

The auditor of the Company has issued a letter to the Board confirming that the above continuing connected transactions:

- (i) have received the approval of the Board;
- (ii) were, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group;
- (iii) have been entered into in accordance with the relevant agreements governing the transactions; and
- (iv) did not exceed the respective annual caps.

## Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

## Competing Interests

On 21 August 2005, Neptunus Bio-engineering, the controlling shareholder of the Company, entered into an agreement with the Company containing undertakings relating to non-competition and preferential rights of investments (the "Non-Competition Undertakings"), pursuant to which Neptunus Bio-engineering had undertaken to the Company and its associates (among others), that as long as the securities of the Company are listed on GEM (previously known as Growth Enterprise Market):

1. it will not, and will procure its associates not to, whether within or outside the PRC, directly or indirectly (other than those indirectly held as a result of the equity interest in any listed company or its subsidiaries), participate in or operate any business in whatever form, or produce any products (the usage of which is the same as or similar to that of the products of the Company) which may constitute direct or indirect competition to the business operated by the Company from time to time; and
2. it will not, and will procure its associates not to, hold any interest, whether within or outside the PRC, in any company or organization (directly or indirectly, other than those indirectly held as a result of its equity interest in any listed company or its subsidiaries) when the business of such company or entity will (or may) compete directly or indirectly with the business of the Company.

本公司核數師已向董事會發出函件，確認上述持續關連交易：

- (i) 已獲得董事會批准；
- (ii) 倘交易涉及由本集團提供貨品或服務，則於所有重大方面均遵守本集團的定價政策；
- (iii) 已根據規管交易的相關協議訂立；及
- (iv) 並無超逾各自年度上限。

## 管理合同

於本年度，本公司並無訂立或存有任何有關本公司整體業務或任何主要部分業務的管理及行政合同。

## 競爭權益

於二零零五年八月二十一日，本公司控股股東海王生物與本公司簽訂包括有關不競爭承諾及優先投資權（「不競爭承諾」）的協議，據此，海王生物向本公司及其聯繫人承諾，（其中包括）只要本公司的證券仍於GEM（前稱創業板）上市：

1. 其將不會，並將促使其聯繫人不會以任何形式直接或間接在中國境內或境外參與或經營與本公司不時經營的業務構成直接或間接競爭的任何業務或生產任何用途與本公司產品相同或類似的產品（惟因持有任何上市公司或其附屬公司之股權而只間接持有之業務則除外）；及
2. 其將不會，並將會促使其聯繫人不會在中國境內或境外（直接或間接）參股任何業務將（或有可能）與本公司業務產生直接或間接競爭的該等公司或機構，惟因持有任何上市公司或其附屬公司股權而間接持有之業務則除外。

# Report of the Directors

## 董事會報告

Pursuant to the Non-Competition Undertakings, at a time when the Non-Competition Undertakings are subsisting, whenever Neptunus Bio-engineering or any its associates enters into any negotiations, within or outside the PRC, in relation to any new investment projects which may compete with the existing and future business of the Company, the Company shall have a preferential rights of investments in such new investment projects.

Neptunus Bio-engineering has confirmed with the Company that it has complied with the Non-competing Undertakings during the Year.

### Sufficiency of Public Float

Based on information that is publicly available to the Company and the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

### Staff Retirement Scheme

Details of the staff retirement scheme of the Company are set out in notes 2.18 and 8 to the consolidated financial statements.

### Auditor

The former auditor of the Company was Crowe Horwath (HK) CPA Limited ("Crowe Horwath (HK)"). Crowe Horwath (HK) resigned as the auditor of the Company on 25 November 2016 and Grant Thornton Hong Kong Limited, Certified Public Accountants, was appointed as the Company's auditor on 25 November 2016.

The consolidated financial statements have been audited by Grant Thornton Hong Kong Limited, who will retire at the conclusion of the forthcoming annual general meeting of the Company and being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Grant Thornton Hong Kong Limited as auditor of the Company is to be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

**Shenzhen Neptunus Interlong Bio-technique Company Limited**  
**Zhang Feng**  
*Chairman*

Shenzhen, the PRC  
23 March 2018

根據不競爭承諾，於不競爭承諾的有效期內，如海王生物或其任何聯繫人在中國境內或境外，就可能與本公司的現有及未來業務構成競爭的任何新投資項目進行磋商，本公司將獲得優先投資該等新投資項目的權力。

海王生物已向本公司確認其於本年度已遵守不競爭承諾。

### 足夠的公眾持股量

根據可供本公司查閱的資料及就董事所知，於本報告日期，公眾人士持有本公司已發行股本最少達25%。

### 員工退休計劃

本公司的員工退休計劃詳情，載於綜合財務報表附註2.18及8。

### 核數師

本公司前任核數師為國富浩華(香港)會計師事務所有限公司(「國富浩華(香港)」)。國富浩華(香港)已於二零一六年十一月二十五日辭任本公司的核數師，且執業會計師行致同(香港)會計師事務所有限公司於二零一六年十一月二十五日獲委聘為本公司的核數師。

綜合財務報表已經由致同(香港)會計師事務所有限公司審核。致同(香港)會計師事務所有限公司將於即將舉行之本公司週年大會上任滿告退，並合資格提出膺選連任。於即將舉行之週年大會上將提呈決議案重新委聘致同(香港)會計師事務所有限公司為本公司之核數師。

代表董事會

深圳市海王英特龍生物技術股份有限公司  
主席  
張鋒

中國深圳市  
二零一八年三月二十三日

# Corporate Governance Report

## 企業管治報告

The Company strives to attain a high standard of corporate governance. The principles of corporate governance adopted by the Company emphasize a quality board, sound internal control transparency and accountability to all stakeholders.

### (A) Corporate Governance Practices

The Corporate Governance Code was effective for accounting periods commencing on or after 1 January 2005. The Company put strong emphasis on the superiority, steadiness and rationality of corporate governance. The Board is of the view that the Company has complied with the requirements set out in Appendix 15 "Corporate Governance Code and Corporate Governance Report" of the GEM Listing Rules throughout the Year.

### (B) Code of Conduct Regarding Securities Transactions by Directors

During the Year, the Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the "required standard of dealings" as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all the Directors, all the Directors have confirmed that they have complied with the "required standard of dealings" and the Company's internal code of conduct regarding securities transactions by the Directors during the Year.

### (C) The Board

The Board is responsible for planning and overseeing the overall development and management of the Company with the objective of enhancing shareholders' value. The Board, led by the Chairman, is responsible for the approval and monitoring of the overall strategies and policies of the Company, approval of annual budgets and business plans, evaluation of the Company's performance and oversight of the management. As at 31 December 2017, the Board comprised nine Directors, including two executive Directors, four non-executive Directors and three independent non-executive Directors. The composition of the Board during the Year is set out as follows:

#### Executive Directors

Mr. Zhang Feng (*Chairman of the Board*)  
Mr. Xu Yan He

#### Non-executive Directors

Mr. Liu Zhan Jun  
Ms. Yu Lin  
Mr. Song Ting Jiu  
Mr. Zhao Wen Liang

本公司致力維持高水平的企業管治。本公司採納的企業管治原則，著重高質素的董事會、健全的內部監控兼具透明度，以及對全體參會問責。

### (A) 企業管治常規

《企業管治守則》於二零零五年一月一日或其後開始的會計期間生效。本公司極力主張企業管治的凌駕性、穩健性及合理性。董事會認為，於本年度，本公司一直遵守 GEM 上市規則附錄十五「企業管治守則及企業管治報告」所載的規定。

### (B) 董事進行證券交易的操守守則

於本年度內，本公司採納的一套條款不遜於 GEM 上市規則第 5.48 至 5.67 條所載的「交易必守標準」的董事進行證券交易的操守守則。經向全體董事作出具體查詢後，全體董事確認，彼等於本年度內，遵守「交易必守標準」或本公司自定義定的董事進行證券交易的操守守則的規定。

### (C) 董事會

董事會負責策劃及監察本公司的整體發展及管理事務，並以提高股東價值為依歸。在主席的領導下，董事會負責審批及監控本公司的整體策略及政策、審批年度預算及業務計劃、評核本公司的表現及監察管理。於二零一七年十二月三十一日，董事會由九名董事組成，包括兩名執行董事、四名非執行董事及三名獨立非執行董事。於本年度，董事會之成員載列如下：

#### 執行董事

張鋒先生 (*董事會主席*)  
徐燕和先生

#### 非執行董事

劉占軍先生  
于琳女士  
宋廷久先生  
趙文梁先生

# Corporate Governance Report

## 企業管治報告

### Independent Non-executive Directors

Mr. Yick Wing Fat, Simon  
Mr. Poon Ka Yeung  
Mr. Zhang Jian Zhou

The Board delegates day-to-day operations of the Company to the executive Directors, while reserving certain key matters for its approval. The management is responsible for the day-to-day operations of the Company under the guidance of the General Manager.

During the Year, the Board performed the following corporate governance duties:

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

The participation of non-executive Directors in the Board brings independent judgement on issues relating to the Company's strategy, performance, conflicts of interest and management process to ensure that the interests of all shareholders of the Company have been duly considered. The biographies of the Directors are set out on pages 16 to 19, with details of diversity of skills, expertise, experience and qualifications concerning the Directors. The term of office of each non-executive Directors and independent non-executive Directors are set out on page 23 of this annual report.

The Company has arranged appropriate insurance cover in respect of legal action against the Directors.

The Board held sixteen board meetings during the Year. The Directors did not authorize any alternate director to attend any board meetings during the Year.

### 獨立非執行董事

易永發先生  
潘嘉陽先生  
章劍舟先生

董事會委派執行董事處理本公司日常營運工作，惟保留審批若干重要事宜的權力。並在總經理的指引下，管理層負責本公司日常營運工作。

本年度，董事會履行下列企業管治職能：

- (i) 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；
- (ii) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (iii) 檢討及監察本公司就遵守法律及監管要求的政策及常規；
- (iv) 制定、檢討及監察適用於僱員及董事的操守準則；及
- (v) 檢討本公司遵守《企業管治守則》的情況及在企業管治報告內的披露。

非執行董事參與董事會，目的在於就本公司的策略、表現、利益衝突及管理程序的事宜上，提供獨立判斷的意見，確保已適當考慮到本公司全體股東的利益。各董事履歷載於年報第16至19頁，當中載列各董事之多樣化技能、專業知識、經驗及資格。各非執行董事及獨立非執行董事之任期載於年報第23頁。

本公司已就董事可能會面對的法律行動做適當的投保安排。

董事會於本年度召開十六次會議。董事於本年度並無授權任何替任董事代為出席任何董事會會議。



## (D) Committees

The Board strives to maintain an excellent corporate governance and has established committees with written terms of reference setting out the powers and duties of the committees.

### 1. Audit Committee

The Company had established the Audit Committee on 21 August 2005. The Audit Committee comprises one non-executive Director, namely Ms. Yu Lin and two independent non-executive Directors, namely Mr. Yick Wing Fat, Simon and Mr. Poon Ka Yeung. Mr. Yick Wing Fat, Simon is the chairman of the Audit Committee.

The primary duties of the Audit Committee are as follows:

- (i) to consider, and to make recommendations to the Board on the appointment, reappointment and removal of the external auditors, and to approve the remuneration and terms of engagement of the external auditors, and to resolve any issues of resignation or dismissal of that auditor;
- (ii) to review and monitor the external auditors' independence and objectivity and the effectiveness of the auditing process in accordance with applicable accounting standards;
- (iii) to discuss the nature and scope of the audit and reporting obligations with the external auditors before the auditing commences, and to ensure co-ordination where more than one audit firm are involved;
- (iv) to review and monitor the integrity of the quarterly, interim and annual financial statements, reports and accounts of the Company, and to review significant financial reporting judgments contained therein, before submission to the Board, focusing particularly on any changes in accounting policies and practices, major judgmental areas, significant adjustments resulting from the audit, etc;

## (D) 附屬委員會

為致力於維持優良的企業管治，董事會成立附屬的委員會，並以書面訂明各委員會之間的具體職權範圍，並清楚說明各委員會之職權和職責：

### 1. 審核委員會

本公司已於二零零五年八月二十一日成立審核委員會，審核委員會由一名非執行董事（為于琳女士）及兩名獨立非執行董事（分別為易永發先生及潘嘉陽先生）組成。易永發先生為審核委員會主席。

審核委員會的主要職務如下：

- (i) 考慮委任、續聘及任免外聘核數師，並向董事會提供推薦建議，審批外聘核數師的薪酬及聘用條款，以及處理該核數師辭任及解聘的任何問題；
- (ii) 檢討及監控外聘核數師的獨立性、客觀性，及根據適用會計準則進行核數程序的有效性；
- (iii) 於核數工作開始時與外聘核數師討論核數性質及範圍及申報責任，以及確保涉及超過一家核數師行時能互相協調；
- (iv) 檢討及監控本公司的季度、中期及年度財務報表、報告及賬目的完整性，以及向董事會呈交該等文件前檢討當中所載對財務申報所作出的重大判斷，尤其注意會計政策及原則的任何變動、主要判斷範疇、審核後所作出的調整等；

# Corporate Governance Report

## 企業管治報告

- (v) to review the Company's financial control, internal control and risk management systems;
  - (vi) to discuss with the management the system of internal control and to ensure the management has discharged its duties in maintaining an effective internal control system;
  - (vii) to review the external auditors' letter to the management and answer any material queries raised by the auditors to management in respect of the accounting records, financial accounts or system of internal control;
  - (viii) to ensure that the Board will provide a timely response to the issues raised in the external auditors' letter to the management;
  - (ix) to report to the Board on the matters set out herein and, in particular, the matters required to be performed by the Audit Committee under the Corporate Governance Code;
  - (x) to act as the key representative body overseeing the Company's relationship with the external auditors; and
  - (xi) to discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary).
- (v) 檢討本公司的財務監控、內部監控及風險管理系統；
  - (vi) 與管理層討論內部監控系統，以及確保管理層已就維持有效的內部監控系統履行其職務；
  - (vii) 審閱外聘核數師致管理層的函件，處理核數師就會計記錄、財務賬目或內部監控系統而向管理層作出的任何重要提問；
  - (viii) 確保董事會對外聘核數師致管理層函件所提出的查詢作出適時響應；
  - (ix) 向董事會報告本報告所載的事宜，特別是審核委員會按《企業管治守則》須履行的事宜；
  - (x) 擔當重要代表，監察本公司與外聘核數師的關係；及
  - (xi) (如有需要，在管理層不在場的情況下)討論因進行中期及末期審核工作所招致的問題及保留事項，以及核數師可能擬於討論的任何事項。

During the Year, Audit Committee has reviewed the quarterly, interim and annual financial statements of the Group, who was of the opinion that these statements complied with the applicable accounting standards, the GEM and legal requirements, and that adequate disclosures have been made. The Audit Committee held five meetings during the Year (of which two meetings were held with the external auditors).

於本年度，審核委員會已審閱本集團之季度、中期及年度財務報表，其意見為該等報告已遵照適用之會計準則、GEM及法例之規定，且經已作出足夠之披露。於本年度內，審核委員會曾舉行五次會議(其中有兩次會議是與外聘核數師進行的)。

### 2. Nomination Committee

The Company established the Nomination Committee on 16 March 2012. Currently the Nomination Committee comprises one executive Director, Mr. Zhang Feng, and three independent non-executive Directors, namely Mr. Yick Wing Fat, Simon, Mr. Poon Ka Yeung and Mr. Zhang Jian Zhou. Mr. Zhang Feng is the Chairman of the Nomination Committee.

The major duties of the Nomination Committee are as follows:

- (i) to review the structure, size and composition (including the skills, knowledge and experience) and diversity of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.
- (ii) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of, individuals nominated for directorships.
- (iii) to assess the independence of independent non-executive Directors.
- (iv) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman of the Board and the General Manager.

The Nomination Committee has adopted the Board Diversity Policy (the "Policy") which became effective on 1 September 2013. A summary of this Policy together with the measurable objectives set for implementing this Policy, and the progress towards achieving those objectives are outlined below.

The Company continuously seeks to enhance the effectiveness of its Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of having a diverse Board, which can be achieved through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

The Nomination Committee has primary responsibility for identifying qualified candidates to become members of the Board and Board appointments will continue to be made on a merit basis, with candidates being considered against objective criteria, with due regard for the benefits of diversity on the Board. The Nomination Committee is also responsible for monitoring the implementation and reviewing the effectiveness of this Policy.

### 2. 提名委員會

本公司已於二零一二年三月十六日成立了提名委員會。提名委員會現由一名執行董事(張鋒先生)及三名獨立非執行董事(分別為易永發先生、潘嘉陽先生及章劍舟先生)組成。張鋒先生為提名委員會主席。

提名委員會的主要職責如下：

- (i) 檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)及成員多元化,並就任何為完善本公司的企業策略而擬對董事會作出的變動提出建議。
- (ii) 物色具備合適資格可擔任董事的人士,並挑選提名有關人士出任董事或就此向董事會提供意見。
- (iii) 評核獨立非執行董事的獨立性。
- (iv) 就董事委任或重新委任以及董事(尤其是董事會主席及總經理)繼任計劃向董事會提出建議。

提名委員會已採納於二零一三年九月一日生效之董事會成員多元化政策(「該政策」)。該政策之概要連同為執行該政策而制定之可計量目標及達標進度於下文披露。

本公司不斷致力提高其董事會之效能,並保持最高標準的企業管治及明白並深信建立一個多元化及具包容性的董事會裨益良多,可透過考慮多個因素達致,包括但不限於性別、年齡、文化及教育背景、種族、職業經驗、技能、知識及服務年資。

提名委員會主要負責確定合資格的應徵者成為董事會成員,委任董事會將繼續兼成以優質基礎及應徵者將亦被以目標準則考慮,以達致董事會多元化之效益。提名委員會亦負責監察制定該政策及檢討其有效性。

# Corporate Governance Report

## 企業管治報告

During the Year, Nomination Committee has reviewed the Board composition, the effectiveness of the Policy and make recommendations to the Board on the individuals nominated for directorships. During the Year, the Nomination Committee held one meeting.

### 3. Remuneration Committee

The Remuneration Committee was established on 21 August 2005, comprising one executive Director and two independent non-executive Directors, namely Mr. Zhang Feng, Mr. Yick Wing Fat, Simon and Mr. Poon Ka Yeung. Mr. Poon Ka Yeung is the chairman of the Remuneration Committee.

The major duties of the Remuneration Committee include:

- (i) pursuant to provision B.1.2(c)(ii) of the Corporate Governance Code, to make recommendations to the Board on the Company's policy and structure for all remuneration of the Directors and the senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- (ii) to make recommendations to the Board on the remuneration of executive Directors and senior management, which shall include non-monetary benefits, pension rights and compensation payments (including compensation payable for loss or termination of their office or appointment), and to make recommendations to the Board on the remuneration of the non-executive Directors; and
- (iii) to review and approve the remuneration suggestions of the management according to the corporate goals and objectives made by the Board from time to time.

The Remuneration Committee determined the remuneration of the Directors according to their expertise, knowledge and commitment to the Company with reference to the Company's profitability and the prevailing market conditions. The Remuneration Committee should consult the executive Director and the General Manager about its proposals relating to the remuneration of the Senior Management.

During the Year, the Remuneration Committee held three meetings to discuss the Directors remuneration packages of the new session of the Board and the remuneration packages for the new session of the senior management of the Company.

於本年度，提名委員會已檢討董事會成員之組成，該政策之有效性，並向董事會建議提名有關人士出任董事。本年度內提名委員會舉行了一次會議。

### 3. 薪酬委員會

薪酬委員會於二零零五年八月二十一日成立，由一名執行董事及兩名獨立非執行董事組成，分別為張鋒先生、易永發先生及潘嘉陽先生。潘嘉陽先生為薪酬委員會主席。

薪酬委員會主要職責包括：

- (i) 根據《企業管治守則》條文第 B.1.2(c)(ii)，就本公司所有董事及高級管理層薪酬政策及架構，以及就制訂正規而具透明度的有關薪酬政策程序，向董事會提出建議；
- (ii) 向董事會建議執行董事及高級管理人員的薪酬待遇，此應包括非金錢利益、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償），以及就非執行董事的薪酬向董事會提出建議；及
- (iii) 參照董事會不時議決的企業方針及目標，檢討及批准管理層的薪酬建議。

薪酬委員會乃按董事的專業技能、知識及對本公司的貢獻，參照本公司的盈利能力及現行市況，釐定董事薪酬。有關高級管理層的薪酬建議，薪酬委員會應諮詢執行董事及總經理。

本年度內薪酬委員會舉行了三次會議，討論了新一屆董事會董事薪酬方案及本公司新一屆高級管理人員薪酬標準。

(E) Record of number of Board and committee meetings and Directors' attendance

During the Year, the number of Board and committee meetings and Directors' attendance are set out below:

(E) 董事會及附屬委員會會議次數及各董事的出席記錄

於本年度內，董事會及附屬委員會會議次數及各董事之出席記錄如下：

Directors 董事	Annual General Meeting 股東週年大會	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Zhang Feng (Chairman of the Board) 張鋒(董事會主席)	1/1	16/16	N/A 不適用	3/3	1/1
Xu Yan He 徐燕和	1/1	15/16	N/A 不適用	N/A 不適用	N/A 不適用
Liu Zhan Jun 劉占軍	1/1	16/16	N/A 不適用	N/A 不適用	N/A 不適用
Yu Lin 于琳	1/1	16/16	5/5	N/A 不適用	N/A 不適用
Song Ting Jiu 宋廷久	1/1	16/16	N/A 不適用	N/A 不適用	N/A 不適用
Zhao Wen Liang 趙文梁	1/1	16/16	N/A 不適用	N/A 不適用	N/A 不適用
Yick Wing Fat, Simon 易永發	1/1	16/16	5/5	3/3	1/1
Poon Ka Yeung 潘嘉陽	1/1	16/16	5/5	3/3	1/1
Zhang Jian Zhou 章劍舟	1/1	16/16	N/A 不適用	N/A 不適用	1/1

### (F) Continuous Professional Development for Directors

During the Year, all members of the Board had attended relevant professional development such as trainings or seminars according to their own professionals. The Company also gave advice to Directors from time to time in respect of training courses. On 14 November 2017, the Company arranged training in respect of "Director's Duties and the Role and Functions of the Board Committee" for Directors and senior management of the Company. All Directors and relevant senior management of the Company have attended such training.

### (G) Chairman and General Manager

As the leader of the Board, the Chairman is responsible for the approval and supervision of the overall strategies and policies of the Company, approval of annual budgets and business plans, evaluation of the Company's performance and oversight of the management. Mr. Zhang Feng is the current Chairman of the Board. The General Manager (same role as the post of chief executive pursuant to the Corporate Governance Code) is responsible for the day-to-day operations of the Company. Mr. Xu Yan He is the current General Manager of the Company. The articles of the association of the Company has set out the role and powers of the Chairman and General Manager. The roles of the Chairman and General Manager are separate and are not be performed by the same individual.

### (H) Directors' Responsibility for Accounts

The Directors have confirmed and acknowledged their responsibility for the preparation of the Company's financial statements is in compliance with the relative regulations and applicable accounting standards. The Board has also warranted that the Company's financial statements would be distributed in due course.

### (I) Auditor's Remuneration

During the Year, approximately RMB1,170,000 (2016: approximately RMB1,341,000) and approximately RMB425,000 (2016: approximately RMB319,000) were charged to the Group's income statement for the external auditor's audit services and non-audit services respectively.

### (F) 董事持續專業發展

本年度，董事會各董事已根據自身專業方向，參與相關的培訓、講座等持續專業發展；本公司亦不定期給予董事有關培訓的課程建議。於二零一七年十一月十四日，本公司對本公司董事及高級管理人員進行有關「董事職責和董事委員會角色及職能」的培訓。本公司所有董事和相關高級管理人員均出席了該培訓。

### (G) 主席及總經理

作為董事會的領導人，主席負責審批及監督本公司的整體策略及政策、審批年度預算及業務計劃，評核本公司的表現及監察管理。張鋒先生為現任董事會主席。總經理（根據《企業管治守則》相當於行政總裁職位的角色）負責本公司的日常營運工作。徐燕和先生為現任本公司總經理。本公司的公司章程已訂明主席及總經理的職能及權力。主席與總經理的職能應有區分，不應由同一名人士出任。

### (H) 董事對賬目的責任

董事已確認，其對於本公司財務報表的呈列方式符合相關規例及適用會計準則有責任。董事會亦已保證，本公司將於適當時候派發財務報表。

### (I) 核數師酬金

於本年度，自本集團收益表中扣除的外聘核數師審計服務金額約人民幣1,170,000元（二零一六年：約人民幣1,341,000元）以及非審計服務金額約人民幣425,000元（二零一六年：約人民幣319,000元）。

## (J) Risk Management and Internal Control

The Board is responsible for overseeing the internal control system and risk management of the Group and for reviewing its effectiveness. To facilitate the effectiveness and efficiency of business operations, to ensure the reliability of financial report, to safeguard the Group's assets and the interest of shareholders and to ensure compliance with relevant laws and regulations, the Company emphasizes the importance of a sound internal control system. The internal control system and risk management is designed to manage rather than to eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board regularly and at least annually reviews the effectiveness of the Group's internal control system and risk management through the Audit Committee, executive management, functional departments, external advisers and external auditors.

The Company was approved by the Board during the Year to perform the internal audit function by sharing the resources of the immediate parent company, Neptunus Bio-engineering. And the internal audit function is performed by an internal audit team, which comprises the personnel appointed by the Company and secondment personnel of Neptunus Bio-engineering. Currently, the Company has drafted the 2018 internal audit plan. During the Year, the management of the Company has also appointed an external consultant to conduct a review on the Group's internal control system and risk management system. Such external consultant has carried out the analysis and independent appraisal of the adequacy and the effectiveness of the internal control system and risk management of the Group and has submitted the results of the review and its recommendations and opinions for consideration to the Audit Committee and the Board. The review covers all material controls, including financial, operational and compliance and risk management functions. The Audit Committee and the Board have discussed the relevant results of the review and appropriate modifications will be made to the management system of the Group according to the findings and recommendations therein. Also during the Year, the Audit Committee and the Board has assessed whether the Group's resources in accounting and financial reporting functions are sufficient, whether the staff obtain sufficient qualification and experience and whether the trainings for staff and related budget are sufficient.

## (J) 風險管理及內部監控

董事會負責監督本集團的內部監控系統及風險管理並檢討其有效性。本公司著重穩健的內部監控系統的重要性，籍以促進業務營運效率及效益、確保財務報告的可信性、保障本集團資產及股東利益，以及確保遵守有關法律及法規。內部監控系統及風險管理旨在管理而非消除未能達成業務目標之風險，且只能提供合理而非絕對防範重大錯誤陳述或損失之保證。

董事會透過審核委員會、執行管理人員、內部職能部門、外聘顧問及外聘核數師定期及至少每年一次檢討本集團內部監控系統及風險管理之成效。

本公司董事會於本年度，批准通過共用直屬母公司海王生物資源以執行內部審核功能。該內部審核功能是通過由本公司委派的人員及海王生物借調的人員將組建的內控審計工作小組來完成的。目前，本公司已擬定二零一八年度內控審計計劃。於本年度，本公司管理層亦委任一名外聘顧問對本集團內控系統及風險管理系統進行覆核。該外聘顧問已對本集團的內部監控系統及風險管理的充足性及有效性進行了分析和獨立的評估，並已將覆核結果提交審核委員會及董事會，並向彼等提供推薦建議及意見以供考慮。有關覆核涉及所有重大監控方面，包括財務、營運、合規及風險管理。審核委員會及董事會已討論有關覆核結果，並將會就結果及推薦建議對本集團的管理系統作出適當修改。同時於本年度內，審核委員會及董事會已評核本集團在會計及財務匯報職能方面之資源、員工資歷及經驗是否足夠，以及員工所接受之培訓課程及有關預算是否充足等。

# Corporate Governance Report

## 企業管治報告

During the Year, the Audit Committee reviewed the effectiveness of internal control system with following procedures and reported the result of the review to the Board:

1. discussing with executive management on areas of risks identified
2. reviewing the risks reported by external consultant of internal control
3. reviewing external audit plan
4. reviewing the matters reported by external auditors
5. reviewing the report produced by executive management and related functional departments to ensure appropriate controls are in place and any deficiencies or irregularities, if any, are rectified

Based on the information supplied, coupled with its own observations and with the assistance of the Audit Committee, the Board believes that, in respect of the nature and size of the Group's operations and business, the present internal control system and monitoring process (including sufficiency of the resources in accounting and financial reporting functions, staff's qualification and experience and trainings for staff and related budget) are effective and adequate and have complied with the requirements under the provisions of the code.

### (K) Procedures for Handling and Dissemination of Inside Information

The Board has established the Inside Information Policy for the handling and dissemination of inside information. The Inside Information Policy has stipulated the principle and contents of inside information disclosure, the inside information's management, security measures, responsible persons and departments, reporting methods as well as the disclosure process, etc. The management of the Company must take all reasonable measures from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Company. Relevant inside information reporting persons must promptly notify the Board secretary of the Company of any matters that might constitute inside information and shall keep confidentiality of such information. And the Board secretary of the Company shall ask for instructions from the executive Directors as soon as reasonably practicable, who will then evaluate whether the information constitute inside information and if so, to disclose and take other appropriate prompt action accordingly. In the event that there is evidence of any material violation of the Inside Information Policy, the Company will investigate relevant personnel for their responsibilities and impose certain punishment, so as to avoid the recurrence of such violation.

於本年度內，審核委員會透過以下程序檢討內部監控系統之成效，並於其後向董事會報告檢討結果：

1. 與執行管理人員討論所識別之風險範圍
2. 審閱外聘內控審核機構報告之風險
3. 審閱外部審核計劃
4. 檢討外聘核數師報告之事項
5. 審閱執行管理人員及相關職能部門之報告，以確保有合適監控並糾正任何不足或不當之處(如有)

基於所提供的數據連同其本身的觀察，並在審核委員會的協助下，董事會認為：就本集團經營及業務的性質及規模而言，現行內部監控系統和監管程序(包括在會計及財務匯報職能方面之資源、員工資歷及經驗之足夠程度，以及員工所接受之培訓課程及有關預算之充足程度)有效及充份，並符合守則條文之要求。

### (K) 處理及發佈內幕消息的程序

董事會已制定有關處理及發佈內幕消息的內幕消息政策。內幕消息政策已訂明內幕消息披露的原則及內容，內幕消息的管理、保密措施、責任部門與責任人、匯報方式以及披露程序等。本公司管理層須不時採取一切合理措施，確保已有恰當程序，預防本公司違反有關披露規定。內幕消息相關報告責任人必須即時知會本公司董事會秘書任何可能構成內幕消息的事宜且對該等消息負有保密責任。而本公司董事會秘書將在合理切實可行情況下儘快請示執行董事，其將評估消息是否構成內幕消息，如果是則披露及迅速採取其他適當行動。如有證據顯示嚴重違反有關內幕消息政策，本公司將對相關人員將追究責任及進行處罰，以避免重蹈覆轍。



## (L) Constitutional Documents

The constitutional documents of the Company have been published both on the GEM and the Company's website. At the annual general meeting convened on 23 June 2017, certain amendments to the articles of association of the Company were duly passed. Please refer to the circular dated on 2 May 2017 for the details of the amendments. Save for such amendments, there has been no significant change in the constitutional documents of the Company during the Year.

