

健朗人生 活力無限
Caring For Health Cherishing Life



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

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

Stock Code 股份代號: 503

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企業資料

Corporate Information

董事會

執行董事：

徐軍先生(行政總裁)

劉曉東先生

非執行董事：

Stephen Burnau Hunt先生(主席)

李晉頤先生(副主席)

湯軍先生

陶芳芳女士

葉佩玲女士

獨立非執行董事：

陳記煊先生

鄧昭平先生

Fritz Heinrich Horlacher先生

(於二零一一年二月十日獲委任)

Robert Peter Thian先生

(於二零一一年二月十日辭任)

審核委員會

陳記煊先生(主席)

李晉頤先生

葉佩玲女士

鄧昭平先生

Fritz Heinrich Horlacher先生

(於二零一一年二月十日獲委任)

Robert Peter Thian先生

(於二零一一年二月十日辭任)

薪酬委員會

鄧昭平先生(主席)

Stephen Burnau Hunt 先生

李晉頤先生

陳記煊先生

Fritz Heinrich Horlacher 先生

(於二零一一年二月十日獲委任)

Robert Peter Thian先生

(於二零一一年二月十日辭任)

執行委員會

李晉頤先生(主席)

徐軍先生

劉曉東先生

陶芳芳女士

葉佩玲女士

授權代表

梅志雄先生

葉佩玲女士

Board of Directors

Executive Directors:

Mr. Xu Jun (Chief Executive Officer)

Mr. Liu Xiao Dong

Non-executive Directors:

Mr. Stephen Burnau Hunt (Chairman)

Mr. Lee Jin Yi (Deputy Chairman)

Mr. Tang Jun

Ms. Tao Fang Fang

Ms. Yip Pui Ling, Rebecca

Independent non-executive Directors:

Mr. Chan Kee Huen, Michael

Mr. Tang Chiu Ping, Raymond

Mr. Fritz Heinrich Horlacher (appointed on 10 February 2011)

Mr. Robert Peter Thian (resigned on 10 February 2011)

Audit Committee

Mr. Chan Kee Huen, Michael (Chairman)

Mr. Lee Jin Yi

Ms. Yip Pui Ling, Rebecca

Mr. Tang Chiu Ping, Raymond

Mr. Fritz Heinrich Horlacher (appointed on 10 February 2011)

Mr. Robert Peter Thian (resigned on 10 February 2011)

Remuneration Committee

Mr. Tang Chiu Ping, Raymond (Chairman)

Mr. Stephen Burnau Hunt

Mr. Lee Jin Yi

Mr. Chan Kee Huen, Michael

Mr. Fritz Heinrich Horlacher (appointed on 10 February 2011)

Mr. Robert Peter Thian (resigned on 10 February 2011)

Executive Committee

Mr. Lee Jin Yi (Chairman)

Mr. Xu Jun

Mr. Liu Xiao Dong

Ms. Tao Fang Fang

Ms. Yip Pui Ling, Rebecca

Authorised Representatives

Mr. Mui Chi Hung

Ms. Yip Pui Ling, Rebecca

企業資料 Corporate Information

公司秘書

梅志雄先生

Company Secretary

Mr. Mui Chi Hung

註冊辦事處

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

Registered Office

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

總部及中國主要營業地點

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

Headquarters and Principal Place of Business in the PRC

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

香港主要營業地點

香港
德輔道中189號
李寶椿大廈12樓
1203-4室

Principal Place of Business in Hong Kong

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

核數師

香港立信德豪會計師事務所有限公司

Auditor

BDO Limited

合規顧問

派杰亞洲有限公司

Compliance Advisor

Piper Jaffray Asia Limited

法律顧問

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

Legal Advisors

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

主要往來銀行

中國銀行
招商銀行
寧波銀行
富邦銀行
永隆銀行

Principal Bankers

Bank of China
China Merchant Bank
Bank of Ningbo
Fubon Bank
Wing Lung Bank

企業資料 Corporate Information

主要股份過戶登記處

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

Principal Share Registrar and Transfer Office

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

香港股份過戶登記處

卓佳證券登記有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

Hong Kong Share Registrar

Tricor Investor Services Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

股份代號

香港聯合交易所有限公司：503

Stock Code

The Stock Exchange of Hong Kong Limited: 503

網址

www.lansen.com.cn

Website

www.lansen.com.cn

股東及投資者的公司聯絡資料

香港

請聯絡我們的公司秘書：
電話：(852) 2828 9285

Corporate Contact Information for Shareholders and Investors

Hong Kong

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

中國

請聯絡我們的投資者關係部：
電話：(86) 755 2532 3050

The PRC

Please contact our Investor Relations Department at:
Telephone: (86) 755 2532 3050

2011年朗生醫藥企業事記 2011 Corporate Calendar of Lansen Pharmaceutical

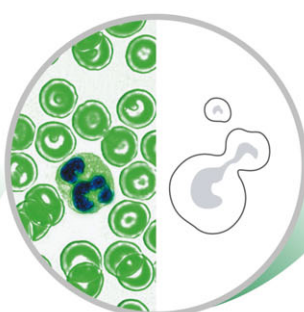
1月	寧波立華被授予「上市工作先進單位」稱號	January	Ningbo Liwah won the title of “Outstanding Enterprise for Listing”
2月	寧波立華被授予「2010年度寧波市醫藥行業醫藥工業十強企業」稱號	February	Ningbo Liwah won the title “2010 Top 10 Pharmaceutical Enterprises in Ningbo”
3月	寧波立華主持完成的「白芍總苷治療類風濕關節炎的開發與產業化」專案獲2010年度浙江省科學技術獎二等獎	March	Ningbo Liwah’s Project on “The development and industrialisation of the treatment of rheumatoid arthritis by Total Glucosides of White Peony” was awarded Second Prize in the Science and Technology Award of Zhejiang Province for the year of 2010
4月	亳州朗生藥材產業有限公司在安徽省亳州市註冊成立，經營中藥材種植及購銷等業務	April	Bozhou Lansen Herbal Industry Limited was incorporated in Bozhou, Anhui Province with business of planting and growing, sale and purchase of Chinese herbs
	寧波立華被授予「寧波市技術創新示範企業」稱號		Ningbo Liwah was awarded “Model Enterprise for Innovation in Technology in Ningbo”
5月	第22屆世界皮膚科大會在韓國首爾盛大召開，朗生產品帕夫林首次登上國際皮膚會議舞臺	May	The 22nd World Congress of Dermatology was held in Seoul, Korea. Pafulin, a Lansen product, was presented at international dermatology conference for the first time
	寧波立華新研發質檢大樓動工		Construction started on a new R&D and QC building of Ningbo Liwah
9月	寧波立華獲得「浙江省專利示範企業」稱號	September	Ningbo Liwah was awarded “Exemplary Enterprise for Patents in Zhejiang Province”
	朗生醫藥獲得愛的發製藥獨家經銷許可，將創新複方製劑酮洛芬／奧美拉唑緩釋膠囊引進中國		Lansen signed an exclusive marketing and distribution agreement with Ethypharm for ketoprofen/omeprazole slow-release capsules in the PRC
	寧波植提二期基建項目正式開工		Phase two construction of Ningbo Zhiti commenced

2011年朗生醫藥企業事記 2011 Corporate Calendar of Lansen Pharmaceutical

10月	寧波立華「治療類風濕關節炎藥物白芍總苷膠囊」(帕夫林)被列為2011年國家火炬計劃	October	Ningbo Liwah's "Total Glucosides of White Peony Capsules (Pafulin), a drug for the treatment of rheumatoid arthritis" was listed in the 2011 National Torch Programme
	朗生醫藥獲得上海家化指定為其「玉澤」品牌所有系列特護產品在全國醫院管道的獨家經銷商		Lansen signed an exclusive marketing and distribution agreement with Shanghai Jahwa for all special skin care products under the "Yuzhe" brand through hospital channels in the PRC
12月	寧波立華通過「國家高新技術企業」複審	December	Ningbo Liwah passed the review as a "National High Technology Enterprise"
	寧波立華成功申報「寧波市企業技術創新團隊」		Ningbo Liwah successfully applied as "an innovative team in Enterprise Technology in Ningbo"
	寧波植提工程技術中心通過2011年度市、區級企業工程(技術)中心認定		Ningbo Zhiti Engineering and Technology Centre obtained certification by the Provincial-level and Region-level Enterprise Technical Centre in 2011



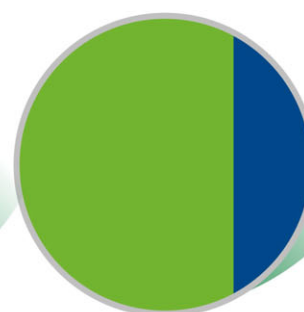
在高速發展中，
我們要緊密團結。



同時生生不息，
不斷擴展、創新，
充滿活力。



朗，本義，明亮；
生，滋生，草木從土壤
中生長出來。
朗生，即健康、明朗的
人生。
快樂從健朗的人生開
始。



健康色彩
綠色，代表健康活力
藍色，代表專業態度
活躍、明快的色彩象
徵著我們對生命的熱
愛，如生命循環不
息，不斷延續，充滿
活力。

財務摘要 Financial Highlights

朗生醫藥控股有限公司及其附屬公司欣然宣佈下列業績摘要：

Lansen Pharmaceutical Holdings Limited and its subsidiaries are pleased to announce the following summary of results:

		2011 二零一一年	2010 二零一零年	Change 變動
業績(千美元)：	Results (US\$'000):			
收入	Revenue	74,475	58,607	27.1%
除所得稅前溢利	Profit before income tax	15,148	12,785	18.5%
年內溢利	Profit for the year	12,453	10,213	21.9%
盈利能力：	Profitability:			
純利率	Net profit margin	16.7%	17.4%	-0.7%
每股基本盈利(美仙)*	Basic earnings per share (US cents)*	3.0	2.7	11.1%
模擬每股基本盈利 (美仙)**	Proforma basic earnings per share (US cents)**	3.0	2.5	20.0%
資產(千美元)：	Assets (US\$'000):			
總資產	Total assets	144,445	112,611	28.3%
淨資產	Net assets	99,340	92,265	7.7%
現金及銀行結餘	Cash and bank balances	22,878	14,919	53.3%

* 二零一零年每股盈利按照本公司已發行股份之加權平均股數374,438,356股計算。

* The earnings per share for 2010 was calculated on the basis of the weighted average number of 374,438,356 shares in issue.

** 二零一零年每股盈利按照本公司上市後已發行總股份415,000,000股計算。以上為模擬計算結果，僅供參考。

** The earnings per share for 2010 was calculated on the basis of a total of 415,000,000 shares in issue after the listing of the Company. The figures above are the results of simulation calculation on a proforma basis made for reference only.

本集團截至二零一一年十二月三十一日止年度之經審核業績已根據國際財務報告準則編製，財務業績摘要如下：

The audited results of the Group for the year ended 31 December 2011 have been prepared in accordance with International Financial Reporting Standards. The financial results highlights are as follows:

本集團收入為74.5百萬美元，較去年上升15.9百萬美元或27.1%。

The Group recorded a revenue of US\$74.5 million, representing an increase of US\$15.9 million, or 27.1%, over last year.

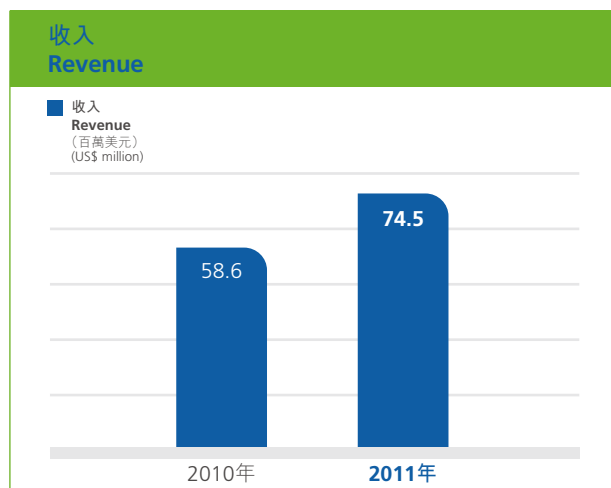
本集團純利為12.5百萬美元，較去年增加2.2百萬美元或21.9%。

The Group recorded a net profit of US\$12.5 million, representing an increase of US\$2.2 million, or 21.9%, over last year.

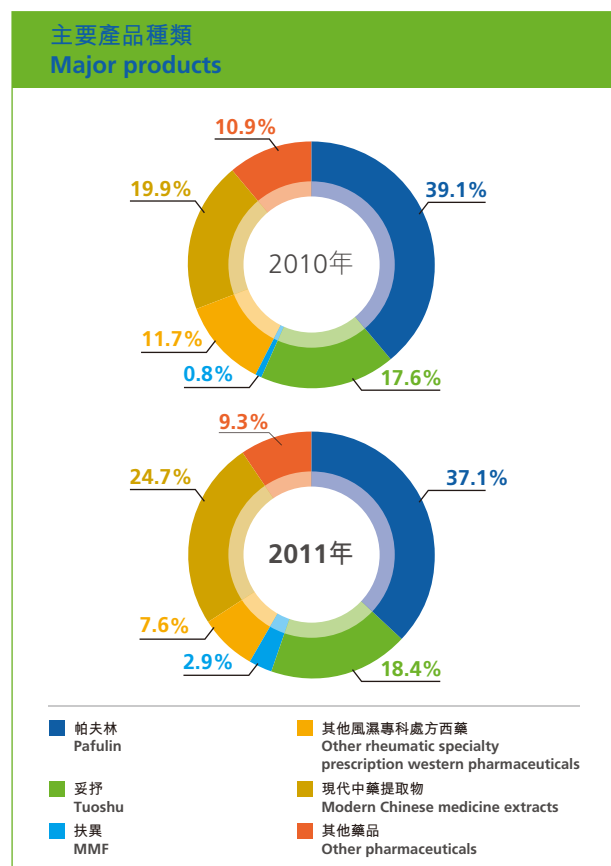
本集團每股基本盈利為3.0美仙，較去年增加11.1%。每股基本盈利的增長少於年內溢利的增長。主要由於本公司於二零一零年五月上市時發行新股份產生之攤薄影響所致。倘以本公司上市後之已發行股份總額(即415,000,000股)計算去年每股盈利，則本集團截至二零一一年十二月三十一日止年度之每股盈利較去年增加20.0%。

The Group's basic earnings per share was US3.0 cents, representing an increase of 11.1% over last year. The basic earnings per share growth is less than the increase of profit for the year. This was primarily due to the dilution effect of the issue of new shares after the Company's listing in May 2010. The Group's earnings per share for the year ended 31 December 2011 would have increased by 20.0% when compared to last year if the earnings per share of last year was calculated based on the total issued shares of the Company after the listing, i.e. 415,000,000 shares.

財務摘要 Financial Highlights

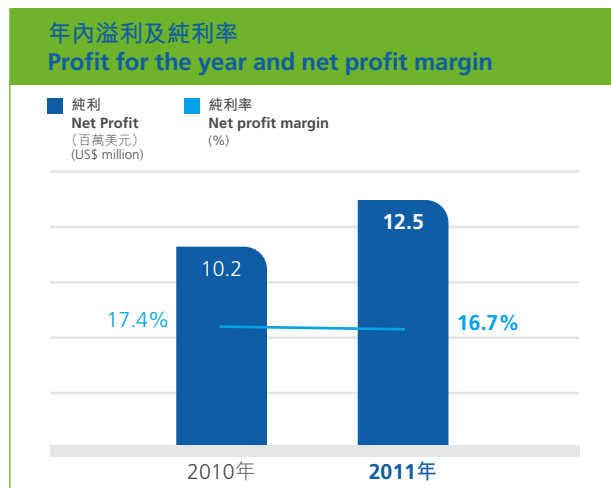


- 2011年下半年強勁增長
2011年收入增加**27.1%**
- Strong growth in 2H 2011
2011 Revenue up by **27.1%**

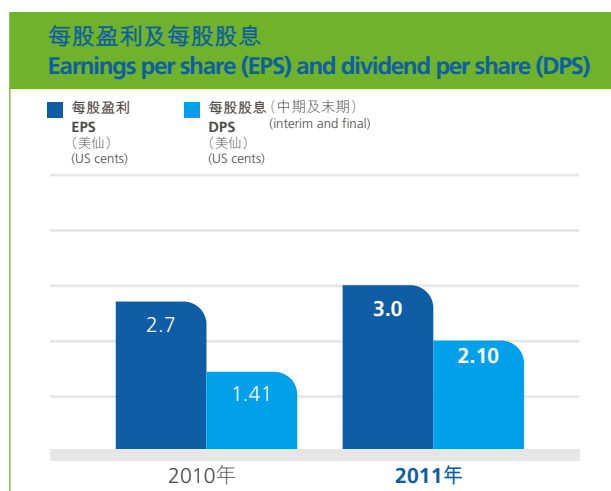


- 帕夫林、妥抒及扶異的總銷售上升 28.8%，佔總收入58.3%
- 現代中藥提取物的銷售上升 58.0%，佔總收入24.7%
- Sales of Pafulin, Tuoshu and MMF in total up by 28.8%, accounting for 58.3% of the total revenue
- Sales of Modern Chinese medicine extracts up by 58.0%, accounting for 24.7% of the total revenue

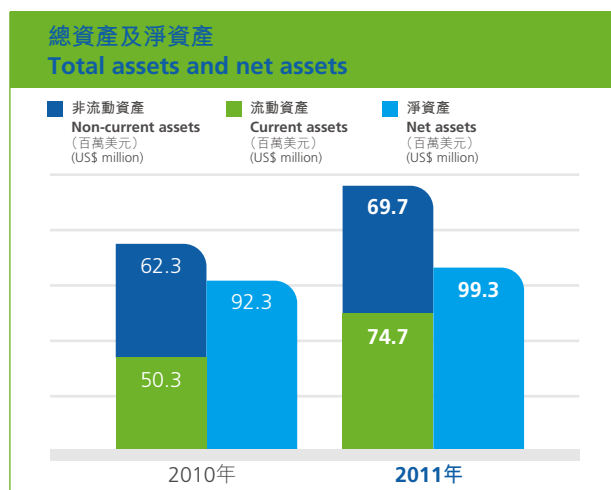
財務摘要 Financial Highlights



- 2011年平穩增長
2011年純利增加21.9%
純利率保持平穩
- Steady growth in 2011
2011 Net profit up by 21.9%
Net profit margin remained stable



- 純利改善
每股盈利增加**11.1%**
- 2011年中期股息為每股1.03美仙
- 2011年建議末期股息每股1.07美仙
- Net profit improved
Earnings per share up by 11.1%
- 2011 interim dividend of US1.03 cents per share
- 2011 proposed final dividend of US1.07 cents per share



- 非流動資產增加12.0%，流動資產增加48.5%
總資產增加28.3%
- 淨資產增加**7.7%**
- Non-current assets increased by 12.0% and current assets increased by 48.5%
Total assets increased by 28.3%
- **Net assets increased by 7.7%**

主席報告

Chairman's Statement



本人謹代表朗生醫藥控股有限公司(「本公司」)董事會(「董事會」)欣然向全體股東提呈本公司及其附屬公司(「朗生」或「本集團」)截至二零一一年十二月三十一日止財政年度的年度報告。

回顧二零一一年，本集團核心業務風濕專科處方西藥繼續創造了理想的銷售業績，尤以帕夫林、妥抒和扶異三款核心產品的表現最為優異，而非核心業務中的現代中藥產品亦實現了令人矚目的增長，與此同時，本集團於二零一零年底成功收購了浙江司太立製藥股份有限公司(「司太立」)20%的股權，該公司取得了驕人的經營業績，為本集團貢獻了可觀的利潤增長，以致本集團於二零一一年的收入和盈利均錄得新高。年內，收入74.5百萬美元，同比增長27.1%。除稅前溢利15.1百萬美元，同比增長18.5%。年內淨利潤12.5百萬美元，同比增長21.9%。

二零一一年是中華人民共和國(「中國」)「十二五」規劃(「規劃」)的開元之年，中國政府堅持發展方式轉變和結構調整，總體經濟發展繼續穩步上升。二零一一年也是新醫改第一個三年的收官階段，各種政策逐步落實、持續改革投入的效應也開始更多顯現，帶來整個醫藥市場的進一步擴容和高增長。而跨國藥企的關注和生物制劑產品的增加，使風濕免疫市場持續升溫，提振了整個行業發展的同時帶來了更多的機遇。另一方面，原材料價格的不斷上漲和通貨膨脹率的高企不下，

On behalf of the board of directors (the "Board") of Lansen Pharmaceutical Holdings Limited (the "Company") and its subsidiaries ("Lansen" or the "Group"), I am pleased to present the annual report for the financial year ended 31 December 2011 to all shareholders.

Looking back at 2011, rheumatic specialty prescription western pharmaceuticals, the core business of the Group, continued to generate satisfactory sales results. In particular, the three core products, Pafulin, Tuoshu and MMF, recorded an outstanding result. Among the non-core businesses, modern Chinese medicine products also achieved significant growth. In addition, Zhejiang Stary Pharmaceutical Co., Ltd. ("Stary") in which the Group invested 20% of the equity in late 2010 produced an excellent operating result and thus contributed in a notable way to the profit growth for the Group. As at result, the Group's 2011 revenue and profit hit record highs. During the year, revenue was US\$74.5 million, representing a 27.1% growth over last year. Profit before taxation was US\$15.1 million, representing a 18.5% growth over last year. The net profit for the year was US\$12.5 million, representing a 21.9% growth over last year.

2011 was the first year of implementation of the People's Republic of China (the "PRC" or "China")'s "12th Five-Year Plan" (the "Plan"). As the Chinese government continued to foster economic development with structural adjustments, the overall economy continued to grow steadily. 2011 was also the final stage of the first three-year phase of the new health care reform. The effect of the gradual implementation of various policies and the continuous investment in reform began to emerge, resulting in the further expansion and high growth of the whole pharmaceutical market. The increasing attention from multinational pharmaceutical companies and the increase in biological

主席報告 Chairman's Statement

城市維護建設稅和教育費附加的稅率提升，以及基本藥物制度初期推行「唯低價是取」的招標方式，造成企業的運營環境甚為嚴峻。

朗生憑藉其在風濕領域長期積累到的品牌效應和對市場信息變化的準確捕捉，著眼整個產業鏈並適時推出切合市場需求的經營舉措，使得風濕專科處方西藥的核心業務錄得了理想的銷售業績。而市場對綠色產品需求持續上漲，亦令本集團現代中藥產品增長顯著。司太立受益於市場對造影劑系列產品的需求增加和加大了企業產品出口力度，銷售和淨利潤也實現了大幅增長。本集團核心業務的業績回報和司太立的利潤貢獻，助朗生在抵消了眾多不利因素影響後，創造了亮麗的經營業績，收入與盈利均錄得新高。

agents enabled the autoimmune rheumatic market to grow at a faster pace, which promoted the development of the whole industry and also presented more opportunities. On the other hand, rising raw material prices, escalating inflation rate, increase in city construction tax and an educational tax surcharge together with the price-based competition when tendering during the pilot stage of the essential drug system created an extremely difficult and challenging operating environment.