## (M) Company Secretary

The company secretary supports the Chairman, the Board and Board committees by ensuring good information flow within the Board and that Board policy and procedures are followed. The company secretary reports to the Board and assists the Board in functioning effectively and efficiently. She also advises the Board on governance matters and facilitates the induction and professional development of Directors. All Directors of the Company may call upon the company secretary for advice and assistance at any time in respect to their duties and the effective operation of the Board and the Board committees.

Ms. Lee Mei Yi and Ms. Mu Ling Xia are the joint company secretaries of the Company, of which Ms. Lee is the external company secretary and Ms. Mu is a full time employee of the Company. Ms. Mu is also the vice general manager and financial controller of the Company who has day-to-day knowledge of the Company's affairs. Ms. Lee and Ms. Mu undertook not less than 15 hours of relevant professional training during the Year.

The primary corporate contact person at the Company is Ms. Mu Ling Xia, the joint company secretary, Board secretary, financial controller and vice general manager of the Company.

## (L) 憲章文件

本公司的憲章文件已載於GEM及本公司的網站內。於二零一七年六月二十三日舉行之股東週年大會上通過對本公司章程進行修訂。章程詳情載經本公司日期為二零一七年五月二日之通函內。除該等修訂外，於本年度內本公司的憲章文件並無重大改動。

## (M) 公司秘書

公司秘書支持主席、董事會及董事委員會，確保董事會內部信息流通無阻以及董事會政策及程序得到遵循。公司秘書向董事會報告，並協助董事會有效及具效率地運作。彼亦就管治事宜向董事會提供意見，並協助安排董事之入職及專業發展。本公司全體董事可隨時要求公司秘書提供有關其職責及致使董事會及董事委員會有效運作之意見及協助。

李美儀女士和慕凌霞女士為本公司之聯席公司秘書。其中，李女士為外聘公司秘書而慕女士為本公司之全職僱員。慕女士亦為本公司之副總經理和財務負責人，對本公司事務有日常認識。李女士及慕女士於本年度內已接受不少於15小時之相關專業培訓。

本公司內部的主要聯絡人為慕凌霞女士，為公司的聯席公司秘書、董事會秘書、財務負責人以及副總經理。

### (N) Shareholder's Rights

- (i) According to the articles of association of the Company, two or more shareholders holding more than 10% or more of the shares with voting rights can sign one or more written requests with the same format and contents, requesting the Board to convene an extraordinary general meeting, and stating the topics of the meeting. After receipt of the aforesaid written request, the Board shall hold the extraordinary general meeting as soon as possible. If the Board does not distribute the notice on holding the meeting within 30 days after receipt of the aforesaid written request, the shareholder(s) putting forward such requirement can convene the meeting on his/their own within four months after the Board receives such request.
- (ii) Shareholders of the Company can make enquires to the Board or the Company in relation to corporate governance or other matters. The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send written enquiries to the Company, by email to [mlx@interlong.com](mailto:mlx@interlong.com), or by fax to (86) 755 8639 1610 or by mail to Suite 2103, 21st floor, Neptunus Yinhe Technology Mansion, 1 Keji Middle 3rd Road, Nanshan District, Shenzhen, Guangdong Province, the PRC.
- (iii) The Company encourages shareholders to attend and give advice in the general meeting, or appoints proxies to attend general meetings, and vote for them when they could not attend general meetings. Under appropriate circumstances, chairman of the Board, other members of the Board, Chairman of committees under the Board or representative appointed by them, and external auditors would attend general meeting of the Company, and they would answer for the shareholders. They will also consider or respond to the suggestions made by shareholders.

To put forward proposals at an annual general meeting or extraordinary general meeting, the shareholders should submit a written notice of those proposals with detailed contact information to the Company, by email to [mlx@interlong.com](mailto:mlx@interlong.com), or by fax to (86) 755 8639 1610 or by mail to Suite 2103, 21st floor, Neptunus Yinhe Technology Mansion, 1 Keji Middle 3rd Road, Nanshan District, Shenzhen, Guangdong Province, the PRC. The request will be verified with the Company's share registrar 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.

### (N) 股東權利

- (i) 依據本公司章程，合計持有有表決權的股份百分之十以上(含百分之十)的兩個或者兩個以上的股東，可以簽署一份或者數份同樣格式內容的書面要求，提請董事會召集股東特別大會，並闡明會議的議題。如果董事會在收到前述書面要求後三十日內沒有發出召集會議的通告，提出該要求的股東可以在董事會收到該要求後四個月內自行召集會議，召集的程序應當盡可能與董事會召集股東會議的程序相同。
- (ii) 本公司股東可向董事會及本公司查詢關於企業管治或其他的事項；一般而言，本公司不會處理口頭或匿名的查詢。股東可透過以下方式將書面查詢送交本公司(發電郵至 [mlx@interlong.com](mailto:mlx@interlong.com)，或傳真至(86)755 8639 1610，或郵寄至中國廣東省深圳市南山區科技中三路1號海王銀河科技大廈21樓2103室)。
- (iii) 本公司鼓勵股東參與股東大會，並提出建議，或在他們未能出席大會時委任代表出席及於會上代表他們投票。在適宜情況下，董事會主席，其他董事會成員、董事會轄下委員會的主席或其委任的代表，以及外聘核數師應出席本公司的股東大會並在會上回答股東提問，及對股東建議進行考慮或響應。

為於股東週年大會或股東特別大會上提出提案，股東須以書面提交該等提案，連同詳細聯絡資料，送交本公司(電郵至 [mlx@interlong.com](mailto:mlx@interlong.com)；或傳真至(86)755 8639 1610；或郵寄至中國廣東省深圳市南山區科技中三路1號海王銀河科技大廈21樓2103室)。本公司會向本公司的股份過戶處核實該要求，於獲得股份過戶處確認該要求為恰當及適當後，公司秘書將要求董事會在股東大會的議程內加入有關決議案。

# Report of the Supervisory Committee

## 監事會報告

To: All shareholders

The Supervisory Committee of the Company has exercised its powers seriously to safeguard the interests of the Company and shareholders, complied with the principle of good faith, discharged its duties conscientiously and undertaken tasks in a diligent and proactive manner in accordance with the Company Law of the PRC, the relevant Hong Kong laws, regulations and the articles of association of the Company (the "Articles of Association").

The Supervisory Committee of the Company has reviewed in detail and approved the audited financial statements and this report which will be presented at the annual general meeting. Supervisors of the Company have reviewed prudently the operation and development plans of the Company, and carried out strict and effective supervision as regards whether major decision-making and exact decisions by the management of the Company are in compliance with the laws and regulations of the PRC and the Articles of Association and safeguard the interests of shareholders. Supervisors believe that during the Year, the operating results of the Company were sufficient to reflect its position, and all expenses and costs incurred were reasonable. The profit sharing scheme was in the long-term interest of shareholders and the Company. The provision for statutory surplus reserve and public welfare fund made during the Year has complied with the applicable laws and regulations of the PRC and the Articles of Association.

During the Year, to the best knowledge of the Supervisory Committee, no Directors or other senior management of the Company were found to have abused his authority or have harmed the interests of shareholders and employees. To the best knowledge of the Supervisory Committee, no Directors or other senior management of the Company were found to have violated any applicable laws or regulations, the Articles of Association or the relevant regulations of China Securities Regulatory Commission. Supervisors believe that the Directors and other senior management of the Company have strictly observed their respective duties and acted prudently and exercised their powers in good faith in the best interest of the Company.

The Supervisory Committee of the Company is full of confidence in the future of the Company and would like to take this opportunity to express its gratitude to all shareholders, Directors and staff for their strong support to the Supervisory Committee.

By order of the Supervisory Committee  
**Xiong Chu Xiong**  
Chairman of Supervisory Committee

Shenzhen, the PRC  
23 March 2018

致各位股東：

本公司的監事會遵照中國公司法、香港有關法律、法規及本公司的公司章程（「公司章程」）的規定，認真履行職權，維護本公司利益及股東權益，遵守誠信原則，克盡職守，勤勉主動地開展工作。

本公司監事會已經仔細審閱並批准經審核財務報表以及本報告，以供載年度股東大會上呈示。本公司監事已經對本公司的經營及發展計劃進行審慎審核，對本公司管理層的重大決策及具體決定是否符合中國法律法規以及公司章程是否維護股東權益等問題，進行了嚴格有效的監督。監事相信，於本年度內，本公司的經營業績足以反映其狀況，而所產生的一切開支及成本均為合理，利潤分配方案符合股東利益及本公司的長遠利益，本年度撥備的法定公積金及公益金已遵守適用的中國法律、法規及公司章程。

於本年度內，據監事會所知，本公司的董事或其他高級管理層概無遭發現濫用職權或侵害股東及僱員的利益。據監事會所知，本公司的董事或其他高級管理層概無違反任何適用的法律法規、公司章程或中國證券監督管理委員會的有關法規。監事認為，董事及本公司的其他高級管理層能夠嚴格遵守他們各自的職責，並能夠審慎行事，以及在符合本公司最佳利益的情況下，忠誠地行使他們的權力。

本公司監事會對本公司的未來充滿信心，並借此機會向全體股東、董事及職員對本監事會的大力支持，深表謝意。

承監事會命  
監事會主席  
熊楚熊

中國深圳市  
二零一八年三月二十三日

# Independent Auditor's Report

## 獨立核數師報告



Grant Thornton

致同

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHENZHEN NEPTUNUS INTERLONG BIO-TECHNIQUE COMPANY LIMITED (incorporated in the People's Republic of China with limited liability)

#### Opinion

We have audited the consolidated financial statements of Shenzhen Neptunus Interlong Bio-technique Company Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 57 to 162, which comprise the consolidated statement of financial position as at 31 December 2017, and 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 notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### Basis for Opinion

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

### 致深圳市海王英特龍生物技術股份有限公司股東 的獨立核數師報告 (於中華人民共和國註冊成立之股份有限公司)

#### 意見

本核數師(以下簡稱「我們」)已審計載於第57至162頁深圳市海王英特龍生物技術股份有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表。此綜合財務報表包括於二零一七年十二月三十一日的綜合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、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而公平地反映了貴集團於二零一七年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及其綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

#### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

# Independent Auditor's Report

## 獨立核數師報告

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit Matter	How the matter was addressed in our audit
<b>Valuation of inventories</b> <i>Refer to note 2.8 and 18 to consolidated financial statements.</i>	
At the reporting date, the Group held inventories of approximately RMB146 million net of provisions. In arriving at the net realisable value of inventories, estimation and management judgment, including use of historical aging statistics, projection of expected volume and price of future sales of inventories, were exercised.	We evaluated and tested the controls that management has established to oversee and keep tracks of inventory movements.  Among other substantive procedures, we considered the accuracy of historical provisions against actual inventory write-offs.
We have identified valuation of inventories as a key matter to our audit considering the materiality of the balance and the calculations are inherently subject to significant judgement of management.	On a sample basis we selected inventory items and tested their net realisable value calculation.  We compared subsequent sales prices and volumes against those projected in forecasts.  We were satisfied that the inventory provision made at reporting date is justified and could result the carrying amounts of inventories fairly stated.

### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項是在我們審計整體綜合財務報表及出具意見時進行處理的，及我們不會對該等事項提供單獨的意見。

關鍵審計事項	我們的審計如何處理該事項
<b>存貨估值</b> <i>請參閱綜合財務報表附註 2.8 及 18。</i>	
於呈報日，貴集團持有存貨約一億四千六百萬元，已扣除存貨撥備。於釐定存貨的可變現淨值時，管理層須估計及作出重大判斷（包括使用過往賬齡統計數據、預測未來銷售的數量及售價）。	我們評估及測試由管理層建立的用於監管及記錄存貨變動的監控。  於實質性程序中，我們已針對實際存貨撇銷考慮過往撥備估計。
考慮到結餘的重要性及計算本身涉及管理層的重大判斷，我們確定存貨估值為我們的審計關鍵事項之一。	我們以抽樣基準選擇存貨項目及測試其可變現淨值計算。  我們將期後售價及銷售預測中的相關數據額作比較。  我們信納於呈報日的存貨撥備是有理據的，且能使存貨淨值得到公允反映。

# Independent Auditor's Report

## 獨立核數師報告

The Key Audit Matter	How the matter was addressed in our audit	關鍵審計事項	我們的審計如何處理該事項
<p><b>Intangible assets impairment assessment</b> <i>Refer to note 2.6 and 16 to consolidated financial statements.</i></p> <p>At the reporting date, the Group has intangible assets with indefinite life, totalling approximately RMB99.6 million including anesthetic drug production and selling rights and trade name. These intangible assets were individually assessed at year end for impairment loss. The valuation process employed significant estimates and management judgement over the cash flow forecasts, discount rates, and benchmark growth rates of particular drug markets.</p> <p>We identified impairment of intangible assets as a key audit matter due to the materiality of the balances and the use of estimation and judgement in accessing the recoverability of intangible assets.</p>	<p>We obtained valuation reports from the independent valuer employed by the Company and assessed its qualification and reputation.</p> <p>We reviewed the valuation methodology, questioned, among other applicable models, the valuation model selected and assumptions made.</p> <p>We have reconciled input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets.</p> <p>We have compared prior year cash flow projections with actual occurrence to consider accuracy of management's prior projections and if the projections were overly optimistic.</p> <p>We are satisfied that the judgement exercised by management is rationalised.</p>	<p><b>無形資產減值評估</b> <i>請參閱綜合財務報表附註 2.6 及 16。</i></p> <p>於呈報日，貴集團持有之無確定使用年期的無形資產總值約人民幣九千九百六十萬元，包括麻醉藥產銷權及業務名稱。該等無形資產於年末單獨進行減值測試評估。評估過程中就現金流預測、折現率及特定藥物市場的標準增長率採用重要估計及管理層判斷。</p> <p>由於結餘的重要性及評估無形資產的可收回性時使用估計及判斷，我們確定無形資產減值為關鍵審計事項之一。</p>	<p>我們已取得貴公司僱用的獨立估值師之估值報告並評估其資格及聲譽。</p> <p>我們已審閱估值方法，於其他適用模型中，就已選定的估值模型及作出之假設提出問題。</p> <p>我們對比輸入數據與支持憑證，例如管理層批准的最近財務預算及考慮該等預算的合理性。</p> <p>我們比較了上年度現金流量預測與本年度的實際現金流量進行比較，以考慮管理層過往預測的準確性以及這些預測的假設是否過於樂觀。</p> <p>我們信納管理層作出之判斷是合理的。</p>

# Independent Auditor's Report

## 獨立核數師報告

### Other Information

The directors are responsible for the other information. The other information comprises all the information in the 2017 annual report of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

### Responsibilities of Directors for the Consolidated Financial Statements

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

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

The directors assisted by the Audit Committee are responsible for overseeing the Group's financial reporting process.

### 其他資料

董事須就其他資料承擔責任。其他資料包括 貴公司二零一七年年報內所有資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，並在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況存在重大差異或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。就此而言，我們沒有任何報告。

### 董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港公司條例的披露要求編製真實而公平的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

董事在審核委員會協助下負責監督 貴集團的財務報告過程。

# Independent Auditor's Report

## 獨立核數師報告

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with our agreed terms of engagements and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

### 核數師就審計綜合財務報表須承擔的責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）按照議定之聘用條款報告，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。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期他們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。



# Independent Auditor's Report

## 獨立核數師報告

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### 核數師就審計綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

# Independent Auditor's Report

## 獨立核數師報告

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Grant Thornton Hong Kong Limited

Certified Public Accountants  
Level 12  
28 Hennessy Road  
Wanchai  
Hong Kong

23 March 2018

#### Chiu Wing Ning

Practising Certificate No.: P04920

### 核數師就審計綜合財務報表須承擔的責任(續)

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

#### 致同(香港)會計師事務所有限公司

執業會計師  
香港灣仔  
軒尼詩道28號  
12樓

二零一八年三月二十三日

#### 趙永寧

執業證書編號：P04920

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>REVENUE</b>	收入	5, 6	<b>790,286</b>	759,111
<b>COST OF SALES</b>	銷售成本		<b>(365,255)</b>	(371,905)
<b>GROSS PROFIT</b>	毛利		<b>425,031</b>	387,206
<b>OTHER REVENUE</b>	其他收入	7	<b>8,915</b>	9,102
<b>OTHER NET INCOME</b>	其他收入淨額	7	<b>853</b>	3,674
Selling and distribution expenses	銷售及分銷開支		<b>(262,777)</b>	(225,786)
Administrative expenses	行政開支		<b>(51,523)</b>	(50,441)
Other operating expenses	其他經營開支		<b>(46,942)</b>	(29,200)
<b>PROFIT FROM OPERATIONS</b>	經營溢利		<b>73,557</b>	94,555
Finance costs	財務費用	8(a)	<b>(3,229)</b>	(3,886)
<b>PROFIT BEFORE TAXATION</b>	除稅前溢利	8	<b>70,328</b>	90,669
Income tax expense	所得稅開支	9(b)	<b>(14,899)</b>	(17,852)
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	本年度溢利及全面收益總額		<b>55,429</b>	72,817
<b>Profit and total comprehensive income for the year attributable to:</b>	以下各項應佔本年度溢利及全面收益總額：			
Owners of the Company	本公司擁有人		<b>50,257</b>	62,692
Non-controlling interests	非控股權益		<b>5,172</b>	10,125
			<b>55,429</b>	72,817
<b>Earnings per share for profit attributable to the owners of the Company during the year</b>	用作計算本公司擁有人應佔本年度溢利之每股盈利			
Basic and diluted	基本及攤薄	13	<b>3.00 cents</b> 人民幣 3.00 分	3.74 cents 人民幣 3.74 分

The notes on page 64 to 162 are an integral part of these consolidated financial statements.

第64頁至第162頁的附註構成此等綜合財務報表的一部分。

# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 December 2017  
於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>			
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	121,968	140,111
Prepaid lease payments	預付租賃款項	15	60,879	99,578
Intangible assets	無形資產	16	111,008	115,158
Deposit for acquisition of property, plant and equipment	購置物業、廠房及設備的 按金	17	4,425	914
Deferred tax assets	遞延稅項資產	26(b)	1,719	991
			<b>299,999</b>	356,752
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	18	146,468	136,749
Trade and other receivables	應收賬款及其他應收款項	19	203,041	210,918
Fixed deposit	定期存款	21	-	4,000
Cash and cash equivalents	現金及現金等價物	21	350,724	325,195
			<b>700,233</b>	676,862
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables	應付賬款及其他應付款項	22	176,949	187,124
Interest-bearing bank borrowings	付息銀行借貸	23	30,000	100,000
Entrusted loans from the immediate parent company	直屬母公司委託貸款	24	9,000	9,000
Deferred revenue	遞延收益	25	401	401
Current taxation	即期稅項	26(a)	13,220	14,664
			<b>229,570</b>	311,189
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>470,663</b>	365,673
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>770,662</b>	722,425
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Deferred revenue	遞延收益	25	3,212	4,492
Deferred tax liabilities	遞延稅項負債	26(b)	17,682	18,394
			<b>20,894</b>	22,886
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>749,768</b>	699,539

# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 December 2017  
於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>EQUITY</b>	<b>權益</b>			
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人 應佔權益</b>			
Share capital	股本	27	<b>167,800</b>	167,800
Reserves	儲備	28	<b>482,049</b>	431,792
<b>TOTAL</b>	<b>總計</b>		<b>649,849</b>	599,592
<b>NON-CONTROLLING INTERESTS</b>	<b>非控股權益</b>		<b>99,919</b>	99,947
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>749,768</b>	699,539

**Zhang Feng**

張鋒

Director

董事

**Xu Yan He**

徐燕和

Director

董事

The notes on page 64 to 162 are an integral part of these consolidated financial statements.

第64頁至第162頁的附註構成此等綜合財務報表的一部分。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Profit before taxation	除稅前溢利	<b>70,328</b>	90,669
Adjustments for:	調整：		
Depreciation	折舊	<b>13,373</b>	15,290
Amortisation of prepaid lease payments	預付租賃款項攤銷	<b>1,570</b>	2,353
Amortisation of intangible assets	無形資產攤銷	<b>4,150</b>	4,432
Impairment of trade receivables	應收賬款減值	<b>350</b>	311
Impairment of other receivables	其他應收款項減值	<b>402</b>	248
Reverse of impairment loss on trade receivables	應收賬款減值虧損撥回	<b>(52)</b>	(286)
Reverse of impairment loss on other receivables	其他應收款項減值虧損撥回	<b>(137)</b>	(74)
Reversal of overprovision of retirement benefits	退休福利的超額撥備撥回	-	(1,000)
Finance costs	財務費用	<b>3,229</b>	3,886
Interest income	利息收入	<b>(3,603)</b>	(2,594)
Interest income from principal protected deposits	保本型存款利息收入	<b>(1,300)</b>	-
Subsidy income released from deferred revenue	轉撥自遞延收益的補貼收入	<b>(1,280)</b>	(753)
Write down of inventories	撇減存貨	<b>12,460</b>	4,764
Reversal of write down of inventories	存貨撇減撥回	<b>(307)</b>	(1,860)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	<b>106</b>	221
Gain on disposal of a subsidiary	出售一間附屬公司的收益	-	(1,594)
Gain on disposal of available-for-sales investment	出售可供出售投資的收益	-	(50)
Gain on disposal of prepaid lease payments	出售預付租賃款項的收益	<b>(1,030)</b>	-
		<b>98,259</b>	113,963

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>CHANGES IN WORKING CAPITAL</b>	<b>營運資金變動</b>		
(Increase)/decrease in inventories	存貨(增加)/減少	(21,872)	15,933
Decrease/(increase) in trade and other receivables	應收賬款及其他應收款項減少/(增加)	7,349	(12,718)
Decrease in trade and other payables	應付賬款及其他應付款項減少	(10,175)	(15,183)
		(24,698)	(11,968)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>經營產生現金</b>	73,561	101,995
Income tax paid – PRC	已繳所得稅 – 中國	(17,778)	(19,141)
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>經營活動產生現金</b>	55,783	82,854
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Deposit for acquisition of property, plant and equipment	購置物業、廠房及設備的按金	(12,526)	(914)
Payment for purchase of property, plant and equipment	購置物業、廠房及設備的付款	(12,148)	(23,524)
Payment for expenditure of intangible assets	無形資產開支的付款	–	(121)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	26,415	2,670
Placement of principal protected deposits	存放保本型存款	(170,000)	–
Receipts from principal protected deposits	保本型存款的收款	170,000	–
Interest received	已收利息	4,903	2,594
Decrease in pledged deposits	已抵押存款減少	–	3,400
Decrease in fixed deposits	定期存款減少	4,000	13,608
Proceeds from disposal of available-for-sales investments	出售可供出售投資所得款項	–	350
Net cash flow from disposal of a subsidiary	出售一間附屬公司產生現金流量淨額	–	41,152
Proceeds from disposal of prepaid lease payments	出售預付租賃款項所得款項	37,531	–
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>投資活動產生現金淨額</b>	48,175	39,215

## Consolidated Statement of Cash Flows

### 綜合現金流量表

For the year ended 31 December 2017

截至二零一七年十二月三十一日止年度

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>FINANCING ACTIVITIES</b>	<b>籌資活動</b>		
Repayment of bank loans	償還銀行貸款	(150,000)	-
Proceeds from new bank loans	新增銀行貸款所得款項	80,000	-
Repayment of financial assistance to a fellow subsidiary	償還同系附屬公司 財務資助	-	(70,389)
Interest paid	已付利息	(3,229)	(3,886)
Dividend paid to non-controlling interests	派付非控股權益的股息	(5,200)	(5,200)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>籌資活動所用現金淨額</b>	<b>(78,429)</b>	<b>(79,475)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物增加淨額</b>	<b>25,529</b>	<b>42,594</b>
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	325,195	282,601
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>於十二月三十一日的 現金及現金等價物</b>	<b>350,724</b>	<b>325,195</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>於十二月三十一日的 現金及現金等價物分析</b>		
Bank balances and cash	銀行結餘及現金	350,724	325,195

The notes on page 64 to 162 are an integral part of these consolidated financial statements.

第64頁至第162頁的附註構成此等綜合財務報表的一部分。



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

As at 31 December 2017  
於二零一七年十二月三十一日

		Attributable to owners of the Company 本公司擁有人應佔							
		Share capital	Share premium	Statutory reserve fund	Capital reserve	(Accumulated losses)/ Retained earnings / (累計虧損)/	Sub-total	Non-controlling interests	Total
		股本	股份溢價	法定公積金	資本儲備	保留盈利	小計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 27)	(Note 28a)	(Note 28c)	(Note 28b)	(Note 28b)	(Note 28b)	(Note 28b)	(Note 28b)
		(附註27)	(附註28a)	(附註28c)	(附註28b)	(附註28b)	(附註28b)	(附註28b)	(附註28b)
At 1 January 2016	於二零一六年一月一日	167,800	554,844	38,481	(188,494)	(35,731)	536,900	95,022	631,922
<b>Change in equity for 2016</b>	<b>二零一六年權益變動</b>								
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	-	-	-	-	62,692	62,692	10,125	72,817
Dividend paid from a subsidiary to non-controlling interests	派付非控股權益的附屬公司股息	-	-	-	-	-	-	(5,200)	(5,200)
Transfer to other reserves	轉發至其他儲備	-	-	5,268	-	(5,268)	-	-	-
		-	-	5,268	-	(5,268)	-	(5,200)	(5,200)
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	<b>167,800</b>	<b>554,844</b>	<b>43,749</b>	<b>(188,494)</b>	<b>21,693</b>	<b>599,592</b>	<b>99,947</b>	<b>699,539</b>
At 1 January 2017	於二零一七年一月一日	167,800	554,844	43,749	(188,494)	21,693	599,592	99,947	699,539
<b>Change in equity for 2017</b>	<b>二零一七年權益變動</b>								
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	-	-	-	-	50,257	50,257	5,172	55,429
Dividend paid from a subsidiary to non-controlling interests	派付非控股權益的附屬公司股息	-	-	-	-	-	-	(5,200)	(5,200)
Transfer to other reserves	轉發至其他儲備	-	-	4,870	-	(4,870)	-	-	-
		-	-	4,870	-	(4,870)	-	(5,200)	(5,200)
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>167,800</b>	<b>554,844</b>	<b>48,619</b>	<b>(188,494)</b>	<b>67,080</b>	<b>649,849</b>	<b>99,919</b>	<b>749,768</b>

The notes on page 64 to 162 are an integral part of these consolidated financial statements.

第64頁至第162頁的附註構成此等綜合財務報表的一部分。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 1. General Information

Shenzhen Neptunus Interlong Bio-technique Company Limited (the “Company”) is a limited liability company incorporated and domiciled in the People’s Republic of China (the “PRC”). The address of its registered office is 1/F, Block 1, Research Building, Neptunus Technical Center, Langshan 2nd R.N. Nanshan District, Shenzhen, Guangdong Province, the PRC and, its principal place of business is PRC. The Company’s shares are listed on GEM of The Stock Exchange of Hong Kong Limited.

The Group is controlled by Shenzhen Neptunus Bio-engineering Company Limited (“Neptunus Bio-engineering”), a limited liability company incorporated and domiciled in the PRC and its shares are listed on the Shenzhen Stock Exchange. The ultimate parent company of the Group is Shenzhen Neptunus Holding Group Limited (former named as Shenzhen Yinhetong Investment Company Limited), a company incorporated in the PRC.

The principal activities of the Company and its subsidiaries (the “Group”) include the development, production and sales of medicines, the research and development of modern biological technology business, the purchase and sales of medicines, healthcare food products and the research and development of in vitro diagnostic reagents. The Group’s operations are based in the PRC.

The consolidated financial statements for the year ended 31 December 2017 were approved for issue by the board of directors on 23 March 2018.

### 2. Significant Accounting Policies

#### 2.1 Basis of preparation

These annual consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

### 1. 一般資料

深圳市海王英特龍生物技術股份有限公司為一家在中華人民共和國(「中國」)註冊成立的股份有限公司。其註冊辦事處位於中國廣東省深圳市南山區郎山二路北海王技術中心科研大樓1棟1樓及其主要營業地點為中國。本公司股份於香港聯合交易所有限公司GEM上市。

本集團受控於深圳市海王生物工程股份有限公司(「海王生物」)，該公司為於中國註冊成立的股份有限公司及其股份於深圳證券交易所上市。本集團的最終母公司為深圳海王控股集團有限公司(前稱深圳市銀河通投資有限公司)，該公司於中國註冊成立。

本公司及其附屬公司(「本集團」)的主要業務包括開發、生產及銷售藥物、研究及開發現代生物科技業務、購買及銷售藥物、保健品及研究及開發體外診斷試劑。本集團的經營以中國為基礎。

截至二零一七年十二月三十一日止年度的綜合財務報表已由董事會於二零一八年三月二十三日批准刊發。

### 2. 主要會計政策

#### 2.1 編製基準

本綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)(包括所有適用的《香港財務報告準則》、《香港會計準則》及詮釋)、香港公認會計原則及香港公司條例之披露要求而編製。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

## 2. Significant Accounting Policies (Continued)

### 2.1 Basis of preparation (Continued)

These consolidated financial statements also comply with the applicable disclosure requirements of the GEM Listing Rules (“GEM Listing Rules”).

These consolidated financial statements are presented in Renminbi (“RMB”) which is also the functional currency of the consolidated entities. All amounts are rounded to the nearest thousand except where otherwise indicated.

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new or amended HKFRSs and the impacts on the Group’s consolidated financial statements, if any, are disclosed in note 3.

The consolidated financial statements have been prepared on the historical cost basis. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

### 2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power over the entity, only substantive rights relating to the entity (held by the Group and others) are considered.