With its long-established brand image in the rheumatology industry and the accurate assessment of the changing market, coupled with focus on the whole industrial chain and the timely introduction of market-driven business initiatives, Lansen recorded a satisfactory sales result in its core business of rheumatic specialty prescription western pharmaceuticals. The rising market demand for natural products drove significant growth in the sale of modern Chinese medicine for the Group. Benefiting from the growing market demand for contrast agents and an increase in exports, the sales and net profit of Starry recorded a substantial increase. The returns from the Group's core business and the profit contribution from Starry helped Lansen offset numerous unfavourable factors and generated a remarkable operating result. Both the revenue and profit reached record highs.



主席報告 Chairman's Statement

朗生放眼長遠穩健佈局，圍繞風濕免疫領域和打造完整產業鏈出發，邁出了又一堅實的步伐。新的質檢及研發工程中心已開始建設，帕夫林生產車間及原料藥提取生產線也在進行擴建，並按計劃在安徽省亳州市設立了亳州朗生藥材產業有限公司（「亳州朗生」）。另一方面，朗生積極推進新產品開發工作，在研的產品均正常開展，預計隨後幾年將陸續推出市場。此外，朗生加強與國內外醫藥強企的合作，年內與上海愛的發製藥有限公司及Ethypharm SA達成協議，獲獨家經銷許可權，將酮洛芬／奧美拉唑緩釋膠囊藥物引進中國。另獲上海家化聯合股份有限公司指定朗生為其「玉澤」品牌所有系列特護產品在全國醫院管道的獨家經銷商。以上舉措與收獲，為朗生未來發展奠定了又一階梯性的契機。

展望二零一二年，隨國家「規劃」的逐步推行，中國經濟發展繼續穩中有升，內需將成為經濟增長的主要驅動力。新醫改進入中段，政府投入將繼續帶動醫藥市場擴容，居民健康消費支出不斷上升，隨人口老齡化的來臨和疾病譜系的變化，對富貴病、慢性病的藥品需求更趨旺盛，醫藥市場將保持持續的穩健增長。

By continuing with the implementation of its long-term strategies which focus on the autoimmune rheumatic market and establishing a complete product chain, Lansen made solid strides forward. The Company began construction of a new quality control and research and development engineering centre. The expansion of the production facilities for Pafulin and the production line for bulk pharmaceutical extraction were also in progress. Bozhou Lansen Herbal Industry Limited ("Bozhou Lansen") was established in Bozhou, Anhui Province as planned. On the other hand, Lansen actively engaged in new product development. Products under development are on schedule and they are expected to be launched progressively to the market in the coming years. In addition, Lansen strengthened cooperation with both domestic and overseas pharmaceutical enterprises and reached an exclusive agreement with Shanghai Ethypharm Pharmaceutical Co. Ltd and Ethypharm SA during the year. Under the agreement, Lansen has been granted the exclusive rights for the marketing and distribution of ketoprofen/omeprazole slow-release capsules in the PRC. Lansen was also appointed by Shanghai Jahwa United Company Limited as an exclusive distributor for all of its special skin care products under the "Yuzhe" brand through nationwide hospital channels. The above measures provided Lansen with a solid foundation for future development.

Looking forward to 2012, following the progressive implementation of the Plan by the State, China's economy will grow steadily with domestic consumption as an increasing driver for economic growth. Following the entry into the middle stage of the new health care reform, the government's investment will stimulate a continuous expansion of the pharmaceutical market and people's spending on health care will rise. The demands for drugs for "rich man's illnesses" and chronic diseases will accelerate thanks to the rising aging population and disease spectrum changes, all contributing to stable growth of the pharmaceutical market.



主席報告 Chairman's Statement

二零一二年一月十九日工業和信息化部發佈了《醫藥工業「十二五」發展規劃》，以加快醫藥工業結構調整和轉型升級，培育發展生物醫藥產業，促進醫藥工業由大變強。二零一二年二月二日衛生部印發了《2012年衛生工作要點》，強調健全基本醫療保障制度、鞏固完善國家基本藥物制度，發揮中醫藥特色和優勢。利好政策的相繼出台，預示著政府規範重塑醫藥產業鏈矢志不渝，政策鼓勵創新等各項新醫改措施將會持續，醫保障水平不斷提高，人均籌資水平將取代參保人數成為影響醫保支出的主要因素，基藥擴容下招標制度或將從價格唯先轉向質量優先，中藥材等價格也開始回落趨穩。而改革的複雜性和政策的不確定性也會增強。面對結構調整和產業升級，醫藥行業的洗牌與競爭會進一步加劇，機遇與挑戰並存。

On 19 January 2012, the Ministry of Industry and Information Technology released the "12th Five-Year Development Plan for Pharmaceutical Industry", aiming at speeding up the structural adjustment, transformation and upgrade of the pharmaceutical industry, fostering the development of biomedical industry and promoting the growth of the pharmaceutical industry. On 2 February 2012, the Ministry of Health issued "Main Tasks for Health in 2012", with a focus on establishing a comprehensive basic health care system, consolidating and improving the national essential drug system and exploring the potential arising from features and competitive advantages of Chinese medicine. The release of a number of favourable policies shows the government's commitment to regulating and reshaping the industrial chain of the pharmaceutical industry. A variety of new measures in health care reform to promote innovation will persist. The rising protection level of medical insurance and funds spent per capita instead of the number of insured will become the major driver affecting medical insurance expenditure. The tender system as a result of the expansion of the essential drugs market will change from a price-based system to a quality-based one. Prices of Chinese herbs have begun to stabilise. Complexity of reform and uncertainty of policies will also increase. Amid the structural adjustment and industrial upgrade, the consolidation and competition in the pharmaceutical industry will intensify, presenting both opportunities and challenges.



主席報告 Chairman's Statement

朗生核心業務仍會繼續圍繞風濕免疫領域，進一步奠定在風濕慢作用藥市場領導者地位，同時向其他風濕免疫領域拓展。我們相信，朗生專注於風濕免疫領域的獨特定位及產品特性，包括享有的品牌影響力與管理團隊豐富的經驗積累，在新醫改背景下較其他競爭者具有足夠多的競爭優勢，更能充分享受中國醫藥市場擴大帶來的機遇。本集團亦會實施一系列積極主動的措施繼續鞏固與放大既有的效應，包括深化與風濕協會和皮膚性病學會及專家的緊密合作，進一步拓展二三線市場與皮膚病用藥領域，持續投入專項基金推動中國專科醫師隊伍的建設與支持專項課題的探索和研究，擴大規模開展患者教育活動，不斷延伸品牌資源，深耕渠道穩定成長，創造出理想的銷售業績。

朗生也會關注本集團非核心業務的發展。相信隨全球綠色產品理念的被廣泛接受和認可，以及政府加強對中醫藥的傳承和保護，現代中藥業務未來空間廣闊。面對潛力巨大的基層市場，基本藥物制度的進一步鞏固完善將帶動基本藥物的銷量增長加速釋放，本集團的普藥業務也會因此受益。

Lansen will continue to focus on its core business of autoimmune rheumatic diseases to further consolidate its leading position in the disease modifying anti-rheumatic drugs ("DMARDs") market and to diversify its business into other areas of autoimmune rheumatic diseases. We believe that, in view of Lansen's unique position with specialisation in autoimmune rheumatic diseases and its product features, including brand recognition and an experienced management team, and within the context of the new health care reform, we possess numerous competitive advantages over others and are in a better position to capture the opportunities arising from the expansion of the pharmaceutical industry in China. The Group will also implement a series of proactive measures to consolidate and expand its position. The measures include the enhancement of cooperation with rheumatic associations, dermatological associations and the relevant specialists, further expansion into the second- and third-tier markets and the dermatological medicine sector, continuous commitment to the various foundations with an aim to increase the number of specialists and initiate new and sophisticated research in the field, expansion in educational programmes for patients, continuous extension of our brand recognition, development of sales channels to secure stable growth, in order to create a satisfactory sales result.

Lansen is also concerned about the development of its non-core business. Following the wide acceptance and global recognition of the concept of natural products and the Chinese government's effort to enhance and protect the heritage of Chinese medicines, the prospect of modern Chinese medicine business is promising. Facing the enormous potential of grass-root market and with the consolidation and improvement of the essential drug system, the sales growth of essential drugs will accelerate. As a result, the Group's generic drug business will benefit from the above factors.



主席報告 Chairman's Statement

與此同時，本集團將加快建設完成新的質檢及研發工程中心和帕夫林生產車間及原料藥提取生產線的擴建，創造出更理想的營運環境。開展投入運營的亳州朗生，打造帕夫林完整產業鏈並進一步提高產品的質量標準，並將通過合作和收購進一步提高原材料成本的競爭力。優化及提升產品組合，發揮規模優勢不斷強化成本控制，提高運營效率，有序增聘銷售人員，實施一系列精細化管理舉措，配合整體戰略的發展佈局，化銷售增長為收益實現，為股東貢獻最理想的業績回報。

此外，朗生還會繼續豐富產品線儲備，管理好現有在開發產品並視市場需求不斷新增立項，加快推出具競爭力及盈利能力的風濕免疫產品。同時繼續尋求機遇，加速收購目標企業及引入具前景的海內外市場產品，發揮及奠定風濕慢作用藥市場領導者地位，覆蓋其他風濕病用藥市場，以及有選擇地進入其他免疫疾病用藥市場。

展望未來，本集團相信，朗生現有的細分市場的龍頭地位及品牌優勢，包括涵蓋短、中、長期的產品儲備，加上管理層多年深耕累積的經驗，於新醫改大潮下，具備有抵禦風險的優勢，並能把握住變化中的新機遇，創造出亮麗業績，以回饋股東的支持。

本人代表公司衷心感謝投資者對朗生的厚愛與支持，並藉此向董事會同仁、管理層及全體員工於二零一一年為本集團所作貢獻及付出的辛勤努力致以敬意。

Stephen Burnau Hunt
主席

香港，二零一二年三月二十九日

Meanwhile, Lansen will accelerate the construction of a new quality control and research and development engineering centre and the expansion of the production facilities for Pafulin and production line for bulk pharmaceutical extraction in order to create a more satisfactory operating environment. Bozhou Lansen has commenced operation to create a complete industrial chain for Pafulin, improve the quality standard of products and further enhance its raw material competitiveness through cooperation and acquisitions. By optimising and improving product mix, capitalising on the economies of scale, implementing strict cost control and increasing operational efficiency, recruiting of more sales staff, implementing a series of management measures together with the overall development strategy, the Group will turn the growth of sales into profit and create strong performance returns for shareholders.

In addition, Lansen will continue to increase its product pipeline, manage the products under development, establish new projects in line with rising market demand and speed up the launch of competitive and profitable autoimmune rheumatic pharmaceuticals. The Group will continue to seek opportunities to acquire target companies and introduce overseas and domestic products with market potential, capitalise and consolidate its leading position in the DMARDs market, extend its coverage to other parts of the rheumatic drug market and selectively enter other autoimmune disease related drug markets.

Looking forward, the Group believes that Lansen's current leading position in a niche market and leading edge brand name, including the possession of a reserve of products for short, medium and long-term combined with the accumulated experience of the management team, will give Lansen an advantage in hedging against risks in the midst of the new health care reform, capturing new opportunities arising from environmental change and finally in creating an exceptional result to repay shareholders for their support.

On behalf of the Company, I take this opportunity to express my sincere gratitude to investors for their trust and support, and to our board members, management and staff for their efforts and contribution to the Group in 2011.

Stephen Burnau Hunt
Chairman

Hong Kong, 29 March 2012

管理層討論及分析

Management Discussion and Analysis

業務回顧

二零一一年，中國總體經濟發展穩步上升，新醫改背景下，醫藥行業繼續快速增長。與此同時，國家發展和改革委員會（「發改委」）於年內兩次發出關於調整部分藥品最高零售價通知，進一步落實價格管理改革政策。此外，為控制醫藥費用不合理增長，減輕患者負擔，發改委與衛生部於年內也發佈《按病種收費方式改革試點有關問題的通知》，供各地開展按病種收費方式改革試點時參考。朗生生產和經銷的藥品都不在上述規定範圍內，整個風濕免疫市場受影響亦較小。

本集團核心業務於風濕領域的定位及產品特性除有效降低了現行價格管理改革政策推行帶來的不利影響外，長期奠定的品牌效益也使朗生能繼續分享行業成長收益。下半年度，終端市場對於各項醫改政策的執行趨於理性，帶動診療需求回歸上升通道，與此同時朗生於新市場的推廣舉措亦開始顯現成效，而現代中藥業務的長期堅守也終於實現突破，銷售業績出現加速上漲致全年數據錄得新高。二零一一年公司實現收入74.5百萬美元，比去年增長27.1%。

中藥材價格上漲的趨勢於年末回落趨穩，全年看仍較上年同期有較大增幅，本集團憑藉對市場信息的準確判斷，合理安排資金提前存儲降低了影響，但仍不能完全抵消帶來的成本上漲對利潤的衝擊。此外，統一內外資企業城市維護建設稅和教育費附加制度於二零一一年開始全面貫徹執行，亦影響了本集團的盈利能力表現。唯銷售業績的增長理想，管理效益進一步提升，以及司太立利潤貢獻突出，抵消了這些方面的不利因素，實現年度淨利潤再創高峰。二零一一年公司淨利潤12.5百萬美元，比去年增長21.9%。

Business Review

In 2011, China's overall economy maintained steady growth. Under the new health care reform, the pharmaceutical industry continued its rapid growth. Meanwhile, the National Development and Reform Commission (the "NDRC") issued two notices adjusting the maximum retail price of certain pharmaceuticals during the year. These actions reaffirmed the implementation of the price management reform policies. Also, to control the unreasonable increase in medical expenses and to reduce the burden on patients, the NDRC and the Ministry of Health issued the "Pilot Reform Notice on Determination of Fees by Disease Categories" during the year to serve as a guideline for pilot reform across the nation. Thus far, none of Lansen's products have been subject to any of the price adjustments mentioned above, and the impact of these price control policies on the autoimmune rheumatic market was relatively small compared to other pharmaceutical market sectors.

Given Lansen's well-positioned and highly specialised rheumatology product portfolio, the adverse impact caused by the current price reform has been effectively reduced. In addition, with its well-established reputation and brand recognition, Lansen also continued to benefit from the on-going industry growth. In the second half of the year, with the gradual acceptance of the various medical reform policies by the end-user market, clinical demand increased. Lansen started to benefit from the marketing and promotion strategies directed toward new markets and at the same time, its modern Chinese medicine business achieved a breakthrough in growth in part thanks to our long-term commitment to this segment. As a result, sales result of the Group for the year hit record highs. In 2011, the Company recorded a revenue of US\$74.5 million, representing an increase of 27.1% over last year.

The upward trend of Chinese herbs prices started to become stable and slightly reversed at the end of the year, but still represented a significant increase as compared to last year. In spite of our accurate assessment of the market together with reasonable allocation of capital to increase our raw material reserves, the Group still could not completely offset the impact of rising raw material prices on profit. Moreover, full implementation of the city construction tax and an educational tax surcharge for foreign-invested enterprises in 2011 also affected the profitability of the Group. Nonetheless, strong sales growth, further enhancement in effective management and a notable profit contribution from Starry offset the impact of these unfavourable factors, leading to the net profit for the year hitting a new high. In 2011, the Company recorded a net profit of US\$12.5 million, representing a 21.9% growth over last year.

管理層討論及分析 Management Discussion and Analysis

本集團二零一一年再創理想業績，除有賴管理層及員工的支持和努力外，以下是收入與盈利相關增長之原因：

公司三款核心風濕專科處方西藥產品的銷售錄得滿意增長。二零零九至二零一一年新醫改第一個三年，從「低水平、廣覆蓋」出發，其中13億人口的基礎醫保覆蓋是主要目標之一，「全民醫保」擴容效應推動醫藥行業高增長。並隨終端市場對於新醫改政策理解和執行逐步到位，對本集團核心業務上半年度業績的不利影響因素開始消除。

受益於上述新醫改政策帶動下的經營環境改善效應，與此同時，朗生堅定拓展帕夫林在二三線城市與皮膚病用藥領域的舉措取得了卓越成效，以及妥抒較同業者具競爭優勢的定價和扶異準確的產品定位，致使朗生三款核心產品於年內後半段的銷售出現加速上漲致全年業績錄得新高。三款核心產品年度銷售收入43.4百萬美元（佔總營業額的58.3%），比去年增長28.8%，而下半年度較上半年度增幅達34.8%。其中，帕夫林、妥抒與扶異的年度銷售收入分別為27.6、13.7、2.1百萬美元，年度增長分別為20.4%、32.6%、343.2%，而帕夫林與妥抒的銷售收入下半年度分別較上半年度增長33.1%和28.1%，於去年新近推出的扶異更是增長迅猛，未來發展可期。

非核心業務中的現代中藥銷售實現突破。受益於綠色產品需求持續上漲，以及政府對中醫藥的保護和扶持，二零一一年度現代中藥市場發展迅猛，朗生的長期堅守和積澱使該領域業務發展實現銷售突破。二零一一年，朗生現代中藥業務收入18.4百萬美元，比去年增長58.0%，佔總營業額比例亦由19.8%提升至24.7%，其中下半年度較上半年度增長高達76.0%。

Thanks to the efforts of both management and staff, the Group achieved an excellent result again in 2011 with a growth in revenue and profit based on the following:

The three core rheumatic specialty prescription western pharmaceuticals of the Company provided satisfactory sales growth. 2009 to 2011 was the first three-years of the new health care reform. It started from “low levels and wide coverage” with basic medical insurance coverage to 1.3 billion people as one of the key objectives. The expansion effect of the “national health care insurance system” drove high growth in the pharmaceutical industry. With the gradual acceptance and implementation of the new health care reform policies by the end-user market, the unfavourable factors affecting the performance of the Group’s core business during the first half of the year started to diminish.

Benefiting from the improvement of the operating environment due to the implementation of the above new health care reform policies, Lansen proactively enlarged the market share of Pafulin in the second- and third-tier cities and achieved some success in the treatment of dermatological diseases, coupled with the more competitive pricing of Tuoshu and the accurate product positioning of MMF, which helped lead Lansen’s annual results to reach record highs due to the accelerated sales of its three core products in the second half of the year. During the year, the sales of the three core products reached US\$43.4 million (58.3% of the total turnover), representing a 28.8% growth over last year. The sales in the second half of the year even resulted in a 34.8% growth when compared with those of the first half. Of which, the annual sales of Pafulin, Tuoshu and MMF amounted to US\$27.6 million, US\$13.7 million and US\$2.1 million, representing an annual growth of 20.4%, 32.6% and 343.2% respectively. The sales of Pafulin and Tuoshu in the second half of the year increased by 33.1% and 28.1% respectively as compared to the first half. In particular, MMF, a new product launched last year, recorded a significant growth in sales, demonstrating its future potential.

A breakthrough in the sales of modern Chinese medicine, a non-core business. Benefiting from the continuous rising demand for natural products and the government’s efforts to protect and promote the Chinese medicine market, this market developed rapidly in 2011. Lansen’s long-standing commitment and continuous efforts contributed to a breakthrough in sales in this sector. In 2011, the revenue from modern Chinese medicine of Lansen was US\$18.4 million, representing a 58.0% growth over last year and an increase from 19.8% to 24.7% as a share of total turnover, and an increase of 76.0% in the second half of the year over the first half of the year.

管理層討論及分析 Management Discussion and Analysis

司太立業績理想帶來投資收益顯著。本集團於二零一零年十一月成功收購司太立20%股權，該公司於年內取得了驕人的經營業績。受益於中國市場需求上升和加大了產品出口力度，造影劑系列產品不僅銷售增長理想，銷售毛利也大幅增長，使司太立全年為集團貢獻稅後淨利潤約1.9百萬美元，成為集團利潤增長的重要來源。

集合上述因素，使得本集團于本年度創造亮麗業績。

未來展望

本集團相信，從宏觀角度，隨中國政府繼續推行各項有效措施，總體經濟發展將繼續回穩，但通貨膨脹及原材料價格上漲的不明朗因素致使經營環境依然不容樂觀；從微觀角度，雖然醫藥行業仍將保持在一個穩健的發展水平，利好政策相繼出台，但醫療改革下的新政策和監管仍給醫藥企業帶來不少壓力，儘管短期對風濕免疫市場影響有限，中長期需重視。管理層將密切留意有關宏觀經濟和醫療改革政策的進一步發展，採取前瞻性的舉措，有效利用政策的同時也將不利影響減至最低。

本集團來年的發展戰略仍以核心風濕專科處方西藥產品為主，同時策略性地進入其他免疫相關疾病用藥市場，通過收購、代理和自主研發，進一步豐富和優化產品組合，提升競爭優勢。管理層相信，在積極採取相關一系列主動措施後，本集團的核心和非核心業務未來仍將保持穩定的增長，而醫藥行業的洗牌與競爭加劇，以及海外醫藥公司積極將產品推向中國市場等因素都將為朗生提供更多的機會去選擇適合企業及藥品進行收購或合作，將本集團的業績帶到另一新的台階。

The sound results from Starry yielded a fruitful investment return. Starry, whose 20% equity interest was successfully acquired by the Group in November 2010, achieved an impressive operating result during the year. Benefiting from the growing market demand in China and the increased exports, the contrast agents of Starry achieved not only satisfactory sales growth, but also a substantial increase in the gross profit. As a result, Starry contributed net profit after tax of approximately US\$1.9 million during the year, and became a major driver of profit growth for the Group.

The above factors contributed to the Group's attractive results during the year.

Outlook

As the PRC government continues to pursue various effective measures, the Group believes that, from the macro-perspective, the overall economic development will remain stable. However, uncertainties such as inflation and increases in raw material prices will lead to an unfavourable operating environment. From the micro-perspective, although the pharmaceutical industry will continue to grow steadily and favourable policies will be launched successively, the new policies and regulations under the health care reform will still exert pressure on pharmaceutical enterprises. Despite the limited effects on the rheumatology market in the short run, it is necessary for us to stay alert in the medium- to long-term. Management will closely monitor the further development of macro-economy and health care reform policies while adopting proactive initiatives to make effective use of the policies and to minimize the adverse impacts.

Strategically, the Group will continue to focus on the development of core rheumatic specialty prescription western pharmaceuticals in the coming year, and explore entry into the market for other immune diseases related drugs. The Group will also diversify and optimise its product portfolio to enhance its competitive edge through acquisitions, agency arrangements and research and development. Management is confident that by proactively adopting a series of initiatives, both the core and non-core businesses of the Group will continue to maintain a sustainable growth in the future. Intensifying consolidation and competition in the pharmaceutical industry as well as the active launch of products by overseas pharmaceutical companies into the China market will provide Lansen with more opportunities to select suitable companies for cooperation and medical products for acquisition, which will generate enhanced results for the Group.

管理層討論及分析 Management Discussion and Analysis

財務回顧

二零一一年朗生仍然保持其市場競爭能力，錄得令人滿意的業績，實現收入74.5百萬美元，同比增長27.1%，實現淨利潤12.5百萬美元，同比增長21.9%。

收入

本集團於截至二零一一年十二月三十一日止年度的收入為74.5百萬美元(二零一零年：58.6百萬美元)，較去年上升27.1%。截至二零一一年十二月三十一日止年度，風濕專科處方西藥的收入為49.1百萬美元(二零一零年：40.6百萬美元)，較去年上升21.1%。其他藥品的收入為25.3百萬美元(二零一零年：18.0百萬美元)，較去年上升40.5%。

本集團於本年的收入上升，主要原因為：(1)風濕專科處方西藥中帕夫林和妥抒兩主力產品的穩定增長；(2)去年推出的代理產品扶異的高速增長；以及(3)現代中藥業務的持續發展。

隨中國政府進一步推進新醫改，醫保覆蓋率持續上升，將拉動醫藥市場的進一步擴容和持續增長。本集團繼續拓展二三線城市的銷售及分銷網絡，並深化與風濕協會及專家的緊密合作，這些舉措保障了本集團風濕專科處方藥業務量的穩定增長。帕夫林的收入為27.6百萬美元(二零一零年：22.9百萬美元)，較去年上升20.4%，佔本集團收入總額約37.1%。妥抒的收入為13.7百萬美元(二零一零年：10.3百萬美元)，較去年上升32.6%，佔本集團收入總額約18.4%。

加上受益於綠色產品需求持續上漲，以及政府對中醫藥的保護和扶持，二零一一年度現代中藥市場發展迅猛。現代中藥業務收入18.4百萬美元(二零一零年：11.6百萬美元)，較去年上升58.0%，佔本集團收入總額約24.7%。

Financial Review

In 2011, Lansen continued to maintain its market competitiveness and recorded a satisfactory result, with a revenue of US\$74.5 million, representing a growth of 27.1% over last year and a net profit of US\$12.5 million, representing a growth of 21.9% over last year.

Revenue

The Group recorded a revenue of US\$74.5 million (2010: US\$58.6 million) for the year ended 31 December 2011, representing an increase of 27.1% over last year. For the year ended 31 December 2011, revenue from rheumatic specialty prescription western pharmaceuticals amounted to US\$49.1 million (2010: US\$40.6 million), representing an increase of 21.1% over last year, while revenue from other pharmaceuticals amounted to US\$25.3 million (2010: US\$18.0 million), representing an increase of 40.5% over last year.

The increase in the Group's revenue during the year was mainly attributable to: (1) stable growth in income from its two core rheumatic specialty prescription western pharmaceuticals, Pafulin and Tuoshu; (2) the fast growth of MMF, an agency product launched last year; and (3) sustained development of modern Chinese medicine business.

Following further implementation of the new health care reform by the Chinese government, the coverage of medical insurance is rising, which will promote further expansion and persistent growth of the pharmaceutical market. The Group continues to develop its sales and distribution network in second- and third-tier cities and strengthen the close cooperation with rheumatic associations and specialists. This resulted in the stable growth of the Group's rheumatic specialty prescription products. The revenue for Pafulin amounted to US\$27.6 million (2010: US\$22.9 million), representing an increase of 20.4% over last year, accounting for 37.1% of total revenue of the Group. The revenue for Tuoshu amounted to US\$13.7 million (2010: US\$10.3 million), representing an increase of 32.6% over last year, accounting for 18.4% of total revenue of the Group.

Benefiting from the rising demand for natural products and the government's efforts to protect and promote Chinese medicines, the modern Chinese medicine market developed rapidly in 2011. Revenue for modern Chinese medicine business amounted to US\$18.4 million (2010: US\$11.6 million), representing an increase of 58.0% over last year, accounting for 24.7% of total revenue of the Group.

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毛利

截至二零一一年十二月三十一日止年度，本集團共錄得毛利44.4百萬美元(二零一零年：38.4百萬美元)，較去年上升約15.5%。

本集團在截至二零一一年十二月三十一日止年度的整體毛利率為59.6%(二零一零年：65.6%)，比去年下降約6.0%。其中風濕專科處方西藥的毛利率為76.2%(二零一零年：79.2%)，比去年下降約3.0%。其他藥品的毛利率為27.4%(二零一零年：34.8%)，較去年下降約7.4%。

毛利率下降之主要原因為：(1)受產品銷售結構影響，毛利率較低的其他藥品銷售比重上升，由二零一零年佔收入總額的30.8%上升至二零一一年佔收入總額的34.0%；(2)產品的原材料及包裝物料價格較去年上漲，增加了產品的生產成本；(3)受國家政策因素增加城建稅和教育附加稅的徵收，增加銷售成本，令毛利率下降；及(4)此外，受到國家食品藥品監督管理局不斷推出各方面監管及質量標準要求，本集團需對部份產品提升質量和改進工藝，增加了生產成本。

其他收入

其他收入主要包括政府補貼及銀行存款的利息收入。截至二零一一年十二月三十一日止年度的其他收入為2.7百萬美元(二零一零年：2.0百萬美元)，較去年上升39.2%。主要是由於本集團自地方政府收取的政府補貼增加，部分用於嘉許本集團開發高科技藥品的表現。

Gross profit

For the year ended 31 December 2011, the Group recorded a gross profit of US\$44.4 million (2010: US\$38.4 million), representing an increase of approximately 15.5% over last year.

For the year ended 31 December 2011, the overall gross profit margin of the Group was 59.6% (2010: 65.6%), representing a decrease of approximately 6.0% over last year. The gross profit margin of rheumatic specialty prescription western pharmaceuticals was 76.2% (2010: 79.2%), representing a decrease of approximately 3.0% over last year. The gross profit margin of other pharmaceuticals was 27.4% (2010: 34.8%), representing a decrease of approximately 7.4% over last year.

The decrease in gross profit margin was mainly attributable to: (1) the change in product sales structure, the sales proportion of other pharmaceuticals which have lower gross profit margin to total Group's sales increased from 30.8% in 2010 to 34.0% in 2011; (2) the increase in raw material and packaging material prices as compared to last year, resulting in an increase in production costs; (3) the imposition of a city construction tax and an educational tax surcharge by the state resulted in an increase in the cost of sales, and in return, a decrease in gross profit margin; and (4) the promulgation of more regulatory requirements and quality standards by the State Food and Drug Administration lead to increased production costs as the Group was required to enhance the quality and production process of certain products.

Other income

Other income, primarily included government grants and interest income from bank deposits, amounted to US\$2.7 million (2010: US\$2.0 million) for the year ended 31 December 2011, representing an increase of 39.2% over last year. The increase was mainly attributable to increased grants from the local government partly as recognition of the Group's efforts in developing high-technology pharmaceutical products.

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銷售及分銷開支

銷售及分銷開支主要包括：(1)舉行座談會、會議的推廣成本及相關開支；(2)員工成本；及(3)租金開支。截至二零一一年十二月三十一日止年度的銷售及分銷開支為24.8百萬美元(二零一零年：20.4百萬美元)，較去年上升21.4%。

本集團致力提高帕夫林和妥抒兩主力產品的知名度，年內舉行多場的研討會，積極開展患者教育活動，推廣和解釋相關疾病知識與產品的用途及功效。管理層相信以上推廣活動將持久發揮效應。

加上本集團的新產品扶異剛在去年推出市場。為了更能提高該產品的知名度與社會認受性，本集團於年內為該產品加強宣傳。透過在全國各地舉行學術推廣座談會，使醫生和病者都能對此產品的藥理、功效和優點等有更清晰的概念。

本集團銷售及分銷開支佔本集團總收入的比例由二零一零年的34.9%降至二零一一年的33.3%，下降主要由於本集團經營效率增長所致。

行政開支

截至二零一一年十二月三十一日止年度的行政開支為8.7百萬美元(二零一零年：7.0百萬美元)，較去年上升23.4%。行政開支增加主要是由於本集團經營規模擴大所致。

財務成本

截至二零一一年十二月三十一日止年度的財務成本為0.5百萬美元(二零一零年：0.4百萬美元)，較去年上升18.3%。財務成本增加主要是由於本年的平均銀行借貸增加。

Selling and distribution expenses

Selling and distribution expenses primarily consisted of (1) promotion costs through organising seminars, conferences and related expenses; (2) staff costs; and (3) rental expenses. For the year ended 31 December 2011, selling and distribution expenses amounted to US\$24.8 million (2010: US\$20.4 million), representing an increase of 21.4% over last year.

The Group endeavoured to enhance brand recognition of its two core products, Pafulin and Tuoshu. During the year, we held various seminars, actively engaged in patient education, promoted and explained relevant knowledge of related diseases together with product usage and function. Management believes that the above promotional activities will bring long-lasting positive effect to the Group.

Furthermore, the Group launched a new product, MMF, to the market last year. In order to further enhance the popularity and market recognition of this product, the Group put more effort into marketing and promotion during the year. By organising academic conferences throughout China, doctors and patients were able to have a better understanding of the pharmacology, efficacy and benefits of this product.

The proportion of selling and distribution expenses to total revenue of the Group declined from 34.9% in 2010 to 33.3% in 2011. The decrease was mainly attributable to the growth in operating efficiency of the Group.

Administrative expenses

Administrative expenses for the year ended 31 December 2011 amounted to US\$8.7 million (2010: US\$7.0 million), representing an increase of 23.4% over last year. The increase in administrative expenses was mainly due to the expansion of the Group's scale of operation.

Finance costs

Finance costs for the year ended 31 December 2011 amounted to US\$0.5 million (2010: US\$0.4 million), representing an increase of 18.3% over last year. The increase in finance costs was mainly attributable to the increase in the average bank borrowings for the year.

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應佔聯營公司的除稅後溢利

截至二零一一年十二月三十一日止年度的應佔聯營公司的除稅後溢利為1.9百萬美元(二零一零年：0.2百萬美元)，較去年上升778.3%。本集團於二零一零年十一月成功收購司太立的20%股權，而司太立被視為本集團之聯營公司，其財務業績將以權益法併入本集團的財務報表。應佔聯營公司的除稅後溢利大幅上升主要是由於截至二零一零年十二月三十一日止年度只併入從收購日起計算約1個月的業績。

所得稅開支

寧波立華獲得高新技術企業認定，由二零一零年一月一日起享有15%之所得稅優惠政策。截至二零一一年十二月三十一日止年度，本集團所得稅開支為2.7百萬美元，較去年的2.6百萬美元增加4.8%，增長主要是由於盈利增加。本集團有效所得稅率為17.8%(二零一零年：20.1%)。

本公司擁有人應佔溢利

截至二零一一年十二月三十一日止年度，本公司股東應佔利潤或純利為12.5百萬美元，較去年的10.2百萬美元增加21.9%或2.2百萬美元。

流動資金、財務資源及資本架構

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

集團的財務狀況持續保持強健。集團於二零一一年十二月三十一日之流動資產淨值約為39.0百萬美元(二零一零年：37.8百萬美元)，流動比率為2.1(二零一零年：4.0)。

於二零一一年十二月三十一日，本集團的現金及現金等價物為15.6百萬美元(二零一零年：14.8百萬美元)。於二零一一年十二月三十一日，本集團擁有已抵押銀行存款7.3百萬美元(二零一零年：0.1百萬美元)作為銀行借貸和應付票據的擔保。

Share of post-tax profit of an associate

Share of post-tax profit of an associate for the year ended 31 December 2011 amounted to US\$1.9 million (2010: US\$0.2 million), representing an increase of 778.3% over last year. Starry was deemed to be an associate of the Group following the successful acquisition of its 20% equity interest in November 2010 by the Group. Its financial results were thus consolidated into the Group's financial statements by using the equity accounting method. The substantial increase in the share of post-tax profit of an associate is mainly due to the fact that only about one month's results were accounted for the year ended 31 December 2010 after the acquisition.

Income tax expense

Ningbo Liwah obtained the certification as a high technology enterprise and enjoyed a preferential income tax rate of 15% since 1 January 2010. The Group's income tax expense for the year ended 31 December 2011 amounted to US\$2.7 million, representing an increase of 4.8% as compared to US\$2.6 million over last year. The increase was mainly attributable to the increase in earnings. The Group's effective income tax rate was 17.8% (2010: 20.1%).

Profit attributable to owners of the Company

The profit or net profit attributable to owners of the Company for the year ended 31 December 2011 grew by 21.9% or US\$2.2 million to US\$12.5 million as compared to US\$10.2 million over last year.

Liquidity, financial resources and capital structure

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

The Group's financial position continued to be strong. As at 31 December 2011, net current assets and current ratio of the Group were approximately US\$39.0 million (2010: US\$37.8 million) and 2.1 (2010: 4.0) respectively.

As at 31 December 2011, the Group's cash and cash equivalents amounted to US\$15.6 million (2010: US\$14.8 million). As at 31 December 2011, the Group had pledged bank deposits of US\$7.3 million (2010: US\$0.1 million) to secure bank borrowings and bills payables.

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本集團於二零一一年十二月三十一日的借貸為28.4百萬美元(二零一零年：10.7百萬美元)，其中19.2百萬美元須於一年內償還，9.2百萬美元須於一年後但五年內償還(二零一零年：3.3百萬美元須於一年內償還，7.4百萬美元須於一年後但五年內償還)。

於二零一一年十二月三十一日，本集團之淨負債權益比率為5.5%(二零一零年：零)，乃按二零一一年十二月三十一日的淨負債除以總權益計算得出。

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

資產抵押

於二零一一年十二月三十一日，若干銀行存款、樓宇及廠房及預付土地租賃款項，面值合計16.2百萬美元(二零一零年：4.1百萬美元)，已就取得銀行融資及銀行貸款作出抵押。

資本承擔

於二零一一年十二月三十一日，本集團有已訂約但尚未於財務報表中預提的資本開支為5.2百萬美元(二零一零年：1.5百萬美元)。

或然負債

於二零一一年十二月三十一日，本集團並無任何重大或然負債。

重大收購及出售

截至二零一一年十二月三十一日止年度，本集團並無進行任何有關附屬公司及聯營公司的重大收購及出售。

The Group's borrowings as at 31 December 2011 amounted to US\$28.4 million (2010: US\$10.7 million), of which US\$19.2 million is repayable within 1 year and US\$9.2 million is repayable after 1 year but within 5 years (2010: US\$3.3 million is repayable within 1 year and US\$7.4 million is repayable after 1 year but within 5 years).

As at 31 December 2011, the Group's net debt-to-equity ratio was 5.5% (2010: nil), calculated by net debt as at 31 December 2011 over total equity.

The Group has minimal transactional currency exposure to foreign currency risk as most of the financial assets and liabilities held by the Group's subsidiaries are denominated in the respective functional currency of the subsidiaries. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Charges on assets

As at 31 December 2011, certain bank deposits, building and plant, and prepaid land lease payment in an aggregate carrying amount of US\$16.2 million (2010: US\$4.1 million) were pledged to secure banking facilities and bank borrowings.

Capital commitment

As at 31 December 2011, the Group's capital expenditure contracted for but not provided in the financial statements amounted to US\$5.2 million (2010: US\$1.5 million).

Contingent liabilities

As at 31 December 2011, the Group did not have any material contingent liabilities.

Material acquisitions and disposals

There were no material acquisitions and disposals of any subsidiaries and associates of the Group during the year ended 31 December 2011.

管理層討論及分析 Management Discussion and Analysis

首次公開發售所得款項用途

於二零一零年五月七日，本公司成功於香港聯合交易所有限公司（「聯交所」）上市。本公司從首次公開發售收取所得款項淨額約408.3百萬港元（相等於約52.5百萬美元）。

此等所得款項從上市日期起至二零一一年十二月三十一日止期間已部份使用，其使用乃符合本公司於二零一零年四月二十七日刊發的招股章程（「招股章程」）所載所得款項淨額之擬定用途，包括作產品開發及研究、收購醫藥公司及／或購買生產技術或產品批文、提升產能、擴充銷售與分銷網絡及作為一般營運資金。

人力資源

於二零一一年十二月三十一日，本集團有逾700名員工。本集團之員工薪酬經參考個人工作表現以及本公司業績、專業資格、行業經驗及相關市場趨勢而釐定，當中包括薪金、津貼、醫療保險及公積金。

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

Use of proceeds from Initial Public Offering

On 7 May 2010, the Company was successfully listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The net proceeds received by the Company from the IPO was approximately HK\$408.3 million (equivalent to approximately US\$52.5 million).

The proceeds have been partially applied during the period from the listing date to 31 December 2011, the use of which was consistent with the intended use as disclosed in the prospectus of the Company dated 27 April 2010 (the "Prospectus"), namely for product development and research, funding the acquisition of pharmaceutical companies and/or purchase of production technologies or product approvals, improving production capacity, expansion of sales and distribution network and as general working capital.

Human resources

The Group had over 700 employees as at 31 December 2011. Staff remuneration of the Group, including salary, allowances, medical insurance and provident fund, is determined with reference to individual performance and the Company's results, professional qualifications, experience in the industry and relevant market trends.

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

董事及高級管理人員履歷

Biographical Details of Directors and Senior Management

執行董事

徐軍先生，41歲，為本公司的執行董事及行政總裁。徐先生負責本集團整體業務策略及企業發展，彼一直負責本集團的整體管理。徐先生在醫藥業擁有超過19年經驗，自一九九二年開始在華潤三九醫藥股份有限公司(前稱三九醫藥股份有限公司)及其附屬公司(「深圳三九集團」)工作。徐先生於二零零一年年底加盟本集團。加盟本集團前，由一九九二年至二零零一年，徐先生在深圳三九集團旗下的公司擔任多個管理職位，包括銷售經理、銷售部主管及副總經理。彼於一九九二年在中國人民大學取得經濟學理學士學位，並於二零零三年在中歐國際工商學院取得行政工商管理碩士學位。

劉曉東先生，41歲，為本公司執行董事及本集團高級副總裁，負責本集團的營運管理，於二零零一年年底加盟本集團。加盟本集團前，由一九九二年至二零零一年，彼曾出任深圳三九集團旗下的公司的財務部副部長及審計辦公室主任，在醫藥業擁有超過19年經驗，自一九九二年開始在深圳三九集團工作。劉先生於一九九二年在武漢大學取得經濟學士學位。

非執行董事

Stephen Burnau HUNT先生，72歲，為本公司非執行董事兼主席。Hunt先生於一九九二年加盟Cathay International集團。他為Cathay International Holdings Limited(「CIH」)(一間在倫敦證券交易所上市的公司)的副主席兼非執行董事，曾任香港一家投資公司Aliant Capital的董事總經理。Hunt先生為美國人，曾在美國銀行工作24年，擔任國際性管理及借貸職位，並擔任香港美國銀行的高級副總裁及區域總經理。一九八九年，彼出任香港美國商會主席；一九九零年，彼獲委任加入香港政府的國際商業委員會；一九八九年至一九九一年，彼出任香港政府的自由貿易顧問委員會成員。Hunt先生目前出任香港美國商會慈善基金的受託人，由二零零四年十一月至二零一一年六月亦為聯交所主板及創業板上市委員會成員。彼於一九六一年於杜克大學取得文學士學位，於一九六三年於哥倫比亞大學取得國際事務碩士學位。

Executive Directors

Mr. XU Jun (徐軍), age 41, is an executive Director and the chief executive officer of our Company. Mr. Xu is responsible for the overall business strategy and corporate development of our Group. Mr. Xu has been responsible for the overall management of our Group. Mr. Xu has over 19 years of experience in the pharmaceutical industry through his working experience in China Resources Sanjiu Medical & Pharmaceutical Co., Ltd. (formerly Sanjiu Medical and Pharmaceutical Company Limited) and its subsidiaries (the "Shenzhen Sanjiu Group") since 1992. Mr. Xu joined our Group at the end of 2001. Prior to joining our Group, Mr. Xu held various managerial positions, including sales manager, head of sales department and deputy general manager in a company within the Shenzhen Sanjiu Group from 1992 to 2001. Mr. Xu obtained a bachelor of science degree in economics from the Renmin University of China (中國人民大學) in 1992 and an executive master degree in business administration from the China Europe International Business School in 2003.

Mr. LIU Xiao Dong (劉曉東), age 41, is an executive Director of our Company and the senior vice president of our Group in charge of operations management. Mr. Liu joined our Group at the end of 2001. Prior to joining our Group, Mr. Liu had been deputy head of the finance department and director of the auditing office of a company within the Shenzhen Sanjiu Group from 1992 to 2001. Mr. Liu has over 19 years of experience in the pharmaceutical industry through his working experience in Shenzhen Sanjiu Group since 1992. Mr. Liu obtained his bachelor's degree in economics from Wuhan University (武漢大學) in 1992.