## 2. 主要會計政策(續)

### 2.1 編製基準(續)

本綜合財務報表亦遵守適用的GEM上市規則(「GEM上市規則」)之披露規定。

本綜合財務報表乃按人民幣(「人民幣」)呈列，人民幣亦為綜合入賬實體的功能貨幣。除另有指明外，所有金額均約整至最接近的千位。

編製本綜合財務報表時使用的主要會計政策概述如下。除另有所述者外，本政策於所有呈報年度貫徹一致應用。採納新訂或經修訂香港財務報告準則及對本集團綜合財務報表的影響(如有)於附註3披露。

綜合財務報表已按歷史成本基準編製。計量基準於下文會計政策中悉數描述。

務請注意，編製綜合財務報表時已使用會計估計及假設。儘管該等估計以管理層所深知及對當前事件及行動的判斷為基礎，實際業績可能最終有別於該等估計。涉及高度判斷或複雜性的領域，或所使用的假設及估計對綜合財務報表很重要的領域於附註4披露。

### 2.2 綜合基準

綜合財務報表包括本公司及其附屬公司直至每年十二月三十一日的財務報表。

附屬公司是指受本集團控制的實體。本集團因參與有關實體對可變回報承擔風險或享有權利，並能透過其在該實體的權力影響該等回報，即本集團對該實體具有控制權。當評估本集團是否具有該權力時，只會考慮由本集團或其他人士所持之實質權利。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

## 2. Significant Accounting Policies (Continued)

### 2.2 Basis of consolidation (Continued)

The Group includes the income and expenses of a subsidiary in the consolidated financial statements from the date it gains control until the date when the Group ceases to control the subsidiary.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Non-controlling interests represent the equity on a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at their proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the owners of the Company.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

## 2. 主要會計政策(續)

### 2.2 綜合基準(續)

本集團於綜合財務報表中包含一間附屬公司自本集團取得控制權之日期直至本集團不再控制該附屬公司之日期止之收益及開支。

集團間之交易、餘額及集團內公司間交易所產生之任何未變現溢利或虧損，均於編製綜合財務報表時全額抵銷。集團間資產出售的未變現虧損於綜合時撥回，相關資產亦就本集團而言進行減值測試。附屬公司的財務報表中呈報金額已予調整以確保與本集團所採納的會計政策一致。

非控股權益指於附屬公司權益中並非由本公司直接或間接應佔的部分，而本集團並無就此與該等權益的持有人協定任何額外條款，致使本集團整體就該等權益承擔符合金融負債定義的合約責任。就各項業務合併而言，本集團可選擇按公平值或非控股權益分佔附屬公司的可識別資產淨值來計量任何非控股權益。

非控股權益於綜合財務狀況表的權益呈列，且獨立於本公司擁有人應佔權益。於本集團業績內的非控股權益在綜合損益及其他全面收益表內以總溢利或虧損及本年度非控股權益及本公司擁有人之間的全面收益總額分配列報。

本集團於附屬公司的權益發生變動但未失去控制權，列作權益交易，並對綜合股權中持有的控制股東及非控股權益作出調整以反映相關權益的變動，但對商譽並無作出調整，亦無確認任何損益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

## 2. Significant Accounting Policies (Continued)

### 2.2 Basis of consolidation (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amounts of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the related assets (i.e., reclassified to profit or loss or transferred directly to retained earnings).

In the Company's statement of financial position, subsidiaries are carried at cost less any impairment loss. Cost also includes direct attributable costs of investment.

The results of subsidiaries are 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.

### 2.3 Business combination

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

## 2. 主要會計政策(續)

### 2.2 綜合基準(續)

當本集團失去對附屬公司的控制權時，出售產生的損益計算為(i)所收到的代價和任何保留權益的公平值總額與(ii)附屬公司資產(包括商譽)和負債以及非控股權益的原賬面值之間的差額。如附屬公司某些資產乃按重估金額或公平值計量，而相關的累計收益或虧損已於其他全面收益表確認和於權益累計，此前於其他全面收益表確認及於權益累計的金額，應採用如同本公司已直接出售相關資產的方法入賬，即重新分類到損益或直接結轉到保留盈利。

附屬公司按成本減任何減值虧損列賬於本公司財務狀況表內。成本亦包括投資直接應佔成本。

於呈報日，本公司按照已收及應收股息為基準將附屬公司之業績計入賬目。所有收取之股息(不論來自投資公司收購前或收購後溢利)均於本公司損益中確認。

### 2.3 業務合併

業務收購乃採用收購法入賬。於業務合併轉撥之代價按公平值計量，而計算方法為本集團所轉撥之資產、本集團對被收購方原擁有人產生之負債及本集團於交換被收購方之控制權所發行之股權於收購日期之公平值之總和。與收購有關之成本一般於產生時在損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

## 2. Significant Accounting Policies (Continued)

### 2.3 Business combination (Continued)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

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

Changes in the value of the previously held equity interest recognised in other comprehensive income and accumulated in equity before the acquisition date are reclassified to profit or loss when the Group obtains control over the acquiree.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

## 2. 主要會計政策(續)

### 2.3 業務合併(續)

於業務合併中所收購可識別資產及所承擔負債初步按其於收購日之公平值計量。

商譽乃以所轉讓之代價、任何非控股權益於被收購方中所佔金額及收購方以往持有之被收購方股權公平值(如有)之總和超出所收購可識別資產及所承擔的負債於收購日淨值之部份計量。倘經過評估後，所收購可識別資產及所承擔負債於收購日期之淨值超出所轉讓代價、任何非控股權益於被收購方中所佔金額以及收購方以往持有之被收購方股權公平值(如有)之總和，則超出部份即時於損益內確認為議價收購收益。

於收購日期前在其他全面收益確認及在權益內累計之以往持有股本權益之價值變動，乃於本集團取得該被收購方控制權時重新分類至損益。

倘業務合併之初步會計處理於合併產生之呈報期末仍未完成，則本集團會就仍未完成會計處理之項目呈報暫定金額。該等暫定金額於計量期間(見上文)內作出調整，或確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況之新資料，而倘知悉該等資料，將會影響於當日確認之金額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

## 2. Significant Accounting Policies (Continued)

### 2.4 Property, plant and equipment

Land held for own use under finance leases and buildings thereon, buildings held for own use which are situated on leasehold land classified as held under operating leases, and other items of plant and equipment are stated at cost less accumulated depreciation and impairment losses. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Buildings held under leasing agreements are depreciated over their expected useful lives of 50 years or over the term of lease, if shorter.

Properties in the course of construction for production, supply or administrative purposes, are carried at cost less accumulated impairment losses. Cost includes professional fees and, for qualifying assets, in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

## 2. 主要會計政策(續)

### 2.4 物業、廠房及設備

融資租賃下持作自用之土地及其樓宇、位於分類為根據經營租賃持有之租賃土地的持作自用樓宇及其他廠房及設備項目按成本值減累計折舊及減值虧損列賬。倘租賃付款不能於土地及樓宇間可靠分配，則整項租賃一般分類為融資租賃，並入賬列作物業、廠房及設備。成本包括購入資產直接應佔開支。自建資產成本包括物料成本及直接勞工成本、使資產作其擬定用途之運作狀況直接應佔之任何其他成本、拆遷成本及恢復項目所在地原貌成本及資本化之借貸成本。所購軟件(作為相關設備功能運作必備部分)資本化為該設備之一部分。

根據租賃協議持有之樓宇乃按預計可使用年期50年或租期(如屬較短)作折舊。

用於生產、提供貨物或行政用途的在建物業以成本減任何累計減值虧損列賬。成本包括專業費及(就合資格資產而言)根據本集團會計政策。當這些資產達到可用狀態時，按與其他資產一樣的基準開始折舊。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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## 2. Significant Accounting Policies (Continued)

### 2.4 Property, plant and equipment (Continued)

Depreciation on other assets is provided to write off the cost less their residual values over their estimated useful lives, using the straight-line method, at the following rates per annum:

Plant and machinery	5 to 10 years
Motor vehicles	5 to 10 years
Furniture, fixtures and equipment	5 to 10 years
Leasehold improvements	5 to 30 years or over the remaining term of the lease, if shorter

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Any revaluation surplus remaining in equity is transferred to retained earnings on the disposal of land and building.

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when they are 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 costs, such as repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

## 2. 主要會計政策(續)

### 2.4 物業、廠房及設備(續)

其他資產折舊按估計可使用年期以直線法撇銷成本減其剩餘價值計提，所採用年率如下：

廠房及機器	5至10年
汽車	5至10年
傢俱、裝置及設備	5至10年
租賃物業裝修	5至30年或餘下租賃期限內(如為時較短)

資產的剩餘價值、折舊方法及可使用年期於各呈報日予以檢討，並於適當時作出調整。

廢棄或出售產生之收益或虧損，按出售所得款項與資產賬面值之差額釐定，並於損益表內確認。出售土地及樓宇時，權益餘下的任何重估盈餘撥入保留盈利。

其後成本只有在與該項目有關的未來經濟利益很有可能流入本集團，而該項目的成本能可靠計量時，才包括在資產的賬面值或確認為獨立資產(按適用)。所取代部分的賬面值終止確認。所有其他成本，如維修及保養在產生的財務期間於損益表扣除。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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## 2. Significant Accounting Policies (Continued)

### 2.5 Leasehold land and land use rights

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantively all the risks and rewards incidental to ownership of each element have been transferred to the Group. Specially, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on a straight line basis over the term of the right of use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

During the construction period, the amortisation charges provided for prepaid lease payments are capitalised in construction-in-progress.

### 2.6 Intangible assets and research and development activities

#### *Intangible assets*

Acquired intangible assets are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on straight-line basis over their estimated useful lives. Amortisation commences when the intangible assets are available for use. The following useful lives are applied:

Computer software	5 to 10 years
Trademarks	10 years

## 2. 主要會計政策(續)

### 2.5 租賃土地及土地使用權

當租賃包括土地及建築物，本集團需要評估其風險與報酬是否全部轉移至本集團並把每項資產劃分為融資租賃或經營租賃。尤以最低租賃款項(包括任何一次性預付款項)在租賃期開始時，需按出租方從租賃土地、建築物所獲取利益的公平值之比例分配。當租金未能在土地及建築物間作可靠分配時，整項租賃一般列為融資租賃，並作為物業、廠房及設備列賬。

倘租賃付款能夠可靠分配，則入賬列作經營租賃之租賃土地權益於綜合財務狀況表內呈列為「預付租賃款項」，並按成本減累計攤銷及任何累計減值虧損列賬。攤銷於使用權期限內以直線法基準計算，除非有更可代表本集團獲自使用土地利益的時間方式的其他基準。

於建設期間，就預付租賃款項作出撥備的攤銷費用於在建過程資本化。

### 2.6 無形資產及研發活動

#### *無形資產*

已收購無形資產初步按成本確認。於初步確認後，具有有限可使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。具有有限可使用年期的無形資產乃以直線法於其估計可使用年期計提攤銷，並於當無形資產可供使用時開始攤銷。下列可使用年期會予以應用：

電腦軟件	5至10年
商標	10年

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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## 2. Significant Accounting Policies (Continued)

### 2.6 Intangible assets and research and development activities (Continued)

#### *Intangible assets (Continued)*

The assets' amortisation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Intangible assets, with finite and indefinite useful lives, are tested for impairment as described below in note 2.17.

#### *Research and development costs*

Costs associated with research activities are expensed in profit or loss as they occur. Costs that are directly attributable to development activities are recognised as intangible assets provided they meet the following recognition requirements:

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

Direct costs include employee costs incurred on development activities along with an appropriate portion of relevant overheads. The costs of development of internally generated software, products or knowhow that meet the above recognition criteria are recognised as intangible assets. They are subject to the same subsequent measurement method as acquired intangible assets.

All other development costs are expensed as incurred.

## 2. 主要會計政策(續)

### 2.6 無形資產及研發活動(續)

#### *無形資產(續)*

資產的攤銷方法及可使用年期會於各呈報日予以檢討及在適用情況下予以調整。

如下文附註2.17所述，具有有限及無限可使用年期的無形資產會進行減值測試。

#### *研究及開發成本*

與研究活動有關的成本於產生時列作於損益表支銷。與開發活動有關的成本在符合下列確認條件的情況下乃確認為無形資產：

- (i) 展示潛在產品之技術於內部使用或出售上屬可行；
- (ii) 有完成此無形資產及可供使用或出售之意圖；
- (iii) 本集團展示有能力使用或出售此無形資產；
- (iv) 此無形資產將可透過內部使用或出售帶來經濟利益；
- (v) 具備充足技術、財政及其他資源以助完成項目；及
- (vi) 此無形資產所屬之開支能可靠地計量。

直接成本包括開發活動產生的僱員成本，連同適當部份之相關間接成本。符合上述確認條件的開發內部研發軟件、產品或知識的成本乃確認為無形資產，並須按與收購無形資產的其後相同計量方法計量。

所有其他開發成本於產生時支銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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## 2. Significant Accounting Policies (Continued)

### 2.6 Intangible assets and research and development activities (Continued)

#### *Other intangible assets arising from business combinations*

Anesthetic drug production and selling right, trade name, customer list and selling licenses acquired in a business combination are recognised at fair value at the acquisition date. The anesthetic drug production and selling right and trade name has indefinite useful life and carried at cost less impairment losses. The useful life of the anesthetic drug production and selling right and trade name are considered by the management of the Group as indefinite because the anesthetic drug production and selling right, and trade name is expected to contribute to the Group's net cash inflows indefinitely. The customer list and selling licenses has a finite useful life of 10 years and 5 years respectively and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the useful life.

### 2.7 Financial assets

The Group's accounting policies for financial assets are set out below.

Financial assets are classified into loans and receivables. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

At each reporting date, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset.

## 2. 主要會計政策(續)

### 2.6 無形資產及研發活動(續)

#### *業務合併產生的其他無形資產*

於業務收購中取得的麻醉藥產銷權、業務名稱、客戶名單及銷售許可於收購日期按公平值確認。麻醉藥產銷權以及業務名稱無確定的使用年期，按成本減減值虧損列值。本集團管理層認為麻醉藥產銷權以及業務名稱的使用年期屬不明確，原因是麻醉藥產銷權以及業務名稱預期將為本集團無限地注入淨現金流入。客戶名單及銷售許可的有限使用年期分別為10年及5年，按成本減累計攤銷列值。攤銷採用直線法於使用年期内計算。

### 2.7 金融資產

本集團金融資產之會計政策載於下文。

金融資產分類為貸款及應收款項。管理層視乎收購金融資產之目的，於初步確認時將其金融資產分類，並於許可及適當情況下，於各呈報日重新評估其分類。

所有金融資產僅於本集團訂立工具之合約條款時確認。按常規方式購買之金融資產則於交易日確認。金融資產於初步確認時按公平值計算，而並加上直接應佔交易成本計算。

當收取投資現金流量之權利屆滿或已轉讓及所有權之絕大部份風險和回報已轉讓時，則剔除確認金融資產。

於各呈報日檢討金融資產有否出現減值之客觀憑證。倘存有任何該等憑證，則按金融資產之分類釐定及確認減值虧損。

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## 綜合財務報表附註

For the year ended 31 December 2017  
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## 2. Significant Accounting Policies (Continued)

### 2.7 Financial assets (Continued)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

#### *Impairment of financial assets*

At each reporting date, financial assets are reviewed to determine whether there is any objective evidence of impairment.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- the disappearance of an active market for that financial asset because of financial difficulties.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

## 2. 主要會計政策(續)

### 2.7 金融資產(續)

貸款及應收款項指無活躍市場報價，且具有固定或預訂付款之非衍生金融資產。借款及應收款項其後以實際利率法以攤銷成本計量，扣除任何減值虧損。攤銷成本已計及收購時任何折讓或溢價，並包括屬實際利率及交易成本一部份之費用。利息於損益表中確認。

#### *金融資產之減值*

於各呈報日，金融資產需進行檢討，以釐定是否出現任何客觀之減值憑證。

個別金融資產減值之客觀憑證，包括本集團注意到以下一項或多項虧損事項之顯著數據：

- 債務人出現重大財政困難；
- 違反合約，如不支付或拖欠利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大改變而對債務人有不利影響；及
- 因出現財政困難導致該金融資產失去活躍市場能力。

一組金融資產出現之虧損事項顯示該組金融資產之估計未來現金流量出現可計量之減少的顯著數據。該顯著數據包括但不限於組別內債務人之還款狀況，以及與組別內資產拖欠情況有關之國家或地方經濟狀況。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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## 2. Significant Accounting Policies (Continued)

### 2.7 Financial assets (Continued)

#### *Impairment of financial assets (Continued)*

If any such evidence exists, the impairment loss is measured and recognised as follows:

i) *Financial assets carried at amortised cost*

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

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

ii) *Financial assets carried at cost*

For financial assets carried at cost, the amount of impairment loss is measured as the difference between the carrying amounts of the financial assets and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. The amount of the impairment losses is recognised in profit or loss of the period in which the impairment occurs and not reversed in subsequent periods.

## 2. 主要會計政策(續)

### 2.7 金融資產(續)

#### *金融資產之減值(續)*

若出現任何該等證據，則按以下方式計量及確認減值虧損：

i) *按攤銷成本列賬之金融資產*

倘有客觀證據顯示按攤銷成本列賬之借款及應收款項出現減值虧損，則減值虧損按該金融資產賬面值與以其原實際利率(即首次確認時計算之實際利率)折算之估計未來現金流量(不包括尚未產生之未來信貸虧損)現值之差額計算。減值虧損於減值期間於損益表中確認。

倘若其後減值虧損金額減少，而有關減幅可客觀地與確認減值後發生之事件聯繫，則需撥回過往確認之減值虧損，惟於撥回減值當日，不得導致金融資產賬面值超過未被確認減值之原本應計之攤銷成本。撥回金額於撥回發生期間在損益表中確認。

ii) *以成本列賬之金融資產*

就以成本列賬之金融資產而言，減值虧損之金額按金融資產之賬面值與估計未來現金流量按同類金融資產之現行市場回報率貼現之現值之差額計量。減值虧損於減值產生期間的損益確認，於往後期間不會撥回。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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## 2. Significant Accounting Policies (Continued)

### 2.7 Financial assets (Continued)

#### *Impairment of financial assets (Continued)*

Impairment losses on financial assets other than trade receivables that are stated at amortised cost, are written off against the corresponding assets directly. Where the recovery of trade receivables is considered doubtful but not remote, the impairment losses for doubtful receivables are recorded using an allowance account. When the Group is satisfied that recovery of trade receivables is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account in respect of that receivable are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

#### *Interim financial reporting and impairment*

Under the Rules Governing the Listing of Securities on the GEM of the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with Hong Kong Accounting Standards (“HKAS”) 34, Interim Financial Reporting, in respect of first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see note 2.7).

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment losses for doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment losses for doubtful debts (see note 2.7).

## 2. 主要會計政策(續)

### 2.7 金融資產(續)

#### *金融資產之減值(續)*

金融資產(如不屬按攤銷成本列賬之應收賬款)之減值虧損乃直接與相關資產撇銷。若應收賬款被認為有可能但並非不能收回，則屬應收款項呆賬之減值虧損記入撥備賬。若本集團相信應收賬款之可收回性極低，則被認為不可收回之金額乃直接自應收貿易賬款撇銷，並撥回就該應收款項記入撥備賬之任何金額。先前計入撥備賬之金額如在其後收回，則從撥備賬撥回。撥備賬之其他變動及其後收回先前已撇銷之金額，均直接在損益表確認。

#### *中期財務報告及減值*

根據香港聯合交易所有限公司GEM證券上市規則，本集團須遵照香港會計準則(「香港會計準則」)第34號中期財務報告的規定，就財政年度的首六個月編製中期財務報告。於中期結束時，本集團使用與財政年度結束時(見附註2.7)所使用的相同減值測試、確認及撥回標準。

應收賬款及其他應收款項乃初步按公平值確認，其後使用實際利息分法按經攤銷成本減呆壞賬減值虧損撥備列賬，惟倘該等應收款項為給予關連人士的免息貸款而無任何固定還款期或其折現影響為微不足道者則除外。在此情況下，應收款項乃按成本減呆壞賬減值虧損撥備(見附註2.7)列賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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## 2. Significant Accounting Policies (Continued)

### 2.8 Inventories

Inventories are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses.

Cost is determined using the weighted average basis, and in the case of work in progress and finished goods, comprise direct materials, direct labour and an appropriate proportion of overheads. It excludes borrowing costs.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amounts of any write down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write down or loss occurs. The amounts of any reversal of any write down of inventories are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### 2.9 Cash and cash equivalents

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

## 2. 主要會計政策(續)

### 2.8 存貨

存貨乃按成本及可變現淨值的較低者列賬。可變現淨值乃於日常業務過程中的估計售價減估計完成成本及估計進行銷售所需成本及適用銷售開支。

成本按加權平均法釐定，或如為在製品或製成品，則包括直接原材料、直接勞工成本及適當之間接成本，但不包括借貸成本。

當存貨出售後，該等存貨的賬面值於相關收益確認期間確認為開支。存貨可變現淨值的任何撇減金額及存貨的所有虧損均於該撇減或虧損所發生的期間確認為開支。任何存貨撇減的任何撥回乃確認為存貨金額的減少並於該撥回發生的期間確認為開支。

### 2.9 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、銀行活期存款加上原定到期日為三個月或以下、隨時可轉換為已知金額現金及價值變動風險不大之短期高流通性投資。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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## 2. Significant Accounting Policies (Continued)

### 2.10 Financial liabilities

The Group's financial liabilities include entrusted loan from the immediate holding company, interest-bearing bank borrowings and trade and other payables.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs (see note 2.19).

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

#### *Interest-bearing bank borrowings*

Interest-bearing bank borrowings are recognised initially at fair value, net of transaction costs incurred. Interest-bearing bank borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Interest-bearing bank borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### *Trade and other payables*

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

### 2.11 Financial guarantees issued

A financial guarantee contract is a contract that requires the issuer (or guarantor) to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

## 2. 主要會計政策(續)

### 2.10 金融負債

本集團之金融負債主要包括直接控股公司委託貸款、附息銀行借貸及應付賬款及其他應付款項。

金融負債在本集團成為金融工具合約條文的訂約方時確認。所有與利息相關之支出均根據本集團之會計政策就借貸成本確認(見附註2.19)。

金融負債乃於有關負債承擔被解除或註銷或屆滿時終止確認。

倘一項現有金融負債被相同借款人按重大不同條款提供之另一項債項取代，或現有負債條款被重大修改，該取代或修改會被視作取消確認原有負債及確認一項新負債處理，而各賬面值間之差額會於損益確認。

#### *附息銀行借貸*

附息銀行借貸最初按公平值扣除交易成本確認。其後附息銀行借貸按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值之間之任何差額於借貸期內使用實際利率法於損益表內確認。

除非本集團擁有無條件權利延遲至呈報日後至少12個月支付負債，否則附息銀行借貸歸類為流動負債。

#### *應付賬款及其他應付款項*

應付賬款及其他應付款項初步按公平值確認，其後則使用實際利率法按攤銷成本計量。

### 2.11 已發出之財務擔保

財務擔保合約乃指當某一特定債務人未能按照債務工具之條款償還到期債務時，簽發人(或擔保人)需支付指定款項，以補償持有人因此所涉及之損失。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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## 2. Significant Accounting Policies (Continued)

### 2.11 Financial guarantees issued (Continued)

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within “trade and other payables”. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group’s policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised if and when it becomes probable that the holder of the guarantee will call upon the Group under the guarantee and the amount of that claim on the Group is expected to exceed the current carrying amount, i.e., the amount initially recognised less accumulated amortisation, where appropriate.

### 2.12 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

#### i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon, at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease (see note 2.4). For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

## 2. 主要會計政策(續)

### 2.11 已發出之財務擔保(續)

當本集團發出一份財務擔保時，該擔保的公平值在初始被確認為應付賬款及其他應付款項內之遞延收益。因發出財務擔保後收取或可收取之代價，將按照本集團應用於該資產類別的政策入賬。當沒有收到或可收代價時，任何在初步確認為遞延收益之數額，即以支出於損益表內列賬。

初始列賬為遞延收益之擔保數額將由發出財務擔保開始之財務擔保期內於損益表內攤銷。此外，如擔保持有人可能向本集團行使該擔保及預期將會對本集團之索償超出現時之賬面值(即初始列賬數額扣減累計攤銷)(如適用)，則進行減值撥備。

### 2.12 租賃

倘本集團決定給予一項安排(包括一項交易或一連串交易)可在協議時間內使用指定資產或多項資產的權利，以換取付款或一連串付款，則該等安排為或包含一項租賃。該項決定乃根據對該安排的內容的評估而作出，無論該安排是否以租約的合法形式進行。

#### i) 出租予本集團的資產分類

本集團根據租約持有的資產，而該租約將大部分風險及擁有權回報轉移至本集團，乃分類為融資租賃。並無將大部分風險及擁有權回報轉移至本集團的租約乃分類為經營租賃，惟以下除外：

- 根據經營租賃持作自用的土地，而於租賃開始時，其公平值無法與位於其上的樓宇的公平值分開計量，則作為根據融資租賃持有入賬，除非該樓宇亦根據一項經營租賃清楚持有(見附註2.4)。就以上目的而言，租約的開始日期乃本集團首次訂立租約或由前租用人接手的時間。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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## 2. Significant Accounting Policies (Continued)

### 2.12 Leases (Continued)

#### ii) Operating lease charges as the lessee

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss on a straight line basis over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets.

#### iii) Leasehold land for own use

Interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

### 2.13 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

### 2.14 Share capital

Ordinary shares are classified as equity. Share capital is recognised at the amount of consideration of shares issued, after deducting any transaction costs associated with the issuing of shares (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

## 2. 主要會計政策(續)

### 2.12 租賃(續)

#### ii) 經營租賃開支(作為承租人)

當本集團根據經營租賃而擁有資產使用權，則根據租約的付款乃於租賃年期所涵蓋的會計期間按直線基準計入損益賬，除非有更可代表獲自租賃資產時間利益的方式的其他基準。

#### iii) 租賃自用土地

於租賃土地的權益乃計入經營租賃並按「預付租賃款項」呈列於綜合財務狀況表及於租用年期按直線法攤銷。

### 2.13 撥備及或然負債

當本集團因過往事件承擔現有責任(法律或推定)，而可能須動用經濟利益以清償該責任，且可對責任金額作出可靠估計，則須對該無確定時間或金額的其他負債作撥備。倘有重大貨幣時間價值，則撥備為按預期清償責任所需開支的現值列賬。

所有撥備均於各呈報日進行檢討並作出調整以反映當前之最佳估計。

倘可能毋須發生經濟利益的流出，或有關金額無法可靠估計，則該責任作為一項或然負債披露，除非發生經濟利益流出的可能性極低。可能發生的責任(其存在只可由一項或多項本集團無法完全控制不確定日後事件的發生或不發生來確定)亦作為或然負債披露，除非發生經濟利益流出的可能性極低。

### 2.14 股本

普通股分類為權益。股本乃確認為已發行股份之代價扣除任何與發行股份相關之交易成本(扣除任何相關所得稅利益)，而該等交易成本以直接與權益交易有關之新增成本為限。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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## 2. Significant Accounting Policies (Continued)

### 2.15 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sales of goods, net of rebates and discounts. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised as follows:

#### *Sales of goods*

Revenue are recognised upon transfer of the significant risks and rewards of ownership to the customer. This is usually taken as the time when the goods are delivered and the customer has accepted the goods. Revenue excludes value added tax or other sales tax and is after deduction of any trade discount.

#### *Research and development services income*

Revenue from the provision of services is recognised when the services are rendered.

#### *Interest income*

Interest income is recognised on an accrual basis using the effective interest method.

#### *Sales management services to pharmaceutical products*

Revenue from the provision of services is recognised when the services is rendered.

### 2.16 Government subsidies

Subsidies from the government are recognised at their fair value where there is a reasonable assurance that the subsidies will be received and the Group will comply with all attached conditions. Government subsidies are deferred and recognised in profit or loss over the period necessary to match them with the costs that the subsidies are intended to compensate. Government subsidies relating to the purchase of assets are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

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

## 2. 主要會計政策(續)

### 2.15 收益確認

收益包括已扣除回扣及折扣之銷售貨品及提供服務之已收或應收代價的公平值。倘經濟利益可能會流向本集團而收益及成本(如適用)能可靠計量，則收益確認如下：

#### *貨品銷售*

收益於所有權之重大風險及回報轉移至客戶時確認。此情況通常於貨品已付運及客戶已接收貨品時發生。收益不包括增值稅或其他銷售稅，並已扣除任何交易折扣。

#### *研究及開發服務收入*

提供服務所得的收入於服務提供時確認。

#### *利息收入*

利息收入按應計基準使用實際利息方法確認。

#### *藥品銷售管理服務*

提供服務所得的收入於服務提供時確認。

### 2.16 政府補助

政府補助於能夠合理確保將會收取補助並且本集團將遵守其附帶條件時按其公平值確認。政府補助均以遞延方式處理，並於需要與其有意補償的成本相配的期間內於損益中確認。與購買資產相關的政府補助從資產賬面值中扣除，故而於資產的可使用年期內透過減少折舊開支在損益賬內實際確認。

與收益有關的政府補助於綜合損益及其他全面收益表中「其他收入」項下以總額列示。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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## 2. Significant Accounting Policies (Continued)

### 2.17 Impairment of non-financial assets

Other intangible assets, property, plant and equipment, prepaid lease payments and the Company's interests in subsidiaries are subject to impairment testing.

Other intangible assets with indefinite useful life or those not yet available for use are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e., a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Impairment losses recognised for cash-generating units are charged pro rata to the assets in the cash-generating units, except that the carrying value of an asset will not be reduced below its individual fair value less cost of disposal, or value in use, if determinable.

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

## 2. 主要會計政策(續)

### 2.17 非金融資產減值

其他無形資產、物業、廠房及設備、預付租賃款項及本公司於附屬公司的權益須進行減值測試。

其他無形資產如無限定可使用年期或尚未可以使用，則不論是否出現任何減值跡象，均須最少每年進行減值測試。所有其他資產於有跡象顯示無法收回賬面值時進行減值測試。

減值虧損乃按資產賬面值超過其可收回款額金額之差額，即時確認為開支。可收回金額為反映市況之公平值減出售成本與使用價值較高者計算。評估使用價值時，估計未來現金流量時採用稅前折現率折現至其現值，以反映現時市場對金錢時間值及有關資產特有風險之評估。

就評估減值而言，倘不產生現金流入之資產大部份獨立於其他資產，其可收回金額則可按獨立產生現金流入的最少資產組合(即現金產生單位)釐定。因此，部份資產個別進行減值測試，另有部份則按現金產生單位測試。

就現金產生單位確認的減值虧損按比例於現金產生單位的資產扣除，惟資產的賬面值將不會減至低於其個別公平值減出售成本或使用價值(倘可釐定)。

倘用於釐定資產可收回金額之估計出現有利變動時，減值虧損將予以回撥，但回撥額不得超過如先前不確認減值，並計提折舊得出之賬面值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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## 2. Significant Accounting Policies (Continued)

### 2.18 Employee benefits

#### *Short-term employee benefits and contributions to central pension scheme*

The Group participates in the central pension scheme (the "CPS") operated by the local government authority for all of its employees in PRC. The Group is required to contribute a certain percentage of their covered payroll to the CPS to fund the benefits. The only obligation of the Group with respect to the CPS is to pay the ongoing required contributions under the CPS. Contributions under the CPS are recognised in profit or loss as they become payable in accordance with the rules of the CPS.

Salaries, annual bonuses, paid annual leave and contributions to central pension scheme are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

#### *Termination benefits*

Termination benefits are recognised at the earlier of: when the Group can no longer withdraw the offer of those benefits and when it recognises costs for any related restructuring.

### 2.19 Borrowing costs

Borrowing costs incurred, net of any investment income earned on the temporary investment of the specific borrowings, for the acquisition, construction or production of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sales. Other borrowing costs are expensed when incurred.

Borrowing costs are capitalised as part of the cost of a qualifying asset when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sales are being undertaken. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sales are complete.

## 2. 主要會計政策(續)

### 2.18 僱員福利

#### *短期僱員福利及中央退休金計劃供款*

本集團為其所有在中國之僱員參加由當地政府機構經營之中央退休金計劃(「退休金計劃」)。本集團須就僱員薪金總額之若干百分比向退休金計劃供款，為該福利提供資金。本集團就退休金計劃之唯一責任是根據該退休金計劃持續支付所規定之供款。根據退休金計劃之規則，於供款到期應付時，根據退休金計劃之供款會於損益賬中確認。

薪金、年終花紅、年度有薪假期及中央退休金計劃供款，均在本集團之僱員提供服務之年度內以應計基準支銷。若支出已遞延及有重大的影響，該數額則以折現值報值。

#### *終止福利*

終止福利乃於下列兩者中之較早者確認：本集團不再能夠收回提供之該等福利時及確認涉及支付終止福利之重組成本時。

### 2.19 借貸成本

就收購、建造或生產任何合資格資產而產生之借貸成本(扣除就特別借貸之暫時投資所賺取之任何投資收益)，於完成及準備資產作其擬定用途所需期內撥充資本。合資格資產是指需要頗長時間方可達致其擬定用途或出售之資產。其他借貸成本於產生時支銷。

當資產產生開支、借貸成本產生和使資產投入擬定用途或出售所必須之準備工作進行期間，借貸成本乃撥充資本作為合資格資產成本之部份。當使合資格資產投入擬定用途或出售所必須之絕大部份準備工作完成時，借貸成本會停止資本化。

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## 綜合財務報表附註

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## 2. Significant Accounting Policies (Continued)

### 2.20 Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of reporting period. Exchange gains and losses are recognised in profit or loss, except those arising from foreign currency borrowings used to hedge a net investment in a foreign operation which are recognised directly in other comprehensive income.

Non-monetary assets and liabilities measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

### 2.21 Accounting for income taxes

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the consolidated financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

## 2. 主要會計政策(續)

### 2.20 外幣換算

本年度的外幣交易均按交易日的現行匯率換算。以外幣計值的貨幣資產及負債均按呈報期末的現行匯率換算。匯率盈利及虧損均於損益賬中確認，惟用於對沖海外業務投資淨額的外幣借款則直接於其他全面收益中確認。

以外幣的過往成本計量的非貨幣資產及負債使用交易日的現行匯率換算。

### 2.21 所得稅之會計方法

所得稅包括本期及遞延稅項。

本期所得稅資產及／或負債包括本期或過往呈報期間(且於呈報日尚未支付)，向稅務當局繳納稅款之責任或來自稅務當局之索償，乃根據年內應課稅溢利，按有關財務期間之適用稅率及稅務法例計算。本期稅項資產或負債之所有變動均列入損益表的稅項開支。

遞延稅項乃按於呈報日資產及負債於綜合財務報表之賬面值與其各自之稅基的暫時差額以負債法計算。遞延稅務負債一般就所有應課稅暫時差額確認入賬。倘可能出現應課稅溢利(包括現有應課稅暫時差額)用作抵銷可扣減暫時差額、未動用稅項虧損及未動用稅項抵免，則就所有可結轉之可扣減暫時差額、可動用稅項虧損以及其他未動用稅項抵免確認為遞延稅項資產。

倘暫時差額來自對稅務及會計溢利或虧損並無影響之初步確認的資產負債交易(業務合併除外)，則不會確認遞延稅項資產及負債。

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## 綜合財務報表附註

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## 2. Significant Accounting Policies (Continued)

### 2.21 Accounting for income taxes (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are presented in net if, and only if:

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if:

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

## 2. 主要會計政策(續)

### 2.21 所得稅之會計方法(續)

投資附屬公司所產生的應課稅暫時差額須確認為遞延稅項負債，惟本集團可控制暫時差額之撥回及暫時差額不會在短期內撥回則除外。

遞延稅項不予貼現，並按預期應用於償還負債或變現資產期間之稅率計算，惟稅率於呈報日須為已頒佈或實際上已頒佈。

遞延稅項資產或負債之變動乃於損益表中確認，倘與其他全面收益或股權直接扣除或計入之項目有關，則遞延稅項資產或負債之變動則於其他全面收益或直接於股權中確認。

本期稅項資產及本期稅項負債僅在以下情況下方會以淨額呈列：

- (a) 本集團依法有強制執行權可以將已確認金額對銷；及
- (b) 有意按淨額基準結算或同時變現資產及結付負債。

本集團僅在以下情況下方會以淨額呈列遞延稅項資產及遞延稅項負債：

- (a) 該實體依法有強制執行權可以將本期稅項資產與本期稅項負債對銷；及

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## 綜合財務報表附註

For the year ended 31 December 2017  
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## 2. Significant Accounting Policies (Continued)

### 2.21 Accounting for income taxes (Continued)

- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
  - (i) the same taxable entity; or
  - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### 2.22 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. The business components in the internal financial information reported to the executive directors are determined following the Group's various lines of business and geographical locations.

### 2.23 Related parties

For the purposes of these consolidated financial statements, a party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and if that person:
  - (i) has control or joint control over of the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group.

## 2. 主要會計政策(續)

### 2.21 所得稅之會計方法(續)

- (b) 遞延稅項資產與遞延稅項負債與同一課稅機關就以下任何一項徵收之所得稅有關：
  - (i) 同一應課稅實體；或
  - (ii) 有意以淨額基準結算本期稅項負債與資產或同時實現資產及結清負債的不同應課稅實體，於各日後期間大部分遞延稅項負債或資產金額預計將予結算或收回。

### 2.22 分部呈報

本集團定期向執行董事報告內部財務資料，以供彼等就本集團業務組成部份的資源分配作決定，以及供彼等檢討該等組成部份的表現，而本集團則根據該等資料劃分營運分部及編製分部資料。向執行董事報告之內部財務資料的業務組成部份，乃依照本集團多項業務的表現及地理位置釐定。

### 2.23 關連人士

就綜合財務報表而言，符合以下條件的人士被視為與本集團有關連：

- (a) 該名人士或該名人士家族近親，倘該名人士：
  - (i) 對本集團有控制或共同控制權；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本集團母公司重要管理層成員。



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## 綜合財務報表附註

For the year ended 31 December 2017  
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## 2. Significant Accounting Policies (Continued)

### 2.23 Related parties (Continued)

- (b) the party is an entity and if any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
  - (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;
  - (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);
  - (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); and
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

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.

## 2. 主要會計政策(續)

### 2.23 關連人士(續)

- (b) 該名人士為實體及倘下列條件適用：
- (i) 該實體與本集團為同一集團的成員公司；
  - (ii) 一個實體為聯營公司或另一實體為合資企業(為成員公司的另一實體為一個集團中一個成員公司的一間聯營公司或合資企業)；
  - (iii) 該實體與本集團均為同一第三方的合資企業；
  - (iv) 一個實體為一個第三方的一間合資企業，而另一實體為該第三方的一間聯營公司；
  - (v) 該實體為一項退休福利計劃，而該計劃乃作為本集團僱員或為本集團關連方的一個實體的僱員福利；
  - (vi) 該實體受(a)段所確認的人士控制或共同控制；
  - (vii) 於(a)(i)段所確認的人士對該實體有重大影響力或該人士為該實體(或該實體的母公司)的主要管理人員；及
  - (viii) 實體，或實體所述集團的任何成員公司向本集團或本集團母公司提供主要管理人員服務。

一名人士的近親為預期可影響，或受該人士於該實體內的交易所影響的該等家族成員。

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## 綜合財務報表附註

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### 3. Adoption of New and Amended HKFRSs

#### Amended HKFRSs that are effective for annual periods beginning on or after 1 January 2017

In the current year, the Group has applied for the first time the following new and amended HKFRSs issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 January 2017:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12 included in Annual Improvements to HKFRSs 2014-2016 Cycle	Disclosure of Interests in Other Entities

Other than as noted below, the adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

#### Amendments to HKAS 7 "Disclosure Initiative"

The amendments require an entity to provide disclosure that enable users of consolidated financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. A reconciliation between the opening and closing balances of liabilities arising from financing activities is set out in note 31. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 31, the application of these amendments has had no impact on the Group's consolidated financial statements.

### 3. 採納新訂立及經修訂香港財務報告準則

於二零一七年一月一日或其後開始之年度期間生效之經修訂香港財務報告準則

於本年度，本集團首次應用以下由香港會計師公會頒佈，與本集團的營運有關及適用於本集團於二零一七年一月一日開始之年度期間的綜合財務報表之新訂及經修訂香港財務報告準則：

香港會計準則第7號 (修訂本)	披露計劃
香港會計準則第12號 (修訂本)	就未變現虧損確認遞延稅項資產
香港財務報告準則第12號 (修訂本) (列入香港財務報告準則二零一四年至二零一六年週期之年度改進)	披露於其他實體之權益

除下文所述外，採納新訂及經修訂香港財務報告準則對本期間及過往期間之業績及財務狀況的編製及呈列方法並無重大影響。

#### 香港會計準則第7號(修訂本)「披露計劃」

該等修訂要求實體提供披露，以使綜合財務報表的使用者評估產生自融資活動之負債之變動，包括來自現金流的變動及非現金變動。有關產生自融資活動之負債期初及期末結餘之對賬載於附註31。根據修訂本之過渡條文，本集團並無披露去年的比較資料。除附註31的額外披露外，應用該等修訂並無對本集團綜合財務報表造成影響。

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## 綜合財務報表附註

For the year ended 31 December 2017  
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### 3. Adoption of New and Amended HKFRSs (Continued)

#### Issued but not yet effective HKFRSs

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 9	Financial Instruments <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers and the related Amendments <sup>1</sup>
HKFRS 16	Leases <sup>2</sup>
HKFRS 17	Insurance Contract <sup>4</sup>
Amendments to HKFRS 2	Classification and Measurement of Share-Based Payment Transactions <sup>1</sup>
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts <sup>1</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKAS 28	Long-term interest in associates and joint ventures <sup>2</sup>
Amendments to HKAS 28	As part of the annual improvements to HKFRSs 2014-2016 cycle <sup>1</sup>
Amendments to HKAS 40	Transfers of Investment Property <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014-2016 Cycle <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle <sup>2</sup>
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments <sup>2</sup>

### 3. 採納新訂立及經修訂香港財務報告準則 (續)

#### 已頒佈但尚未生效之香港財務報告準則

於授權刊發本綜合財務報表當日，若干新訂及經修訂香港財務報告準則經已頒佈但尚未生效，且並無被本集團提早採納。

香港財務報告準則第9號	金融工具 <sup>1</sup>
香港財務報告準則第15號	客戶合約收入及相關修訂 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港財務報告準則第17號	保險合約 <sup>4</sup>
香港財務報告準則第2號(修訂本)	以股份付款交易的分類及計量 <sup>1</sup>
香港財務報告準則第4號(修訂本)	對香港財務報告準則第4號保險合約應用香港財務報告準則第9號金融工具 <sup>1</sup>
香港財務報告準則第9號(修訂本)	具有負補償之提前還款特點 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者及其聯營公司或合資企業出售或注入資產 <sup>3</sup>
香港會計準則第28號(修訂本)	於聯營公司及合資企業之長期權益 <sup>2</sup>
香港會計準則第28號(修訂本)	作為香港財務報告準則二零一四年至二零一六年週期之年度改進之一部分 <sup>1</sup>
香港會計準則第40號(修訂本)	轉移投資物業 <sup>1</sup>
香港財務報告準則(修訂本)	香港財務報告準則二零一四年至二零一六年週期之年度改進 <sup>1</sup>
香港財務報告準則(修訂本)	香港財務報告準則二零一五年至二零一七年週期之年度改進 <sup>2</sup>
香港(國際財務報告詮釋委員會) – 詮釋第22號	外幣交易及墊付代價 <sup>1</sup>
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定性 <sup>2</sup>

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## 綜合財務報表附註

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### 3. Adoption of New and Amended HKFRSs (Continued)

#### Issued but not yet effective HKFRSs (Continued)

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2018
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>3</sup> Effective date not yet determined
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2021

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRSs that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRSs are not expected to have a material impact on the Group's consolidated financial statements.

#### HKFRS 9 "Financial instruments"

HKFRS 9 replaces HKAS 39 "Financial Instruments: Recognition and Measurement". It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an "expected credit loss" model for the impairment of financial assets.

HKFRS 9 also contains new requirements on the application of hedge accounting. The new requirements look to align hedge accounting more closely with entities' risk management activities by increasing the eligibility of both hedged items and hedging instruments and introducing a more principles-based approach to assessing hedge effectiveness.

In general, the directors of the Company anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the directors of the Company, if the expected credit loss model was to be applied by the Group, the accumulated amount of impairment loss to be recognised by the Group as at 1 January, 2018 would be increased as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on trade and other receivables. Such further impairment recognised under expected credit loss model would reduce the opening retained earnings and increase the deferred tax assets at 1 January, 2018.

### 3. 採納新訂立及經修訂香港財務報告準則(續)

#### 已頒佈但尚未生效之香港財務報告準則(續)

- <sup>1</sup> 於二零一八年一月一日或其後開始之年度期間生效
- <sup>2</sup> 於二零一九年一月一日或其後開始之年度期間生效
- <sup>3</sup> 生效日期尚未釐定
- <sup>4</sup> 於二零二一年一月一日或其後開始之年度期間生效

董事預計所有頒佈之準則將於頒佈生效日期或之後開始的首個期間納入本集團之會計政策。有關預計將對本集團會計政策產生影響之新訂及經修訂香港財務報告準則之資料載列於下文。其他新訂及經修訂香港財務報告準則預計將不會對本集團綜合財務報表產生重大影響。

#### 香港財務報告準則第9號「金融工具」

香港財務報告準則第9號將完全取代香港會計準則第39號「金融工具：分類及計量」。新準則引入金融資產分類及計量指引之主要變動及金融資產之「預期信貸虧損」減值模式。

香港財務報告準則第9號亦載有採用對沖會計的新規定。新對沖會計要求透過提高對沖項目及對沖工具的資格標準及引入更具原則基準的方法評估對沖有效性，使對沖會計與實體的風險管理活動更緊密一致。

總體而言，本公司董事預計應用香港財務報告準則第9號的預期信貸虧損模式，將導致就本集團按攤銷成本計量的金融資產及於本集團應用香港財務報告準則第9號後須作出減值撥備的其他項目之尚未產生信貸虧損提早計提撥備。

根據本公司董事之評估，倘本集團應用預期信貸虧損模式，則本集團於二零一八年一月一日將予確認的減值虧損累計金額將較根據香港會計準則第39號確認的累計金額增加，主要乃由於應收賬款及其他應收款項的預期信貸虧損撥備。根據預期信貸虧損模式確認的進一步減值將導致於二零一八年一月一日的期初保留溢利減少及遞延稅項資產增加。

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## 綜合財務報表附註

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### 3. Adoption of New and Amended HKFRSs (Continued)

#### HKFRS 15 “Revenue from Contracts with Customers”

HKFRS 15 and the related clarification to HKFRS 15 (hereinafter referred to as “HKFRS 15”) presents new requirements for the recognition of revenue, replacing HKAS 18 “Revenue”, HKAS 11 “Construction Contracts”, and several revenue-related Interpretations. HKFRS 15 establishes a single comprehensive model that applies to contracts with customers and two approaches to recognising revenue; at a point in time or overtime. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

HKFRS 15 is effective for annual periods beginning on or after 1 January 2018. Based on the assessment completed to date, the Group has identified the following areas which are expected to be affected:

#### Timing of revenue recognition

The Group’s revenue recognition policies are disclosed in note 2.15. Currently, revenue arising from provision of services is recognised over time, whereas revenue from sale of goods is generally recognised when the risks and rewards of ownership have passed to the customers.

Under HKFRS 15, revenue is recognised when customer obtains control of the promised good or service in the contract. HKFRS 15 identifies 3 situations in which control of the promised good or service is regarded as being transferred over time:

- (i) when the customer simultaneously receives and consumes the benefits provided by the entity’s performance, as the entity performs;
- (ii) when the entity’s performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;
- (iii) when the entity’s performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

### 3. 採納新訂立及經修訂香港財務報告準則 (續)

#### 香港財務報告準則第 15 號「來自客戶合約收益」

香港財務報告準則第 15 號及香港財務報告準則第 15 號之相關澄清 (以下簡稱「香港財務報告準則第 15 號」) 呈列確認收入的新規定，取代香港會計準則第 18 號「收入」、香港會計準則第 11 號「建築合約」及若干收入相關詮釋。香港財務報告準則第 15 號設立適用於客戶合約之單一全面模式及確認收入之兩種方法：於一個時間點或於一段時間內。該模式之特點為以合約為基礎，對交易進行五項分析，以釐定是否確認收入、確認收入之金額及確認收入之時間。

香港財務報告準則第 15 號於二零一八年一月一日或之後開始之年度期間生效。根據迄今為止已完成的評估，本集團已識別以下預期會受到影響的方面：

#### 收入確認時間

本集團的收入確認政策披露於附註 2.15。目前，提供服務產生之收入隨時間確認，而銷售商品所得收入一般在所有權的風險及回報轉移給客戶時確認。

根據香港財務報告準則第 15 號，收入於客戶獲得合約中承諾商品或服務之控制權時確認。香港財務報告準則第 15 號確定了對承諾商品或服務之控制權被視為隨時間轉移的三種情況：

- (i) 當客戶同時取得及消耗實體履約所提供之利益時；
- (ii) 實體之履約行為創造或改良了客戶在資產被創造或改良時就控制的資產 (如施工中工程)；
- (iii) 實體之履約行為並未創造一項可被實體用於替代用途之資產，且實體具有就迄今為止已完成之履約部份獲得客戶付款之可執行權利。

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### 3. Adoption of New and Amended HKFRSs (Continued)

#### HKFRS 15 “Revenue from Contracts with Customers” (Continued)

If the contract terms and the entity’s activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when transfer of control occurs.

The Group has assessed that the new revenue standard is not likely to have significant impact on how it recognise revenue from sale of goods and service income.

The directors do not consider that the application of HKFRS 15 will likely to have significant financial impact on the Group’s financial performance and financial position for the current and prior periods. However, the expected changes in accounting policies as described above could have a material impact on the Group’s financial results from 2018 onwards.

#### HKFRS 16 “Leases”

HKFRS 16 “Leases” will replace HKAS 17 and three related Interpretations.

As disclosed in note 2.12, currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into leases as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease, the lessee will recognise a corresponding “right-of-use” asset. After initial recognition of this asset and liability, the lessee would recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

### 3. 採納新訂立及經修訂香港財務報告準則(續)

#### 香港財務報告準則第15號「來自客戶合約收益」(續)

倘合約條款及實體之活動並不屬於任何該三種情況，則根據香港財務報告準則第15號，實體於某一時間點(即控制權轉移時)就銷售該商品或服務確認收入。所有權風險及回報之轉移僅為釐定控制權轉移發生時將考慮的其中一項指標。

本集團評估，新收入準則不大可能對其確認銷售商品收入及服務收入的方式產生重大影響。

董事認為應用香港財務報告準則第15號將不大可能對本集團本期間及過往期間之財務表現及財務狀況產生重大財務影響。然而，上文所述會計政策之預期變動可能對本集團自二零一八年起的財務業績產生重大影響。

#### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號「租賃」將取代香港會計準則第17號及三項相關詮釋。

如附註2.12所披露，目前，本集團根據租賃的分類將租賃分類為融資租賃和經營租賃，並對租賃安排進行不同的會計處理。本集團作為承租人簽訂了若干租約。

香港財務報告準則第16號預計不會對出租人在租賃下的權利和義務的處理方式產生重大影響。然而，一旦採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，在切實可行的便利條件下，承租人將以類似於現行融資租賃會計的方式對所有租賃進行會計處理，即在租賃開始日，承租人將確認相應的「使用權」資產。在初始確認該資產和負債後，承租人將確認租賃負債未償餘額產生的利息費用和使用權資產的折舊，而不是根據經營租賃確認租賃費用的當前政策在租期內有系統地進行。作為實際權宜之計，承租人可選擇不將此會計模式應用於短期租賃(即租賃期為12個月或以下)和低價值資產的租賃，在這種情況下，租賃費用將繼續在租期內按系統基準確認。

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### 3. Adoption of New and Amended HKFRSs (Continued)

#### HKFRS 16 “Leases” (Continued)

HKFRS 16 will primarily affect the Group’s accounting as a lessee of leases of land and buildings which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of profit or loss and other comprehensive income over the period of the lease.

As disclosed in note 35b, as at 31 December 2017, the Group’s future minimum lease payments under non-cancellable operating leases amount to approximately RMB4,042,000 for land and buildings, the majority of which is payable either between 1 and 5 years after the reporting date. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The standard offers different transition options and practical expedients, including the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. If this practical expedient is chosen, the Group will apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. If the practical expedient is not chosen, the Group will need to reassess all of its decisions about which existing contracts are, or contain, leases, using the new definition. Depending on whether the Group elects to adopt HKFRS 16 retrospectively or follow a modified retrospective method of recognising a cumulative-effect adjustment to the opening balance of equity at the date of initial application, the Group may or may not need to restate comparative information for any changes in accounting resulting from the reassessment.

### 3. 採納新訂立及經修訂香港財務報告準則(續)

#### 香港財務報告準則第16號「租賃」(續)

香港財務報告準則第16號將主要影響本集團作為土地及樓宇租賃承租人的會計處理。新會計模式的應用預計會導致資產和負債的增加，並影響租賃期間綜合損益及其他全面收益表中確認費用的時間。

如附註35b所披露，於二零一七年十二月三十一日，本集團土地及樓宇根據不可撤回經營租約的未來最低租賃款項約人民幣4,042,000元，大部分款項須於呈報日後1至5年內支付。該等款項中若干款項可能因此需確認為租賃負債，連同相應使用權資產。於採納香港財務報告準則第16號後，本集團須考慮實際權宜的適用性及就任何調整後的香港財務報告準則第16號進行更詳細分析，以釐定採納香港財務報告準則第16號後經營租賃承擔產生的新資產及負債金額自現在至採納香港財務報告準則第16號之間訂立或終止之租賃及貼現之影響。

香港財務報告準則第16號於二零一九年一月一日或之後開始的年度期間生效。該準則提供不同的過渡方案及實際權宜之計，包括之前就現有安排屬於或包含租賃的實際權宜之計不在此限。如果選擇這種實際的權宜之計，本集團將僅將在香港財務報告準則第16號中的新租賃定義應用於首次申請日期或之後訂立的合約。如果沒有選擇切實可行的權宜之計，本集團將需要使用新定義重新評估所有關於哪些現有合同是或包含租賃的決策。視乎本集團是否選擇追溯應用香港財務報告準則第16號或按照經修訂的追溯方法，於首次應用日期當日確認對期初權益的累計影響作出調整，本集團可能或可能不需要重述任何比較資料重新評估導致的會計變化。

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### 4. Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### 4.1 Estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### *Impairment of property, plant and equipment and prepaid lease payments and deposits for acquisition of land and property, plant and equipment*

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, which requires significant judgement relating to the level of revenue and the amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and operating costs. Changes in these estimates could have a significant impact on the carrying amounts of the assets and could result in additional impairment charge or reversal of impairment in future periods. The carrying amounts of the property, plant and equipment and prepaid lease payments and deposit for acquisition of property, plant and equipments as at the end of the reporting period are approximately RMB121,968,000 (2016: approximately RMB140,111,000), RMB60,879,000 (2016: approximately RMB99,578,000) and RMB4,425,000 (2016: approximately RMB914,000) respectively.

### 4. 重要會計估計及判斷

估計及判斷會根據過往經驗及其他因素(包括在現時環境下,對未來事件作出合理之預期)持續進行評估。

#### 4.1 估計不確定因素

本集團就未來作出估計及假設。根據其定義,由此得出之會計估計將甚少與相關實際結果等同。下文論述具有對下一財政年度內之資產及負債之賬面值造成重大調整之重大風險的有關估計及假設:

#### *物業、廠房及設備及預付租賃款項的減值以及購置土地、物業、廠房及設備按金*

資產的可收回金額是其公平值減出售成本和使用價值的較高者。在估計使用價值時,乃將預計未來現金流折現至其現時價值,使用的折扣率為可反映現時市場評估的貨幣時值及該資產特定之風險值之稅前折扣率,並需要對收入水準和經營成本作出重大判斷。本集團利用所有現有的資料對可收回金額作合理的估算,包括合理和可支持的假設以及收入和經營成本的推算。估計金額的變動可能對資產的賬面值產生重大的影響,並可能導致在未來期間計提額外的減值損失或沖回已計提的減值損失。於呈報期末,物業、廠房及設備及預付租賃款項賬面值及收購物業、廠房及設備的按金分別約人民幣121,968,000元(二零一六年:約人民幣140,111,000元)、人民幣60,879,000元(二零一六年:約人民幣99,578,000元)及人民幣4,425,000元(二零一六年:約人民幣914,000元)。



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### 4. Critical Accounting Estimates and Judgements (Continued)

#### 4.1 Estimation uncertainty (Continued)

##### *Impairment of trade and other receivables*

The Group estimates impairment losses for bad and doubtful debts resulting from the inability of customers and other debtors to make the required payments. The Group bases the estimates on the aging of the receivable balance, debtors' credit-worthiness, and historical write-off experience. If the financial condition of the customers and debtors were to deteriorate, actual impairment losses would be higher than estimated. The carrying amounts of trade and bill receivables and other receivables as at the end of the reporting period are approximately RMB172,696,000 (2016: approximately RMB176,021,000), net of allowance from impairment loss of approximately RMB2,130,000 (2016: approximately RMB2,282,000) and RMB3,728,000 (2016: approximately RMB5,093,000) respectively.

##### *Write down of inventories*

The Group determines the write down for obsolescence of inventories. Those estimates are made with reference to aged inventories analyses, projections of expected future saleability of the goods and management experience and judgement. Based on this review, a write down of inventories will be made when the carrying amounts of inventories decline below their estimated net realisable value. Due to changes in market conditions, actual saleability of goods may be different from estimation and profit or loss could be affected by differences in the estimation. The carrying amounts of inventories as at the end of the reporting period is approximately RMB146,468,000 (2016: approximately RMB136,749,000).

##### *Impairment of intangible assets*

The Group performs annual test on whether there has been impairment of intangible assets in accordance with the accounting policy stated in note 2.6. The recoverable amounts of cash-generating units are determined based on value in use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rate, and other assumptions underlying the value in use calculations. The carrying amounts of intangible assets as at the end of reporting period is approximately RMB111,008,000 (2016: approximately RMB115,158,000).

### 4. 重要會計估計及判斷(續)

#### 4.1 估計不確定因素(續)

##### *應收賬款及其他應收款項減值*

本集團須估計由於客戶及其他欠債人未能繳付款項而發生之呆壞賬減值虧損。有關估計乃根據應收款項結餘的賬齡、欠債人的信譽及歷史對銷記錄計算。倘客戶或欠債人的財務狀況變壞，實際減值虧損可能高於估計。應收賬款及票據及其他應收款項於呈報期末的賬面值分別約人民幣172,696,000元(二零一六年：約人民幣176,021,000元)(扣除減值虧損撥備約人民幣2,130,000元(二零一六年：約人民幣2,282,000元)及人民幣3,728,000元(二零一六年：約人民幣5,093,000元)。

##### *撇減存貨*

本集團會釐定陳舊存貨的撇減。此等估計乃參考存貨賬齡分析、預期未來貨品的銷售情況及管理層的經驗及判斷而作出。根據此審閱，倘存貨的賬面值跌至低於其估計可變現淨值，則本集團會撇減存貨的價值。鑑於市況可能發生變動，實際貨品銷售的情況可能與估計有所不同，而此估計的差異可能影響損益。存貨呈報期末的賬面值約人民幣146,468,000元(二零一六年：約人民幣136,749,000元)。

##### *無形資產減值*

根據載於附註2.6的會計政策，本集團每年對無形資產有否減值進行測試。可回收的現金產生單位金額按現使用價值計算法釐定。該計算方法需要運用管理層對未來業務營運所作出的估計及假設、除稅前貼現率，以及與現使用價值計算法相關的各項其他假設。無形資產於呈報期末的賬面值約人民幣111,008,000元(二零一六年：約人民幣115,158,000元)。

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### 4. Critical Accounting Estimates and Judgements (Continued)

#### 4.1 Estimation uncertainty (Continued)

##### *Income taxes*

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislations. Deferred tax assets are recognised for tax losses not yet used and temporary deductible differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised, management's assessment is constantly reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered. The carrying amounts of deferred tax assets and deferred tax liabilities as at the end of the reporting period are approximately RMB1,719,000 (2016: approximately RMB991,000) and RMB17,682,000 (2016: approximately RMB18,394,000) respectively.

#### 4.2 Critical accounting judgements

##### *Applying the Group's accounting policies*

In determining the carrying amounts of some assets and liabilities, the Group makes assumptions for the effects of uncertain future events on those assets and liabilities at the end of the reporting period. These estimates involve assumptions about such items as cash flows and discount rates used. The Group's estimates and assumptions are based on historical experience and expectations of future events and are reviewed periodically. In addition to assumptions and estimations of future events, judgements are also made during the process of applying the Group's accounting policies.

##### *Research and development activities*

Careful judgment by the Group's management is applied when deciding whether the recognition requirements for development costs have been met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems at the time of recognition. Judgments are based on the best information available at each reporting date. In addition, all internal activities related to the research and development of new software, products or know-how are continuously monitored by the Group's management.

### 4. 重要會計估計及判斷(續)

#### 4.1 估計不確定因素(續)

##### *所得稅*

釐定所得稅撥備涉及對若干交易的未來稅務處理作出的調整。本集團審慎評估交易的稅務影響並相應計提稅項撥備。本集團會就該等交易的稅務處理作定期評估，以計及稅務法例的所有變動。未用稅務虧損及可扣稅暫時差額均確認為遞延稅項資產。由於這些遞延稅項資產只限在足夠的應課稅溢利可用作抵銷未用稅務抵免時才會確認，管理層的評估不斷覆核，如果很可能出現應課稅溢利足以彌補遞延稅項資產，則會確認額外的遞延稅項資產。於呈報期末，遞延稅項資產及遞延稅項負債的賬面值分別約人民幣1,719,000元(二零一六年：約人民幣991,000元)及人民幣17,682,000元(二零一六年：約人民幣18,394,000元)。

#### 4.2 重要會計判斷

##### *應用本集團會計政策*

在釐定其他資產和負債的賬面金額時，本集團就不確定的未來事件對於呈報期末該等資產和負債的影響作出了假設。該等估計涉及有關所動用的現金流量或貼現率等項目的假設，本集團根據過去的經驗和對未來事件的預計作出估計和假設，並定期審閱。除對未來事件的假設和估計外，本集團採用會計政策時還有需要作出判斷。

##### *研發活動*

本集團管理層在決定開發成本是否符合確認的規定時必須作出謹慎判斷，任何產品開發的經濟成就乃屬未知之數，於確認之時或會受未來技術問題所限制。判斷乃以各呈報日可供使用的最佳資料為基準。此外，本集團管理層持續監察所有有關研發新軟件、產品或技術知識的內部活動。

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### 5. Revenue

Revenue represents the invoiced value of goods sold and services provided (net of value-added tax and after allowances for returns and trade discounts).

Manufacturing and selling of medicines	生產和銷售藥品
Sales and distribution of medicines and healthcare products*	銷售及分銷藥品及保健品*
Research and development services income	研發服務收入

\* For the year ended 31 December 2017, the revenue from sales and distribution of medicines and healthcare products included the revenue from sales management services of pharmaceutical products of approximately RMB11,215,000.