Non-executive Directors

Mr. Stephen Burnau HUNT, age 72, is a non-executive Director and chairman of our Company. Mr. Hunt joined the Cathay International Group in 1992. He is the deputy chairman and a non-executive director of Cathay International Holdings Limited ("CIH"), a company listed on the London Stock Exchange. Mr. Hunt was formerly managing director of Aliant Capital, an investment company in Hong Kong. Mr. Hunt, a US citizen, spent 24 years with Bank of America in international management and lending positions. Mr. Hunt was senior vice president and area general manager for Bank of America located in Hong Kong. Mr. Hunt was president of the American Chamber of Commerce in Hong Kong in 1989. In 1990, Mr. Hunt was appointed to the Hong Kong Government's International Business Committee, and from 1989 to 1991 was a member of the Hong Kong Government's Advisory Committee on Free Trade. Mr. Hunt is currently a trustee of the American Chamber of Commerce's Charitable Foundation. Mr. Hunt also served as a member of the Main Board and GEM Listing Committees of the Stock Exchange from November 2004 to June 2011. Mr. Hunt obtained a bachelor of arts degree from Duke University in 1961 and a master's degree in international affairs from Columbia University in 1963.

董事及高級管理人員履歷

Biographical Details of Directors and Senior Management

李晉頤先生，54歲，為本公司非執行董事兼副主席。李先生於二零一零年一月加盟CIH集團，並為CIH的行政總裁。李先生於銀行業饒富經驗，在過去20年曾擔任主要金融機構的多個高級管理職位。李先生曾擔任廈門市商業銀行的董事。於加盟CIH集團前，李先生曾擔任富邦銀行(香港)有限公司董事總經理兼行政總裁共五年半，亦曾擔任富邦金融控股股份有限公司董事。在此之前，李先生為摩根大通公司董事總經理以及中國事務部高級主管、摩根大通公司香港管理委員會主席。李先生於二零一一年六月二十二日獲台中銀行委任為獨立董事，台中銀行於台灣證券交易所上市。李先生於一九八四年取得哈佛大學工商管理碩士學位。

湯軍先生，52歲，為本公司非執行董事。湯先生於一九九四年加盟CIH集團，一直任職於業務發展部，負責為本集團在醫藥業發掘投資機會。彼目前擔任CIH集團的副總裁兼業務發展部主管，亦擔任寧波立華製藥有限公司(「寧波立華」)、朗生醫藥(深圳)有限公司(「深圳朗生」)及寧波朗生醫藥有限公司的董事長以及西安皓天生物工程技術有限責任公司(「西安皓天」)的董事。湯先生於一九八二年於杭州大學取得哲學學士學位，於一九八六年於北京師範大學取得哲學碩士學位，並於一九九三年於芬蘭拉普蘭大學取得法律執照學位(Licentiate degree in law)。

陶芳芳女士，41歲，為本公司非執行董事。陶女士於二零零七年加盟CIH集團，亦為西安皓天的董事。陶女士分別於一九九六年及一九九八年成為專業會計師及註冊會計師。陶女士在晉升為中國一家領先醫藥集團的財務部長前，曾在該集團轄下的生產公司擔任財務總監及於營銷及銷售公司擔任財務經理。彼於一九九二年於上海財經大學會計學系畢業。

Mr. LEE Jin Yi (李晉頤), age 54, is a non-executive Director and deputy chairman of our Company. Mr. Lee joined the CIH Group in January 2010 and is the chief executive officer of CIH. Mr. Lee has extensive experience in the banking industry and held various senior management positions with major financial institutions over the past 20 years. Mr. Lee has been a director of Xiamen City Commercial Bank. Prior to joining the CIH Group, Mr. Lee was the managing director and chief executive officer of Fubon Bank (Hong Kong) Limited for five and half years and a director of Fubon Financial Holding Company Limited. Prior to that, Mr. Lee was the managing director and China senior country officer of J.P. Morgan Chase & Co. and chairman of the Hong Kong Management Committee of J.P. Morgan Chase & Co. Mr. Lee was appointed as an independent director of Taichung Bank on 22 June 2011. Taichung Bank is listed on Taiwan Stock Exchange. Mr. Lee obtained a master's degree in business administration from Harvard University in 1984.

Mr. TANG Jun (湯軍), age 52, is a non-executive Director of our Company. Mr. Tang joined the CIH Group in 1994 and has been working in the business development department, responsible for exploring investment opportunities in the pharmaceutical industries for our Group. Currently, Mr. Tang is the vice president and head of business development of the CIH Group. Mr. Tang is also acting as chairman for Ningbo Liwah Pharmaceutical Company Limited ("Ningbo Liwah"), Lansen Medicine (Shenzhen) Company Limited ("Shenzhen Lansen") and Ningbo Lansen Pharmaceutical Company Limited, and a director of Xiao Haotian Bio-Engineering Technology Co. Ltd. ("Xiao Haotian"). Mr. Tang obtained a bachelor of philosophy degree from Hangzhou University (杭州大學) in 1982, a master of philosophy degree from Beijing Normal University (北京師範大學) in 1986 and a licentiate degree in law from Lapland University, Finland in 1993.

Ms. TAO Fang Fang (陶芳芳), age 41, is a non-executive Director of our Company. Ms. Tao joined the CIH Group in 2007 and is also acting as a director of Xian Haotian. Ms. Tao became a professional accountant and a registered accountant in 1996 and 1998 respectively. Before being promoted to the position of director of finance department of a leading pharmaceutical group in China, Ms. Tao worked as financial controller for a manufacturing company and financial manager for a marketing and sales company under the control of that group. Ms. Tao graduated from the department of accounting of Shanghai University of Finance and Economics (上海財經大學) in 1992.

董事及高級管理人員履歷

Biographical Details of Directors and Senior Management

葉佩玲女士，53歲，為本公司非執行董事，亦為CIH的公司秘書、CIH集團的副總裁兼資產管理部主管，負責CIH集團投資項目的營運管理。葉女士亦為西安皓天及其附屬公司的董事長。葉女士由一九九四年起成為香港會計師公會資深會員，由一九九一年起成為特許公認會計師公會資深會員，並由二零零八年起成為英格蘭及威爾斯特許會計師公會會員。由一九八八年起，彼成為英國特許秘書及行政人員公會會士，以及由一九九四年起，彼成為香港公司秘書公會會士。於一九九四年二月加盟CIH集團前，葉女士於畢馬威會計師事務所擔任核數師及稅務顧問達七年。葉女士於一九八一年於嶺南學院畢業，取得工商管理及會計學系文憑，並於一九八三年取得會計學系榮譽文憑。

獨立非執行董事

陳記煊先生，60歲，為本公司獨立非執行董事。陳先生於二零一零年四月九日加盟本集團。陳先生在外聘審核、訊息科技審核、培訓、會計及金融、公司秘書及公司行政管理、資訊系統管理、內部審核、訊息安全、風險管理及合規等專業領域有超過三十年的經驗。陳先生是香港會計師公會、英國特許公認會計師公會資深會員及澳洲會計師公會資深會員及訊息科技專家。陳先生亦是下列專業團體的會員或成員：香港電腦學會、香港證券專業學會及美國人壽管理學會。彼亦是國際資訊系統審計與控制協會認可訊息系統審計師及香港董事學會資深會員。陳先生是思與智顧問有限公司的行政總裁、新里程電腦系統有限公司的高級顧問，亦是香港理工大學會計及金融學院的客座教授。陳先生於一九九一年至一九九六年在康聯人壽保險有限公司(前稱怡和人壽保險有限公司)任職，離職前為合規總經理。彼於一九九六年至二零零零年在道亨銀行／國浩集團有限公司擔任內部審核主管，於二零零一年至二零零三年在星展銀行(香港)有限公司擔任大中華地區合規主管及董事總經理，於二零零四年至二零零五年在南順(香港)有限公司擔任集團財務總監，於二零零六年擔任香港會計師公會專業水平審核總監，並於二零零六年十二月至二零零九年四月擔任中國平安保險(集團)股份有限公司集團合規部主管。陳先生於一九七六年畢業於香港理工學院，獲得高級會計文憑。

Ms. YIP Pui Ling, Rebecca (葉佩玲), age 53, is a non-executive Director of our Company, company secretary of CIH, vice president and head of asset management of the CIH Group responsible for the management of the operations of the CIH Group's invested projects and is also acting as chairman of Xian Haotian and its subsidiaries. Ms. Yip is a fellow of Hong Kong Institute of Certified Public Accountants ("HKICPA") since 1994, a fellow of Association of Chartered Certified Accountants since 1991, and an associate of The Institute of Chartered Accountants in England and Wales ("ICAEW") since 2008. Ms. Yip is also an associate of The Institute of Chartered Secretaries and Administrators since 1988 and The Hong Kong Institute of Company Secretaries since 1994. Prior to joining the CIH Group in February 1994, Ms. Yip worked for KPMG as an auditor and tax consultant for 7 years. Ms. Yip graduated from Lingnan College where she obtained a diploma in business administration and accounting in 1981 and a honours diploma in accounting in 1983.

Independent Non-executive Directors

Mr. CHAN Kee Huen, Michael (陳記煊), age 60, is an independent non-executive Director of the Company. Mr. Chan joined our Group on 9 April 2010. Mr. Chan has over 31 years of external audit, IT audit, training, accounting and finance, company secretarial and corporate administration, MIS management, internal audit, information security, risk management and compliance experience. Mr. Chan is a fellow of the HKICPA and The Chartered Association of Certified Accountants and a fellow and specialist in information technology of CPA Australia. Mr. Chan is also associate or member of the following professional bodies: The Hong Kong Computer Society, Hong Kong Securities Institute, and the Life Management Institute. He is also a certified information systems auditor with the Information Systems Audit and Control Association and a fellow of the Hong Kong Institute of Directors. Mr. Chan is the chief executive of C&C Advisory Services Limited, senior advisor of New Frontier Computer Systems Limited and an adjunct professor in the School of Accounting and Finance of the Hong Kong Polytechnic University. Mr. Chan has worked at CMG Life Assurance Limited (formerly Jardine CMG Life Assurance Limited) from 1991 to 1996 and his last position was general manager, compliance. He was the head of internal audit of Dao Heng Bank/Guoco Group Limited from 1996 to 2000, the head of compliance in Greater China, managing director of DBS Bank (Hong Kong) Limited from 2001 to 2003, the group financial controller of Lam Soon (Hong Kong) Limited from 2004 to 2005, the director of Quality Assurance of HKICPA in 2006 and the head of group compliance of Ping An Insurance (Group) Company of China, Limited from December 2006 to April 2009. Mr. Chan graduated with a higher diploma in accountancy from Hong Kong Polytechnic in 1976.

董事及高級管理人員履歷

Biographical Details of Directors and Senior Management

鄧昭平先生，63歲，為本公司獨立非執行董事。鄧先生於二零一零年四月九日加盟本集團。鄧先生自一九八五年加入Russell Reynolds Associates香港辦事處起一直在獵頭領域任職。鄧先生曾任Russell Reynolds Associates大中華區的主席，直至二零零八年年底從該行業退休為止。鄧先生在美國麻省波士頓的Tufts University接受教育，於一九七二年獲文學士學位，並於一九七五年畢業於位於康涅狄格州紐黑文的耶魯大學醫學院，取得公共衛生的碩士學位。彼為非公營機構如香港學術及職業資歷評審局成員。

Fritz Heinrich HORLACHER先生，62歲，為本公司獨立非執行董事。Horlacher先生於二零一一年二月十日加盟本集團。Horlacher先生於醫藥行業擁有超過三十年的經驗。彼於一九七四年開始在羅氏澳洲從事醫藥工作，其後由一九八一年至二零零八年於裕利醫藥亞太（「裕利醫藥」）工作，並由一九九五年至二零零八年擔任裕利醫藥的行政總裁，負責提供服務予亞太地區逾125個以研究為主的國際醫藥製造商的業務。Horlacher先生於二零零八年退任裕利醫藥行政總裁一職。由二零零五年至二零零七年，彼為Invida Group Pte Ltd的替任董事。由二零零二年至二零零四年，彼為Australian Pharmaceutical Industries Limited（於澳洲證券交易所上市的公司）的非執行董事。由二零零二年至二零零八年，彼為國際藥物批發商聯合會（International Federation of Pharmaceutical Wholesalers）董事會的亞洲代表。彼於二零一一年四月一日獲Alliance Boots委任為其醫藥批發部門之亞洲區域董事。彼亦獲委任為Alliance BMP Limited與廣州醫藥集團有限公司各持50%股份之合資公司廣州醫藥有限公司之董事兼董事會主席，自二零一一年七月二十日起生效。Horlacher先生於一九六九年畢業於瑞士的Montana Institute及於一九七二年畢業於南非的Union College。

高級管理人員

謝宏偉先生，39歲，為本集團銷售高級副總裁兼深圳朗生的總經理，負責本集團的營銷及管理。謝先生於二零零一年十二月加盟本集團，在醫藥業擁有超過17年經驗。加盟本集團前，由一九九四年至二零零一年，彼曾在深圳三九集團旗下的公司擔任銷售及營銷部門的經理及銷售總監。謝先生於一九九四年在白求恩醫科大學取得醫學圖書館及資訊科學學士學位。

Mr. TANG Chiu Ping, Raymond (鄧昭平), age 63, is an independent non-executive Director of our Company. Mr. Tang joined our Group on 9 April 2010. Mr. Tang has been in the executive search field since 1985 when he joined the Hong Kong office of Russell Reynolds Associates. Mr. Tang was formerly chairman, Greater China at Russell Reynolds Associates until late 2008 when he retired from the industry. Mr. Tang was educated in the United States at Tufts University in Boston, Massachusetts where he obtained a bachelor of arts degree in 1972; and he graduated with a master's degree in public health from the Yale University School of Medicine in New Haven, Connecticut in 1975. Mr. Tang has served as a member of non-governmental organisations such as the Hong Kong Council of Academic Accreditation and Vocational Qualifications.

Mr. Fritz Heinrich HORLACHER, age 62, is an independent non-executive Director of our Company. Mr. Horlacher joined our Group on 10 February 2011. Mr. Horlacher has over 30 years' experience in the pharmaceutical industry. Mr. Horlacher started his pharmaceutical career with Roche Australia in 1974. Mr. Horlacher worked at Zuellig Pharma Asia Pacific ("Zuellig Pharma") from 1981 to 2008. Mr. Horlacher was the chief executive officer of Zuellig Pharma from 1995 to 2008 and was responsible for its operations servicing more than 125 international research-based pharmaceutical manufacturers in the Asia Pacific region. Mr. Horlacher retired as chief executive officer of Zuellig Pharma in 2008. From 2005 to 2007, Mr. Horlacher was an alternate director of Invida Group Pte Ltd. Mr. Horlacher was a non-executive director of Australian Pharmaceutical Industries Limited (a company listed on the Australian Securities Exchange) from 2002 to 2004. Mr. Horlacher was the Asia representative on the board of directors of the International Federation of Pharmaceutical Wholesalers from 2002 to 2008. He was appointed regional director of Asia for the Pharmaceutical Wholesale Division of Alliance Boots in April 2011. He was also appointed as a director and chairman of the Board of Guangzhou Pharmaceutical Corporation with effect from 21 July 2011. Guangzhou Pharmaceutical Corporation is a joint venture company with Alliance BMP Limited and Guangzhou Pharmaceutical Holdings Limited each holding 50% of shares. Mr. Horlacher graduated in 1969 from Montana Institute in Switzerland and from Union College in South Africa in 1972.

Senior Management

Mr. XIE Hong Wei (謝宏偉), age 39, is the senior vice president of sales and general manager of Shenzhen Lansen responsible for the marketing and management of the Group. Mr. Xie joined our Group in December 2001 and has over 17 years of experience in the pharmaceutical industry. Prior to joining our Group, Mr. Xie had been the manager and sales director of the sales and marketing department of a company within the Shenzhen Sanjiu Group from 1994 to 2001. Mr. Xie obtained a bachelor's degree in medical library and information science from Norman Bethune University of Medical Science (白求恩醫科大學) in 1994.

董事及高級管理人員履歷

Biographical Details of Directors and Senior Management

梅志雄先生，45歲，為本公司的公司秘書、財務總監兼授權代表。梅先生於二零一零年十一月十五日加盟本集團。梅先生擁有超過20年財務、審計和會計經驗。梅先生加入本公司前，曾於不同上市集團和國際會計師事務所擔任要職，其中包括羅兵咸永道會計師事務所、遠東發展集團和麗盛集團。梅先生曾於麗盛集團任職財務總監、公司秘書及執行董事，任期達七年。梅先生於二零零二年在香港理工大學取得專業會計碩士學位，並於一九九二年在加拿大University of Lethbridge取得管理(會計)學士學位。梅先生現為美國會計師公會會員及香港會計師公會會員。

潘莉蓉女士，46歲，為本集團高級副總裁。潘女士於一九九七年十二月加盟CIH集團，曾在CIH集團負責業務發展及財務部門工作，以及在本集團的多家附屬公司擔任董事職務。加盟CIH集團前，彼為美資公司Bessemer Holdings LLC的附屬公司Bessemer Asia Limited的總裁助理。潘女士曾在國際商行累積超過18年經驗，專長對中國的直接投資，曾於香港、澳洲和中國工作。彼持有南澳洲大學於二零零零年頒發的工商管理碩士學位。

周戎先生，42歲，為本集團物流總監、寧波立華的董事兼寧波立華植物提取技術有限公司(「立華植提」)的總經理，負責本集團物流相關事宜及立華植提的營運及管理。周先生於二零零一年十二月加盟本集團，在醫藥業已累積超過20年經驗。加盟本集團前，由一九九一年至二零零一年，彼任職深圳三九集團旗下的公司。周先生於一九九一年在瀋陽建築工程學院取得供熱通風與空調工程學學士學位。

魯俞江先生，40歲，為本集團非處方藥業務總監兼寧波立華副總經理，負責本集團非處方藥業務及寧波立華的營運及管理。魯先生於二零零八年四月加盟本集團，在工業企業管理已累積超過18年經驗。加盟本集團前，由一九九七年至二零零八年，彼曾於杉杉集團旗下的科技集團擔任董事及財務總監。魯先生於二零零九年在西南交通大學取得工商碩士學位。

Mr. MUI Chi Hung (梅志雄), age 45, is the company secretary, chief financial officer and authorised representative of our Company. Mr. Mui joined our Group on 15 November 2010. Mr. Mui has over 20 years of experience in financing, auditing and accounting. Prior to joining the Company, Mr. Mui held various senior positions in different listed groups and international accounting firms, including PricewaterhouseCoopers, Far East Consortium Group and Rising Development Group, where he spent 7 years serving as a financial controller, company secretary and executive director. Mr. Mui obtained his master's degree in Professional Accounting from the Hong Kong Polytechnic University in 2002 and his bachelor's degree in Management majoring in Accounting from the University of Lethbridge in Canada in 1992. Mr. Mui is currently a member of American Institute of Certified Public Accountants and HKICPA.

Ms. POON Lei Yung (潘莉蓉), age 46, is the senior vice president of our Group. Ms. Poon joined the CIH Group in December 1997 and had worked in the business development and finance departments of the CIH Group and holds several directorships in the subsidiaries of our Group. Prior to joining the CIH Group, Ms. Poon was the assistant to president at Bessemer Asia Limited, a subsidiary of a U.S. based company, Bessemer Holdings LLC. Ms. Poon has over 18 years of experience with international firms that are specialised in direct investments in China, and has worked in Hong Kong, Australia and China. She obtained her master's degree in business administration from the University of South Australia in 2000.

Mr. ZHOU Rong (周戎), age 42, is the chief logistics officer of the Group, a director of Ningbo Liwah and the general manager of Ningbo Liwah Plant Extraction Technology Limited ("Liwah Zhiti") in charge of logistic related matters of the Group and operation and management of Liwah Zhiti. Mr. Zhou joined our Group in December 2001 and has over 20 years of experience in the pharmaceutical industry. Prior to joining our Group, Mr. Zhou was employed by a company within the Shenzhen Sanjiu Group from 1991 to 2001. Mr. Zhou obtained his bachelor's degree in heating, ventilation and air-conditioning engineering from Shenyang Architectural and Civil Engineering Institute (瀋陽建築工程學院) in 1991.

Mr. LU Yu Jiang (魯俞江), age 40, is the chief OTC business officer of the Group and deputy general manager of Ningbo Liwah in charge of the OTC business of the Group and operation and management of Ningbo Liwah. Mr. Lu joined our Group in April 2008 and has over 18 years of experience in industrial management. Prior to joining our Group, Mr. Lu had been a director and the financial controller of a technology group within the Shanshan Group from 1997 to 2008. Mr. Lu obtained his master's degree in business administration from the Southwest Jiaotong University in 2009.

董事會報告

Report of the Directors

本公司董事欣然提呈彼等之年度報告連同截至二零一一年十二月三十一日止年度之經審核綜合財務報表。

主要業務

本公司作為投資控股公司。其主要附屬公司之業務載於綜合財務報表附註33。

業績及分派

本集團截至二零一一年十二月三十一日止年度之業績載於第53頁之綜合全面收益表。

年內共向股東派付每股8.05港仙(約1.03美仙)的中期股息，合計33,408,000港元(約4,293,000美元)。

董事現建議向於二零一二年五月二十八日名列股東名冊的股東派付每股8.28港仙(約1.07美仙)的末期股息，合計34,362,000港元(約4,424,000美元)，惟須待股東於股東大會批准後，方可作實。

固定資產

本集團之物業、廠房及設備於年內之變動詳情載於綜合財務報表附註17。

借貸

本集團之借貸詳情載於綜合財務報表附註27。

股本

本公司股本於年內之變動詳情載於綜合財務報表附註25。

年內，本公司及任何其附屬公司概無購買、出售或贖回本公司任何上市證券。

本公司之可分派儲備

於二零一一年十二月三十一日，按照開曼群島公司法計算，本公司之可分派儲備金額為57,108,000美元，其中約4,424,000美元建議為本年度末期股息。

The Directors of the Company are pleased to present their annual report together with the audited consolidated financial statements for the year ended 31 December 2011.

Principal Activities

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in note 33 to the consolidated financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2011 are set out in the consolidated statement of comprehensive income on page 53.

An interim dividend of HK8.05 cents (approximately US1.03 cents) per share amounting to HK\$33,408,000 (approximately US\$4,293,000) in aggregate was paid to the shareholders during the year.

The Directors now recommend the payment of a final dividend of HK8.28 cents (approximately US1.07 cents) per share to the shareholders on the register of members on 28 May 2012, amounting to HK\$34,362,000 (approximately US\$4,424,000) in aggregate, subject to approval by the shareholders in general meeting.

Fixed Assets

Details of movements in the property, plant and equipment of the Group during the year are set out in note 17 to the consolidated financial statements.