Further details regarding the Group's principal activities are disclosed in note 36(b) to these consolidated financial statements.

### 6. Segment Reporting

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the Group's executive directors for the purpose of resources allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- (i) Manufacturing and selling of medicines;
- (ii) Sales and distribution of medicines and healthcare products; and
- (iii) Provision of research and development services of modern biological technology.

Currently, all the Group's activities above are carried out in the PRC. No reportable operating segment has been aggregated.

The first segment derives its revenue from the manufacturing and sales of medicines.

### 5. 收入

收入指已售貨品及提供服務的發票金額(扣除增值稅及退貨和貿易折扣撥備)。

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Manufacturing and selling of medicines	427,022	430,856
Sales and distribution of medicines and healthcare products*	363,264	328,066
Research and development services income	-	189
	<b>790,286</b>	<b>759,111</b>

\* 截至二零一七年十二月三十一日止年度，銷售及分銷藥品及保健品收入包含了藥品銷售管理服務收入約人民幣11,215,000元。

有關本集團的主要業務之進一步詳情披露於該等綜合財務報表附註36(b)。

### 6. 分部呈報

本集團按分部管理其業務，分部按兩條業務線(產品及服務)配合地理位置而組織。該等資料向本集團的執行董事作內部報告以分配資源及作表現評估，本集團已呈列下列三個可申報分部。並無匯總任何經營分部以構成下列報告分部。

- (i) 生產和銷售藥品；
- (ii) 銷售及分銷藥品及保健品；及
- (iii) 提供現代生物技術研發服務。

目前，上述所有本集團業務均在中國營運。並無合算任何可申報經營分部。

第一分部的收入來自生產及銷售藥品。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 6. Segment Reporting (Continued)

The second segment derives its revenue from sales and distribution of medicines and healthcare products and providing sales management services of pharmaceutical products.

The third segment derives its revenue from the provision of research & development services.

#### (a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's executive directors monitor the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of deferred tax assets. Segment liabilities include all current and non-current liabilities with the exception of current taxation and deferred tax liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segments profit is "adjusted EBITDA", that is "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including investment income and "depreciation and amortisation" is regarded as including impairment losses on non-current assets. To arrive at adjusted EBITDA, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as directors' fees and auditor's remuneration and other head office or corporate administration costs.

In addition to receiving segment information concerning adjusted EBITDA, the executive directors are provided with segment information concerning revenue (including inter-segment revenue), interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation, impairment loss, reverse of impairment loss on trade and other receivables, write down of inventories, reverse of write down of inventories, reversal of overprovision of retirement benefits and additions to non-current segment assets used by the segments in their operations. Inter-segment revenue are priced with reference to prices charged to external parties for similar orders.

### 6. 分部呈報(續)

第二分部的收入來自銷售及分銷藥品及保健品，以及提供藥品銷售管理服務。

第三分部的收入來自提供研發服務。

#### (a) 分部業績、資產及負債

就評估分部表現及分部間分配資源而言，本集團的執行董事按以下基礎監控各可申報分部應佔的業績、資產及負債：

分部資產包括所有有形、無形資產及流動資產，但不包括遞延稅項資產。分部負債包括所有流動和非流動負債，但不包括即期稅項和遞延所得稅負債。

收入及開支乃經參考有關分部產生的銷售額及有關分部產生的開支或有關分部應佔資產的折舊或攤銷所產生的開支後分配至各可申報分部。

用於報告分部溢利的方法為「經調整 EBITDA」，即「扣除利息、稅項、折舊及攤銷前之經調整盈利」，其中「利息」包括投資收入，「折舊及攤銷」包括非流動資產之減值虧損。為達到經調整 EBITDA，本集團之盈利乃對並未指定屬於個別分部之項目作出進一步調整，如董事薪酬及核數師之酬金，其他總辦事處或公司行政開支。

收到有關經調整 EBITDA 之分部資料除外，執行董事獲提供有關收入的分部資料，包括由各分部直接管理的分部間收入，來自分部直接管理之現金結餘及借貸之利息收入及支出，分部於彼等營運中使用的折舊、攤銷、減值虧損、應收賬款及其他應收款項的減值虧損撥回、撇減存貨、存貨撇減撥回及退休福利超額撥備撥回以及添置非流動分部資產。分部間收益乃經參考外部人士就類似訂單作出的價格而進行定價。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 6. Segment Reporting (Continued)

#### (a) Segment results, assets and liabilities (Continued)

Information regarding the Group's reportable segments as provided to the Group's executive directors for the purpose of resources allocation and assessment of segment performance for the years ended 31 December 2017 and 2016 is set out below:

For the year ended 31 December 截至十二月三十一日止年度		Manufacturing and selling of medicines 生產和銷售藥品		Sales and distribution of medicines and healthcare products 銷售及分銷藥品及保健品		Research and development services 研發服務		Total 總計	
		2017	2016	2017	2016	2017	2016	2017	2016
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Segment revenue</b>	<b>分部收入</b>								
Revenue from external customers	外來客戶收入	427,022	430,856	363,264	328,066	-	189	790,286	759,111
Inter-segment revenue	分部間收入	35,357	28,929	-	-	-	-	35,357	28,929
<b>Reportable segment revenue</b>	<b>可申報分部收入</b>	<b>462,379</b>	<b>459,785</b>	<b>363,264</b>	<b>328,066</b>	<b>-</b>	<b>189</b>	<b>825,643</b>	<b>788,040</b>
<b>Reportable segment profit/(loss) (adjusted EBITDA)</b>	<b>可申報分部溢利/(虧損) (經調整 EBITDA)</b>	<b>42,654</b>	<b>67,911</b>	<b>47,504</b>	<b>38,262</b>	<b>(4,368)</b>	<b>(913)</b>	<b>85,790</b>	<b>105,260</b>
Interest income from bank deposits	銀行存款利息收入	2,767	2,403	377	156	459	35	3,603	2,594
Interest income from principal protected deposits	保本型存款利息收入	1,300	-	-	-	-	-	1,300	-
Interest expenses	利息開支	(3,229)	(3,750)	-	-	-	(136)	(3,229)	(3,886)
Depreciation and amortisation:	折舊及攤銷:								
- property, plant and equipment	- 物業、廠房及設備	(12,195)	(11,857)	(91)	(1,170)	(1,087)	(2,263)	(13,373)	(15,290)
- prepaid lease payments	- 預付租賃款項	(1,570)	(1,570)	-	-	-	-	(1,570)	(1,570)
- intangible assets	- 無形資產	(3,950)	(4,231)	(200)	(201)	-	-	(4,150)	(4,432)
Write down of inventories	撇減存貨	(10,814)	(2,179)	(1,646)	(2,585)	-	-	(12,460)	(4,764)
Reversal of write down of inventories	存貨撇減撥回	85	-	222	1,860	-	-	307	1,860
Impairment of:	減值:								
- trade receivables	- 應收賬款	(350)	(73)	-	(238)	-	-	(350)	(311)
- other receivables	- 其他應收款項	(1)	(191)	-	(57)	(401)	-	(402)	(248)
Reverse of impairment loss on:	減值虧損撥回:								
- trade receivables	- 應收賬款	3	92	49	194	-	-	52	286
- other receivables	- 其他應收款項	129	67	8	7	-	-	137	74
Reversal of overprovision of retirement benefits	退休福利超額撥備撥回	-	-	-	1,000	-	-	-	1,000
Income tax expense	所得稅開支	(2,975)	(7,137)	(12,024)	(9,834)	100	(881)	(14,899)	(17,852)
<b>Reportable segment assets</b>	<b>可申報分部資產</b>	<b>734,733</b>	<b>864,361</b>	<b>183,303</b>	<b>161,322</b>	<b>184,448</b>	<b>169,100</b>	<b>1,102,484</b>	<b>1,194,783</b>
Additions to non-current assets (other than financial instrument and deferred tax assets)	非流動資產添置 (不包括金融工具及遞延稅項資產)	30,823	22,978	3,419	269	69	5	34,311	23,252
<b>Reportable segment liabilities</b>	<b>可申報分部負債</b>	<b>249,704</b>	<b>371,985</b>	<b>60,183</b>	<b>76,275</b>	<b>14,888</b>	<b>16,268</b>	<b>324,775</b>	<b>464,528</b>

The Group's customer base is diversified and no customer with whom transactions have exceeded 10% of the Group's revenue.

### 6. 分部呈報 (續)

#### (a) 分部業績、資產及負債 (續)

就截至二零一七年及二零一六年十二月三十一日止年度之資源分配及評估分部表現向本集團執行董事提供有關本集團報告分部之資料載於下文:

本集團客戶群多元化，其中並無客戶與其訂立的交易超逾本集團收入的10%。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 6. Segment Reporting (Continued)

#### (b) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收入</b>		
Reportable segment revenue	可申報分部收入	<b>825,643</b>	788,040
Elimination of inter-segment revenue	分部間收入抵銷	<b>(35,357)</b>	(28,929)
Consolidated revenue	綜合收入	<b>790,286</b>	759,111
<b>Profit</b>	<b>溢利</b>		
Reportable segment profit (Elimination)/Reversal of inter-segment profit	可申報分部溢利 分部間溢利(抵銷)/撥回	<b>85,790</b> <b>(631)</b>	105,260 84
Reportable segment profit derived from the Group's external customers	來自本集團外來客戶的可申報 分部溢利	<b>85,159</b>	105,344
Other revenue and other net income	其他收入及其他收入淨額	<b>9,768</b>	12,776
Depreciation and amortisation	折舊及攤銷	<b>(19,093)</b>	(21,292)
Finance costs	財務費用	<b>(3,229)</b>	(3,886)
Unallocated head office and corporate expense	未分配總部及企業開支	<b>(2,277)</b>	(2,273)
Consolidated profit before taxation	除稅前綜合溢利	<b>70,328</b>	90,669

### 6. 分部呈報(續)

#### (b) 可申報分部收入、損益、資產及負債的對賬

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 6. Segment Reporting (Continued)

#### (b) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities (Continued)

### 6. 分部呈報(續)

#### (b) 可申報分部收入、損益、資產及負債的對賬(續)

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Assets</b>	<b>資產</b>		
Reportable segment assets	可申報分部資產	1,102,484	1,194,783
Elimination of inter-segment receivables	分部間應收款項抵銷	(103,971)	(162,160)
		998,513	1,032,623
Deferred tax assets	遞延稅項資產	1,719	991
Consolidated total assets	綜合資產總額	1,000,232	1,033,614
<b>Liabilities</b>	<b>負債</b>		
Reportable segment liabilities	可申報分部負債	324,775	464,528
Elimination of inter-segment payables	分部間應付款項抵銷	(105,213)	(163,511)
		219,562	301,017
Current taxation	即期稅項	13,220	14,664
Deferred tax liabilities	遞延稅項負債	17,682	18,394
Consolidated total liabilities	綜合負債總額	250,464	334,075

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 6. Segment Reporting (Continued)

#### (c) Revenue from major products and services

The following is an analysis of the Group's revenue from its major products and services:

Medicines and healthcare products	藥品及保健品
Research and development services	研發服務
Sales management services of pharmaceutical products	藥品銷售管理服務

#### (d) Geographic Information

The Group's revenue and results from operations mainly derived from activities in the PRC. The principal assets of the Group were located in the PRC during the year. Accordingly, no analysis by geographical segment is provided.

### 6. 分部呈報(續)

#### (c) 來自主要產品及服務的收入

以下為對本集團主要產品和服務的收入分析：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
779,071	758,922
–	189
11,215	–
<b>790,286</b>	<b>759,111</b>

#### (d) 地理資料

本集團的收入及經營業績主要來自中國的業務活動。於年內，本集團的主要資產位於中國。因此，概無提供地理分部分析。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 7. Other Revenue and Other Net Income

### 7. 其他收入及其他收入淨額

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Other revenue</b>	<b>其他收入</b>		
Interest income from bank deposits	銀行存款利息收入	3,603	2,594
Interest income from principal protected deposits	保本型存款利息收入	1,300	-
Government subsidies:	政府補助：		
– released from deferred revenue	– 轉撥自遞延收益	1,280	753
– directly recognised in profit or loss	– 直接計入損益	1,191	3,266
Others	其他	511	845
Gain on disposal of available-for-sales investment	出售可供出售投資的收益	-	50
Gain on disposal of a subsidiary	出售一間附屬公司的收益	-	1,594
Gain on disposal of prepaid lease payments	出售預付租賃款項的收益	1,030	-
		<b>8,915</b>	<b>9,102</b>
<b>Other net income</b>	<b>其他收入淨額</b>		
Reverse of impairment loss on trade receivables	應收賬款減值虧損撥回	52	286
Reverse of impairment loss on other receivables	其他應收款項減值虧損撥回	137	74
Reversal of overprovision of retirement benefit	退休福利超額撥備撥回	-	1,000
Reversal of write down of inventories	存貨撇減撥回	307	1,860
Net foreign exchange gains	匯兌收益淨額	77	4
Others	其他	280	450
		<b>853</b>	<b>3,674</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 8. Profit Before Taxation

Profit before taxation is arrived at after charging the following:

### 8. 除稅前溢利

除稅前溢利乃經扣除以下各項：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>(a) Finance costs</b>	<b>(a) 財務費用</b>		
Interest on bank loans	銀行貸款的利息	3,229	3,622
Interest on financial assistance from the immediate parent company	直屬母公司財務資助的利息	-	264
Total interest expense on financial liabilities not at fair value through profit or loss	並非透過損益按公平值列賬金融負債的利息開支總額	<b>3,229</b>	<b>3,886</b>
<b>(b) Staff costs (including directors' emoluments)*</b>	<b>(b) 員工成本(包括董事酬金)*</b>		
Contributions to defined contribution retirement plans	定額供款退休計劃的供款	12,985	12,706
Salaries, wages and other benefits	薪金、工資及其他福利	58,526	61,261
		<b>71,511</b>	<b>73,967</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 8. Profit Before Taxation (Continued)

Profit before taxation is arrived at after charging the following:  
(Continued)

### 8. 除稅前溢利(續)

除稅前溢利乃經扣除以下各項：(續)

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>(c) Other items</b>	<b>(c) 其他項目</b>		
Amortisation:	攤銷：		
– prepaid lease payments	– 預付租賃款項		
– charged to consolidated statement of profit or loss and other comprehensive income	– 計入綜合損益及其他全面收益表	1,570	1,570
– transfer to construction-in-progress	– 轉出至在建工程	628	783
		<b>2,198</b>	2,353
– intangible assets*	– 無形資產*	4,150	4,432
Depreciation:	折舊：		
– assets held for own use under leases	– 根據租賃持作自用的資產	3,549	3,725
– other assets	– 其他資產	9,824	11,565
Impairment of:	減值：		
– trade receivables*	– 應收賬款*	350	311
– other receivables*	– 其他應收款項*	402	248
Write down of inventories*	撇減存貨*	12,460	4,764
Loss on disposal of property, plant and equipment*	出售物業、廠房及設備的虧損*	106	221
Auditor's remuneration	核數師酬金	1,170	1,341
Auditor's non-audit services remuneration	核數師非審計酬金	425	319
Operating lease charges:	經營租賃開支：		
– minimum lease payment	– 最低租賃付款	8,548	8,897
Cost of inventories	存貨成本	355,062	365,019
Research and development costs*	研發費用*	29,386	18,148

\* These amounts are included in "Other operating expenses" presented on the consolidated statement of profit or loss and other comprehensive income.

\* 此等金額計入綜合損益及其他全面收益表的「其他經營開支」內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 9. Income Tax Expense

- (a) Income tax expense in the consolidated statement of profit or loss and other comprehensive income represents:

	Note	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	附註		
<b>Current taxation</b>			
		<b>即期稅項</b>	
PRC Enterprise Income Tax ("EIT")		中國企業所得稅(「企業所得稅」)	18,747
Over provision for PRC EIT in respect of prior years		就過往年度中國企業所得稅的 超額撥備	(635)
		<b>16,339</b>	
<b>Deferred tax</b>			
		<b>遞延稅項</b>	
Origination and reversal of temporary differences	26(b)	暫時性差額的衍生及撥回	(260)
		<b>(1,440)</b>	
		<b>14,899</b>	<b>17,852</b>

Hong Kong Profits Tax has not been provided for as the Group had no assessable profits to Hong Kong Profits Tax for the year (2016: Nil).

As at 31 December 2017 and 2016, two subsidiaries of the Group established in the PRC are qualified as high technology enterprise. In accordance with the applicable Enterprise Income Tax Law of the PRC, these subsidiaries are subject to the PRC EIT at a preferential rate of 15%.

The Company and other PRC subsidiaries are subject to the PRC EIT at a rate of 25% (2016: 25%) for the year ended 31 December 2017.

### 9. 所得稅開支

- (a) 於綜合損益及其他全面收益表列出的所得稅開支指：

由於本集團並無須繳納香港利得稅的應課稅溢利，故於本年度內並無計提香港利得稅撥備(二零一六年：零)。

於二零一七年及二零一六年十二月三十一日，兩間於中國成立的本集團附屬公司合資格成為高新技術企業。根據適用中國企業所得稅法，該等附屬公司須按15%的優惠稅率繳納中國企業所得稅。

截至二零一七年十二月三十一日止年度，本公司及其他中國附屬公司須按25%(二零一六年：25%)的中國企業所得稅稅率納稅。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 9. Income Tax Expense (Continued)

(b) Reconciliation between income tax expense and accounting profit at the applicable tax rates:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Profit before taxation	除稅前溢利	70,328	90,669
Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned	按照在相關國家的溢利適用稅率計算除稅前溢利的名義稅項	14,970	17,264
Tax effect of non-deductible expenses	不可扣稅開支的稅務影響	1,057	1,325
Tax effect of non-taxable income	非課稅收益的稅務影響	(2,192)	(2,195)
Tax effect of unused tax losses not recognised	未確認的未利用稅項虧損的稅務影響	1,064	1,212
Over provision in prior years	過往年度的超額撥備	-	(635)
Reversal of temporary difference	轉回暫時性差額	-	881
Income tax expenses	所得稅開支	14,899	17,852

### 9. 所得稅開支(續)

(b) 所得稅開支與按適用稅率計算的會計溢利的對賬：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 10. Directors' and Chief Executive's Emoluments

Directors' emoluments disclosed pursuant to section 383(1) Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation and the chief executives emoluments (that is, general manager) are as follows:

### 10. 董事及高級行政人員酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露的董事酬金及高級行政人員(即總經理)的薪酬如下:

		Salaries, allowances and benefits- in-kind	Retirement scheme contributions	2017 Total
		薪金、津貼 及實物利益	退休計劃 供款	二零一七年 總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
<b>Executive directors</b>	<b>執行董事</b>			
Mr. Zhang Feng	張鋒先生	44	–	44
Mr. Xu Yan He (General Manager)	徐燕和先生(總經理)	44	601	668
<b>Non-executive directors</b>	<b>非執行董事</b>			
Ms. Yu Lin	于琳女士	44	–	44
Mr. Liu Zhan Jun	劉占軍先生	44	–	44
Mr. Song Ting Jiu	宋廷久先生	44	–	44
Mr. Zhao Wen Liang	趙文梁先生	44	–	44
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>			
Mr. Yick Wing Fat, Simon	易永發先生	212	–	212
Mr. Poon Ka Yeung	潘嘉陽先生	106	–	106
Mr. Zhang Jian Zhou	章劍舟先生	100	–	100
		<b>682</b>	<b>601</b>	<b>1,306</b>

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## 綜合財務報表附註

For the year ended 31 December 2017  
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### 10. Directors' and Chief Executive's Emoluments (Continued)

### 10. 董事及高級行政人員酬金 (續)

		Directors' fees	Salaries, allowances and benefits-in-kind 薪金、津貼及實物利益	Retirement scheme contributions 退休計劃供款	2016 Total 二零一六年總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Executive directors</b>	<b>執行董事</b>				
Mr. Zhang Feng	張鋒先生	-	-	-	-
Mr. Xu Yan He	徐燕和先生	-	605	28	633
Mr. Chai Xiang Dong (Resigned on 3 March 2016)	柴向東先生(於二零一六年三月三日辭任)	-	127	8	135
<b>Non-executive directors</b>	<b>非執行董事</b>				
Ms. Yu Lin	于琳女士	-	-	-	-
Mr. Liu Zhan Jun	劉占軍先生	-	-	-	-
Mr. Song Ting Jiu	宋廷久先生	-	-	-	-
Mr. Zhao Wen Liang (Appointed on 3 March 2016)	趙文梁先生(於二零一六年三月三日獲委任)	-	137	11	148
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Mr. Yick Wing Fat, Simon	易永發先生	212	-	-	212
Mr. Poon Ka Yeung	潘嘉陽先生	106	-	-	106
Mr. Yu Bo (Resigned on 21 January 2016)	于渤先生(於二零一六年一月二十一日辭任)	14	-	-	14
Mr. Zhang Jian Zhou (Appointed on 21 January 2016)	章劍舟先生(於二零一六年一月二十一日獲委任)	86	-	-	86
		<b>418</b>	<b>869</b>	<b>47</b>	<b>1,334</b>

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## 綜合財務報表附註

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### 10. Directors' and Chief Executive's Emoluments (Continued)

During both years, no remuneration were paid or payable by the Group to any of the directors or any of the 5 highest paid individuals set out in note 11 as an inducement to join or upon joining the Group or as compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any remuneration during both years. No bonus was paid or payable to directors which are discretionary or are based on the Group's performance.

### 11. Individuals with Highest Emoluments

Of the five individuals with the highest emoluments, one (2016: two) are directors of the Company whose emoluments are included in the disclosures in note 10. The aggregate of the emoluments of the remaining four (2016: three) individuals are as follows:

Salaries and other emoluments	薪金及其他薪酬
Retirement scheme contributions	退休計劃供款

Their emoluments are all within the band of HK\$Nil to HK\$1,000,000 (equivalent to approximately RMB835,910) for years ended 31 December 2017 and 2016.

### 10. 董事及高級行政人員酬金(續)

於兩個年度，本集團並無向董事或附註11所述五名最高薪僱員支付酬金，作為加入本集團或加入本集團後的獎勵或作為離職補償。於兩個年度，並無董事放棄或同意放棄任何酬金的安排。概無酌情或根據本集團表現向董事已付或應付花紅。

### 11. 最高薪酬僱員

於五名最高薪酬僱員之中，一名(二零一六年：兩名)為本公司董事，其薪酬詳情見附註10。其餘四名(二零一六年：三名)最高薪酬僱員的薪酬總和詳情如下：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
1,796	1,594
117	102
<b>1,913</b>	<b>1,696</b>

截至二零一七年及二零一六年十二月三十一日止年度最高薪酬僱員的薪酬範圍介乎零港元至1,000,000港元(等約於人民幣835,910元)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 12. Dividends

The directors do not propose the payment of any dividend for the year ended 31 December 2017 (2016: Nil).

### 13. Earnings Per Share

#### Basic earnings per share

The calculation of basic earnings per share has been based on the profit attributable to owners of the Company of approximately RMB50,257,000 (2016: approximately RMB62,692,000) and the weighted average number of 1,678,000,000 ordinary shares (2016: 1,678,000,000 ordinary shares) in issue during the year.

#### Diluted earnings per share

Diluted earnings per share equals to basic earnings per share as there were no potential dilutive ordinary shares outstanding for both years presented.

### 12. 股息

董事並不建議派付截至二零一七年十二月三十一日止年度任何股息(二零一六年：無)。

### 13. 每股盈利

#### 每股基本盈利

每股基本盈利已根據本公司擁有人應佔溢利約人民幣50,257,000元(二零一六年：約人民幣62,692,000元)，以及本年度內已發行普通股的加權平均數1,678,000,000股(二零一六年：1,678,000,000股普通股)計算。

#### 每股攤薄盈利

由於兩個呈報年度並無流通在外潛在攤薄普通股，故此每股攤薄盈利等於每股基本盈利。

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## 綜合財務報表附註

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### 14. Property, Plant and Equipment

### 14. 物業、廠房及設備

		Building	Leasehold improvements	Plant and machinery	Motor vehicles	Furniture, fixtures and equipment	Construction-in-progress	Total
		樓宇	租賃物業裝修	廠房及設備	汽車	傢俱、裝置及設備	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Cost</b>	<b>按成本值</b>							
At 1 January 2017	於二零一七年一月一日	86,605	2,340	107,631	2,532	10,262	23,120	232,490
Additions	添置	2,883	-	2,976	1,844	1,011	13,071	21,785
Disposals	出售	-	-	(3,935)	(355)	(594)	(26,002)	(30,886)
Derecognised on deregistration of a subsidiary	註銷一間附屬公司時終止確認	-	-	-	-	(7)	-	(7)
Transfer	轉撥	2,227	-	-	-	-	(2,227)	-
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>91,715</b>	<b>2,340</b>	<b>106,672</b>	<b>4,021</b>	<b>10,672</b>	<b>7,962</b>	<b>223,382</b>
<b>Accumulated depreciation and impairment</b>	<b>累計折舊及減值</b>							
At 1 January 2017	於二零一七年一月一日	(21,889)	(1,964)	(58,892)	(1,718)	(7,082)	(834)	(92,379)
Charge for the year *	本年度支出*	(4,012)	(56)	(7,999)	(286)	(1,020)	-	(13,373)
Eliminated on deregistration of a subsidiary	註銷一間附屬公司時對銷	-	-	-	-	7	-	7
Eliminated on disposal of assets	出售資產時對銷	-	-	3,446	337	548	-	4,331
Eliminated on transfer	轉撥時對銷	387	-	-	-	-	(387)	-
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>(25,514)</b>	<b>(2,020)</b>	<b>(63,445)</b>	<b>(1,667)</b>	<b>(7,547)</b>	<b>(1,221)</b>	<b>(101,414)</b>
<b>Carrying amounts</b>	<b>賬面值</b>							
At 31 December 2017	於二零一七年十二月三十一日	66,201	320	43,227	2,354	3,125	6,741	121,968

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## 綜合財務報表附註

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### 14. Property, Plant and Equipment (Continued)

### 14. 物業、廠房及設備(續)

		Building	Leasehold improvements	Plant and machinery	Motor vehicles	Furniture, fixtures and equipment	Construction-in-progress	Total
		樓宇	租賃物業裝修	廠房及設備	汽車	傢俱、裝置及設備	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Cost</b>	<b>按成本值</b>							
At 1 January 2016	於二零一六年一月一日	80,803	2,129	103,843	2,495	12,342	21,160	222,772
Additions	添置	2,256	211	2,572	150	784	-	5,973
Construction expenditure capitalised	資本化建設開支	-	-	-	-	-	18,578	18,578
Disposals	出售	(34)	-	(11,822)	(113)	(2,864)	-	(14,833)
Transfer	轉撥	3,580	-	13,038	-	-	(16,618)	-
At 31 December 2016	於二零一六年十二月三十一日	86,605	2,340	107,631	2,532	10,262	23,120	232,490
<b>Accumulated depreciation and impairment</b>	<b>累計折舊及減值</b>							
At 1 January 2016	於二零一六年一月一日	(17,710)	(806)	(60,508)	(1,416)	(7,756)	(834)	(89,030)
Charge for the year *	本年度支出*	(4,187)	(1,158)	(8,103)	(409)	(1,433)	-	(15,290)
Eliminated on disposal of asset	出售資產時對銷	8	-	9,719	107	2,107	-	11,941
At 31 December 2016	於二零一六年十二月三十一日	(21,889)	(1,964)	(58,892)	(1,718)	(7,082)	(834)	(92,379)
<b>Carrying amounts</b>	<b>賬面值</b>							
At 31 December 2016	於二零一六年十二月三十一日	64,716	376	48,739	814	3,180	22,286	140,111

\* At 31 December 2017 and 2016, certain of the Group's buildings with a total carrying amount of approximately RMB33,159,000 (2016: approximately RMB41,185,000) were pledged to secure the Group's bank loan of RMB30,000,000 (2016: RMB100,000,000) (Note 23).

\* 於二零一七年及二零一六年十二月三十一日，本集團若干總賬面值約人民幣33,159,000元(二零一六年：約人民幣41,185,000元)的樓宇已作為本集團銀行貸款人民幣30,000,000元(二零一六年：人民幣100,000,000元)(附註23)的抵押品。

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## 綜合財務報表附註

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### 15. Prepaid Lease Payments

### 15. 預付租賃款項

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Cost</b>	<b>按成本值</b>		
At 1 January	於一月一日	<b>110,238</b>	110,238
Disposal	出售	<b>(38,238)</b>	-
At 31 December	於十二月三十一日	<b>72,000</b>	110,238
<b>Accumulated amortisation</b>	<b>累計攤銷</b>		
At 1 January	於一月一日	<b>(10,660)</b>	(8,307)
Charge for the year	本年度支出	<b>(1,570)</b>	(1,570)
Eliminated on disposal of assets	出售資產時對銷	<b>1,737</b>	-
Transfer to construction-in-progress	轉出至在建工程	<b>(628)</b>	(783)
At 31 December	於十二月三十一日	<b>(11,121)</b>	(10,660)
<b>Carrying amounts</b>	<b>賬面值</b>		
At 31 December	於十二月三十一日	<b>60,879</b>	99,578

The prepaid lease payments represent interest in land situated in the PRC which were amortised over the lease term on a straight-line basis.

On 19 October 2017, the Group entered into the resumption agreements with Lianjiang County Land Development Centre and the Lianjiang Committee, pursuant to which the Lands will be redeemed by the Lianjiang County Land Development Centre for a total consideration of approximately to RMB63,869,000.

At 31 December 2017 and 2016, the Group's prepaid lease payments with a total carrying amount of approximately RMB60,879,000 (2016: approximately RMB62,448,000) were pledged to secure the Group's bank loan of RMB30,000,000 (2016: RMB100,000,000) (Note 23).

該預付租賃款項指位於中國的租賃土地權益，該等預付租賃款項於租賃期間按直線法攤銷。

於二零一七年十月十九日，本集團與連江縣土地發展中心及連江管委會訂立收儲協議，據此，連江縣土地發展中心將以總代價人民幣約63,869,000元收儲該等土地。

於二零一七年及二零一六年十二月三十一日，本集團總賬面值約人民幣60,879,000元(二零一六年：約人民幣62,448,000元)的預付租賃款項已作為本集團銀行貸款人民幣30,000,000元(二零一六年：人民幣100,000,000元)(附註23)的抵押品。

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### 16. Intangible Assets

### 16. 無形資產

		Computer software 電腦軟件 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元	Anesthetic drug production and selling rights 麻醉藥產銷權 RMB'000 人民幣千元	Trade name 業務名稱 RMB'000 人民幣千元	Customer list 客戶名單 RMB'000 人民幣千元	Selling licences 銷售許可證 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost</b>	<b>成本</b>							
At 1 January 2016	於二零一六年一月一日	555	75	53,143	46,483	39,502	1,007	140,765
Addition	添置	121	-	-	-	-	-	121
At 31 December 2016, 1 January 2017 and 31 December 2017	於二零一六年十二月三十一日、 二零一七年一月一日及 二零一七年十二月三十一日	676	75	53,143	46,483	39,502	1,007	140,886
<b>Accumulated amortisation and impairment</b>	<b>累計攤銷及減值</b>							
At 1 January 2016	於二零一六年一月一日	(395)	(75)	-	-	(20,220)	(606)	(21,296)
Charge for the year	本年度支出	(281)	-	-	-	(3,950)	(201)	(4,432)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	(676)	(75)	-	-	(24,170)	(807)	(25,728)
Charge for the year	本年度支出	-	-	-	-	(3,950)	(200)	(4,150)
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>(676)</b>	<b>(75)</b>	<b>-</b>	<b>-</b>	<b>(28,120)</b>	<b>(1,007)</b>	<b>(29,878)</b>
<b>Carrying amounts</b>	<b>賬面值</b>							
At 31 December 2017	於二零一七年十二月三十一日	-	-	53,143	46,483	11,382	-	111,008
At 31 December 2016	於二零一六年十二月三十一日	-	-	53,143	46,483	15,332	200	115,158

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### 16. Intangible Assets (Continued)

#### (a) Intangible assets arising from business combination

The anesthetic drug production and selling right, trade name and customer list are intangible assets acquired on 30 November 2010 through the acquisition of Fuzhou Neptunus Fuyao Pharmaceutical Co., Ltd (“Neptunus Fuyao”).

Anesthetic drug production and selling right represents the fair value of the rights as at the acquisition date in respect of the production and selling specific anesthetic drug in the PRC.

The anesthetic drug production and selling right and trade name are considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows to the Group indefinitely. It is tested for impairment annually and whenever there is an indication that it may have been impaired.

Selling licences are intangible assets acquired on 4 January 2013 through the acquisition of the 100% equity interests in Shenzhen Neptunus Changjian Pharmaceutical Company Limited (“Neptunus Changjian”).

#### (b) Anesthetic drug production and selling right and trade name

The recoverable amounts, which were assessed by reference to a valuation carried out by Verity Appraisals Company Limited, an independent qualified professional valuer with appropriate qualification and experience in the valuation of similar assets in the relevant industry, of the anesthetic drug production and selling right and trade name based on the estimated value-in-use calculations were higher than their carrying amounts at 31 December 2017 and 2016. Accordingly, no provision for impairment loss for anesthetic drug production and selling right or trade name is considered necessary.

The recoverable amount of the anesthetic drug production and selling right is determined based on value in use calculations. These calculations use cash flow projections based on financial budget approved by the executive directors covering a four-year period. Cash flows beyond four-year period are extrapolated using an estimated weighted average growth rate of 3% (2016: 3%) which is consistent with the forecasts. The growth rates used do not exceed the long-term average growth rates for the medical industries. The cash flows are discounted using a discount rate of 21% (2016: 21%). The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

### 16. 無形資產(續)

#### (a) 業務合併產生的無形資產

麻醉藥產銷權、業務名稱及客戶名單乃於二零一零年十一月三十日透過收購福州海王福藥製藥有限公司(「海王福藥」)所收購的無形資產。

於收購日期麻醉藥產銷權為特定麻醉藥的產銷權，有關款項指在中國生產及銷售麻醉藥的權利的公平值。

本集團管理層認為麻醉藥產銷權以及業務名稱的使用年期屬不明確，原因是麻醉藥產銷權以及業務名稱預期將為本集團無限期地注入淨現金流入。該項目每年進行減值測試，及測試其有否跡象顯示其可能遭減值。

銷售許可證乃於二零一三年一月四日透過收購深圳海王長健醫藥有限公司(「海王長健」的全部股權所收購的無形資產)。

#### (b) 麻醉藥產銷權及業務名稱

根據估計使用價值計算之麻醉藥產銷權以及業務名稱的可收回金額(乃參照獨立於本集團的獨立合資格專業估值師衛諦評值有限公司(其擁有對相關行業類似資產進行估值的資格及經驗)作出的估值後進行評估)高於彼等於二零一七年及二零一六年十二月三十一日的賬面值。因此，無須就麻醉藥產銷權以及業務名稱作出減值虧損撥備。

麻醉藥產銷權以及業務名稱的可收回金額乃根據使用價值的計算方法而釐定。該等計算方法使用經執行董事批准之四年期財政預算為基準的現金流預測而計算。超過四年期之現金流量使用3%(二零一六年: 3%)的估計加權平均增長率(與預測相一致)進行預測。使用的增長率不得超過醫藥行業的長期平均增長率。現金流量的折現率為21%(二零一六年: 21%)。使用的貼現率為稅前貼現率，並反映有關分部的特定風險。

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### 16. Intangible Assets (Continued)

#### (b) Anesthetic drug production and selling right and trade name (Continued)

The recoverable amount of trade name is determined based on the fair value of trade name as measured using a royalty rate of 4.5% (2016: 4.5%) on sales and discount rate of 21% (2016: 21%). The annual sales was projected based on financial budgets approved by the executive directors covering a four-year period and has been extrapolated using an average 3% (2016: 3%) growth rate. The average 3% (2016: 3%) growth rate is based on the average 10-year consumer price index in the PRC and does not exceed the long-term average growth rates for the pharmaceutical industries.

The anesthetic drug production and selling right and trade name has an indefinite useful life which was assessed by the management at the end of the reporting period.

#### (c) Customer list

The customer list has a finite useful life and is amortised on a straight-line basis over 10 years. The useful life of the customer list is determined with reference to the estimated future revenue from the customer list which is based on historical information. The management is of the view that the future economic benefits that can be derived from the customer list beyond the 10-year period are insignificant.

The fair value of the customer list at the date of business combination was measured using the excess earnings method under the income approach. This calculation is based on the present value of the incremental after-tax cash flows attributable to the customer list and a discount rate of 21%. The annual cash flow is calculated by reference to the latest applicable annual revenue from existing customers and has been extrapolated using an average 3% growth rate. The average 3% growth rate is based on the relevant industry growth and management forecasts and does not exceed the average long-term growth rate for the relevant industry. At the date of the business combination, the fair value of the customer list amounted to approximately RMB39,502,000.

### 16. 無形資產(續)

#### (b) 麻醉藥產銷權及業務名稱(續)

業務名稱的可收回金額乃按銷售額的4.5%(二零一六年:4.5%)特許權收費率及貼現率21%(二零一六年:21%)計算之業務名稱公平值來釐定。年度銷售乃根據執行董事批准涵蓋四年期的財政預算進行預測,並運用3%(二零一六年:3%)平均增長率推算。該3%(二零一六年:3%)平均增長率乃基於中國10年平均消費價格指數及並未超過醫藥行業長期平均增長率。

麻醉藥產銷權及業務名稱具有無限使用期限,並由管理層於呈報期末進行評估。

#### (c) 客戶名單

客戶名單有限定可使用年限並以直線法於10年內攤銷。客戶名單的可使用年限乃參考根據歷史資料而得出來自客戶名單的估計未來收益而釐定。管理層認為,10年期間過後,源自客戶名單的未來經濟效益乃屬甚微。

於業務合併日期的客戶名單公平值乃以超額盈利法的收入計量。該計算乃以客戶名單應佔增量除稅後現金流量現值及21%折現率為基準。年度現金流量乃參考現有客戶的近期適用年度收入計算並使用3%平均增長率而推斷。3%平均增長率乃基於相關行業增長及管理層預測且並未超過相關行業之平均長期增長率。於業務合併日期的客戶名單公平值約人民幣39,502,000元。

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### 16. Intangible Assets (Continued)

#### (d) Selling licences

Selling licences have a finite useful life and is amortised on a straight-line basis over 5 years. The useful life of the selling licenses is determined with reference to the period of validity of the selling licences.

The fair value of the selling licences at the date of business combination was measured using a relief from royal approach under the income approach. The valuation was carried out by Ascent Partners, Valuation Service Limited, an independent qualified professional valuer with appropriate qualification and experience in the valuation of similar assets in the relevant industry. The calculation was based on the royalty rate of 5.1% on sales and discount rate of 19.84%. The annual sales were projected based on financial budget approved by the executive directors covering a five-year period and has been extrapolated using an average 3.19% growth rate. The average 3.19% growth rate is based on the average 10-year consumer price index of the PRC and does not exceed the average long-term growth rate for the relevant industry. As at the date of the business combination, the fair value of the selling licenses were RMB1,007,000.

### 17. Deposit for Acquisition of Property, Plant and Equipment

The deposit of approximately RMB4,425,000 (2016: approximately RMB914,000) mainly represents deposit to acquire property, plant and equipment for the production base in Fuzhou. During the year, additional deposit of approximately RMB12,526,000 was paid and property, plant and equipment of approximately RMB9,015,000 was transferred and delivered to the Group and the relevant deposit were reclassified as property, plant and equipment.

### 16. 無形資產(續)

#### (d) 銷售許可證

銷售許可證有限定可使用年限並以直線法於5年內攤銷。銷售許可證的可使用年限乃參考銷售許可證的有效期而釐定。

於業務合併日期的銷售許可證公平值乃以收入法的免除版稅法計量。該估值乃由獨立合資格專業估值師艾升評估諮詢有限公司(其擁有對相關行業類似資產進行估值的資格及經驗)進行評估。該計算乃以出售時5.1%特許權收費率及19.84%折現率為基準。年度銷售乃基於執行董事批准之五年期財政預算的預測並使用3.19%平均增長率而推斷。3.19%平均增長率乃基於中國平均十年消費價格指數及管理層預測且並未超過相關行業之平均長期增長率。於業務合併日期的銷售許可證公平值為人民幣1,007,000元。

### 17. 購置物業、廠房及設備的按金

該金額約人民幣4,425,000元按金(二零一六年：約人民幣914,000元)主要為位於福州的生產基地而購置物業、廠房及設備的按金。本年度內，已支付約人民幣12,526,000元的額外按金及約人民幣9,015,000元的物業、廠房及設備已轉讓及交付本集團及相關按金被重新分類為物業、廠房及設備。



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### 18. Inventories

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Raw materials	原材料	86,046	62,398
Work-in-progress	在製品	20,388	24,065
Finished goods	製成品	40,034	50,286
		<b>146,468</b>	<b>136,749</b>

The analysis of the amounts of inventories recognised as expense and included in profit or loss is as follows:

### 18. 存貨

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Carrying amounts of inventories sold	已售存貨賬面金額	342,909	362,115
Write down of inventories	撇減存貨	12,460	4,764
Reversal of write down of inventories	存貨撇減撥回	(307)	(1,860)
		<b>355,062</b>	<b>365,019</b>

確認為開支並計入損益的存貨金額分析如下：

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Carrying amounts of inventories sold	已售存貨賬面金額		342,909	362,115
Write down of inventories	撇減存貨	(i)	12,460	4,764
Reversal of write down of inventories	存貨撇減撥回	(ii)	(307)	(1,860)
			<b>355,062</b>	<b>365,019</b>

Notes:

- (i) As at 31 December 2017, write down of inventories was approximately RMB12,460,000 (2016: approximately RMB4,764,000). During the year, obsolete inventories of approximately RMB12,460,000 (2016: approximately RMB4,764,000) were identified and recognised in the consolidated statement of profit or loss and other comprehensive income.
- (ii) During the year, obsolete inventories written down previously were sold.

Therefore, a reversal of write down of inventories of approximately RMB307,000 (2016: approximately RMB1,860,000) was recognised in the consolidated statement of profit or loss and other comprehensive income.

附註：

- (i) 於二零一七年十二月三十一日，撇減存貨約人民幣12,460,000元(二零一六年：約人民幣4,764,000元)。年內陳舊存貨約人民幣12,460,000元(二零一六年：約人民幣4,764,000元)已於綜合損益及其他全面收益表內識別及確認。
- (ii) 年內，先前撇減的陳舊存貨已售出。

因此，存貨撇減撥回約人民幣307,000元(二零一六年：約人民幣1,860,000元)於綜合損益及其他全面收益表中確認。

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### 19. Trade and Other Receivables

### 19. 應收賬款及其他應收款項

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元
Trade and bills receivables	應收賬款及應收票據		174,826	178,303
Less: allowance for impairment loss	減：減值虧損撥備		<b>(2,130)</b>	<b>(2,282)</b>
			<b>172,696</b>	176,021
Amounts due from fellow subsidiaries	應收同系附屬公司款項	(i), 34(d)	1,897	3,265
Amounts due from related companies	應收關連公司款項	(i), 34(d)	13,183	9,026
Amount due from the intermediate parent company	應收中間母公司款項	(i), 34(d)	138	138
Other receivables	其他應收款項		3,728	5,093
Value-added tax recoverable	可收回增值稅	(ii)	462	579
Loans and receivables	貸款及應收款項		192,104	194,122
Prepayment and deposits	預付款項及按金		10,937	16,796
			<b>203,041</b>	<b>210,918</b>

All of the trade and other receivables classified as current assets are expected to be recovered within one year.

Notes:

- (i) The amounts are unsecured, interest-free and repayable within one year.
- (ii) Value-added tax recoverable is value-added tax paid by the Group eligible for offsetting value-added tax payable to arise on future revenue streams in accordance with relevant PRC tax laws.

預期所有分類為流動資產的應收賬款及其他應收款項可於一年內收回。

附註：

- (i) 應收款項為無抵押、免息以及須於一年內償還。
- (ii) 可收回增值稅是本集團已支付的增值稅並按中國相關稅法可與日後收入所產生的應付增值稅抵銷。

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### 19. Trade and Other Receivables (Continued)

#### (a) Aging analysis

The following is an aging analysis of trade and bills receivables, presented based on the invoice date, which approximates the respective revenue recognition dates:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 3 months	3個月內	133,170	142,804
More than 3 months but less than 12 months	超過3個月但少於12個月	38,340	28,059
Over 12 months	超過12個月	1,186	5,158
		<b>172,696</b>	<b>176,021</b>

Trade and bills receivables are due within 30-180 days (2016: 30 days) from the date of billing. Further details on the Group's credit policy is set out in note 33.1.

#### (b) Impairment of trade receivables

Impairment loss in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

Movements in the allowance for impairment loss:

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
At 1 January	於一月一日		2,282	2,453
Impairment loss recognised	已確認減值虧損	(i)	350	311
Recovery of impairment loss	收回減值虧損	(ii)	(52)	(286)
Uncollectible amount written off	無法收回款項撇銷	(iii)	(450)	(196)
<b>At 31 December</b>	<b>於十二月三十一日</b>		<b>2,130</b>	<b>2,282</b>

### 19. 應收賬款及其他應收款項(續)

#### (a) 賬齡分析

以下為本集團之應收賬款及應收票據按發票日期呈列之賬齡分析(與各收入確認日期相若):

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 3 months	3個月內	133,170	142,804
More than 3 months but less than 12 months	超過3個月但少於12個月	38,340	28,059
Over 12 months	超過12個月	1,186	5,158
		<b>172,696</b>	<b>176,021</b>

應收賬款及應收票據一般在發票發出當日起計30至180日(二零一六年:30日)內到期支付。本集團信貸政策的進一步詳情載於附註33.1。

#### (b) 應收賬款減值

應收賬款的減值虧損乃以撥備賬記錄，惟本集團確信收回該款項的可能性很低，在此情況下，直接從應收賬款撇銷減值虧損。

減值虧損撥備變動:

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### 19. Trade and Other Receivables (Continued)

#### (b) Impairment of trade receivables (Continued)

Notes:

- (i) As at 31 December 2017, trade receivables of the Group amounting to approximately RMB350,000 (2016: approximately RMB311,000) were individually determined to be impaired and allowance had been made. These individually impaired receivables were outstanding for over 1 year as at the end of the reporting period or were due from customers with financial difficulties.
- (ii) Approximately RMB52,000 (2016: approximately RMB286,000) of the trade receivables previously impaired was recovered during the year. Therefore, the impairment loss was reversed.
- (iii) As at 31 December 2017, a bad debt of approximately RMB450,000 (2016: approximately RMB196,000) was written off against trade receivables directly as the Group assessed that the recovery of the amount is remote.
- (iv) The Group does not hold any collateral over these balances.

#### (c) Trade receivables that are not impaired

The aging analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Neither past due nor impaired	並無逾期或減值	126,618	142,804
Past due but not impaired:	已逾期但無減值：		
1 to 3 months past due	逾期1至3個月	39,735	28,059
Over 3 months past due	逾期超過3個月	6,343	5,158
		<b>172,696</b>	<b>176,021</b>

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance 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.

### 19. 應收賬款及其他應收款項(續)

#### (b) 應收賬款減值(續)

附註：

- (i) 於二零一七年十二月三十一日，本集團的應收賬款約人民幣350,000元(二零一六年：約人民幣311,000元)個別釐定減值，並計提撥備。該等個別減值應收賬款於呈報期末已逾期未付逾1年或屬具財務困難的客戶。
- (ii) 先前已減值的應收賬款約人民幣52,000元於年內收回(二零一六年：約人民幣286,000元)。因此，減值虧損已撥回。
- (iii) 於二零一七年十二月三十一日，由於本集團評估收回該款項的機會甚微，故壞賬約人民幣450,000元(二零一六年：約人民幣196,000元)直接與應收賬款撇銷。
- (iv) 本集團並無就該等結餘持有任何抵押品。

#### (c) 並無減值的應收賬款

並無個別或集體視為減值的應收賬款的賬齡分析如下：

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Neither past due nor impaired	126,618	142,804
Past due but not impaired:		
1 to 3 months past due	39,735	28,059
Over 3 months past due	6,343	5,158
	<b>172,696</b>	<b>176,021</b>

並無逾期或減值的應收款項與多名並無近期欠款記錄的客戶相關。

已逾期但無減值的應收款項與多名擁有良好記錄的本集團客戶相關。根據過往經驗，管理層相信，由於信貸水平無重大變動，而結餘仍被視為可悉數收回，故毋須就此等結餘作減值撥備。

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### 20. Principal Protected Deposits

On 9 February, 2017, the Group entered into a principal protected interest rate linked structured deposit arrangement with the principal amount of RMB30,000,000 with a bank with maturity period of 89 days and which carried floating rate interest with a maximum of 3.5% per annum. Interest rates of the structured deposits ranged from 0% to 3.5% per annum depending on the movement of the 3-month US Dollar London Interbank Offer Rate.

On 10 May, 2017, the Group entered into a principal protected interest rate linked structured deposit arrangement with the principal amount of RMB30,000,000 with a bank with maturity period of 40 days and which carried floating rate interest with a maximum of 3.8% per annum. Interest rates of the structured deposits ranged from 0% to 3.8% per annum depending on the movement of the 3-month US Dollar London Interbank Offer Rate.

On 6 July, 2017, the Group entered into a principal protected interest rate linked structured deposit arrangement with the principal amount of RMB30,000,000 with a bank with maturity period of 95 days and which carried floating rate interest with a maximum of 4.1% per annum. Interest rates of the structured deposits ranged from 0% to 4.1% per annum depending on the movement of the 3-month US Dollar London Interbank Offer Rate.

On 29 November, 2017, the Group entered into a principal protected interest rate linked structured deposit arrangement with the principal amount of RMB30,000,000 with a bank with maturity period of 30 days and which carried floating rate interest with a maximum of 3.85% per annum. Interest rates of the structured deposits ranged from 0% to 3.85% per annum depending on the movement of the 3-month US Dollar London Interbank Offer Rate.

### 20. 保本型存款

於二零一七年二月九日，本集團與一間銀行訂立本金金額為人民幣30,000,000元，到期期間為期89日，按浮息計息最高年息為3.5%的保本型利率結構性存款安排。該等結構性存款之利率因應三個月美元倫敦銀行同業拆息變動而介乎每年0%至3.5%。

於二零一七年五月十日，本集團與一間銀行訂立本金金額為人民幣30,000,000元，到期期間為期40日，按浮息計息最高年息為3.8%的保本型利率結構性存款安排。該等結構性存款之利率因應三個月美元倫敦銀行同業拆息變動而介乎每年0%至3.8%。

於二零一七年七月六日，本集團與一間銀行訂立本金金額為人民幣30,000,000元，到期期間為期95日，按浮息計息最高年息為4.1%的保本型利率結構性存款安排。該等結構性存款之利率因應三個月美元倫敦銀行同業拆息變動而介乎每年0%至4.1%。

於二零一七年十一月二十九日，本集團與一間銀行訂立本金金額為人民幣30,000,000元，到期期間為期30日，按浮息計息最高年息為3.85%的保本型利率結構性存款安排。該等結構性存款之利率因應三個月美元倫敦銀行同業拆息變動而介乎每年0%至3.85%。

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### 20. Principal Protected Deposits (Continued)

On 24 March 2017, the Group entered into a gold-linked principal protected deposit arrangement with the principal amount of RMB10,000,000 with a bank with maturity period of 91 days and which carried interest with a fixed interest rate of 1.55% per annum with a floating interest rate of 2.55% per annum based on the spot rate of Gold at the date of valuation.

On 21 April 2017, the Group entered into a gold-linked principal protected deposit arrangement with the principal amount of RMB40,000,000 with a bank with maturity period of 91 days and which carried interest with a fixed interest rate of 1.55% per annum with a floating interest rate of 2.65% per annum based on the spot rate of Gold at the date of valuation.

Such structured deposits are stated at amortised cost. As at 31 December 2017, no gold-linked principal protected structured deposit arrangement and principal protected interest rate linked structured deposit arrangement were entered into the Group and interest income were received as disclosed in note 7 to these consolidated financial statements.

### 21. Cash and Cash Equivalents

Cash at bank and on hand	銀行存款及現金
Less: Fixed deposit with maturity of 3 months or more	減：3個月或以上到期的定期存款
Cash and cash equivalents in the consolidated statement of financial position and the consolidated statement of cash flows	於綜合財務狀況表及綜合現金流量表的現金及現金等價物

In 2017, deposits with banks carry interest at market rates which range from 1.35% to 2.38%. (2016: 1.85% to 3.38%) per annum.

### 20. 保本型存款(續)

於二零一七年三月二十四日，本集團與一間銀行訂立本金金額為人民幣10,000,000元，到期期間為期91日的黃金掛鈎保本型存款安排，按固定利率年息1.55%及基於估值日期的黃金即期匯率的浮動利率年息2.55%計息。

於二零一七年四月二十一日，本集團與一間銀行訂立本金金額為人民幣40,000,000元，到期期間為期91日的黃金掛鈎保本型存款安排，按固定利率年息1.55%及基於估值日期的黃金即期匯率的浮動利率年息2.65%計息。

該等結構性存款按攤銷成本列賬。於二零一七年十二月三十一日，本集團並無訂立黃金掛鈎保本型結構性存款安排及保本型利率結構性存款安排及已收取利息收入披露於本綜合財務報表附註7。

### 21. 現金及現金等價物

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Cash at bank and on hand	350,724	329,195
Less: Fixed deposit with maturity of 3 months or more	-	(4,000)
Cash and cash equivalents in the consolidated statement of financial position and the consolidated statement of cash flows	<b>350,724</b>	<b>325,195</b>

於二零一七年，銀行存款按市場年利率介乎1.35%至2.38%(二零一六年：1.85%至3.38%)計息。

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## 綜合財務報表附註

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### 22. Trade and Other Payables

### 22. 應付賬款及其他應付款項

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元
Trade and bills payables	應付賬款及應付票據		70,718	67,198
Receipts in advance	預收款項		13,160	7,464
Other payables and accruals	其他應付款項及應計費用		61,793	70,538
Amounts due to fellow subsidiaries	應付同系附屬公司款項	(i), 34(d)	31,262	37,800
Amount due to the immediate parent company	應付直屬母公司款項	(i), 34(d)	-	4,111
Amounts due to related companies	應付關連公司款項	(i), 34(d)	16	13
Financial liabilities measured at amortised cost	按攤銷成本計量的金融負債		<b>176,949</b>	<b>187,124</b>

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand. An aging analysis of trade and bills payables at the end of the reporting period, presented based on the invoice date, is as follows:

所有應付賬款及其他應付款項預期於一年內支付或確認為收入或按要求償還。於呈報期末按發票日期計算的應付賬款及應付票據的賬齡分析如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 3 months	3個月內	57,140	37,878
4 to 6 months	4至6個月	6,064	14,224
7 to 12 months	7至12個月	510	6,630
Over 1 year	1年以上	7,004	8,466
		<b>70,718</b>	<b>67,198</b>

Notes:

- (i) As at 31 December 2017, the balances are unsecured, interest-free and repayable on demand.

附註：

- (i) 於二零一七年十二月三十一日，該等結餘為無抵押、免息及須按要求償還。

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## 綜合財務報表附註

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### 23. Interest-bearing Bank Borrowings

	Effective interest rate 實際利率	Maturity 到期日
Short-term bank loan – secured 短期銀行貸款—有抵押	4.35% (2016: 4.85%) 4.35% (二零一六年: 4.85%)	within 1 year 一年內

The interest-bearing bank borrowings are carried at amortised cost. All of the Group's borrowings are denominated in RMB.

RMB30,000,000 facility for issue of bills and RMB100,000,000 loan facility were obtained from a bank on 18 May 2015 and 22 July 2015 respectively. On 4 August 2016, the loan facility and bill facility were renewed and combined into one bank facility of RMB100,000,000. The renewed bank facility is shared by loan and issue of bill, secured by pledge of buildings and prepaid lease payments of a subsidiary, and carries common profitability and gear ratio covenants on that subsidiary. Issue of bill, in addition to the aforementioned pledge, requires at least 50% pledge of bank deposit. Bill payable, if it is issued, carries no interest.

#### For the year ended 31 December 2016

At 31 December 2016, the bank facility was fully utilised and loan of RMB100,000,000 was outstanding and the pledged buildings and prepaid lease payments were stated at an aggregate value of approximately RMB103,633,000. No bills were issued.

#### For the year ended 31 December 2017

At 31 December 2017, the total bank facility was utilised to the extent of RMB30,000,000 and the Group has available utilised banking facilities of RMB70,000,000. The pledged buildings and prepaid lease payments were stated at an aggregate value of approximately RMB33,159,000 and RMB60,879,000 respectively. No bills were issued.

### 23. 附息銀行借貸

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	30,000	100,000

附息銀行借貸乃按攤銷成本列賬。本集團所有借貸均以人民幣計值。

票據融資人民幣30,000,000元及貸款融資人民幣100,000,000元分別於二零一五年五月十八日及二零一五年七月二十二日從銀行取得。於二零一六年八月四日，上述貸款融資及票據融資已更新續期及合併成一項人民幣100,000,000元的銀行融資。已更新續期的銀行融資之融資額度由貸款及發行票據共享，以一家附屬公司的房屋及預付租賃款項作抵押並具有常見的盈利及負債比率條款作用於該附屬公司。除上述質押外，發行票據需要至少50%的銀行存款保證金。應付票據(如若發行)不付息。

#### 截至二零一六年十二月三十一日止年度

於二零一六年十二月三十一日，銀行融資已全數動用及貸款人民幣100,000,000元尚未償還，用於抵押的房屋及預付租賃款項賬面值合計約人民幣103,633,000元。並無發行票據。

#### 截至二零一七年十二月三十一日止年度

於二零一七年十二月三十一日，銀行融資總額已動用人民幣30,000,000元及本集團有可動用銀行融資人民幣70,000,000元。用於抵押的房屋及預付租賃款項賬面值分別約人民幣33,159,000元及人民幣60,879,000元。並無發行票據。



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## 綜合財務報表附註

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### 24. Entrusted Loans from the Immediate Parent Company

On 5 April 2011, the immediate parent company further agreed to extent the repayment date of entrusted loan in the amount of RMB9,000,000 as Neptunus Bio-engineering had undertaken to the Company that it would not demand repayment of the above-mentioned shareholder's entrusted loan unless and until: (1) the repayment of such shareholder's entrusted loan would not adversely affect the operations of the Company and/or its business objectives as set out in the prospectus published by the Company on 29 August 2005 (the "Prospectus"), and (2) each of the independent non-executive directors was of the opinion that the repayment of such shareholder's entrusted loan would not adversely affect the operations of the Company and/or the implementation of its business objectives as set out in the Prospectus, and the Company would make an announcement in respect of the decision of the independent non-executive directors made under (2); and (3) the Company had a positive cash flow and had retained profits in the relevant financial year.

### 24. 直屬母公司委託借款

於二零一一年四月五日，由於海王生物向本公司承諾其將不會要求償還上述股東委託借款，直屬母公司同意進一步延長委託借款人民幣9,000,000元的償還期，除非及直至：(1)償還該股東委託借款將不會對本公司之業務及／或本公司於二零零五年八月二十九日刊發之招股章程（「招股章程」）所載本公司之業務目標構成不利影響；(2)各獨立非執行董事認為償還該股東委託借款將不會對本公司之業務及／或實行招股章程所載本公司之業務目標構成不利影響，以及本公司將就獨立非執行董事根據(2)所作決定作出公告；及(3)本公司於有關財政年度錄得正數現金流量及保留盈利。

### 25. Deferred Revenue

### 25. 遞延收益

		Subsidy A	Subsidy B	Subsidy C	Subsidy D	Subsidy E	Subsidy F	Other	Total
		補助A	補助B	補助C	補助D	補助E	補助F	其他補助	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note a)	(Note b)	(Note c)	(Note d)	(Note e)	(Note f)	(Note i)	
		(附註a)	(附註b)	(附註c)	(附註d)	(附註e)	(附註f)	(附註i)	
At 1 January 2016	於二零一六年一月一日	500	245	167	511	40	3,208	975	5,646
Amortisation for the year	本年度攤銷	-	(245)	-	-	-	(401)	(107)	(753)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	500	-	167	511	40	2,807	868	4,893
Amortisation for the year	本年度攤銷	(500)	-	(167)	(212)	-	(401)	-	(1,280)
At 31 December 2017	於二零一七年十二月三十一日	-	-	-	299	40	2,406	868	3,613

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 25. Deferred Revenue (Continued)

Notes:

- (a) In July 2003, a subsidy of RMB500,000 was jointly granted by the Shenzhen Bureau of Science and Technology and the Shenzhen Bureau of Finance for assisting the Company in performing research and development of interferon ointment. The amount of RMB500,000 was recognised as income in 2017.
- (b) In December 2004, a subsidy of RMB2,000,000 was jointly granted by the Shenzhen Bureau of Science, Technology and Information and the Shenzhen Development and Reform Bureau as a science and technology fund to subsidise the acquisition of certain plant and machinery. A further subsidy of RMB1,000,000 for the same purpose was granted in July 2005. These subsidies are not required to be repaid and the amount of RMB245,000 was recognised as income over the useful life of the related plant and machinery in 2016.
- (c) In December 2005, a subsidy of RMB400,000 was granted by the Shenzhen Bureau of Finance for financing the research and development of interferon vaginal effervescent tablet. The subsidy is not required only if the project is subsequently approved and certified by the Shenzhen Bureau of Science, Technology and Information upon its completion. The amount of approximately RMB167,000 was recognised as income in 2017.
- (d) In December 2009, a subsidy of RMB3,000,000 was granted by Shenzhen Bureau of Science, Technology and Information for financing a project to carry out the research and development of H1N1. The subsidy is not required to be repaid. In 2017, total amount of approximately RMB212,000 was recognised as income. The remaining amount of RMB299,000 will be recognised when the project is completed.
- (e) In April 2011, a subsidy of RMB400,000 was granted by Science, Industry, Trade and Information Technology Commission of Shenzhen Municipality for financing the research and development of 新型H1N1流感病毒疫苗. The subsidy is not required to be repaid. The subsidy of RMB360,000 was recognised as income to match with the research and development expenses incurred during the year 2011. The remaining amount of RMB40,000 will be recognised when the project is completed.