Borrowings

Particulars of borrowings of the Group are set out in note 27 to the consolidated financial statements.

Share Capital

Details of movements in share capital of the Company during the year are set out in note 25 to the consolidated financial statements.

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

Distributable Reserves of the Company

As at 31 December 2011, the Company's reserves available for distribution, calculated in accordance with the Companies Law of the Cayman Islands, amounted to US\$57,108,000, of which approximately US\$4,424,000 has been proposed as a final dividend for the year.

董事會報告 Report of the Directors

主要客戶及供應商

年內，本集團之五大客戶銷售總額佔本集團銷售總額少於30%。

年內，本集團之五大供應商採購總額佔本集團採購總額38.1%（二零一零年：36.7%），而其中最大之供應商佔集團採購總額10.6%（二零一零年：12.8%）。

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

董事

於年內及直至本報告日期，本公司之董事如下：

執行董事：

徐軍先生(行政總裁)
劉曉東先生

非執行董事：

Stephen Burnau Hunt先生(主席)
李晉頤先生(副主席)
湯軍先生
陶芳芳女士
葉佩玲女士

獨立非執行董事：

陳記煊先生
鄧昭平先生
Fritz Heinrich Horlacher先生
(於二零一一年二月十日獲委任)
Robert Peter Thian先生
(於二零一一年二月十日辭任)

按照本公司之章程細則之第108條，徐軍先生、劉曉東先生、陶芳芳女士及葉佩玲女士將輪值退任，並符合資格及願意重選連任。

Major Customers and Suppliers

During the year, the aggregate sales attributable to the Group's five largest customers accounted for less than 30% of the Group's total sales.

During the year, the aggregate purchases attributable to the Group's five largest suppliers accounted for 38.1% (2010: 36.7%) of the Group's total purchases and purchases from the largest supplier included therein amounted to 10.6% (2010: 12.8%).

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

Directors

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

Executive Directors:

Mr. Xu Jun (Chief Executive Officer)
Mr. Liu Xiao Dong

Non-executive Directors:

Mr. Stephen Burnau Hunt (Chairman)
Mr. Lee Jin Yi (Deputy Chairman)
Mr. Tang Jun
Ms. Tao Fang Fang
Ms. Yip Pui Ling, Rebecca

Independent non-executive Directors:

Mr. Chan Kee Huen, Michael
Mr. Tang Chiu Ping, Raymond
Mr. Fritz Heinrich Horlacher
(appointed on 10 February 2011)
Mr. Robert Peter Thian
(resigned on 10 February 2011)

In accordance with the article 108 of the Company's articles of association, Mr. Xu Jun, Mr. Liu Xiao Dong, Ms. Tao Fang Fang and Ms. Yip Pui Ling, Rebecca will retire by rotation and, be eligible to offer themselves for re-election.

董事會報告 Report of the Directors

董事之服務合約

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

Directors' Service Contracts

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

董事於股份、相關股份及債權證之權益及淡倉

於二零一一年十二月三十一日，董事及其聯繫人於本公司及其相聯法團之股份、相關股份及債權證中擁有記錄於本公司根據證券及期貨條例(「證券及期貨條例」)第352條須存置之登記冊內的權益及淡倉，或根據上市發行人董事進行證券交易的標準守則須知會本公司及聯交所的權益及淡倉如下：

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

At 31 December 2011, the interests and short positions of the Directors and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

於本公司普通股中持有的好倉：

Long positions in ordinary shares of the Company:

董事姓名	身分	持有的已發行 普通股數目	佔本公司已發行 股本的百分比
Name of Director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
徐軍先生 Mr. Xu Jun	信託受益人(附註) Beneficiary of a trust (note)	48,830,000 (好倉) (Long position)	11.77%
劉曉東先生 Mr. Liu Xiao Dong	信託受益人(附註) Beneficiary of a trust (note)	48,830,000 (好倉) (Long position)	11.77%
李晉頤先生 Mr. Lee Jin Yi	實益擁有人 Beneficial owner	500,000 (好倉) (Long position)	0.12%
Stephen Burnau Hunt先生 Mr. Stephen Burnau Hunt	實益擁有人 Beneficial owner	100,000 (好倉) (Long position)	0.02%

董事會報告

Report of the Directors

附註：永航有限公司擔任以本集團若干管理層成員及僱員及／或彼等各自的家庭及／或慈善團體為受益人的全權信託的受託人（「管理層信託」）。徐軍先生及劉曉東先生為管理層信託的受益人，被視為於永航有限公司持有的股份中擁有權益。

Note: Ever Sail Limited, acting as trustee of a discretionary trust set up for the benefit of certain management personnel and employees of the Group and/or their respective family and/or charity organisation (the "Management Trust"). Mr. Xu Jun and Mr. Liu Xiao Dong, who are beneficiaries of the Management Trust, are deemed to be interested in the shares held by Ever Sail Limited.

除上文所披露者外，於二零一一年十二月三十一日，概無董事及其聯繫人於本公司或其任何相聯法團之任何股份、相關股份或債權證中擁有根據證券及期貨條例第352條須予以記錄的任何權益或淡倉，或根據上市發行人董事進行證券交易的標準守則須知會本公司及聯交所的任何權益或淡倉。

Save as disclosed above, none of the Directors nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 December 2011 which was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

購買股份或債權證之安排

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

Arrangements to Purchase Shares or Debentures

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

董事於重大合約中之權益

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

Directors' Interests in Contracts of Significance

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

主要股東

於二零一一年十二月三十一日，本公司根據證券及期貨條例第336條存置之主要股東名冊顯示，除以上披露有關若干董事的權益外，以下股東亦已知會本公司其於本公司已發行股本中擁有的相關權益及淡倉。

Substantial Shareholders

As at 31 December 2011, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain Directors, the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company.

股東名稱	附註	身份	持有的已發行 普通股數目	佔本公司已發行 股本的百分比
Name of Shareholder	Notes	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
國泰國際醫藥生產及銷售(中國)有限公司(「國泰國際醫藥(中國)」) Cathay International Pharma Manufacture and Distribution (China) Limited ("CI Pharma China")	1	實益權益 Beneficial interest	209,820,000 (好倉) (Long position)	50.56%

董事會報告

Report of the Directors

股東名稱	附註	身份	持有的已發行 普通股數目	佔本公司已發行 股本的百分比
Name of Shareholder	Notes	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
國泰國際長春生物技術及藥業 有限公司(「國泰國際長春」)	1	受控法團權益 Interest of a controlled corporation	209,820,000 (好倉) (Long position)	50.56%
Cathay International Changchun Biotechnology and Pharmaceutical (China) Limited (“CIC”)				
國泰國際生物技術及藥業(中國) 有限公司(「國泰國際生物 技術及藥業(中國)」)	1	受控法團權益 Interest of a controlled corporation	209,820,000 (好倉) (Long position)	50.56%
Cathay International Biotechnology & Pharmaceutical (China) Limited (“CI Biotech & Pharma China”)				
國泰國際醫藥有限公司 (「國泰國際醫藥」)	1	受控法團權益 Interest of a controlled corporation	209,820,000 (好倉) (Long position)	50.56%
Cathay International Pharmaceutical Limited (“CIP”)				
國泰國際生物技術有限公司 (「國泰國際生物技術」)	1	受控法團權益 Interest of a controlled corporation	209,820,000 (好倉) (Long position)	50.56%
Cathay International Biotech Company Limited (“CIB”)				
Cathay International Holdings Limited (“CIH”)	1	受控法團權益 Interest of a controlled corporation	209,820,000 (好倉) (Long position)	50.56%
Cathay International Enterprises Limited (“CIE”)	2	受控法團權益 Interest of a controlled corporation	209,820,000 (好倉) (Long position)	50.56%
Wu Zhen Tao	3	全權信託創辦人及 信託受益人 Founder of discretionary trusts and beneficiary of a trust	209,820,000 (好倉) (Long position)	50.56%
鄭豪	4	受控法團權益 Interest of a controlled corporation	48,830,000 (好倉) (Long position)	11.77%
Cheng Hoo				
Loyal Peace Enterprises Limited (“LPE”)	4	實益權益 Beneficial interest	48,830,000 (好倉) (Long position)	11.77%
永航有限公司	4	受託人 Trustee	48,830,000 (好倉) (Long position)	11.77%
Ever Sail Limited				

董事會報告

Report of the Directors

附註：

- (1) 該等股份由國泰國際醫藥(中國)持有。國泰國際醫藥(中國)由CIC擁有18%權益及由國泰國際生物技術及藥業(中國)擁有82%權益。CIC則由國泰國際生物技術及藥業(中國)擁有100%權益。國泰國際生物技術及藥業(中國)則由國泰國際醫藥全資擁有，而國泰國際醫藥乃由國泰國際生物技術全資擁有，後者由CIH全資擁有。因此，CIC、國泰國際生物技術及藥業(中國)、國泰國際醫藥、國泰國際生物技術及CIH被視為擁有該等股份的權益。
- (2) CIH約60.99%權益由CIE持有。因此，CIE被視為於國泰國際醫藥(中國)所持有的股份中擁有權益。
- (3) CIE的全部已發行股本由Wu Zhen Tao先生為Wu Zhen Tao先生及其家族成員的利益成立的信託(「Wu氏家人信託」)持有。作為Wu氏家人信託的創辦人，Wu Zhen Tao先生被視為於CIE所持有的股份中擁有權益。
- (4) LPE的全部已發行股本由永航有限公司作為管理層信託的受託人所持有，而永航有限公司由鄭豪先生全資擁有。因此，鄭豪先生被視為於LPE所持有的股份中擁有權益。

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

獨立性確認

本公司已根據聯交所證券上市規則第3.13條獲得每名獨立非執行董事作出其獨立性之年度確認。本公司認為所有獨立非執行董事均為獨立人士。

薪酬政策

本集團僱員之薪酬乃按彼等表現、專業資歷、行業經驗及相關市場趨勢而釐定。

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

Notes:

- (1) These Shares are held by CI Pharma China. CI Pharma China is owned as to 18% by CIC and 82% by CI Biotech & Pharma China. CIC is in turn owned as to 100% by CI Biotech & Pharma China. CI Biotech & Pharma China is in turn wholly owned by CIP. CIP is wholly owned by CIB, which in turn is wholly owned by CIH. Therefore, CIC, CI Biotech & Pharma China, CIP, CIB, and CIH are deemed to be interested in these Shares.
- (2) CIH is held as to approximately 60.99% by CIE. Therefore, CIE is deemed to be interested in the shares held by CI Pharma China.
- (3) The entire issued share capital of CIE is held by a trust set up by Mr. Wu Zhen Tao for the benefit of Mr. Wu Zhen Tao and members of his family ("Wu Family Trust"). Mr. Wu Zhen Tao as founder of the Wu Family Trust is deemed to be interested in the shares held by CIE.
- (4) The entire issued share capital of LPE is held by Ever Sail Limited acting as the trustee of the Management Trust whom in turn is wholly owned by Mr. Cheng Hoo. Therefore, Mr. Cheng Hoo is deemed to be interested in the shares held by LPE.

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

Confirmation of Independence

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

Emolument Policy

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

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

董事會報告

Report of the Directors

優先購買權

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

足夠的公眾持股量

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

財務概要

本集團業績及其資產及負債之概要載於第128頁。

核數師

均富會計師行(現稱JBPB & Co.)自二零零七年一月一日以來出任本公司核數師。截至二零一零年十二月三十一日止年度，由於均富會計師行與香港立信德豪會計師事務所有限公司進行業務合併，並將以香港立信德豪會計師事務所有限公司名義執業，本公司於二零一零年十一月二十六日宣佈均富會計師行辭任本公司核數師而香港立信德豪會計師事務所有限公司獲委任為本公司核數師，自二零一零年十二月八日起至本報告日期止生效。

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

代表董事會
朗生醫藥控股有限公司

主席
Stephen Burnau Hunt

香港
二零一二年三月二十九日

Pre-emptive Rights

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

Sufficiency of Public Float

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

Financial Summary

A summary of the Group's results and its assets and liabilities is set out on page 128.

Auditor

Grant Thornton (now known as JBPB & Co.) acted as auditor of the Company since 1 January 2007. During the year ended 31 December 2010, due to a merger of the businesses of Grant Thornton and BDO Limited and to practise in the name of BDO Limited, the Company announced on 26 November 2010 that Grant Thornton resigned as auditor of the Company and BDO Limited was appointed as auditor of the Company with effect from 8 December 2010 and up to the date of this report.

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

ON BEHALF OF THE BOARD
Lansen Pharmaceutical Holdings Limited

Stephen Burnau Hunt
Chairman

Hong Kong
29 March 2012

企業管治報告

Corporate Governance Report

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

截至二零一一年十二月三十一日止年度，本公司一直遵守上市規則附錄14所載企業管治常規守則的守則條文。

本公司已採納條款不寬鬆於上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)之有關董事進行證券交易的操守守則。經向全體董事作出特定查詢後，所有董事確認，彼等一直遵守標準守則所載規定標準及本公司所採納有關董事進行證券交易的操守守則。

董事會

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

本公司的章程細則列明須由董事會決策的事宜。

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

於二零一一年十二月三十一日及本報告日期，董事會由兩名執行董事、五名非執行董事及三名獨立非執行董事組成。截至二零一一年十二月三十一日止年度，獨立非執行董事的數目符合上市規則的最低規定。董事的詳情載列於第25頁至29頁的「董事及高級管理人員履歷」一節及本公司的網站內。

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

For the year ended 31 December 2011, the Company has complied with the code provisions of the Code on Corporate Governance Practices set out in Appendix 14 of the Listing Rules.

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

The Board of Directors

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

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

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

As at 31 December 2011 and at the date of this report, the Board comprises of two executive Directors, five non-executive Directors and three independent non-executive Directors. The number of independent non-executive Directors fulfilled the minimum requirement of the Listing Rules throughout the year ended 31 December 2011. A description of the Directors is set out in the "Biographical Details of Directors and Senior Management" section on pages 25 to 29 and on the Company's website.

企業管治報告 Corporate Governance Report

本公司已收到各獨立非執行董事根據上市規則就其獨立性作出的年度確認。就該等確認而言，據本公司所知，其認為全體獨立非執行董事均符合上市規則第3.13條所載的獨立性規定，彼等全體均為獨立人士。

主席及行政總裁

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

委任、重選及罷免

各執行董事均與本公司訂立服務協議，由二零一零年四月九日開始為期三年。各非執行董事及獨立非執行董事均與本公司訂立委任書，由二零一零年四月九日開始為期三年，惟Fritz Heinrich Horlacher先生除外，其委任日期於二零一一年二月十日開始。董事會委任的所有董事（不論為填補臨時空缺或屬董事會新增成員）均須於獲委任後首個股東週年大會退任並符合資格膺選連任。

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

根據本公司的章程細則條文，徐軍先生（執行董事）、劉曉東先生（執行董事）、陶芳芳女士（非執行董事）及葉佩玲女士（非執行董事）將輪值退任，並符合資格及願意於應屆股東週年大會上膺選連任。

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

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

Chairman and Chief Executive Officer

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

Appointment, Re-election and Removal

Each of the executive Directors has entered into a service agreement with the Company for a term of three years commencing 9 April 2010. Each of the non-executive Directors and the independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years commencing 9 April 2010 except for Mr. Fritz Heinrich Horlacher whose commencement date was 10 February 2011. All Directors appointed by the Board either to fill a casual vacancy or as addition to the Board shall retire and be eligible for re-appointment at the first general meeting after appointment.

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

In accordance with the provisions of the Company's articles of association, Mr. Xu Jun (an executive Director), Mr. Liu Xiao Dong (an executive Director), Ms. Tao Fang Fang (an non-executive Director) and Ms. Yip Pui Ling, Rebecca (an non-executive Director) will retire by rotation and, being eligible, offer themselves for re-election in the forthcoming AGM.

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

企業管治報告 Corporate Governance Report

於二零一一年十二月，全體董事出席有關分別於二零一二年一月一日及二零一二年四月一日生效的上市規則修訂的內部研討會。

截至二零一一年十二月三十一日止年度，本公司並無成立提名委員會，並將此功能保留在薪酬委員會。薪酬委員會成員不時物色合適的合資格人士出任董事會成員，並挑選或在挑選提名董事人選的過程中向董事會作出推薦建議。於考慮提名新任董事時，薪酬委員會將考慮候選人的資歷、能力、工作經驗、領導才能及專業操守以及(就獨立非執行董事而言)獨立性規定。薪酬委員會已採納新任董事的提名程序，據此，(1)將與候選人進行面試；及(2)薪酬委員會將考慮並酌情向董事會提出合適的推薦意見。

董事及高級管理層的變動

董事會已批准(1) Robert Peter Thian先生辭任獨立非執行董事、審核委員會成員及薪酬委員會成員，自二零一一年二月十日起生效；(2)委任Fritz Heinrich Horlacher先生為獨立非執行董事、審核委員會成員及薪酬委員會成員，自二零一一年二月十日起生效；(3)委任梅志雄先生為公司秘書、財務總監及授權代表，自二零一一年二月十八日起生效；及(4)委任魯俞江先生為本集團非處方藥業務總監兼寧波立華副總經理，自二零一一年八月一日起生效。

於年結日後，為遵守即將於二零一二年四月一日生效的上市規則修訂，已更換薪酬委員會主席一職。李晉頤先生不再出任薪酬委員會主席，惟繼續擔任委員會成員。鄧昭平先生則獲委任為薪酬委員會主席，上述變動均自二零一二年三月二十九日起生效。

In December 2011, all the Directors attended an internal seminar on the amendments to the Listing Rules which take effect on 1 January 2012 and 1 April 2012 respectively.

For the year ended 31 December 2011, the Company had not established a Nomination Committee and had retained the functions with the Remuneration Committee. The Remuneration Committee members from time to time identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships. In considering the nomination of new Directors, the Remuneration Committee will take into account the qualification, ability, working experience, leadership and professional ethics of the candidates as well as the independence requirement in the case of an independent non-executive Director. The Remuneration Committee has adopted procedures for nomination of a new Director, pursuant to which (1) an interview will be conducted with the prospective candidates; and (2) the Remuneration Committee will consider and, if thought fit, make suitable recommendations to the Board.

Changes of Directors and Senior Management

The Board has approved (1) the resignation of Mr. Robert Peter Thian as an independent non-executive Director, member of the Audit Committee and member of the Remuneration Committee, effective 10 February 2011; (2) the appointment of Mr. Fritz Heinrich Horlacher as an independent non-executive Director, member of the Audit Committee and member of the Remuneration Committee, effective 10 February 2011; (3) the appointment of Mr. Mui Chi Hung as the company secretary, chief financial officer and authorised representative, effective 18 February 2011; and (4) the appointment of Mr. Lu Yu Jiang as chief OTC business officer of the Group and deputy general manager of Ningbo Liwah, effective 1 August, 2011.

Subsequent to the year end, in order to comply with the forthcoming amendments to the Listing Rules which will be effective on 1 April 2012, there is a change of the chairman of the Remuneration Committee. Mr. Lee Jin Yi ceased to be the chairman of the Remuneration Committee but remains as a member of the committee. And Mr. Tang Chiu Ping, Raymond has been appointed as the chairman of the Remuneration Committee, both with effect from 29 March 2012.

企業管治報告 Corporate Governance Report

董事會會議

董事會預期定期會晤，每年至少四次。於定期的會議之間，本集團的高級管理層會就本集團的業務活動及發展定期向董事提供資料。在董事認為有必要的任何時候，董事可隨時獲取本集團的資料及獨立專業意見。

截至二零一一年十二月三十一日止年度，董事會舉行了五次會議，而每位董事的出席情況如下：

Board Meetings

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

The Board held five meetings during the year ended 31 December 2011 with the attendance of each Director as follows:

董事	Directors	出席會議次數／ 舉行會議次數 No. of meetings attended/ No. of meetings held	出席率 Attendance rate
執行董事：	Executive Directors:		
徐軍先生(行政總裁)	Mr. Xu Jun (Chief Executive Officer)	5/5	100%
劉曉東先生	Mr. Liu Xiao Dong	5/5	100%
非執行董事：	Non-executive Directors:		
Stephen Burnau Hunt先生(主席)	Mr. Stephen Burnau Hunt (Chairman)	5/5	100%
李晉頤先生(副主席)	Mr. Lee Jin Yi (Deputy Chairman)	5/5	100%
湯軍先生	Mr. Tang Jun	5/5	100%
陶芳芳女士	Ms. Tao Fang Fang	5/5	100%
葉佩玲女士	Ms. Yip Pui Ling, Rebecca	4/5	80%
獨立非執行董事：	Independent non-executive Directors:		
陳記煊先生	Mr. Chan Kee Huen, Michael	5/5	100%
鄧昭平先生	Mr. Tang Chiu Ping, Raymond	5/5	100%
Fritz Heinrich Horlacher先生 (於二零一一年二月十日獲委任)	Mr. Fritz Heinrich Horlacher (appointed on 10 February 2011)	5/5	100%
Robert Peter Thian先生 (於二零一一年二月十日辭任)	Mr. Robert Peter Thian (resigned on 10 February 2011)	0/0	N/A

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

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

企業管治報告 Corporate Governance Report

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

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理層的培訓及持續專業發展；
- 根據現行的會計準則及法律負責編製及真實公平呈列財務報表、批准財務報表以及委聘與協調本集團外聘核數師；
- 檢討本公司遵守守則的情況及在其年報內企業管治報告內的披露；
- 與所有監管機構及組織協調有關本集團之一切事務，並監察與本集團相關且受其影響的政策變動；及
- 確保向本集團股東負責及保持有效的溝通。

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

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

企業管治報告 Corporate Governance Report

董事委員會

董事會已成立審核委員會、薪酬委員會及執行委員會。各委員會的組成及職責請見下文。各委員會須根據各自的職權範圍向董事會報告其建議，除各委員會明確訂明的職權範圍外，其建議最終由董事會決定。

審核委員會

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

董事會已成立審核委員會，並已制定其書面職權範圍，載列董事會授予彼等的職務、責任及權力。審核委員會的主要職責包括：

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

Board Committees

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

Audit Committee

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

The Board has established the Audit Committee with specific written terms of reference setting out the duties, responsibilities and authorities delegated by the Board. The major duties and responsibilities of the Audit Committee include the following:

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

企業管治報告 Corporate Governance Report

截至二零一一年十二月三十一日止年度，審核委員會舉行了三次會議，而每位成員的出席情況如下：

The Audit Committee held three meetings during the year ended 31 December 2011 with the attendance of each member as follows:

審核委員會成員姓名	Name of Audit Committee members	出席會議次數／ 舉行會議次數 No. of meetings attended/ No. of meetings held	出席率 Attendance rate
陳記煊先生(主席)	Mr. Chan Kee Huen, Michael (Chairman)	3/3	100%
李晉頤先生	Mr. Lee Jin Yi	3/3	100%
葉佩玲女士	Mr. Yip Pui Ling, Rebecca	2/3	66.67%
鄧昭平先生	Mr. Tang Chiu Ping, Raymond	3/3	100%
Fritz Heinrich Horlacher先生 (於二零一一年二月十日獲委任)	Mr. Fritz Heinrich Horlacher (appointed on 10 February 2011)	3/3	100%
Robert Peter Thian先生 (於二零一一年二月十日辭任)	Mr. Robert Peter Thian (resigned on 10 February 2011)	0/0	N/A

截至二零一一年十二月三十一日止期間，審核委員會已：

During the year ended 31 December 2011, the Audit Committee had:

- 於呈交董事會批准前與管理層及外聘核數師審閱中期業績及年度業績以及有關公告，包括有關披露規定、財務報告的完整性及本集團所採納的會計政策；
 - 與管理層討論影響本集團綜合財務報表的重大判斷；
 - 審閱外聘核數師的薪酬及委聘條款，以及就該核數師的委任向董事會提供推薦建議；
 - 審閱及討論內部監控報告，包括在上一份報告中所提出的建議的實施情況；及
 - 審閱及評估本公司內部監控及風險管理的合理性及效力。
- reviewed with management and external auditor on the interim results and annual results and related announcements including the related disclosures, integrity of financial reporting and the accounting policies adopted by the Group prior to submission to the Board for approval;
 - discussed with management on significant judgements affecting the Group's consolidated financial statements;
 - reviewed the remuneration and terms of engagement of the external auditor and recommended the Board on the appointment of the external auditor;
 - reviewed and discussed the internal control report including the status of implementing recommendations from the previous report; and
 - reviewed and assessed the adequacy and effectiveness of the Company's internal control and risk management.