### 25. 遞延收益(續)

附註：

- (a) 於二零零三年七月，深圳市科學技術局與深圳市財政局共同授予人民幣500,000元的補助，為協助本公司研究與開發干擾素乳膏提供融資。於二零一七年，金額人民幣500,000元確認為收入。
- (b) 於二零零四年十二月，深圳市科學技術信息局與深圳市發展和改革局共同授予人民幣2,000,000元的補助，作為科學及技術基金，以補助收購若干廠房及機器。於二零零五年七月，本集團獲得額外補助人民幣1,000,000元，作為相同的用途。此等補助毋須償還，人民幣245,000元於二零一六年已按有關廠房及機器的可使用年限確認為收入。
- (c) 於二零零五年十二月，深圳市財政局授予人民幣400,000元的補助，作為研究與開發干擾素泡騰片的融資。只有在項目完成後，獲得深圳市科學技術信息局批准及驗證的情況下，此項資助方毋須償還。於二零一七年，金額約人民幣167,000元確認為收入。
- (d) 於二零零九年十二月，深圳市科技工貿和信息化委員會授予人民幣3,000,000元的補助，作為進行研發H1N1的項目融資。該補助毋須償還。於二零一七年，金額約人民幣212,000元確認為收入。餘下金額人民幣299,000元將可在項目完成後予以確認。
- (e) 於二零一一年四月，深圳市科技工貿和信息化委員會授予人民幣400,000元作為補助以研發新型H1N1流感病毒疫苗。該補助無需償還。人民幣360,000元的補助已獲確認為收入以配合於二零一一年期間產生的研發開支。餘下金額人民幣40,000元將可在項目完成後予以確認。

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## 綜合財務報表附註

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### 25. Deferred Revenue (Continued)

Notes: (Continued)

- (f) In October 2013, a subsidy of RMB4,010,000 was granted by Jinan Regional Finance Bureau of Fuzhou City for financing the property, plant and equipment in relation to new GMP enhancement of production base in Fuzhou. The subsidy is not required to be repaid. The amount is recognised to match with the useful life of property, plant and equipment for the new GMP enhancement. As at 31 December 2017, RMB401,000 (2016: RMB401,000) was recognised.
- (i) During the year, the Group did not obtain any subsidies (2016: RMB Nil) from local government authorities for financing the research and development activities. These subsidies are not required to be repaid.

The directors consider that, except for the subsidies mentioned in note 7 and note 25, there were no other forms of government assistance from which the Group has directly benefited.

### 26. Income Tax in the Consolidated Statement of Financial Position

(a) Current taxation in the consolidated statement of financial position represents:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>PRC EIT</b>	<b>中國企業所得稅</b>		
Provision for the year	本年度撥備	10,878	12,322
Balance of tax provisions relating to prior years	與先前年度有關的稅項撥備結餘	2,342	2,342
		<b>13,220</b>	<b>14,664</b>

### 25. 遞延收益(續)

附註：(續)

- (f) 於二零一三年十月，福州市晉安區財政局授予人民幣4,010,000元的補助，作為改善福州生產基地的新GMP改造相關的物業、廠房及設備的融資。該補助毋需償還。該金額確認為收入，以配合新GMP改造的物業、廠房及設備的使用期限。於二零一七年十二月三十一日，人民幣401,000元(二零一六年：人民幣401,000元)確認為收入。
- (i) 於本年度，本集團並未從多個當地政府部門取得任何補助(二零一六年：人民幣零元)，作為相關研發活動的融資活動。該等補助毋須償還。

董事認為，除附註7及附註25所述的補助外，本集團並無從其他形式的政府資助中直接得益。

### 26. 綜合財務狀況表內的所得稅

(a) 綜合財務狀況表內即期稅項指：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 26. Income Tax in the Consolidated Statement of Financial Position (Continued)

**(b) Deferred tax assets and liabilities recognised:**

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year as follows:

		Fair value change of non-current assets 非流動資產 的公平值變動 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2016 (Credited)/charged to profit or loss	於二零一六年一月一日 (計入)/扣除自損益賬	19,098 (704)	(1,435) 444	17,663 (260)
At 31 December 2016 and 1 January 2017 Credited to profit or loss	於二零一六年十二月三十一日 及二零一七年一月一日 計入損益賬	18,394 (712)	(991) (728)	17,403 (1,440)
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>17,682</b>	<b>(1,719)</b>	<b>15,963</b>

### 26. 綜合財務狀況表內的所得稅 (續)

**(b) 已確認遞延稅項資產及負債：**

已於綜合財務狀況表確認的遞延稅項(資產)/負債的組成部分及本年度內變動如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Net deferred tax assets recognised on the consolidated statement of financial position	已於綜合財務狀況表確認的 遞延稅項資產淨值	(1,719)	(991)
Net deferred tax liabilities recognised on the consolidated statement of financial position	已於綜合財務狀況表確認的 遞延稅項負債淨值	17,682	18,394
<b>At 31 December</b>	<b>於十二月三十一日</b>	<b>15,963</b>	<b>17,403</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 26. Income Tax in the Consolidated Statement of Financial Position (Continued)

#### (c) Deferred tax assets not recognised

At the end of the reporting period, the Group has unused tax losses of approximately RMB88,191,000 (2016: approximately RMB102,477,000) available for offset against future profits that may be carried forward for five years for PRC EIT purposes. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams.

### 26. 綜合財務狀況表內的所得稅 (續)

#### (c) 並未確認的遞延稅項資產

於呈報期末，本集團的未動用稅項虧損約人民幣88,191,000元(二零一六年：約人民幣102,477,000元)，可用以抵銷未來溢利並可就中國企業所得稅結轉五年。因未能預見未來溢利流，故並未就稅項虧損確認遞延稅項資產。

### 27. Share Capital

### 27. 股本

	Notes 附註	2017 Number of shares 二零一七年 股份數目 '000 千股	2016 Number of shares 二零一六年 股份數目 '000 千股	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Registered, issued and fully paid:	註冊、已發行及繳足股款：				
Domestic shares of RMB0.10 each	(i) 每股面值人民幣0.10元的內資股	1,252,000	1,252,000	125,200	125,200
H shares of RMB0.10 each	(ii) 每股面值人民幣0.10元的H股	426,000	426,000	42,600	42,600
		<b>1,678,000</b>	<b>1,678,000</b>	<b>167,800</b>	<b>167,800</b>
Registered, issued and fully paid:	法定、已發行及繳足股款：				
At 1 January and 31 December	於一月一日及十二月三十一日	<b>1,678,000</b>	<b>1,678,000</b>	<b>167,800</b>	<b>167,800</b>

The owners of domestic shares and H shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All domestic shares and H shares rank equally with regard to the Company's residual assets.

內資股及H股的擁有人有權收取不時宣派的股息，並有權於本公司會議上以每股投一票。所有內資股及H股對本公司餘下資產享有同等權利。

Notes:

- (i) The domestic shares are not currently listed on any stock exchange.
- (ii) The H shares have been issued and listed on the GEM of The Stock Exchange of Hong Kong Limited since 5 September 2005.

附註：

- (i) 內資股現時並未於任何證券交易所上市。
- (ii) H股已自二零零五年九月五日起發行並於香港聯合交易所有限公司GEM上市。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 28. Reserves

#### (a) Share premium

Share premium arose from the issue of shares at prices in excess of their par value less share issue expenses.

#### (b) Capital reserve

Capital reserve comprises (i) the difference between the total amount of fair value of shares issued to the immediate holding company and a fellow subsidiary of the Company and the amount of the net assets value acquired during the acquisition of Neptunus Fuyao, (ii) the difference between the total amount of consideration paid to the immediate parent company and a fellow subsidiary of the Company and the amount of the net assets value acquired during the acquisition of Neptunus Changjian, and (iii) the difference between the total amount of consideration paid from immediate parent company and a subsidiary of the Company and the amount of the net assets value disposed during disposal of Neptunus Nano.

#### (c) Statutory reserve fund

The Company is required to allocate at least 10% of its net profit according to its PRC audited financial statements to the statutory reserve fund until the balance of such reserve has reached 50% of the Company's issued share capital. Any further appropriation is optional. The statutory reserve fund shall only be used for making up losses or for capitalisation into share capital, provided that the remaining balance is not less than 20% of the issued share capital after such capitalisation.

### 28. 儲備

#### (a) 股份溢價

按價發行之股份產生的股份溢價超出其面值及減去股份發行費用。

#### (b) 資本儲備

資本儲備包括(i)向本公司直接控股公司及一間同系附屬公司發行的股份的公平值總額與收購海王福藥時已收購資產淨值之間的差額；(ii)支付予本公司直屬母公司及一間同系附屬公司的代價總額與收購海王長健所收購資產淨值的金額之間的差額；及(iii)本公司直屬母公司及本公司一間附屬公司已付代價總額與出售海王納米時已出售資產淨值之間的款額。

#### (c) 法定公積金

本公司須至少將其根據中國經審核財務報表的純利10%分配至法定公積金，直至該儲備結餘達到本公司已發行股本的50%為止。本公司可選擇作出任何額外撥款。法定公積金只可用於彌補虧損，或資本化為股本，惟餘額須不少於進行有關資本化後的已發行股本20%。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 28. Reserves (Continued)

#### (d) Distributability of reserves

At 31 December 2017, the Company had no distributable reserves, while its accumulated losses, calculated in accordance with the Company's Articles of Association and relevant rules and regulations, amounted to approximately RMB102,047,000 (2016: approximately RMB118,876,000).

#### (e) Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes interest-bearing bank borrowings and entrusted loans from the immediate parent company) plus unaccrued proposed dividends, less cash and cash equivalents. Adjusted capital comprises all components of equity less unaccrued proposed dividends plus adjusted net debt.

### 28. 儲備(續)

#### (d) 儲備之可分派性

於二零一七年十二月三十一日，本公司並無可供分派儲備，而按本公司組織章程細則及有關規定及規則計算，其累計虧損約人民幣102,047,000元（二零一六年：約人民幣118,876,000元）。

#### (e) 資本管理

本集團管理資本的目標為確保本集團持續經營的能力，從而能夠繼續為股東帶來回報及為其他利益相關者帶來利益，方法為因應風險水平對產品及服務定價及按合理成本獲得融資。

本集團積極及定期檢討及管理其資本結構，以維持較高股東回報（可透過較高借貸水平達致）與穩健資本狀況所帶來的優勢及保障間的平衡，並依據經濟狀況的變動對資本結構作出調整。

本集團按淨債務與經調整資本比率的基準監察其資本結構。就此而言，本集團將其淨債務界定為總債務（包括附息銀行借貸及直屬母公司委託借款）加非累計擬分派股息減現金及現金等價物。經調整資本包括權益所有成份減非累計擬分派股息另加經調整負債淨額。

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## 綜合財務報表附註

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### 28. Reserves (Continued)

#### (e) Capital Management (Continued)

During 2017, the Group's strategy, which was unchanged from 2016, was to maintain a gearing ratio within 30% to 70%. In order to maintain the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt. The gearing ratio at 31 December 2017 and 2016 was as follows:

		Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Total borrowings</b>	<b>借貸總額</b>			
Interest-bearing bank borrowings	付息銀行借貸	23	30,000	100,000
Entrusted loans from the immediate parent company	直屬母公司委託借款	24	9,000	9,000
			<b>39,000</b>	109,000
Less: cash and cash equivalents	減：現金及現金等價物	21	<b>(350,724)</b>	(325,195)
Adjusted net surplus	經調整盈餘淨額		<b>(311,724)</b>	(216,195)
Total equity	權益總額		<b>749,768</b>	699,539
Gearing ratio	資本負債比率		<b>N/A</b>	N/A

As at 31 December 2017 and 2016, the gearing ratio of the Group was nil. Except for a subsidiary of the Group which is subject to externally imposed capital requirements under lending arrangements in interest-bearing bank borrowings as disclosed in note 23, neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

### 28. 儲備(續)

#### (e) 資本管理(續)

於二零一七年，本集團採取的策略與二零一六年相同，為維持資本負債比率於30%至70%之間。為維持資本負債比率，本集團可能會調整派付予股東的股息金額、發行新股份、向股東返還資本、作出新的債務融資或出售資產以減少負債。於二零一七年及二零一六年十二月三十一日的資本負債比率如下：

於二零一七年及二零一六年十二月三十一日，本集團的資本負債比率為零。除本集團的附屬公司於貸款安排下須受外來資本規定的限制外(誠如附註23所披露)，本公司或其附屬公司並不受外來資本規定的限制。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 29. Major Non-cash Transaction

The Group entered into the following non-cash investing activity which is not reflected in the consolidated statement of cash flows:

During the year ended 31 December 2017, a subsidiary of the Company, Lianjing Neptunus Fuyao Foods Trading Co., Ltd (“Lianjing Neptunus Foods”) was voluntarily deregistered. The net asset of Lianjing Neptunus Foods at the date of deregistration was as follows:–

### 29. 主要非現金交易

本集團曾訂立下列非現金投資活動，有關活動並未於綜合現金流量表內反映：

於截至二零一七年十二月三十一日止年度，本公司附屬公司連江縣海王福藥食品貿易有限公司（「連江海王食品」）自願註銷。連江海王食品於註銷日期的資產淨值如下：–

		2017 二零一七年 RMB'000 人民幣千元
<b>Net assets deregistered of:</b>	<b>已註銷資產淨值：</b>	
Amount due from an immediate holding company	應收一間直接控股公司款項	17,648
Add: waiver of amount due from an immediate holding company	加：豁免應收一間直接控股公司款項	(17,648)
		–

### 30. Contingent Liability

At the end of the reporting period, the Group had no significant contingent liability.

### 30. 或然負債

於呈報期末，本集團並無重大或然負債。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2017  
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### 31. Reconciliation of Liabilities Arising From Financing Activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

At 1 January 2017	於二零一七年一月一日
<b>Cash-flows:</b>	<b>現金流量：</b>
– Repayment	– 還款
– Proceeds	– 所得款項
<b>At 31 December 2017</b>	<b>於二零一七年 十二月三十一日</b>

### 31. 產生自融資活動之負債之對賬

本集團產生自融資活動之負債變動可分類如下：

Interest-bearing bank borrowings 附息銀行借貸 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
100,000	100,000
(150,000)	(150,000)
80,000	80,000
30,000	30,000

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## 綜合財務報表附註

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### 32. Financial Instruments by Categories

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows:

### 32. 按類別分金融工具

於呈報期末，各類金融工具的賬面值如下：

		2017 二零一七年	2016 二零一六年 (Restated) (經重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at fair value through profit or loss	透過損益按公平值計量的金融資產		
Loans and receivables	貸款及應收款項		
Trade receivables and bills receivable	應收賬款及應收票據	172,696	176,021
Financial assets included in other receivables	計入其他應收款項的金融資產	18,389	17,498
Fixed deposits	定期存款	-	4,000
Cash and cash equivalents	現金及現金等價物	350,724	325,195
		<b>541,809</b>	<b>522,714</b>
<b>Financial liabilities</b>	<b>金融負債</b>		
Financial liabilities measured at amortised cost	按攤銷成本計量的金融負債		
Trade and bills payables	應付賬款及應付票據	70,718	67,198
Financial liabilities included in other payables	計入其他應付款項的金融負債	81,629	98,819
Interest-bearing bank borrowings	附息銀行借貸	30,000	100,000
Entrusted loans from immediate parent company	直屬母公司委託借款	9,000	9,000
		<b>191,347</b>	<b>275,017</b>

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## 綜合財務報表附註

For the year ended 31 December 2017  
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### 33. Financial Risk Management Objectives and Policies

The Group's major financial instruments include, cash and cash equivalents, interest-bearing bank borrowings, trade and other receivables and trade and other payables, and entrusted loans from the immediate parent company. The Group have exposure to the credit risk, liquidity risk, currency risk and interest rate risk arising from financial instruments. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### 33.1 Credit risk

- (i) Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.
- (ii) In respect of trade and other receivables, in order to minimise risk, the management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and condition are performed on each and every major customer periodically. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. The Group does not require collateral in respect of its financial assets. Debts are usually due within 90 days from the date of billing.

### 33. 財務風險管理目標及政策

本集團的主要金融工具包括、現金及現金等價物、付息銀行借貸、應收賬款及其他應收款項、應付賬款及其他應付款項及直屬母公司委託借款。本集團承受着信貸風險、流動資金風險、貨幣風險及由金融工具引起的利率風險。減低該等風險的政策載列下文。管理層管理及監控該等風險，確保適時及有效採取適當的措施。

#### 33.1 信貸風險

- (i) 信貸風險指合約的另一方違反承擔約定的義務而引致集團的財務虧損。本集團已採用只與可信賴的客戶及在取得足夠質押品(如適用)作為減低因違約造成的財務損失的情況下交易的政策。
- (ii) 就應收賬款及其他應收款項而言，為減低風險，管理層訂有信貸政策，並持續監控有關信貸風險。有關各個重要客戶的財務狀況及情況的信貸評估定期進行。該等評估集中於客戶過往於賬款到期時的還款記錄及目前的還款能力，並考慮客戶的特定資料以至其所營運的經濟環境。本集團並無就其金融資產要求抵押品。債項通常須於發票日期起90日內償還。

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## 綜合財務報表附註

For the year ended 31 December 2017  
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### 33. Financial Risk Management Objectives and Policies (Continued)

#### 33.1 Credit risk (Continued)

- (iii) In respect of trade receivables, the Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and location in which customers operate also has an influence on credit risk. At the end of the reporting period, the Group had no significant concentrations of credit risk for which individual trade or other receivable's balance exceeds 10% of the total trade and other receivables.

Further quantitative analysis in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 19.

- (iv) Deposits with financial institutions  
The Group limits its exposure to credit risk by placing deposits with financial institutions that meet the established credit rating or other criteria. Given the counterparties' high credit ratings, management does not expect any counterparty to fail to meet its obligations.

#### 33.2 Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to parent company's board approval. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient amount of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. The Group relies on bank borrowings as a significant source of liquid fund. As at 31 December 2017, the Group has available unutilised banking facilities RMB70,000,000 (2016: fully utilised) for loan and issue of bills of details of which are disclosed in note 23.

### 33. 財務風險管理目標及政策(續)

#### 33.1 信貸風險(續)

- (iii) 就應收賬款而言，本集團承擔的信貸風險主要受各客戶的特點所影響。客戶經營的行業及業務所在國家的拖欠風險亦對信貸風險帶來影響。於呈報期末，本集團並無重大集中信貸風險，原因是並無個別應收賬款或其他應收款項的結餘超過應收賬款及其他應收款項總額的10%。

就因應收賬款及其他應收款項引起的本集團信貸風險而進行的進一步定量分析載於附註19。

- (iv) 於金融機構之存款  
本集團存放現金於金融機構以減低信貸風險，該等金融機構已達到受到認同的信貸評級或其他標準。鑒於對手方獲得該等高信貸評級，管理層不預期任何交易方不能履行責任。

#### 33.2 流動資金風險

本集團旗下個別營運實體負責其本身的現金管理事務，包括以現金盈餘進行短期投資，以及籌借貸款補足預計現金需求，惟於取得母公司董事會的批准。本集團採取的政策為定期監察現行及預計資金需求及遵守借款契約，藉以確保其維持足夠的現金，以及向主要財務機構取得充裕的承諾信貸融資，以應付短期及長期流動資金需求。本集團依賴銀行借貸作為流動資金的主要來源。於二零一七年十二月三十一日，本集團為貸款及發行票據的未動用銀行融資為人民幣70,000,000元(二零一六年：悉數動用)，詳情披露於附註23。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 33. Financial Risk Management Objectives and Policies (Continued)

#### 33.2 Liquidity risk (continued)

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, interest-bearing 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. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from the applicable interest rate at the end of each reporting period.

### 33. 財務風險管理目標及政策(續)

#### 33.2 流動資金風險(續)

下表詳列本集團非衍生金融負債的剩餘合約到期日。該表根據本集團可能須付款的最早日期的金融負債未貼現現金流量編製。具體而言，包含須按要償還條款的附息銀行借貸乃計入最早時間段，而不論銀行是否可能選擇行使其權利。其他非衍生金融負債的到期日乃根據協定的還款日期編製。該表同時呈列利息及本金現金流量。若利息流量為浮息，則未貼現金額源於各呈報期末的適用利率。

	2017 二零一七年				2016 二零一六年				
	Weighted average effective interest rate 加權平均實際利率 %	Within 1 year or on demand 於一年內或接獲要求時	Total contractual undiscounted cash flow 合約未折現現金流量總額	Carrying amounts 賬面值 RMB'000 人民幣千元	Weighted average effective interest rate 加權平均實際利率 %	Within 1 year or on demand 於一年內或接獲要求時 (Restated) (經重列)	Total contractual undiscounted cash flow 合約未折現現金流量總額 (Restated) (經重列)	Carrying amounts 賬面值 (Restated) (經重列) RMB'000 人民幣千元	
Interest-bearing bank borrowings Variable rates – Neptunus Fuyao	附息銀行借貸 可變利率 — 海王福藥	4.35%	30,000	30,000	30,000	4.85%	100,000	100,000	100,000
Entrusted loans from immediate parent company *	直屬母公司委託借款 *	–	9,000	9,000	9,000	–	9,000	9,000	9,000
Amount due to the immediate parent company	應付直屬母公司款項	–	–	–	–	–	4,111	4,111	4,111
Amounts due to fellow subsidiaries	應付同系附屬公司款項	–	31,262	31,262	31,262	–	37,800	37,800	37,800
Amounts due to related companies	應付關連公司款項	–	16	16	16	–	13	13	13
Trade and other payables	應付賬款及其他應付款項	–	121,069	121,069	121,069	–	124,093	124,093	124,093
			<b>191,347</b>	<b>191,347</b>	<b>191,347</b>		<b>275,017</b>	<b>275,017</b>	<b>275,017</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 33. Financial Risk Management Objectives and Policies (Continued)

#### 33.2 Liquidity risk (continued)

The amounts included above for interest-bearing bank borrowings comprised term loans from banks with a requirement on demand clause. The maturity analysis of the term loans based on agreed scheduled repayments set out in the loan agreements is summarised as follows. The amounts include interest payments computed using contractual rates. Taking into account the Group's financial position, the directors of the Company do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment. The directors of the Company believe that the term loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

#### Maturity Analysis – Term loans subject to a repayment on demand clause based on scheduled repayments

		Within one year or on demand 於一年內或 接獲要求時 RMB'000 人民幣千元	Total contractual undiscounted cash flow 合約未折現 現金流量總額 RMB'000 人民幣千元	Carry amounts 賬面值 RMB'000 人民幣千元
<b>As at 31 December 2017</b>	於二零一七年 十二月三十一日	<b>31,211</b>	<b>31,211</b>	<b>30,000</b>
As at 31 December 2016	於二零一六年 十二月三十一日	101,891	101,891	100,000

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those effective interest rates determined at the end of the reporting period.

#### 33.3 Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's interest-bearing bank borrowings which are at variable interest rate.

At 31 December 2017, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after tax and accumulated losses by approximately RMB255,000 (2016: approximately RMB400,000).

### 33. 財務風險管理目標及政策 (續)

#### 33.2 流動資金風險 (續)

以上所載附息銀行借貸金額包括附帶按要償還條款的銀行定期貸款。基於貸款協議所載協定計劃還款的定期貸款的到期日分析概述如下。該等金額包括按合約利率計算的利息付款。考慮到本集團的財務狀況，本公司董事認為，銀行不大可能行使其酌情權要求即時償還。本公司董事相信，該等定期貸款將根據貸款協議所載計劃還款日期償還。

#### 到期日分析 – 附帶按要償還條款的定期貸款 (按計劃還款釐定)

倘浮動利率變動與於呈報期末釐定的實際利率估計有別，則上述所包含非衍生金融負債的浮動利率工具金額亦會有變。

#### 33.3 利率風險

本集團面對有關利率變動的市場風險，主要與本集團以浮息計息的附息銀行借貸有關。

於二零一七年十二月三十一日，倘利率基點增加/減少100基點，而所有其他變數維持不變，本集團的除稅後溢利及累計虧損將減少/增加約人民幣255,000元(二零一六年：約人民幣400,000元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 33. Financial Risk Management Objectives and Policies (Continued)

#### 33.4 Currency risk

Presently, there is no hedging policy with respect to the foreign exchange exposure. The Group's functional currency is Renminbi as substantially all the turnover and expenditure are in Renminbi. The Group's transactional foreign exchange exposure was insignificant.

No sensitivity analysis of currency risk was prepared as the impact was insignificant.

#### 33.5 Fair values

The fair values of fixed deposit, cash and cash equivalents, trade and other receivables, trade and other payables are not materially different from their carrying amounts because of the immediate or short-term maturity of these financial instruments. The carrying amounts of interest-bearing bank borrowings and entrusted loans from the immediate parent company approximate their fair values. The fair value is estimated as the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

### 34. Material Related Party Transactions

In addition to the transactions detailed elsewhere in these consolidated financial statements, the Group had the following transactions with related parties during the year.

- During the year ended 31 December 2017, the Group entered into certain continuing connected transactions.
- The Group had the following significant transactions with related parties during the year:

#### Related party transactions with the immediate parent company

Name of related parties 關連方名稱	Relationship 關係	Nature of transactions 交易性質	Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Neptunus Bio-Engineering 海王生物	Immediate parent company 直屬母公司	Interest for the interest-bearing financial assistance 附息財務資助應計利息 Sales of goods 銷售貨物	(i) (iii)	-  47	264  -

Notes:

- The interest arose from the interest-bearing financial assistance from the immediate parent company which was charged at 20% above 1-year benchmark leading rate issued by the People's Bank of China. The amounts were fully repaid in 2016.

附註：

- 有關利息來自直屬母公司的附息財務資助，按照中國人民銀行發行的一年期基準貸款利率高出20%收取。該款項已於二零一六年全數償還。

### 33. 財務風險管理目標及政策(續)

#### 33.4 貨幣風險

目前，並無有關外匯風險的對沖政策。由於所有營業額及開支大部份以人民幣計值，故本集團的功能貨幣為人民幣。本集團的交易外匯風險甚微。

由於影響不大，故並無編製貨幣風險敏感度分析。

#### 33.5 公平值

定期存款、現金及現金等價物、應收賬款及其他應收款項、應付賬款及其他應付款項的公平值與其賬面值相若，原因為該等金融工具即時或於短期內到期。附息銀行借款及直屬母公司委借貸款的賬面值與其公平值相若。公平值以未來現金流的現值及相似金融工具現有市場息率貼現計算。

### 34. 重大關連方交易

除本綜合財務報表其他地方詳述之交易外，本集團於本年度內曾與關連方進行下列重大交易。

- 於截至二零一七年十二月三十一日止年度，本集團訂立若干持續關連交易。
- 本集團於本年度內曾與關連方進行下列重大交易：

#### 與直屬母公司進行的關連方交易



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 34. Material Related Party Transactions (Continued)

- (b) The Group had the following significant transactions with related parties during the year: (Continued)

#### Related party transactions with the intermediate parent company

Name of related parties 關連方名稱	Relationship 關係	Nature of transactions 交易性質	Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Shenzhen Neptunus Group Company Limited ("Neptunus Group") 深圳市海王集團股份有限公司 〔海王集團〕	Intermediate parent company 中間母公司	Rental of office 租用辦公室	(ii)	1,116	1,024

- (ii) Neptunus Group leased office premises to the Group, the rental of office premises was charged at pre-agreed rates with reference to market rates.