企業管治報告 Corporate Governance Report

薪酬委員會

本公司的薪酬委員會由三名獨立非執行董事及兩名非執行董事組成。薪酬委員會預期定期會晤，每年至少一次。

董事會已成立薪酬委員會，並已制定其書面職權範圍，載列董事會授予彼等的職務、責任及權力。審核委員會的主要職責為：

- 就全體董事及高級管理層的薪酬政策及薪酬架構向董事會提供推薦建議及為制訂該等薪酬政策訂明一套正式透明的程序，並在董事會考慮授予董事及高級管理層的薪酬總額及／或福利前不時提出該等推薦建議；
- 考慮同類公司支付的薪酬、須付出的時間及職責以及集團內其他職位的僱用條件；
- 遵守董事會不時指定或本公司組織章程所載或上市規則及任何適用法例所定的任何要求、指示及規例；
- 評估獨立非執行董事的獨立性；及
- 就有關提名、委任或重新委任董事事宜向董事會作出推薦建議。

Remuneration Committee

The Remuneration Committee of the Company consists of three independent non-executive Directors and two non-executive Directors. The Remuneration Committee is expected to meet regularly at least once per year.

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

- to make recommendations to the Board on the Company's remuneration policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy and placing such recommendations before the Board concerning the total remuneration and/or benefits granted to the Directors and senior management from time to time;
- to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or any applicable law;
- to assess the independence of independent non-executive Directors; and
- to make recommendations to the Board on the nomination, appointment or re-appointment of Directors.

企業管治報告 Corporate Governance Report

截至二零一一年十二月三十一日止年度，薪酬委員會舉行了兩次會議，而每位成員的出席情況如下：

The Remuneration Committee held two meetings during the year ended 31 December 2011 with the attendance of each member as follows:

薪酬委員會成員姓名	Name of Remuneration Committee members	出席會議次數／ 舉行會議次數 No. of meetings attended/ No. of meetings held	出席率 Attendance rate
李晉頤先生(主席*)	Mr. Lee Jin Yi (Chairman*)	2/2	100%
Stephen Burnau Hunt先生	Mr. Stephen Burnau Hunt	1/2	50%
鄧昭平先生*	Mr. Tang Chiu Ping, Raymond*	2/2	100%
陳記煊先生	Mr. Chan Kee Huen, Michael	2/2	100%
Fritz Heinrich Horlacher先生 (於二零一一年二月十日獲委任)	Mr. Fritz Heinrich Horlacher (appointed on 10 February 2011)	1/1	100%
Robert Peter Thian先生 (於二零一一年二月十日辭任)	Mr. Robert Peter Thian (resigned on 10 February 2011)	0/1	0%

* 自二零一二年三月二十九日起，李晉頤先生不再出任薪酬委員會主席，而鄧昭平先生則獲委任為薪酬委員會主席。

* Effective 29 March 2012, Mr. Lee Jin Yi ceased to be the chairman of the Remuneration Committee and Mr. Tang Chiu Ping, Raymond has been appointed as the chairman of the Remuneration Committee.

截至二零一一年十二月三十一日止年度，薪酬委員會對執行董事及高級管理層表現進行評估、檢討董事及高級管理層的薪酬架構／福利以及向董事會就其薪酬提供推薦建議。

During the year ended 31 December 2011, the Remuneration Committee had assessed the performance of the executive Directors and the senior management, reviewed the remuneration structure/package of the Directors and the senior management, and made recommendation to the Board on their remuneration.

執行委員會

本公司的執行委員會由兩名執行董事及三名非執行董事組成，現時由李晉頤先生擔任執行委員會主席。

Executive Committee

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

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

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

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

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

企業管治報告 Corporate Governance Report

截至二零一一年十二月三十一日止年度，執行委員會舉行了十一次會議，而每位成員的出席情況如下：

The Executive Committee held eleven meetings during the year ended 31 December 2011 with the attendance of each member as follows:

執行委員會成員姓名	Name of Executive Committee members	出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held	出席率 Attendance rate
李晉頤先生(主席)	Mr. Lee Jin Yi (Chairman)	11/11	100%
徐軍先生	Mr. Xu Jun	11/11	100%
劉曉東先生	Mr. Liu Xiao Dong	11/11	100%
陶芳芳女士	Ms. Tao Fang Fang	11/11	100%
葉佩玲女士	Ms. Yip Pui Ling, Rebecca	10/11	91%

問責及審核

財務申報

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

香港立信德豪會計師事務所有限公司知悉其於截至二零一一年十二月三十一日止年度之綜合財務報表的核數師報告內之申報責任。

董事及核數師有關財務報表的責任載列於本報告第51至52頁「獨立核數師報告」。

核數師酬金

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

於截至二零一一年十二月三十一日止年度，就香港立信德豪會計師事務所有限公司提供之核數及非核數服務而已付／應付之費用如下：

Accountability and Audit

Financial Reporting

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

BDO Limited acknowledges its reporting responsibilities in the auditor's report on the consolidated financial statements for the year ended 31 December 2011.

The Directors' and auditor's responsibilities in respect of the financial statements are set out in the "Independent Auditor's Report" on pages 51 to 52 in this report.

Auditor's Remuneration

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

During the year ended 31 December 2011, the fees paid/payable to BDO Limited in respect of audit and non-audit services were as follows:

服務性質	Services rendered	已付／應付費用 Fee paid/payable 千美元 US\$'000
核數服務	Audit services	148
非核數服務	Non-audit services	—

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內部監控

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

本公司已參考「企業內部控制基本規範」及「企業內部控制應用指引」進行內部監控審閱，包括所有重要監控措施（涉及財務、營運及合規監控，以及風險管理功能）。此外，管理層已經分析監控環境及風險評估，評估所實行的各個監控措施，並與董事會協定內部監控制度的檢討範圍。檢討方式包括與有關管理層及職員進行會晤、審閱有關內部監控系統的文件、對內部監控設計上任何不足之處的結果進行評估，以及提供改善建議（如適用）。

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

公司秘書

根據於二零一二年四月一日生效的上市規則修訂，公司秘書其後於各財政年度須接受不少於15小時的相關專業培訓。

Internal Control

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

With reference to the "Basic Standard for Enterprise Internal Control" and "Implementation Guidelines for Enterprise Internal Control" (「企業內部控制基本規範」及「企業內部控制應用指引」), the Company has performed internal control reviews covering all the key controls including financial, operational and compliance controls and risk management functions. Also, management has analysed the control environment and risk assessment, assessed the various controls implemented and agreed with the Board on the scope of review over the system of internal controls. The approach of the review includes conducting interviews with relevant management and staff members, reviewing relevant documentation of the internal control system and evaluating findings on any deficiencies in the design of the internal controls and developing recommendations for improvement, where appropriate.

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

Company Secretary

Pursuant to the amendments to the Listing Rules which will be effective 1 April 2012, our Company Secretary shall take no less than 15 hours of relevant professional training in each financial year thereafter.

企業管治報告 Corporate Governance Report

與股東的溝通

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

本公司的投資者關係活動包括：

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

於截至二零一一年十二月三十一日止年度，本公司之組織章程大綱及章程細則並無變動。

股東權利

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

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

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

於二零一一年股東週年大會，已提呈獨立決議案，包括宣佈末期股息、重選董事、續聘核數師、授權授予發行及購回股份的一般授權。所有決議案已按股數投票方式表決，並已獲股東批准。按股數投票方式表決的結果已於大會上公佈，並於本公司及聯交所網站刊發。

Communications with Shareholders

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

Our investor relations activities include:

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

There is no change in the Company's memorandum and articles of association during the year ended 31 December 2011.

Shareholder's Rights

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

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

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

At the 2011 AGM, separate resolutions including declaration of final dividend, the re-election of Directors, the re-appointment of auditor, the authorisation to grant the general mandate to issue and repurchase of shares were proposed and all the resolutions were conducted by poll and approved by the shareholders. The results of the voting by poll were declared at the meeting and published on the websites of the Stock Exchange and the Company.

企業管治報告 Corporate Governance Report

股東可召開股東特別大會(「股東特別大會」)的途徑

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

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

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

如董事自提交要求當日起計二十一日內並無正式召開大會，要求者可自行召開大會，惟任何就此召開的大會須於所述日期起計兩個月內舉行。

向董事會提問的程序

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

於股東大會動議的程序

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

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

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

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

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

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

The procedures for sending enquiries to the Board

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

The procedures for making proposals at Shareholders' Meetings

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

企業管治報告 Corporate Governance Report

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

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

投資者關係的聯絡事宜

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

香港

請按以下方式聯絡我們的公司秘書：

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

中國

請按以下方式聯絡我們的投資者關係部：

電話：(86) 755 2532 3050
郵件：中國深圳市羅湖區紅寶路
139號京基100 D座1804室
(郵編518001)
電郵：ir@lansen.com.cn

於本公司網站www.lansen.com.cn可提供最新的投資者關係資料。

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

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

Investor Relations Contacts

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

Hong Kong

Please contact our Company Secretary at:

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

The PRC

Please contact our Investor Relations Department at:

By phone：(86) 755 2532 3050
By post：Room 1804, Tower D, KK100, 139 Hongbao Road,
Luohu District, Shenzhen, PRC
(Post code 518001)
By e-mail：ir@lansen.com.cn

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

獨立核數師報告

Independent Auditor's Report



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致朗生醫藥控股有限公司股東
(於開曼群島註冊成立的有限公司)

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

本核數師(以下簡稱「我們」)已審計列載於第53至127頁朗生醫藥控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下簡稱「貴集團」)的綜合財務報表。此綜合財務報表包括於二零一一年十二月三十一日的綜合及公司財務狀況表與截至該日止年度的綜合全面收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋資料。

We have audited the consolidated financial statements of Lansen Pharmaceutical Holdings Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 53 to 127, which comprise the consolidated and company statements of financial position as at 31 December 2011, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

董事就綜合財務報表須承擔的責任

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

Directors' Responsibility for the Consolidated Financial Statements

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

核數師的責任

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

Auditor's Responsibility

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

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

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

獨立核數師報告 Independent Auditor's Report

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

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據《國際財務報告準則》真實而公平地反映 貴公司及 貴集團於二零一一年十二月三十一日的事務狀況及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

香港立信德豪會計師事務所有限公司
執業會計師

余翠芳
執業證書編號：P05440

香港，二零一二年三月二十九日

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2011 and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

BDO Limited
Certified Public Accountants

Yu Tsui Fong
Practising Certificate Number: P05440

Hong Kong, 29 March 2012

綜合全面收益表

Consolidated Statement of Comprehensive Income

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

		附註 Notes	二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
收入	Revenue	7	74,475	58,607
銷售成本	Cost of sales		(30,088)	(20,174)
毛利	Gross profit		44,387	38,433
其他收入	Other income	7	2,745	1,972
銷售及分銷開支	Selling and distribution expenses		(24,796)	(20,429)
行政開支	Administrative expenses		(8,670)	(7,024)
經營溢利	Profit from operations	9	13,666	12,952
財務成本	Finance costs	10	(459)	(388)
應佔聯營公司的除稅後溢利	Share of post-tax profit of an associate		1,941	221
除所得稅前溢利	Profit before income tax		15,148	12,785
所得稅開支	Income tax expense	12	(2,695)	(2,572)
年度溢利	Profit for the year		12,453	10,213
其他全面收益	Other comprehensive income			
換算海外業務產生之 匯兌差額	Exchange differences arising on translation of foreign operations		4,767	1,600
年度其他全面收益 (扣除稅項)	Other comprehensive income for the year, net of tax		4,767	1,600
年度全面收益總額	Total comprehensive income for the year		17,220	11,813
本公司擁有人應佔溢利	Profit attributable to owners of the Company	13	12,453	10,213
本公司擁有人應佔全面 收益總額	Total comprehensive income attributable to owners of the Company		17,220	11,813
每股盈利－基本	Earnings per share – Basic	15	3.0 cents美仙	2.7 cents美仙

綜合財務狀況表

Consolidated Statement of Financial Position

於二零一一年十二月三十一日 As at 31 December 2011

			二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
	附註 Notes			
資產		ASSETS		
非流動資產		Non-current assets		
物業、廠房及設備	17	Property, plant and equipment	22,827	19,797
預付土地租賃款項	18	Prepaid land lease payment	2,476	2,413
無形資產	19	Intangible assets	9,907	8,862
商譽	20	Goodwill	6,824	6,824
於聯營公司之權益	21	Interest in an associate	27,684	24,380
			69,718	62,276
流動資產		Current assets		
存貨	22	Inventories	9,576	6,079
貿易及其他應收款項	23	Trade and other receivables	42,216	29,283
預付土地租賃款項	18	Prepaid land lease payment	57	54
已抵押銀行存款	24	Pledged bank deposits	7,286	92
現金及現金等價物	24	Cash and cash equivalents	15,592	14,827
			74,727	50,335
總資產		Total assets	144,445	112,611
權益及負債		EQUITY AND LIABILITIES		
資本及儲備		Capital and reserves		
本公司擁有人應佔權益		Equity attributable to owners of the Company		
股本	25	Share capital	4,150	4,150
股份溢價	26	Share premium	58,330	68,475
外匯儲備		Foreign exchange reserve	9,154	4,387
法定儲備		Statutory reserve	3,986	1,311
保留溢利		Retained profits	23,720	13,942
總權益		Total equity	99,340	92,265

綜合財務狀況表 Consolidated Statement of Financial Position

於二零一一年十二月三十一日 As at 31 December 2011

			二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
		附註 Notes		
非流動負債	Non-current liabilities			
借貸	Borrowings	27	9,157	7,390
遞延稅項負債	Deferred tax liabilities	28	181	394
			9,338	7,784
流動負債	Current liabilities			
借貸	Borrowings	27	19,226	3,303
流動稅項負債	Current tax liabilities		1,303	1,147
貿易及其他應付款項	Trade and other payables	29	15,238	8,112
			35,767	12,562
總負債	Total liabilities		45,105	20,346
總權益及負債	Total equity and liabilities		144,445	112,611
流動資產淨值	Net current assets		38,960	37,773
總資產減流動負債	Total assets less current liabilities		108,678	100,049

第53至127頁的財務報表已於二零一二年三月二十九日獲董事會批准及授權刊發，並由以下人士代表簽署：

The financial statements on pages 53 to 127 were approved and authorised for issue by the board of directors on 29 March 2012 and are signed on its behalf by:

董事
Director
徐軍
XU Jun

董事
Director
劉曉東
LIU Xiao Dong

財務狀況表

Statement of Financial Position

於二零一一年十二月三十一日 As at 31 December 2011

			二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
	附註 Notes			
資產		ASSETS		
非流動資產		Non-current assets		
於附屬公司之權益	16	Interest in a subsidiary	25,020	25,020
流動資產		Current assets		
應收附屬公司款項	16	Amount due from a subsidiary	36,358	46,885
預付款項	23	Prepayments	29	29
現金及現金等價物	24	Cash and cash equivalents	17	16
			36,404	46,930
總資產		Total assets	61,424	71,950
權益及負債		EQUITY AND LIABILITIES		
資本及儲備		Capital and reserves		
本公司擁有人應佔權益		Equity attributable to owners of the Company		
股本	25	Share capital	4,150	4,150
股份溢價	26	Share premium	58,330	68,475
累計虧損	26	Accumulated losses	(1,222)	(797)
總權益		Total equity	61,258	71,828
流動負債		Current liabilities		
應計款項	29	Accruals	166	122
總負債		Total liabilities	166	122
總權益及負債		Total equity and liabilities	61,424	71,950
流動資產淨值		Net current assets	36,238	46,808
總資產減流動負債		Total assets less current liabilities	61,258	71,828

董事
Director
徐軍
XU Jun

董事
Director
劉曉東
LIU Xiao Dong

綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
來自經營業務的現金流量	Cash flows from operating activities		
除所得稅前溢利	Profit before income tax	15,148	12,785
調整：	Adjustments for:		
已確認財務成本	Finance costs recognised	459	388
利息收入	Interest income	(204)	(109)
應佔聯營公司的除稅後溢利	Share of post-tax profits of an associate	(1,941)	(221)
貿易應收款項減值撥備	Provision for impairment of trade receivables	85	153
其他應收款項減值撥備／ (撥回)	Provision for/(Reversal of) impairment of other receivables	9	(440)
物業、廠房及設備折舊	Depreciation of property, plant and equipment	1,291	1,050
預付土地租賃款項攤銷	Amortisation of prepaid land lease payment	61	59
出售物業、廠房及設備虧損	Losses on disposals of property, plant and equipment	9	20
無形資產撇銷	Write off of intangible assets	128	51
無形資產攤銷	Amortisation of intangible assets	285	-
陳舊存貨減值撥備／(撥回)	Provision for/(Reversal of) impairment of obsolete inventories	9	(26)
營運資金變動前之經營溢利	Operating profit before working capital changes	15,339	13,710
存貨增加	Increase in inventories	(3,112)	(2,083)
貿易及其他應收款項增加	Increase in trade and other receivables	(11,624)	(7,483)
貿易及其他應付款項增加／ (減少)	Increase/(Decrease) in trade and other payables	6,537	(2,292)
經營產生之現金	Cash generated from operations	7,140	1,852
已付利息	Interest paid	(522)	(432)
已付所得稅	Income tax paid	(2,752)	(1,683)
經營活動產生／(所用)之現金 淨額	Net cash generated from/(used in) operating activities	3,866	(263)

綜合現金流量表 Consolidated Statement of Cash Flows

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

	二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
投資活動產生之現金流量	Cash flows from investing activities	
已抵押銀行存款(增加)/減少	(7,016)	733
購買物業、廠房及設備	(3,192)	(3,368)
購買無形資產	(982)	(1,015)
出售物業、廠房及設備所得款項	6	16
收購聯營公司權益	-	(23,954)
向聯營公司注資	(399)	-
收取聯營公司股息	359	-
已收利息	204	109
投資活動所用現金淨額	(11,020)	(27,479)
來自融資活動之現金流量	Cash flows from financing activities	
借貸所得款項	22,194	17,473
償還借貸款項	(4,875)	(26,374)
發行股份所得款項	-	57,721
發行股份所產生的費用	-	(4,726)
應收/應付同系附屬公司款項變動	-	(311)
已付股息	(10,145)	(5,390)
融資活動產生之現金淨額	7,174	38,393
現金及現金等價物之淨增加	20	10,651
年初現金及現金等價物	14,827	4,055
匯率變動之影響	745	121
年末現金及現金等價物	15,592	14,827

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

		股本	股份溢價	庫存股份	外匯儲備	法定儲備	保留溢利	總權益
		Share capital	Share premium	Treasury shares	Foreign exchange reserve	Statutory reserve	Retained profits	Total equity
		千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000
截至二零一零年十二月三十一日止年度		Year ended 31 December 2010						
於二零一零年一月一日結餘	Balance at 1 January 2010	29,491	14	(6,605)	2,787	704	3,565	29,956
本集團重組所產生	Arising on group reorganisation	(26,491)	22,006	4,485	-	-	-	-
發行附加獎勵股份	Issue of earn-out shares	-	-	2,120	-	-	-	2,120
撇銷或然代價	Write off of contingent consideration	-	-	-	-	-	771	771
發行股份	Issue of shares	1,150	56,571	-	-	-	-	57,721
發行股份所產生的費用	Expenses incurred in connection with the issue of shares	-	(4,726)	-	-	-	-	(4,726)
二零一零年特別股息(附註14)	2010 special dividend (note 14)	-	(5,390)	-	-	-	-	(5,390)
與擁有人進行交易	Transactions with owners	(25,341)	68,461	6,605	-	-	771	50,496
年內溢利	Profit for the year	-	-	-	-	-	10,213	10,213
其他全面收益	Other comprehensive income	-	-	-	1,600	-	-	1,600
年內全面收益總額	Total comprehensive income for the year	-	-	-	1,600	-	10,213	11,813
轉撥至法定儲備	Appropriations to statutory reserve	-	-	-	-	607	(607)	-
於二零一零年十二月三十一日結餘	Balance at 31 December 2010	4,150	68,475	-	4,387	1,311	13,942	92,265
截至二零一一年十二月三十一日止年度		Year ended 31 December 2011						
於二零一一年一月一日結餘	Balance at 1 January 2011	4,150	68,475	-	4,387	1,311	13,942	92,265
股息(附註14)	Dividends (note 14)	-	(10,145)	-	-	-	-	(10,145)
與擁有人進行交易	Transactions with owners	-	(10,145)	-	-	-	-	(10,145)
年內溢利	Profit for the year	-	-	-	-	-	12,453	12,453
其他全面收益	Other comprehensive income	-	-	-	4,767	-	-	4,767
年內全面收益總額	Total comprehensive income for the year	-	-	-	4,767	-	12,453	17,220
轉撥至法定儲備	Appropriations to statutory reserve	-	-	-	-	2,675	(2,675)	-
於二零一一年十二月三十一日結餘	Balance at 31 December 2011	4,150	58,330	-	9,154	3,986	23,720	99,340

財務報表附註

Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

1. 公司資料

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

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

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

此等截至二零一一年十二月三十一日止年度之財務報表已於二零一二年三月二十九日獲董事會批准刊發。

1. Corporate Information

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

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

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

The financial statements for the year ended 31 December 2011 were approved for issue by the board of directors on 29 March 2012.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

2. 綜合財務報表編製基準

為籌備本公司股份上市而透過集團重組精簡本公司及其附屬公司(統稱「本集團」)架構(「本集團重組」)，本公司於二零一零年四月二十一日成為本集團之控股公司。本集團重組詳情於日期為二零一零年四月二十七日之本公司招股章程(「招股章程」)中「歷史、重組及集團架構」一節內「重組」一段更全面闡述。因本集團重組而出現之本集團被視為持續經營實體。因此，綜合財務報表乃使用合併會計原則編製。截至二零一零年十二月三十一日止年度之綜合全面收益表、綜合權益變動表及綜合現金流量表已在現有集團架構於年內一直存在的假設基礎上編製。

綜合財務報表乃根據國際會計準則委員會頒佈的所有適用國際財務報告準則、國際會計準則及詮釋(統稱「國際財務報告準則」)編製。此外，綜合財務報表包括聯交所證券上市規則(「上市規則」)及香港《公司條例》的適用披露規定編製。

綜合財務報表乃根據歷史成本常規法編製。計量基準詳情載於以下會計政策。綜合財務報表乃以美元呈列，除另有註明外，所有金額均調整至最接近千位。

編製符合國際財務報告準則的綜合財務報表須要使用若干重大會計估計，本集團管理層亦須對本集團會計政策作出判斷。已就編製綜合財務報表作出重大判斷及估計的範疇以及其影響在附註6披露。

2. Basis of Preparation of Consolidated Financial Statements

Pursuant to a group reorganisation to rationalise the structure of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") in preparation for the listing of the Company's shares (the "Group Reorganisation"), the Company became the holding company of the Group on 21 April 2010. Details of the Group Reorganisation are more fully described in the paragraph headed "Reorganisation" in the section headed "History, Reorganisation and Group Structure" of the prospectus of the Company dated 27 April 2010 (the "Prospectus"). The Group resulting from the Group Reorganisation was regarded as a continuing entity and, accordingly, the consolidated financial statements have been prepared using the principles of merger accounting. The consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 December 2010 had been prepared on the basis as if the current group structure had been in existence throughout the year.

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

The consolidated financial statements have been prepared under historical cost convention. The measurement bases are fully described in the accounting policies set out below. The consolidated financial statements are presented in United States Dollars ("US\$") and all values are rounded to the nearest thousand except when otherwise indicated.

The preparation of consolidated financial statements in compliance with IFRSs requires the use of certain critical accounting estimates. It also requires the Group's management to exercise judgement in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the consolidated financial statements and their effect are disclosed in note 6.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

3. 應用新訂及經修訂的國際財務報告準則

本年度，本集團已採用下列國際會計準則委員會頒佈的新訂及經修訂準則及詮釋（「新訂及經修訂國際財務報告準則」）：

國際財務報告準則 (修訂本)	國際財務報告準則 二零一零年改進
國際會計準則第24號 (經修訂)	關連方披露
國際會計準則第32號 (修訂本)	供股的分類
國際財務報告詮釋 委員會－詮釋 第14號(修訂本)	最低資金需求的 預付款項
國際財務報告詮釋委員 會－詮釋第19號	以股本工具抵銷 金融負債

除下文闡釋者外，採納此等新訂及經修訂國際財務報告準則對本集團財務報表並無重大影響。

國際會計準則第24號(經修訂)關連方披露

國際會計準則第24號(經修訂)修訂關連方的定義並釐清其涵義。此項修訂或會導致被識別為報告實體關連方的該等人士出現變動。本集團已就識別其關連人士修訂其會計政策，並已根據經修訂定義重新評估交易的對手方。重新評估並無導致識別新的關連方。根據新會計政策，於過往年度識別的關連方維持不變，本集團總結，經修訂定義並無對本集團於本年度及過往年度的關連方披露造成任何重大影響。

國際會計準則第24號(經修訂)亦引進適用於本集團與對手方受政府、政府機構或類似機構共同控制、聯合控制或重大影響的關連方交易的簡化披露規定。由於本集團並非政府相關實體，故該等新披露規定與本集團並不相關。

3. Application of New and Revised IFRSs

In the current year, the Group has applied the following new and revised standards and interpretations ("new and revised IFRSs") issued by the IASB.

IFRSs (Amendments)	Improvements to IFRSs issued in 2010
IAS 24 (Revised)	Related Party Disclosures
IAS 32 (Amendments)	Classification of Right Issues
IFRIC – Interpretation 14 (Amendments)	Prepayments of a Minimum Funding Requirement
IFRIC – Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

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

IAS 24 (Revised) – Related Party Disclosures

IAS 24 (Revised) amends the definition of related party and clarifies its meaning. This may result in changes to those parties who are identified as being related parties of the reporting entity. The Group has revised its accounting policy for the identification of its related parties and has reassessed counterparties of transactions in accordance with the revised definition. The reassessment did not result in new related parties being identified. Related parties identified in prior years remain unchanged under the new accounting policy and the Group concluded that the revised definition does not have any material impact on the Group's related party disclosures in the current and previous years.

IAS 24 (Revised) also introduces simplified disclosure requirements applicable to related party transactions where the Group and the counterparty are under the common control, joint control or significant influence of a government, government agency or similar body. These new disclosures are not relevant to the Group because the Group is not a government related entity.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

3. 應用新訂及經修訂的國際財務報告準則(續)

本集團並無應用下列已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

國際財務報告準則第1號之修訂	披露 – 嚴重惡性通脹及為首次採納者剔除的固定日期 ¹
國際財務報告準則第7號之修訂	披露 – 轉讓金融資產 ¹ 披露 – 抵銷金融資產及金融負債 ⁴
國際財務報告準則第9號	金融工具 ⁶
國際財務報告準則第10號	綜合財務報表 ⁴
國際財務報告準則第11號	合營安排 ⁴
國際財務報告準則第12號	披露於其他實體之權益 ⁴
國際財務報告準則第13號	公平值計量 ⁴
國際會計準則第1號之修訂(經修訂)	呈列其他全面收益項目 ³
國際會計準則第12號之修訂	遞延稅項 – 收回相關資產 ²
國際會計準則第19號(於二零一一年經修訂)	僱員福利 ⁴
國際會計準則第27號(於二零一一年經修訂)	獨立財務報表 ⁴
國際會計準則第28號(於二零一一年經修訂)	於聯營公司及合營公司之投資 ⁴
國際會計準則第32號之修訂	抵銷金融資產及金融負債 ⁵
國際財務報告詮釋委員會 – 詮釋第20號	露天礦生產階段的剝採成本 ⁴

- 1 於二零一一年七月一日或之後開始的年度期間生效
- 2 於二零一二年一月一日或之後開始的年度期間生效
- 3 於二零一二年七月一日或之後開始的年度期間生效
- 4 於二零一三年一月一日或之後開始的年度期間生效
- 5 於二零一四年一月一日或之後開始的年度期間生效
- 6 於二零一五年一月一日或之後開始的年度期間生效

3. Application of New and Revised IFRSs (Continued)

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

Amendments to IFRS 1	Disclosures – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters ¹
Amendments to IFRS 7	Disclosures – Transfer of Financial Assets ¹ Disclosures – Offsetting Financial Assets and Financial Liabilities ⁴
IFRS 9	Financial Instruments ⁶
IFRS 10	Consolidated Financial Statements ⁴
IFRS 11	Joint Arrangements ⁴
IFRS 12	Disclosure of Interests in Other Entities ⁴
IFRS 13	Fair Value Measurement ⁴
Amendments to IAS 1 (Revised)	Presentation of Items of Other Comprehensive Income ³
Amendments to IAS 12	Deferred Tax – Recovery of Underlying Assets ²
IAS 19 (as revised in 2011)	Employee Benefits ⁴
IAS 27 (as revised in 2011)	Separate Financial Statements ⁴
IAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ⁴
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities ⁵
IFRIC – Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine ⁴

- 1 Effective for annual periods beginning on or after 1 July 2011
- 2 Effective for annual periods beginning on or after 1 January 2012
- 3 Effective for annual periods beginning on or after 1 July 2012
- 4 Effective for annual periods beginning on or after 1 January 2013
- 5 Effective for annual periods beginning on or after 1 January 2014
- 6 Effective for annual periods beginning on or after 1 January 2015

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

3. 應用新訂及經修訂的國際財務報告準則(續)

有關預期新訂及經修訂國際財務報告準則對本集團造成之影響的資料如下：

國際財務報告準則第9號金融工具

於二零零九年十一月頒佈之國際財務報告準則第9號為完全取代國際會計準則第39號金融工具：確認及計量。此為整項計劃之第一階段第一部分。此階段針對金融資產的分類及計量。實體須根據其管理金融資產的業務模式及金融資產之合約現金流量特徵，將金融資產分類為其後按攤銷成本或按公平值計量，而非將金融資產分為四類，旨在改進及簡化國際會計準則第39號規定之金融資產分類及計量方式。

於二零一零年十月，國際會計準則委員會就金融負債頒佈國際財務報告準則第9號之新增規定(「新增規定」)，並將國際會計準則第39號金融工具之現行終止確認原則納入國際財務報告準則第9號內。大部分新增規定乃延續自國際會計準則第39號，且並無變動，而對指定為按公平值計入損益之金融負債之計量乃透過公平值選擇作出變動。就該等公平值選擇負債而言，由信貸風險變動而產生的負債公平值變動金額，必須於其他全面收益中呈列。公平值變動餘下金額於損益呈列，除非於其他全面收益呈報該負債信貸風險的公平值變動會產生或增加損益的會計錯配，則另作別論。然而，新增規定並不涵蓋指定根據公平值選擇之貸款承擔及財務擔保合約。

3. Application of New and Revised IFRSs (Continued)

Information on new and revised IFRSs that are expected to affect the Group is as follows:

IFRS 9 Financial Instruments

IFRS 9 issued in November 2009 is the first part of phase I of a comprehensive project to entirely replace IAS 39 Financial Instruments: Recognition and Measurement. This phase focuses on the classification and measurement of financial assets. Instead of classifying financial assets into four categories, an entity shall classify financial assets as subsequently measured at either amortised cost or fair value, on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. This aims to improve and simplify the approach for the classification and measurement of financial assets compared with the requirements of IAS 39.

In October 2010, the IASB issued additions to IFRS 9 to address financial liabilities (the "Additions") and incorporated in IFRS 9 the current derecognition principles of financial instruments of IAS 39. Most of the Additions were carried forward unchanged from IAS 39, while changes were made to the measurement of financial liabilities designated at fair value through profit or loss using the fair value option ("FVO"). For these FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in other comprehensive income ("OCI"). The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. However, loan commitments and financial guarantee contracts which have been designated under the FVO are scoped out of the Additions.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

3. 應用新訂及經修訂的國際財務報告準則(續)

國際財務報告準則第10號－綜合財務報表

國際財務報告準則第10號就綜合計算所有被投資實體引入單一控制模式。當投資者有權控制被投資者(不論實際上有否行使該權力)、對來自被投資者之可變回報承受風險或擁有權利以及能對被投資者運用權力以影響該等回報時，投資者即擁有控制權。國際財務報告準則第10號載有評估控制權之詳細指引。例如，該準則引入「實際」控制權之概念，倘相對其他個人股東之表決權益之數量及分散情況，投資者之表決權益數量足以佔優，使其獲得對被投資者之權力，即使持有被投資者表決權不足50%，仍可控制被投資者。潛在表決權僅在實質存在(即持有人有實際能力可行使該等表決權)而分析控制權時予以考慮。該準則明確要求評估具有決策權之投資者是以委託人或代理人身份行事，以及具有決策權之其他各方是否以投資者之代理人身份行事。代理人獲委聘以代表另一方及為另一方之利益行事，故在其行使其決策權限時並不控制被投資者。實施國際財務報告準則第10號可能導致該等被視為受本集團控制並因此在財務報表中綜合入賬之實體出現變動。現行國際會計準則第27號有關其他綜合計算相關事項之會計規定貫徹不變。國際財務報告準則第10號獲追溯應用，惟須受限於若干過渡性條文。

國際財務報告準則第12號－披露於其他實體之權益

國際財務報告準則第12號整合有關於附屬公司、聯營公司及共同安排之權益之披露規定，並使有關規定貫徹一致。該準則亦引入新披露規定，包括有關非綜合計算結構實體之披露規定。該準則之一般目標是令財務報表使用者可評估呈報實體於其他實體之權益之性質及風險以及該等權益對呈報實體財務報表之影響。

董事正評估該等新訂及經修訂國際財務報告準則的潛在影響，至今認為，應用該等新訂及經修訂國際財務報告準則將不會對本集團財務報表構成重大影響。

3. Application of New and Revised IFRSs (Continued)

IFRS 10 – Consolidated Financial Statements

IFRS 10 introduces a single control model for consolidation of all investee entities. An investor has control when it has power over the investee (whether or not that power is used in practice), exposure or rights to variable returns from the investee and the ability to use the power over the investee to affect those returns. IFRS 10 contains extensive guidance on the assessment of control. For example, the standard introduces the concept of “de facto” control where an investor can control an investee while holding less than 50% of the investee’s voting rights in circumstances where its voting interest is of sufficiently dominant size relative to the size and dispersion of those of other individual shareholders to give it power over the investee. Potential voting rights are considered in the analysis of control only when these are substantive, i.e. the holder has the practical ability to exercise them. The standard explicitly requires an assessment of whether an investor with decision making rights is acting as principal or agent and also whether other parties with decision making rights are acting as agents of the investor. An agent is engaged to act on behalf of and for the benefit of another party and therefore does not control the investee when it exercises its decision making authority. The implementation of IFRS 10 may result in changes in those entities which are regarded as being controlled by the Group and are therefore consolidated in the financial statements. The accounting requirements in the existing IAS 27 on other consolidation related matters are carried forward unchanged. IFRS 10 is applied retrospectively subject to certain transitional provision.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 integrates and makes consistent the disclosures requirements about interests in subsidiaries, associates and joint arrangements. It also introduces new disclosure requirements, including those related to unconsolidated structured entities. The general objective of the standard is to enable users of financial statements to evaluate the nature and risks of a reporting entity’s interests in other entities and the effects of those interests on the reporting entity’s financial statements.

The directors are in the process of making an assessment of the potential impact of these new and revised IFRSs and so far concluded that the application of these new and revised IFRSs will have no material impact on the Group’s financial statements.

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4. 會計估計的變動

於過往年度，技術專業知識主要指就開發及生產口腔崩解片而收購的技術及配方，於收購時被視為有無限使用年期。

根據天津市隆佰生物工程科技有限公司（「天津隆佰」）與寧波朗生醫藥技術有限公司所訂立日期為二零零五年十一月一日之技術轉讓協議、天津隆佰向寧波立華製藥有限公司（「寧波立華」）所發出日期二零零九年三月一日的確認書以及天津隆佰與寧波立華所訂立日期為二零一一年六月十三日之補充技術轉讓協議，本集團獲授權於生產口腔崩解片之過程中，無償使用有關專利。該等專利法定年期為二十年，惟可按極低成本續期。天津隆佰擬持續延續專利，且有證據顯示其有能力續期。產品生產週期研究及市場趨勢分析證明，有關產品將無限期為本集團帶來現金流入淨額。

於各報告期間，本集團審閱技術專業知識的賬面值，以決定是否有任何減值跡象。就減值檢測而言，本集團使用與本公司有關的加權平均資本成本為折現率，進行內部折現現金流量預測，以估計有關資產可收回金額的現值，並與技術專業知識的賬面值比較，以決定是否需要作出減值撥備。自收購後，技術專業知識並無任何減值跡象。

技術專業知識主要指口腔崩解片的生產技術，現時應用於生產其他藥品。中國推行新醫改後導致該等政策對風濕免疫市場的影響較其他醫藥範疇相對較小。管理層於策略上決定將重心投放於風濕免疫疾病的核心業務，並進一步鞏固其在風濕慢作用藥市場的領導地位。基於此策略理由，管理層聘請外部獨立估值師，以純粹就技術專業知識進行減值審閱。

4. Changes in Accounting Estimates

In previous years, technical know-how which mainly represents techniques and formulae acquired for the development and production of oral disintegrating tablets, was regarded as having indefinite useful life when it was acquired.

The Group was authorised to use the patents without any consideration during the course of production of oral disintegrating tablets pursuant to technology transfer agreements entered into by Tianjin Longbai Biological Engineering and Technology Company Limited (“Tianjin Longbai”) and Ningbo Lansen Pharma Technology Company Limited dated 1 November 2005, the confirmation letter dated 1 March 2009 issued by Tianjin Longbai to Ningbo Liwah Pharmaceutical Company Limited (“Ningbo Liwah”) and the supplementary technology transfer agreement entered into by Tianjin Longbai and Ningbo Liwah dated 13 June 2011. The patents had legal lives of twenty years but are renewable at a minimal cost. Tianjin Longbai intended to renew the patent continuously and evidence supports its ability to do so. An analysis of product life cycle studies and market trends provided evidence that the products would generate net cash inflows for the Group for an indefinite period.

At the end of each reporting period, the Group reviewed the carrying amount of the technical know-how to determine whether there is any indication for impairment. For the purposes of the impairment testing, the Group had performed a discounted cash flow projection internally, using weighted average cost of capital relevant to the Company as discount rate, to estimate the present value of recoverable amount of the asset and compare to the carrying amount of the relevant technical know-how to determine any need for impairment provision. Since acquisition, there was no indication of any impairment of technical know-how.

Technical know-how mainly represented the production technology of oral fast release drugs, are currently applied in the production of other pharmaceuticals. As a result of the new health care reform in China, the impact of these policies on the autoimmune rheumatic market was relatively small compared to other pharmaceutical sectors. Strategically, the management decided to focus on its core business of autoimmune rheumatic diseases and to further consolidate its leading position in the disease modifying anti-rheumatic drugs market. Based on this strategic reason, the management engaged an external independent valuer for the purposes of impairment review solely on technical know-how.

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4. 會計估計的變動(續)

獨立估值師已深入研究以下各項：(1)口腔崩解片的生產週期研究；及(2)市場、競爭及環境趨勢。估值報告指出，技術專業知識的經濟可用年期將短於原來估計。因此，管理層重新認為，所購入技術專業知識的可使用年期不再為無限期。將根據國際會計準則第36號就技術專業知識進行減值檢測，並就其餘下可使用年期攤銷。

自二零一一年七月一日起，技術專業知識按直線法就十一年年期攤銷。預計可使用年期的變更令本年度的攤銷開支增加約285,000美元，及令本年度無形資產的賬面值減少約285,000美元。

5. 主要會計政策概要

編製此等財務報表所採納的主要會計政策概列於下文。除另有說明者外，該等政策已於所有呈列年度貫徹採用。

綜合基準

本綜合財務報表包含本公司及由本公司控制的實體(其附屬公司)的財務報表。達至控制是指本公司有能力支配實體的財政及營運政策並從其業務獲得利益。

於年內收購或出售附屬公司，其業績已按有效收購日期或直至其有效出售日期(如適用)計入綜合全面收益表內。

如有需要，附屬公司的財務報表已作出調整，以符合本集團其他成員公司的會計政策。

所有集團內公司間的交易、結餘、收入及支出均於綜合時抵銷。

4. Changes in Accounting Estimates (Continued)

The independent valuer had performed an in-depth study on (1) oral disintegrating tablets product life cycle studies, and (2) market, competitive and environmental trends. The valuation report indicated that the economic useful lives of the technical know-how shall be less than the original estimate. As a result, the management reconsiders that the useful lives of the acquired technical know-how are no longer regarded as indefinite. The technical know-how is tested for impairment in accordance with IAS 36 and amortised over its remaining useful life.

With effect from 1 July 2011, technical know-how has been amortised on a straight-line method over a period of 11 years. This change in expected useful lives increased the amortisation charge for the year by approximately US\$285,000 and decreased the carrying amount of the intangible assets for the year by approximately US\$285,000.

5. Summary of Significant Accounting Policies

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

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5. 主要會計政策概要(續)

附屬公司

附屬公司乃本集團有權控制其財務及經營政策，以從其業務活動中獲益之實體(包括特殊目的實體)。於評估本集團是否控制另一實體時，將考慮目前可行使或可轉換之潛在投票權是否存在及其影響。

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

聯營公司

聯營公司為本集團擁有重大影響力的實體，而並非附屬公司或合營企業。重大影響乃指參與所投資公司的財務及經營決策但並非控制或共同控制其政策的權力。

聯營公司以權益會計法入賬，按成本初次確認，其後賬面值按本集團應佔聯營公司的資產淨值於收購後的變動作出調整，惟數額超出本集團於聯營公司權益的虧損不予確認，除非本集團有責任彌補該等虧損。

本集團與其聯營公司間進行交易所產生溢利及虧損僅以非相關投資者於聯營公司的權益為限確認。投資者於該等交易所佔聯營公司的溢利及虧損與該聯營公司的賬面值抵銷。

任何向聯營公司支付高於本集團應佔所收購可識別資產、負債及或然負債公平值的溢價會資本化，並計入聯營公司的賬面值，而全部投資賬面值須透過將該賬面值與其可收回款額(使用價值及公平值減去出售成本之間的較高者)作出比較進行減值測試。

5. Summary of Significant Accounting Policies (Continued)

Subsidiaries

Subsidiaries are entities (including special purpose entities) over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

In the Company's statement of financial position, interest in a subsidiary is carried at cost less any impairment losses. The results of the subsidiary 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.