### 34. 重大關連方交易 (續)

- (b) 本集團於本年度內曾與關連方進行下列重大交易：(續)

#### 與中間母公司進行的關連方交易

- (ii) 海王集團向本集團出租辦公室物業，辦公室物業租金乃根據市場價格按預先同意費用收取。

#### Related party transactions with fellow subsidiaries

Name of related parties 關連方名稱	Relationship 關係	Nature of transactions 交易性質	Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Shenzhen Neptunus Pharmaceutical Company Limited ("Neptunus Pharmaceutical") 深圳海王藥業有限公司 〔海王藥業〕	Fellow subsidiary 同系附屬公司	Purchase of finished goods 購買製成品	(iii)	75,170	79,511
		Sales of goods 銷售貨物	(iii)	1	-
		Services fee 服務費收入	(iii)	11,215	-
Hangzhou Neptunus Bio-engineering Company Limited 杭州海王生物工程股份有限公司	Fellow subsidiary 同系附屬公司	Purchase of finished goods 購買製成品	(iii)	10,981	6,517
Shandong Neptunus Yihe Pharmaceutical Company Limited 山東海王銀河醫藥有限公司	Fellow subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	3,472	2,575

#### 與同系附屬公司進行的關連方交易

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 34. Material Related Party Transactions (Continued)

- (b) The Group had the following significant transactions with related parties during the year: (Continued)

#### Related party transactions with fellow subsidiaries (Continued)

Name of related parties 關連方名稱	Relationship 關係	Nature of transactions 交易性質	Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Shenzhen Neptunus Jiankang Technology Development Company Limited 深圳市海王健康科技發展有限公司	Fellow subsidiary 同系附屬公司	Purchase of finished goods 購買製成品	(iii)	7,389	6,667
		Sales of goods 銷售貨物	(iii)	25	2
Anhui Neptunus Yinhe Pharmaceutical Company Limited 安徽海王銀河醫藥有限公司	Fellow subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	18	245
Jiamusi Neptunus Pharmaceutical Company Limited) 佳木斯海王醫藥有限公司	Fellow subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	442	3,268
Hubei Neptunus Pharmaceutical Group Company Limited (previous known as Hubei Neptunus Pharmaceutical Company Limited) 湖北海王醫藥集團有限公司 (前稱湖北海王醫藥有限公司)	Fellow subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	23	339

### 34. 重大關連方交易 (續)

- (b) 本集團於本年度內曾與關連方進行下列重大交易：(續)

#### 與同系附屬公司進行的關連方交易 (續)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 34. Material Related Party Transactions (Continued)

- (b) The Group had the following significant transactions with related parties during the year: (Continued)

#### Related party transactions with fellow subsidiaries (Continued)

Name of related parties 關連方名稱	Relationship 關係	Nature of transactions 交易性質	Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Henan Dongsen Pharmaceutical Company Limited 河南東森醫藥有限公司	Fellow subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	1,221	35
Hubei Neptunus Deming Pharmaceutical Company Limited 湖北海王德明醫藥有限公司	Fellow subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	45	274
Henan Neptunus Pharmaceutical Group Limited (previous known as "Henan Neptunus Yinhe Pharmaceutical Company Limited") 河南海王醫藥集團有限公司 (前稱河南海王銀河醫藥有限公司)	Fellow subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	846	574
Guangxi Neptunus Yinhe Pharmaceutical Company Limited 廣西海王銀河醫藥有限公司	Fellow Subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	571	28
Heilongjiang Province Neptunus Pharmaceutical Company Limited 黑龍江省海王醫藥有限公司	Fellow Subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	353	31

### 34. 重大關連方交易 (續)

- (b) 本集團於本年度內曾與關連方進行下列重大交易：(續)

#### 與同系附屬公司進行的關連方交易 (續)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 34. Material Related Party Transactions (Continued)

- (b) The Group had the following significant transactions with related parties during the year: (Continued)

#### Related party transactions with fellow subsidiaries (Continued)

Name of related parties 關連方名稱	Relationship 關係	Nature of transactions 交易性質	Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Heilongjiang Shukang Neptunus Pharmaceutical Company Limited 黑龍江海王戊康醫藥有限公司	Fellow Subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	1,535	-
Henan Neptunus Kangrui Pharmaceutical Company Limited 河南海王康瑞藥業有限公司	Fellow Subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	406	-
Henan Neptunus Baiyue Pharmaceutical Company Limited 河南海王百悅醫藥有限公司	Fellow Subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	130	-
Shenzhen Neptunus Canyu Shiye Company Limited 深圳市海王參玉實業有限公司	Fellow Subsidiary 同系附屬公司	Purchase of finished goods 購買製成品	(iii)	96	-
Shenzhen Neptunus Jiankang Shiye Company Limited 深圳市海王健康實業有限公司	Fellow Subsidiary 同系附屬公司	Purchase of finished goods 購買製成品	(iii)	1,034	-
Jiangsu Neptunus Jiankang Bio-technology Co., Ltd. 江蘇海王健康生物科技有限公司	Fellow Subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	31	-
		Purchase of goods 購買貨物	(iii)	523	-

### 34. 重大關連方交易 (續)

- (b) 本集團於本年度內曾與關連方進行下列重大交易：(續)

#### 與同系附屬公司進行的關連方交易 (續)

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
1,535	-
406	-
130	-
96	-
1,034	-
31	-
523	-

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 34. Material Related Party Transactions (Continued)

- (b) The Group had the following significant transactions with related parties during the year: (Continued)

#### Related party transactions with fellow subsidiaries (Continued)

Name of related parties 關連方名稱	Relationship 關係	Nature of transactions 交易性質	Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Guangdong Neptunus Longkong Medical Technology Services Company Limited 廣東海王龍康醫療技術服務有限公司	Fellow Subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	117	–
Sulu Neptunus Pharmaceutical Group Company Limited (previously known as Zaozhuang Yinhai Pharmaceutical Company Limited) 蘇魯海王醫藥集團有限公司 (前稱棗莊銀海醫藥有限公司)	Fellow Subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	392	–
Anyang Hengfeng Medicine Co., Ltd. 安陽恒峰醫藥有限公司	Fellow Subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	194	–
Shenzhen Quanyaowang Pharmaceutical Co., Ltd. 深圳市全藥網藥業有限公司	Fellow Subsidiary 同系附屬公司	Sales of goods 銷售貨物	(iii)	2,860	–

### 34. 重大關連方交易 (續)

- (b) 本集團於本年度內曾與關連方進行下列重大交易：(續)

#### 與同系附屬公司進行的關連方交易 (續)

#### Related party transactions with related companies

#### 與關連公司進行的關連方交易

Name of related parties 關連方名稱	Relationship 關係	Nature of transactions 交易性質	Notes 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Shenzhen Nepstar Pharmaceutical Company Limited ("Nepstar Pharmaceutical") 深圳市海王星辰醫藥有限公司 〔星辰醫藥〕	Related company 關連公司	Sales of goods 銷售貨物	(iii)	18,085	17,018
		Marketing fee 營銷費用	(iv)	282	510
Hangzhou Nepstar Health Pharmacy Company Limited 杭州海王星辰健康藥房有限公司	Related company 關連公司	Sales of goods 銷售貨物	(iii)	–	103

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 34. Material Related Party Transactions (Continued)

- (b) The Group had the following significant transactions with related parties during the year: (Continued)

Notes:

- (iii) The purchases, sales and services income received were transacted in the normal course of business on the same terms as those charged to and contracted with other third party suppliers and customers respectively.
- (iv) The marketing fees were based on pre-agreed rates with reference to the volume of purchase of goods from the Group.

- (c) Financing arrangements

### 34. 重大關連方交易 (續)

- (b) 本集團於本年度內曾與關連方進行下列重大交易：(續)

附註：

- (iii) 已收到的購買、銷售及服務費收入乃於一般業務過程中，按與其他第三方供應商及客戶所訂立的收取及訂約相同的條款進行。
- (iv) 營銷費用乃經參考來自本集團的貨品採購量後，按先前協定的費率計算。

- (c) 融資安排

		Amounts due to related parties 應付關連方款項		Related interest expenses 相關利息開支	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Entrusted loans from the immediate parent company	直屬母公司委託借款	9,000	9,000	-	-
Interest-bearing financial assistance from the immediate parent company	直屬母公司付息財務資助	-	-	-	264

Details of the terms and conditions of the entrusted loans and interest-bearing financial assistance from the immediate parent company are disclosed in note 24 and 34(b)(i).

直屬母公司委託借款及付息財務資助的條款及條件之詳情於附註24及34(b)(i)中披露。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 34. Material Related Party Transactions (Continued)

(d) Outstanding balances with related parties

### 34. 重大關連方交易(續)

(d) 尚未清償的關連方結餘

		Amounts due from related parties as at 31 December 於十二月三十一日 應收關連方款項		Amounts due to related parties as at 31 December 於十二月三十一日 應付關連方款項	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元
Entrusted loans from the immediate parent company	直屬母公司委託借款	-	-	9,000	9,000
Amount due to the immediate parent company	應付直屬母公司款項	-	-	-	4,111
Amount due from intermediate parent company	應收中間母公司款項	138	138	-	-
Amounts due from/to fellow subsidiaries:	應收/應付同系附屬公司款項：				
Neptunus Pharmaceutical	海王藥業	-	-	27,370	31,815
Shenzhen Neptunus Jiankang Technology Development Company Limited	深圳市海王健康科技發展有限公司	-	-	2,348	2,829
Shandong Neptunus Yinhe Pharmaceutical Company Limited	山東海王銀河醫藥有限公司	96	1,083	-	-
Henan Dongsen Pharmaceutical Company Limited	河南東森醫藥有限公司	235	359	-	-
Hangzhou Neptunus Bio-engineering Company Limited	杭州海王生物工程股份有限公司	-	-	1,403	2,983
Anhui Neptunus Yinhe Pharmaceutical Company Limited	安徽海王銀河醫藥有限公司	-	-	5	-

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## 綜合財務報表附註

For the year ended 31 December 2017  
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### 34. Material Related Party Transactions (Continued)

(d) Outstanding balances with related parties (Continued)

### 34. 重大關連方交易(續)

(d) 尚未清償的關連方結餘(續)

	Amounts due from related parties as at 31 December 於十二月三十一日 應收關連方款項		Amounts due to related parties as at 31 December 於十二月三十一日 應付關連方款項	
	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元
Amounts due from/to fellow subsidiaries (Continued): 應收/應付同系附屬公司款項(續):				
Henan Neptunus Baiyue Pharmaceutical Company Limited 河南海王百悅醫藥有限公司	15	-	-	-
Jiamusi Neptunus Pharmaceutical Company Limited 佳木斯海王醫藥有限公司	70	1,256	-	-
Hubei Neptunus Deming Pharmaceutical Company Limited 湖北海王德明醫藥有限公司	20	6	-	-
Hubei Neptunus Pengtai Pharmaceutical Company Limited 湖北海王朋泰醫藥有限公司	-	11	-	-
Hubei Neptunus Pharmaceutical Group Company Limited (previous known as Hubei Neptunus Pharmaceutical Company Limited) 湖北海王醫藥集團有限公司(前稱湖北海王醫藥有限公司)	6	8	-	-
Shenzhen Neptunus Yinhe Pharmaceutical investment Company Limited 深圳市海王銀河醫藥投資有限公司	-	3	-	-
Henan Neptunus Pharmaceutical Group Company Limited 河南海王醫藥集團有限公司	12	-	-	64
Heilongjiang Province Neptunus Pharmaceutical Company Limited 黑龍江省海王醫藥有限公司	72	30	-	-
Hubei Neptunus Enshi Pharmaceutical Company Limited 湖北海王恩施醫藥有限公司	-	5	-	-
Guangxi Neptunus Yinhe Pharmaceutical Company Limited 廣西海王銀河醫藥有限公司	323	16	-	-
Shenzhen Neptunus Medical Technology Research Institute Company Limited 深圳海王醫藥科技研究院有限公司	-	1	-	-
Sulu Neptunus Pharmaceutical Group Company Limited (previous known as Zaozhuang Yinhai Pharmaceutical Company Limited) 蘇魯海王醫藥集團有限公司(前稱棗莊銀海醫藥有限公司)	179	487	-	-
Shenzhen Neptunus Jiankang Shiye Company Limited 深圳市海王健康實業有限公司	-	-	70	103
Binzhou Neptunus Huanghe Pharmaceutical Company Limited 濱州海王黃河醫藥有限公司	-	-	-	6
Shenzhen Quanyaowang Pharmaceutical Company Limited 深圳市全藥網藥業有限公司	528	-	-	-
Jiangsu Neptunus Jiankang Bio-technology Company Limited 江蘇海王健康生物科技股份有限公司	245	-	-	-
Yichang Neptunus Yinhe Pharmaceutical Company Limited 宜昌海王銀河醫藥有限公司	5	-	-	-



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 34. Material Related Party Transactions (Continued)

(d) Outstanding balances with related parties (Continued)

### 34. 重大關連方交易 (續)

(d) 尚未清償的關連方結餘 (續)

		Amounts due from related parties as at 31 December 於十二月三十一日 應收關連方款項		Amounts due to related parties as at 31 December 於十二月三十一日 應付關連方款項	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元
Amounts due from/to fellow subsidiaries (Continued):	應收/應付同系附屬公司款項 (續):				
Anyang Hengfeng Pharmaceutical Company Limited	安陽恒峰醫藥有限公司	91	-	-	-
Henan Neptunus Kangrui Pharmaceutical Company Limited	河南海王康瑞藥業有限公司	-	-	4	-
Changsha Neptunus Pharmaceutical Company Limited	長沙海王醫藥有限公司	-	-	26	-
Neptunus Baicaotang Pharmaceutical Company Limited	海王百草堂藥業有限公司	-	-	31	-
Neptunus Jianchang (Beijing) Medical Devices Company Limited	海王建昌(北京)醫療器械有限公司	-	-	5	-
		<b>1,897</b>	3,265	<b>31,262</b>	37,800
Amounts due from/to related companies:	應收/應付關連公司款項:				
Nepstar Pharmaceutical	星辰醫藥	13,153	8,979	-	-
Jilin Neptunus Jiangkang Bio-technology Company Limited	吉林海王健康生物科技公司有限公司	-	-	13	13
Shenzhen Hongyang Property Management Limited	深圳市宏陽物業管理有限公司	30	42	-	-
Nanning Neptunus Jiangkang Bio-technology Company Limited	南寧海王健康生物科技公司有限公司	-	5	3	-
		<b>13,183</b>	9,026	<b>16</b>	13
		<b>15,218</b>	12,429	<b>40,278</b>	50,924

Details of the terms and conditions of the entrusted loans and financial assistance from the immediate parent company are disclosed in note 24 and 34(b)(i). The balances with these related companies are unsecured, interest-free and repayable on demand.

\* The English transliteration of the Chinese name in this consolidated financial statements, where indicated, is included for information purpose only, and should not be regarded as the English name of such Chinese name.

直屬母公司委託借款及財務資助的條款及條件之詳情披露於附註 24 及 34(b)(i)。與關連公司的結餘為無抵押、免息及須按要求償還。

\* 在指明的情況下，本綜合財務報表內中文名稱的英文翻譯僅為提供資料之用，不應視作該中文名稱之英文名稱。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 34. Material Related Party Transactions (Continued)

- (e) As at 31 December, 2017, the Group's amounts due from related parties, arising from the ordinary course of business which are trade in nature, consisted of the following:

		2017 二零一七年  RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元
Amounts due from fellow subsidiaries	應收同系附屬公司款項	1,897	3,265
Amounts due from related companies	應收關連公司款項	13,153	8,984
		<b>15,050</b>	<b>12,249</b>

The aging analysis of amounts due from related parties based on invoice date is as follows:

		2017 二零一七年  RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元
Within 3 months	3個月內	10,168	12,246
More than 3 months but less than 12 months	超過3個月但少於12個月	4,794	3
Over 12 months	超過12個月	88	-
		<b>15,050</b>	<b>12,249</b>

### 34. 重大關連方交易(續)

- (e) 於二零一七年十二月三十一日，本集團於日常業務過程中產生屬貿易性質的應收關連方款項由下列各項組成：

基於發票日期的應收關連方款項賬齡分析如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 34. Material Related Party Transactions (Continued)

- (f) As at 31 December 2017, the Group's amounts due to related parties, arising from the ordinary course of business which are trade in nature, consisted of the following:

	2017 二零一七年  RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元
Amount due to intermediate parent company 應付中間母公司款項	-	4,111
Amounts due to fellow subsidiaries 應付同系附屬公司款項	31,262	37,800
Amounts due to related companies 應付關連公司款項	16	13
	<b>31,278</b>	<b>41,924</b>

The aging analysis of amounts due to related parties based on invoice date is as follows:

	2017 二零一七年  RMB'000 人民幣千元	2016 二零一六年 (Restated) (經重列) RMB'000 人民幣千元
Within 3 months 3個月內	31,247	35,581
More than 3 months but less than 12 months 超過3個月但少於12個月	31	5,954
Over 12 months 超過12個月	-	389
	<b>31,278</b>	<b>41,924</b>

### 34. 重大關連方交易 (續)

- (f) 於二零一七年十二月三十一日，本集團於日常業務過程中產生屬貿易性質的應付關連方款項由下列各項組成：

基於發票日期的應付關連方款項賬齡分析如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 34. Material Related Party Transactions (Continued)

- (g) Key management personnel remuneration  
Remuneration for key management personnel of the Group including amounts paid to the Company's directors as disclosed in note 10 and certain of the highest paid employees as disclosed in note 11, are as follows:

Short-term employee benefits	短期僱員福利
Post-employment benefits	退休福利

Total remuneration is included in "staff costs" (see note 8(b)).

- (h) The related party transactions in respect of (b) and (c) above constitute connected transactions or continuing connected transactions as defined in Chapter 20 of the GEM Listing Rules. The disclosures required under Chapter 20 of the GEM Listing Rules are provided in the Report of the Directors.

### 34. 重大關連方交易(續)

- (g) 主要管理層人員酬金  
本集團主要管理層人員酬金包括支付予本公司董事的金額(於附註10中披露)及支付予若干最高薪酬僱員的金額(於附註11中披露)如下:

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
3,079	2,928
140	102
<b>3,219</b>	<b>3,030</b>

總酬金包括於「員工成本」(見附註8(b))內。

- (h) 有關上述(b)及(c)的關連方交易構成關連交易或GEM上市規則第20章所界定的持續關連交易。GEM上市規則第20章規定的披露載於董事會報告。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 35. Commitments

- (a) Capital commitments outstanding at 31 December 2017 authorised and not provided for in the consolidated financial statements were as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Property, plant and equipment</b>	<b>物業、廠房及設備</b>		
Contracted for, but not provided for:	已訂約但未撥備：		
Property, plant and equipment	物業、廠房及設備	430	352
<b>Intangible assets</b>	<b>無形資產</b>		
Contracted for, but not provided for:	已訂約但未撥備：		
Technical know-how, ("net of deposits")	專有技術 (「扣除按金」)	-	1,300
		<b>430</b>	<b>1,652</b>

- (b) At 31 December 2017, the total future minimum lease payments under non-cancellable operating lease are payable as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 1 year	於一年內	1,611	2,298
After 1 year but within 5 years	一年後但於五年內	2,431	536
		<b>4,042</b>	<b>2,834</b>

The Group as lessee leases office premises under operating leases arrangements. Leases for the office premises are negotiated for one to four years term (2016: one to two years). None of the leases includes contingent rental.

### 35. 承擔

- (a) 以下於二零一七年十二月三十一日未變現的資本承擔並未於綜合財務報表作出撥備：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Property, plant and equipment</b>	<b>物業、廠房及設備</b>		
Contracted for, but not provided for:	已訂約但未撥備：		
Property, plant and equipment	物業、廠房及設備	430	352
<b>Intangible assets</b>	<b>無形資產</b>		
Contracted for, but not provided for:	已訂約但未撥備：		
Technical know-how, ("net of deposits")	專有技術 (「扣除按金」)	-	1,300
		<b>430</b>	<b>1,652</b>

- (b) 於二零一七年十二月三十一日，根據不可撤回經營租約的未來最低租賃款總額如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 1 year	於一年內	1,611	2,298
After 1 year but within 5 years	一年後但於五年內	2,431	536
		<b>4,042</b>	<b>2,834</b>

本集團根據經營租賃安排租用若干辦公室。辦公室的租約年期經協商為一至四年(二零一六年：一至兩年)。該等租賃並不包含或然租金。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 36. Statement of financial position of the Company

Information about the statement of financial position of the Company at the end of the reporting period includes:

### 36. 本公司財務狀況表

有關本公司於呈報期末的財務狀況表的資料包括：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Assets and Liabilities</b>	<b>資產及負債</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	3,490	4,532
Investments in subsidiaries (note b)	附屬公司的投資(附註b)	456,520	456,520
Deferred tax assets	遞延稅項資產	189	51
Value-added tax recoverable	可收回增值稅	462	579
		<b>460,661</b>	<b>461,682</b>
<b>Current assets</b>	<b>流動資產</b>		
Trade and other receivables	應收賬款及其他應收款項	94,199	153,451
Cash and cash equivalents	現金及現金等價物	86,297	10,538
		<b>180,496</b>	<b>163,989</b>
<b>Current liabilities</b>	<b>流動負債</b>		
Trade and other payables	應付賬款及其他應付款項	5,548	6,050
Entrusted loans from the immediate parent company	直屬母公司的委託借款	9,000	9,000
Current taxation	即期稅項	2,342	2,342
		<b>16,890</b>	<b>17,392</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 36. Statement of financial position of the Company (Continued)

Information about the statement of financial position of the Company at the end of the reporting period includes: (Continued)

### 36. 本公司財務狀況表(續)

有關本公司於呈報期末的財務狀況表的資料包括：(續)

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
<b>Net current assets</b>	流動資產淨值	<b>163,606</b>	146,597
<b>Total assets less current liabilities</b>	總資產減流動負債	<b>624,267</b>	608,279
<b>Non-current liabilities</b>	非流動負債		
Deferred revenue	遞延收益	<b>340</b>	552
		<b>340</b>	552
<b>Net assets</b>	淨資產	<b>623,927</b>	607,727
<b>Equity</b>	權益		
<b>Equity attributable to owners of the Company</b>	本公司擁有人應佔權益		
Share capital	股本	<b>167,800</b>	167,800
Reserves (note a)	儲備(附註a)	<b>456,127</b>	439,927
<b>Total equity</b>	權益總額	<b>623,927</b>	607,727

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
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### 36. Statement of financial position of the Company (Continued)

Note a:

Movements in equity of the Company for the year were:

		Share premium 股份溢價 RMB'000 人民幣千元	Statutory reserve fund 法定公積金 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2016	於二零一六年一月一日	554,844	3,330	(136,996)	421,178
Profit for the year and total comprehensive income for the year	年內溢利及年內 全面收益總額	-	-	18,120	18,120
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 於二零一七年一月一日	554,844	3,330	(118,876)	439,298
Profit for the year and total comprehensive income for the year	年內溢利及年內全面收益總額	-	-	16,829	16,829
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>554,844</b>	<b>3,330</b>	<b>(102,047)</b>	<b>456,127</b>

### 36. 本公司財務狀況表(續)

附註 a:

本公司於本年度的權益變動如下:



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 36. Statement of financial position of the Company (Continued)

Note b:

The following is a list of principal subsidiaries at 31 December 2017:

### 36. 本公司財務狀況表(續)

附註 b:

以下為於二零一七年十二月三十一日主要附屬公司名單:

Name of subsidiary 公司名稱	Place of incorporation and operation 註冊成立及營業地點	Class of shares held 持有股份類別	Particulars of authorised/issued and paid up capital 法定/已發行及繳足股本詳情	Proportion of ownership interest 擁有權權益比例			Principal activity 主營業務
				Group's effective interest 本集團的實際權益	Held by the Company 本公司持有	Held by subsidiaries 附屬公司持有	
Ascendent Bio-Technology Company Limited 艾斯特生物科技有限公司	Hong Kong 香港	Ordinary 普通	HK\$1 1港元	100%	100%	-	Dormant 暫無營業
Fuzhou Neptunus Fuyao Pharmaceutical Company Limited ("Neptunus Fuyao")** 福州海王福藥製藥有限公司 (「海王福藥」)**	PRC 中國	Registered 註冊	RMB30,000,000 人民幣30,000,000元	80%	80%	-	Production and sales of medicine 生產及銷售藥物
Fuzhou Neptunus Jinxiang Chinese Pharmaceutical Co., Ltd ("Neptunus Jinxiang")** 福州海王金象中藥製藥有限公司 (「海王金象」)**	PRC 中國	Registered 註冊	RMB10,000,000 人民幣10,000,000元	76%	-	95%	Production and sales of medicine 生產及銷售藥物
Fuzhou Fuyao Medical Co., Ltd ("Fuzhou Fuyao")** 福州福藥醫藥有限公司 (「福州福藥」)**	PRC 中國	Registered 註冊	RMB30,000,000 人民幣30,000,000元	79.6%	-	100%	Production and sales of medicine 生產及銷售藥物
Neptunus Fuyao Pharmaceutical (Lianjiang) Co., Ltd ("Neptunus Fuyao Lianjiang")** (Note i) 海王福藥製藥(連江)有限公司 (「海王福藥連江」)**(附註i)	PRC 中國	Registered 註冊	RMB50,000,000 人民幣50,000,000元	79.8%	-	100%	Production of medicine 生產藥物

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 36. Statement of financial position of the Company (Continued)

Note b: (Continued)

The following is a list of principal subsidiaries at 31 December 2017: (Continued)

Name of subsidiary 公司名稱	Place of incorporation and operation 註冊成立及營業地點	Class of shares held 持有股份類別	Particulars of authorised/issued and paid up capital 法定/已發行及繳足股本詳情	Proportion of ownership interest 擁有權益比例			Principal activities 主營業務
				Group's effective interest 本集團的實際權益	Held by the Company 本公司持有	Held by subsidiaries 附屬公司持有	
Neptunus Jinxiang Chinese Pharmaceutical (Lianjiang) Company Limited ("Neptunus Jinxiang Lianjiang")* (Note ii) 海王金象中藥製藥(連江)有限公司 (「海王金象連江」)*(附註ii)	PRC 中國	Registered 註冊	RMB31,000,000 人民幣31,000,000元	76.2%	-	100%	Production of medicine 生產藥物
Shenzhen Neptunus Changjian Pharmaceutical Company Limited ("Neptunus Changjian")** (Note iii) 深圳海王長健醫藥有限公司 (「海王長健」)** (附註iii)	PRC 中國	Registered 註冊	RMB10,000,000 人民幣10,000,000元	100%	100%	-	Sales and distribution of medicines and healthcare products 銷售及分銷藥品及保健品
* These companies are registered under the laws of the PRC as limited liability companies.							* 該等公司根據中國法律登記為有限責任公司。
# Neptunus Fuyao has controlling interests in Neptunus Jinxiang, Fuzhou Fuyao, Neptunus Fuyao Lianjiang and Neptunus Jinxiang Lianjiang ("Neptunus Fuyao Group").							# 海王福藥對海王金象、福州福藥、海王福藥連江及海王金象連江(「海王福藥集團」)持有控股權益。

### 36. 本公司財務狀況表(續)

附註b:(續)

以下為於二零一七年十二月三十一日主要附屬公司名單:(續)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 36. Statement of financial position of the Company (Continued)

Note b: (Continued)

Notes:

- (i) On 21 March 2011, Neptunus Fuyao Lianjiang was newly formed with a registered capital of RMB50,000,000 of which RMB10,000,000 was paid up during the year 2011. On 17 April 2012, the remaining registered capital of RMB40,000,000 was paid up.

On 15 August 2011, the board of directors of the Company resolved to increase the registered capital of Neptunus Fuyao Lianjiang from RMB50,000,000 to RMB112,000,000 of which RMB106,400,000 and RMB5,600,000 will be contributed by Neptunus Fuyao and Neptunus Jinxiang, respectively. Up to the date of consolidated financial statements, the formalities for the increase of registered capital is still in progress.

- (ii) On 24 June 2011, Neptunus Jinxiang Lianjing was formed with a registered capital of RMB50,000,000 of which RMB10,000,000 was paid up during the year ended 31 December 2011. Additional capital of RMB21,000,000 was paid up on 17 April 2012. The remaining registered capital of RMB18,050,000 and RMB950,000 will be contributed by Neptunus Jinxiang and Neptunus Fuyao respectively. Up to the date of consolidated financial statements, the formalities for the increase of registered capital is still in progress.

- (iii) On 4 January 2013, the Company acquired 100% equity interest of Neptunus Changjian with a registered capital of RMB3,000,000. On 28 January 2013, the registered capital of Neptunus Changjian was increased to RMB10,000,000 of which additional capital of RMB7,000,000 was paid.

- (iv) On 30 May 2011, Lianjiang Neptunus Foods was formed with registered capital of RMB500,000. On 20 April 2017, the subsidiary was deregistered under the law of PRC. Details please refer to Note 29.

### 36. 本公司財務狀況表 (續)

附註 b : (續)

附註 :

- (i) 於二零一一年三月二十一日，海王福藥連江新成立，註冊資本為人民幣 50,000,000 元，其中於二零一一年人民幣 10,000,000 元已支付。於二零一二年四月十七日，餘下註冊資本人民幣 40,000,000 元已支付。

於二零一一年八月十五日，本公司董事會決議將海王福藥連江的註冊資本由人民幣 50,000,000 元增加至人民幣 112,000,000 元，其中人民幣 106,400,000 元及人民幣 5,600,000 元將分別由海王福藥及海王金象注資。截至綜合財務報表日期，增加註冊資本的手續仍在辦理中。

- (ii) 於二零一一年六月二十四日，海王金象連江成立，註冊資本為人民幣 50,000,000 元，其中於截至二零一一年十二月三十一日止年度人民幣 10,000,000 元已支付。額外資本人民幣 21,000,000 元已於二零一二年四月十七日支付。餘下註冊資本人民幣 18,050,000 元及人民幣 950,000 元將分別由海王金象及海王福藥出資。截至綜合財務報表日期，增加註冊資本的手續仍在辦理中。

- (iii) 於二零一三年一月四日，本公司收購海王長健全部股權，註冊資本為人民幣 3,000,000 元。於二零一三年一月二十八日，海王長健的註冊資本增至人民幣 10,000,000 元，其中額外資本人民幣 7,000,000 元已付。

- (iv) 於二零一一年五月三十日，連江海王食品成立，註冊資本為人民幣 500,000 元。於二零一七年四月二十日，該附屬公司根據中國法律註銷。詳情請見附註 29。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至二零一七年十二月三十一日止年度

### 36. Statement of financial position of the Company (Continued)

Note b: (Continued)

Notes: (Continued)

The following table lists out the information relating to the Neptunus Fuyao Group which has material non-controlling interest ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
NCI percentage	非控股權益百分比	20%	20%
Current assets	流動資產	446,911	513,597
Non-current assets	非流動資產	294,520	352,066
Current liabilities	流動負債	(249,817)	(373,191)
Non-current liabilities	非流動負債	(20,554)	(22,018)
Net assets	資產淨值	471,060	470,454
Carrying amount of NCI	非控股權益的賬面值	94,212	94,091
Revenue	收入	462,379	459,242
Profit for the year	本年度溢利	26,606	47,340
Total comprehensive income	全面收益總額	26,606	47,340
Profit allocated to NCI	分配予非控股權益的溢利	5,321	9,468
Dividend paid to NCI	支付予非控股權益的股息	5,200	5,200
Cash flows generated from/(used in) operating activities	經營活動所得/(所用)現金流	(13,939)	62,165
Cash flows from/(used in) investing activities	投資活動所得/(所用)現金流	50,798	(4,801)
Cash flows used in financing activities	融資活動所用現金流	(101,389)	(33,308)

### 36. 本公司財務狀況表(續)

附註b:(續)

附註:(續)

下表列示有關有重大非控股權益(「非控股權益」)的海王福藥集團的資料。下文所示財務資料概要乃指任何公司間對銷前之金額。

# Five Year Financial Summary

## 五年財務摘要

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
<b>RESULTS</b>	<b>業績</b>					
Revenue	收入	790,286	759,111	721,346	648,268	611,666
Cost of sales	銷售成本	(365,255)	(371,905)	(368,586)	(371,534)	(360,504)
Gross profit	毛利	425,031	387,206	352,760	276,734	251,162
Other revenue	其他收入	8,915	9,102	8,724	10,345	6,051
Other net income	其他收入淨額	853	3,674	3,730	77	1,196
Selling and distribution costs	銷售及分銷開支	(262,777)	(225,786)	(199,412)	(116,682)	(101,640)
Administrative expenses	行政開支	(51,523)	(50,441)	(58,630)	(53,152)	(59,039)
Other operating expenses	其他經營開支	(46,942)	(29,200)	(50,537)	(45,863)	(46,478)
<b>Profit from operations</b>	<b>經營溢利</b>	<b>73,557</b>	94,555	56,635	71,459	51,252
<b>Finance costs</b>	<b>財務費用</b>	<b>(3,229)</b>	(3,886)	(10,361)	(11,078)	(7,684)
<b>Profit before taxation</b>	<b>除稅前溢利</b>	<b>70,328</b>	90,669	46,274	60,381	43,568
<b>Income tax expense</b>	<b>所得開支</b>	<b>(14,899)</b>	(17,852)	(14,796)	(15,934)	3,430
<b>Profit for the year</b>	<b>本年度溢利</b>	<b>55,429</b>	72,817	31,478	44,447	46,998
<b>Attributable to owners of the Company</b>	<b>本公司擁有人應佔</b>	<b>50,257</b>	62,692	21,055	33,174	35,855
Non-controlling interests	非控股權益	5,172	10,125	10,423	11,273	11,143
		55,429	72,817	31,478	44,447	46,998
<b>Assets and liabilities</b>	<b>資產與負債</b>					
Total assets	總資產	1,000,232	1,033,614	1,113,166	1,011,664	914,109
Total liabilities	總負債	(250,464)	(334,075)	(481,244)	(411,613)	(353,505)
		749,768	699,539	631,922	600,051	560,604

# Group Property

## 集團物業

### PROPERTY IN PRC

Location 地址	Intended use 用途	Site area 土地面積 (sq.m) (平方米)	Gross floor area 建築面積 (sq.m) (平方米)	Group's interest 應佔權益 (%) 百分比
Kuiqi Village, Gushan Town, Jin'an District Fuzhou City Fujian Province The PRC	Industrial	166,109.5	58,434.74	80
中國福建省福州市 晉安區鼓山鎮魁岐村	工業	166,109.5	58,434.74	80



NEPTUNUS

海王