Associates

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

Associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amount are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless there is an obligation to make good those losses.

Profits and losses arising on transactions between the Group and its associate are recognised only to the extent of unrelated investors' interest in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate and the entire carrying amount of the investment is subject to impairment test, by comparing the carrying amount with its recoverable amount, which is higher of value in use and fair value less costs to sell.

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5. 主要會計政策概要(續)

業務合併

收購附屬公司或業務採用收購法入賬。收購成本按所轉讓資產於收購日期的公平值、所產生的負債及本集團作為收購方發行的股本權益總額計量。所收購的可識別資產及所承擔的負債主要按收購日期的公平值計量。本集團之前在被收購方持有的股本權益按收購日期的公平值重新計量，所產生的收益或虧損則在損益確認。本集團可選擇以交易劃分的基準按公平值或應佔被收購方可識別資產淨值的比例計量目前在附屬公司有擁有權權益的非控股權益。所有其他非控股權益按公平值計量，惟國際財務報告準則所規定的另一計量標準則除外。收購相關成本在產生時支銷，惟發行權益工具(於此情況下，成本從權益扣除)時所產生的收購相關成本則除外。

收購方所轉讓的任何或然代價按收購日期的公平值確認。倘在計量期間(最長為收購日期起計十二個月)內因得到有關收購日期公平值的最新資料而對代價作出調整，則其後的代價調整與商譽對銷確認。其後對或然代價作出分類為資產或負債的任何其他調整在損益內確認。倘或然代價被歸類為權益，則其於權益中最終結算前毋須重新計量。

商譽

商譽初步按成本確認，即所轉讓代價總額及已確認的非控股權益金額超出所收購可識別資產、負債及或然負債公平值的金額。

倘可識別資產、負債及或然負債公平值高於所支付代價的公平值，則超出的金額在重估後於收購日期在損益確認。

5. Summary of Significant Accounting Policies (Continued)

Business combinations

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by IFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

Goodwill

Goodwill is initially recognised at cost being the excess of the aggregate of consideration transferred and the amount recognised for non-controlling interests over the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

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5. 主要會計政策概要(續)

商譽(續)

商譽按成本減任何減值虧損計量。就減值測試而言，收購所產生的商譽分派到預期從收購的協同效應中獲利的各個有關現金產生單位(「現金產生單位」)。獲分派商譽的現金產生單位按年測試減值，或當有跡象顯示單位可能出現減值時測試減值。

就於某個財政年度收購所產生的商譽而言，已獲配商譽的現金產生單位需於該財政年度完結前進行減值測試。當現金產生單位的可收回金額少於該單位的賬面值，則減值虧損首先被分配到該單位的任何商譽的賬面值，及其後以該單位各資產的賬面值為基準按比例分配到該單位的其他資產。商譽的任何減值虧損乃於損益內確認。商譽的減值虧損於其後期間不予撥回。

物業、廠房及設備

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

物業、廠房及設備的成本包括其購買價格及收購該等項目的直接應計成本。

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

5. Summary of Significant Accounting Policies (Continued)

Goodwill (Continued)

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units ("CGUs") that are expected to benefit from the synergies of the acquisition. A CGU to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial year, the CGU to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

Property, plant and equipment

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

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

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

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5. 主要會計政策概要(續)

物業、廠房及設備(續)

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

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

擬用作生產、供應或行政用途的在建物業按成本減已確認的減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策資本化的借貸成本。該等物業在完工並可用於擬定用途時分類至物業、廠房及設備的適當類別。該等資產與其他物業資產按相同基準，在可用作其擬定用途時開始計算折舊。

因出售或終止使用物業、廠房及設備項目而產生的任何收益或虧損會按出售所得款項及資產賬面值之間的差額釐定，並會計入損益賬內。

預付土地租賃款項

預付土地租賃款項指收購長期權益作土地用途的首付款。付款按成本減累計攤銷及任何減值虧損列賬。攤銷在租賃期(48年至50年)按直線法計算。

5. Summary of Significant Accounting Policies (Continued)

Property, plant and equipment (Continued)

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

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

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Prepaid land lease payment

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

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5. 主要會計政策概要(續)

無形資產(商譽除外)及研發活動

無形資產(商譽除外)

獨立收購的無形資產初步按成本確認。初步確認後，使用年期有限的無形資產會按成本減累計攤銷及任何減值虧損列賬。可使用年期有限的無形資產會於估計使用年限內按直線法作攤銷撥備。無形資產於可供使用時開始計算攤銷。

可使用年期為無限的無形資產會按成本減任何減值虧損列賬。可使用年期為無限的無形資產每年及有跡象顯示資產可能出現減值時進行減值測試。

研發成本

與研究活動相關的成本於產生時於損益內支銷。個別項目開發開支產生的無形資產在符合以下確認規定時確認：

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

5. Summary of Significant Accounting Policies (Continued)

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

Intangible assets (other than goodwill)

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

Intangible assets with indefinite useful lives are carried at cost less any impairment losses. Intangible assets with indefinite useful lives are tested for impairment annually, and where there is an indication that the asset may be impaired.

Research and development costs

Costs associated with research activities are expensed in profit or loss as they occur. An intangible asset arising from development expenditure on an individual project is recognised provided they meet the following recognition requirements:

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

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截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

5. 主要會計政策概要(續)

無形資產(商譽除外)及研發活動(續)

研發成本(續)

不符上述準則的開發開支乃在其發生的當期支出。

可使用年期為有限的已資本化開發成本乃由產品開始商業生產時按直線法在預期產生利益期間攤銷。可使用年期為無限的已資本化開發成本每年進行減值測試。

有形及無形資產(商譽除外)的減值

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

可收回金額乃指公平值減銷售成本及在用價值兩者的較高者。於評定在用價值時，估計的日後現金流量以稅前折現率折現至現值，而稅前折現率反映現時市場評估的貨幣時間價值及與資產相關的風險。

倘資產的可收回金額估計少於賬面值，則資產的賬面值調低至可收回金額。減值虧損即時於損益中確認，除非相關資產按重估價值列賬，在該情況下，減值虧損作為重估減值處理。

5. Summary of Significant Accounting Policies (Continued)

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

Research and development costs (Continued)

Development expenditure which does not meet the above criteria is expensed when incurred.

Capitalised development costs that have a finite useful life are amortised from the commencement of the commercial production of the product on straight-line method over the period of its expected benefit. Capitalised development costs with indefinite useful lives are tested for impairment annually.

Impairment of tangible and intangible assets (other than goodwill)

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

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

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

財務報表附註 Notes to the Financial Statements

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5. 主要會計政策概要(續)

有形及無形資產(商譽除外)的減值(續)

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

金融工具

當本集團實體成為工具合約條文的訂約方時，於綜合財務狀況表確認金融資產及金融負債。

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

金融資產

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

貸款及應收款項

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

5. Summary of Significant Accounting Policies (Continued)

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

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

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a Group entity becomes a party to the contractual provisions of the instrument.

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

Financial assets

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

Loans and receivables

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

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5. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

實際利率法

實際利率法為計算金融資產於有關期間已攤銷成本以及分配利息收入的方法。實際利率指將金融資產於整個預計可用年期或(倘適用)較短期間內的估計未來現金收款額(包括構成實際利率一部分的所有已付或已收費用、交易成本及其他溢價或折讓)準確折算至首次確認的賬面淨值的利率。

金融資產減值

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

就金融資產而言，減值的客觀證據可包括：

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

5. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

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

Impairment of financial assets

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

For financial assets, objective evidence of impairment could include:

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

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5. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就若干類別金融資產(如貿易及其他應收款項)而言,已評定為不會單獨作出減值的資產其後會一併評估減值。應收款項組合減值的客觀證據可包括本集團過往收款記錄、組合中超過六個月至一年的平均信貸期的拖延付款宗數增加,及與拖欠應收款項有關的國家或地方經濟狀況出現明顯變動。

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

與所有金融資產有關的減值虧損會直接於金融資產的賬面值中扣減,惟貿易及其他應收款項除外,其賬面值會透過使用撥備賬扣減。撥備賬內的賬面值變動會於損益中確認。當貿易及其他應收款項被視為不可收回時,將於撥備賬內撇銷。若之前撇銷的金額在其後收回,則會於撥備賬內撇銷。撥備賬內之賬面值變動會於損益中確認。

倘於隨後期間減值虧損的數額減少,而此項減少可客觀地與確認減值虧損後發生的事件聯繫,則先前確認的減值虧損於損益中撥回,惟撥回減值當日的資產賬面值不得超過假設未確認減值時的已攤銷成本。

5. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

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

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

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

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5. 主要會計政策概要(續)

金融工具(續)

金融負債及權益

集團實體發行的金融負債及權益工具乃根據所訂立合同安排的內容與金融負債及權益工具的定義分類。

金融負債

金融負債(包括借貸及貿易及其他應付款項)其後以實際利率法按攤銷成本計量。

實際利率法

實際利率法乃用於計算相關期間內金融負債及分配利息開支的攤銷成本的方法。實際利率乃用於準確地將預計金融負債年期或(倘合適)更短期間的估計未來現金付款折現的利率。

利息開支按實際利率基準確認。

權益工具

權益工具為證明本集團於扣減所有負債後在資產中有剩餘權益的任何合同。

本公司所發行的權益工具按已收所得款項減直接發行成本列賬。

終止確認

當從資產收取現金流量的合約權利屆滿或金融資產已轉讓，且本集團已將金融資產所有權絕大部分風險及回報轉讓時，金融資產終止確認。

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

5. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity

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

Financial liabilities

Financial liabilities including borrowings and trade and other payables are subsequently measured at amortised cost, using effective interest method.

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Equity instruments

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

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

Derecognition

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

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

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5. 主要會計政策概要(續)

金融工具(續)

終止確認(續)

金融負債於有關合約註明的責任獲履行、取消或屆滿時終止確認。終止確認的金融負債賬面值與已付及應付代價間的差額，乃於損益確認。

存貨

存貨乃按成本或可變現淨值兩者中的較低者列賬。成本包括直接材料及(如適用)直接勞工成本及將存貨達致目前位置和狀況所牽涉的經常性費用。成本按加權平均法計算。可變現淨值指存貨在日常業務過程中的估計售價減去所有估計完工成本和營銷、銷售及分銷所牽涉的成本。

現金及現金等價物

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

收入確認

收入按已收或應收代價的公平值計算，乃指日常業務過程中所出售貨物及他人使用本集團資產所產生之利息，扣除折扣後應收的款項。確認收入之條件為經濟利益可能流入本集團，且收入及成本(如適用)能夠可靠計量，收入確認如下：

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

利息收入乃根據結存的本金及時間基準，按實際利率計算。

5. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Derecognition (Continued)

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

Inventories

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

Cash and cash equivalents

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

Revenue recognition

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

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

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

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5. 主要會計政策概要(續)

所得稅

年內所得稅包括當期所得稅及遞延所得稅。

當期所得稅資產及／或負債包括於報告日期尚未繳付並與當期或先前申報期有關應向財政機關履行或申索之稅務責任或稅務權利。該等稅務資產及／或負債乃根據相關財政期間之適用稅率及稅法，按年內應課稅溢利計算。當期稅務資產或負債之所有變動，均於損益確認為稅項開支一部份。

遞延所得稅會就用作財務報告用途之資產及負債賬面值與用作稅項用途之相應金額之暫時差額確認。除商譽及不影響會計或應課稅溢利之已確認資產及負債外，遞延所得稅負債就所有暫時差額進行確認。倘有可用以抵銷可扣減暫時差額之應課稅溢利，則會確認遞延所得稅資產。遞延所得稅以於申報期間結束時已頒佈或實質上已頒佈之稅率為基準，按預期將於清償負債或變現資產之期間所採用之稅率計量。

倘暫時差額乃源自對商譽及應課稅或會計溢利或虧損並無影響之交易帶來之首次確認(業務合併除外)資產及負債，則不會就此確認遞延稅項資產及負債。

投資附屬公司及聯營公司所產生之應課稅暫時差額須確認為遞延所得稅負債，惟倘本集團可以控制撥回暫時差額及暫時差額可能不會在可見將來撥回者則除外。

遞延所得稅資產及負債按於清償負債或預期變現資產之期間所適用之稅率計算，惟以於申報日結束時已頒佈或實際上已頒佈之稅率(及稅法)為基準。

5. Summary of Significant Accounting Policies (Continued)

Income taxes

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

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or 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.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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5. 主要會計政策概要(續)

所得稅(續)

遞延所得稅(概無折現)按於清償負債或預期變現資產的期間所適用之稅率計算，惟稅率必須於申報日已頒佈或實際上已頒佈為基準。

遞延所得稅資產或負債之變動在損益內確認，或倘與於其他全面收益中或直接於權益中扣除或計入之項目有關，則在其他全面收益中或直接於權益中確認。

當期所得稅資產與當期所得稅負債只會於以下情況以淨額呈列：

- (a) 本集團有依法強制執行權將已確認金額對銷；及
- (b) 計劃以淨額基準結算或同時將資產變現及結清負債；

本集團只會於以下情況以淨額呈列遞延所得稅資產與遞延所得稅負債：

- (a) 實體依法有強制執行權可以將當期所得稅資產與當期所得稅負債對銷；及
- (b) 遞延所得稅資產與遞延所得稅負債是關於同一稅務機關就以下任何一項所徵收之所得稅：
 - (i) 同一應課稅實體；或
 - (ii) 計劃於各段未來期間(指預期在有關期間內將結清或收回大額之遞延所得稅負債或資產之期間)以淨額基準結算當期所得稅負債與資產或同時將變現資產及清償負債之不同應課稅實體。

5. Summary of Significant Accounting Policies (Continued)

Income taxes (Continued)

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 to 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
- (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.

財務報表附註 Notes to the Financial Statements

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5. 主要會計政策概要(續)

外幣

本集團實體以其業務營運所處的主要經濟環境的貨幣(「功能貨幣」)以外的貨幣進行的交易，按進行交易時的當前匯率入賬。外幣貨幣資產及負債則以申報期間結束當日的匯率折算。以外幣列值並按公平值列賬的非貨幣項目按釐定公平值之日的當前匯率重新折算。按外幣以歷史成本計量的非貨幣項目毋須重新折算。

因結算及換算貨幣項目而產生的匯兌差額會於產生期間的損益中確認。重新換算以公平值計算之非貨幣項目所產生的匯兌差額，應在期內損益確認，惟重新換算非貨幣項目產生的盈虧差異於其他全面收益內確認，在此情況下，匯兌差額亦於其他全面收益內確認。

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

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

5. Summary of Significant Accounting Policies (Continued)

Foreign currencies

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

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

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

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

財務報表附註 Notes to the Financial Statements

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5. 主要會計政策概要(續)

租賃

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

本集團作為承租人

經營租賃應付的租金總額於租賃期內以直線基準在損益中確認。已收取的租賃獎勵於租賃期內確認為租金開支總額的一部分。

退休福利成本

僱員退休福利乃透過定額供款計劃提供。

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

於中國營運的本集團附屬公司的僱員則須參加由當地市政府設立的中央退休金計劃。該等附屬公司須按薪金成本的一定百分比向中央退休金計劃供款。就退休福利計劃而言，本集團的唯一責任為作出指定供款。

供款乃於到期應付時確認為有關定額供款福利計劃的開支。倘有欠款或預付款項，則可能確認為負債及資產，並基於其通常為短期性質而計入流動負債或流動資產。

5. Summary of Significant Accounting Policies (Continued)

Leases

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

The Group as lessee

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

Retirement benefit costs

Retirement benefits to employees are provided through defined contribution plans.

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

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of its payroll costs to the central pension scheme. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The contributions recognised in respect to defined contribution benefit plans are expenses as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short term nature.

財務報表附註 Notes to the Financial Statements

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5. 主要會計政策概要(續)

借貸成本

直接歸屬於合資格資產的購置、建造或生產的借貸成本，並須經過相當長時間才能達到可使用或可銷售狀態的資產，應予以資本化而成為該資產成本的組成部分，直至有關資產大致可作擬定用途或出售為止。有待用於合資格資產之特定借貸在用作臨時投資所賺取之收入，會從合資格資本化之借貸成本中扣除。

所有其他借貸成本乃於發生期內於損益確認。

政府補助金

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

與收入相關的政府補助金乃於全面收益表內「其他收入」項內合計呈列。

5. Summary of Significant Accounting Policies (Continued)

Borrowings costs

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

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

Government grants

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

Government grants relating to income is presented in gross under "Other income" in the statement of comprehensive income.

財務報表附註 Notes to the Financial Statements

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5. 主要會計政策概要(續)

關連方

倘任何人士符合以下條件，則視為本集團的關連方：

- (a) 倘屬以下人士，則該人士或該人士之近親為本集團關連方：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員。

或

- (b) 倘符合下列任何條件，則該實體為本集團關連方：
- (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一實體之聯營公司或合營企業(或為另一實體母公司、附屬公司及同系附屬公司之聯營公司或合營企業)；
 - (iii) 該實體及本集團均為同一第三方之合營企業；
 - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；
 - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃；
 - (vi) 實體受(a)內所識別人士控制或共同控制；及
 - (vii) 在(a) (i)內所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層成員。

5. Summary of Significant Accounting Policies (Continued)

Related parties

A party is considered to be related to the Group if:

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

or

- (b) the party is an entity where 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 of a parent, subsidiary or fellow subsidiary of the other entity);
 - (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); and
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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5. 主要會計政策概要(續)

關連方(續)

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

- (i) 該名人士之子女及配偶或家庭夥伴；
- (ii) 該名人士之配偶或家庭夥伴之子女；及
- (iii) 該名人士或該名人士之配偶或家庭夥伴之家屬。

分部呈報

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

本集團根據國際財務報告準則第8號作出分部報告的計量政策與其根據國際財務報告準則編製的財務報表所採用的為一致，惟下述各項：

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

5. Summary of Significant Accounting Policies (Continued)

Related parties (Continued)

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

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

Segment reporting

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

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

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

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

6. 重要會計估計及判斷

編製該等財務報表採用的估計及相關假設按持續基準檢討。至於對會計估計的修訂，倘修訂的影響僅及於該期間，則於修訂估計的期間確認；倘修訂影響當前和未來期間，則於修訂期間和未來期間確認。

以下為估計不確定因素的主要來源，不確定因素具有重大風險，可能於下個財政年度內對資產及負債的賬面值造成重大調整。

貿易及其他應收款項減值

根據可向債務人收回應收款項的評估，作出貿易及其他應收款項的減值。確定減值時需要管理層作出判斷及估計，倘未來的實際結果或期望有異於原本的估計，該等差異將影響在該等估計改變期間應收款項和減值虧損／撥回減值虧損的賬面值。

無形資產的可使用年期

管理層估計開發成本(即內部產生之藥業知識產權)具有無限使用年期，皆因彼等相信，此等知識產權預計可以提供現金流量的期間並無可預見的期限，而此等知識產權可在若干期間內以極低成本續期，且產品可在市場上存續。

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

管理層在倘估計可使用年期少於先前的估計年期，則增加攤銷費用，或倘未來現金流量少於預期及下跌至低於無形資產之賬面值，則確認減值虧損。

6. Critical Accounting Estimates and Judgements

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

The following are the key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of trade and other receivables

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

Useful lives of intangible assets

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

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

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

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

6. 重要會計估計及判斷(續)

商譽減值

釐定商譽是否減值需要評估獲分配商譽的現金產生單位的在用價值。計算在用價值需要本集團評估源自現金產生單位的未來現金流及合適的折現率以計算現值。當實際未來現金流低於預期，則可能出現重大減值。於二零一一年十二月三十一日，商譽的賬面值為6,824,000美元。可收回金額的計算方法於附註20披露。

無形資產減值

無形資產的減值虧損乃就賬面值超出其可收回金額的數額確認。可收回金額為公平價值減銷售成本及在用價值(以較高者為準)，乃參考於報告期末的現有最佳資料釐定。倘本集團管理層用以評估減值程度的假設(包括現金流量預測中採用的折現率或經營及增長率假設)有變，或會對減值測試所用淨現值構成重大影響，並因此影響本集團的財務狀況及營運業績。於二零一一年十二月三十一日，無形資產賬面值為9,907,000美元。

6. Critical Accounting Estimates and Judgements (Continued)

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2011, the carrying amount of goodwill is US\$6,824,000. Details of the recoverable amount calculation are disclosed in note 20.

Impairment of intangible assets

Impairment losses for intangible assets are recognised for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use, are determined with reference to the best information available at the end of the reporting date. Changing the assumptions selected by the Group's management in assessing impairment, including the discount rates or the operating and growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial position and results of operations. As at 31 December 2011, the carrying amount of intangible assets is US\$9,907,000.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

7. 收入及其他收入

本集團於年內的收入(即本集團的營業額)及其他收入之分析如下:

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
銷售貨品的收入	Revenue from sales of goods	74,475	58,607
其他收入	Other income		
銀行利息收入	Bank interest income	204	109
政府補助金	Government grants	2,290	1,859
其他	Others	251	4
		2,745	1,972

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

7. Revenue and Other Income

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

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

8. 分部資料

就管理而言，本集團乃根據產品種類組織為業務單位，並有以下兩個須予呈報的經營分部：

- 風濕專科處方西藥；
- 其他藥品。

8. Segment Information

For management purposes, the Group is organised into business units based on its product types and has two reportable operating segments as follows:

- Rheumatic specialty prescription western pharmaceuticals;
- Other pharmaceuticals.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

8. 分部資料(續)

管理層就資源分配及表現評估方面作出決定時分開監察其業務單位的業績。分部表現乃按照須予呈報分部的業績來評定，詳情於下表說明。

8. Segment Information (Continued)

Management monitors the results of its business units separately for the purpose of making decision about resources allocation and performance assessment. Segment performance is evaluated based on the results from the reportable segments as explained in the table below.

		二零一一年 2011		
		風濕專科 處方西藥 Rheumatic specialty prescription western pharmaceuticals 千美元 US\$'000	其他藥品 Other pharmaceuticals 千美元 US\$'000	總計 Total 千美元 US\$'000

須予呈報分部收入	Reportable segment revenue			
—來自對外客戶的收入	– Revenue from external customers	49,138	25,337	74,475

須予呈報分部溢利	Reportable segment profit	37,438	6,949	44,387
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		二零一零年 2010		
		風濕專科 處方西藥 Rheumatic specialty prescription western pharmaceuticals 千美元 US\$'000	其他藥品 Other pharmaceuticals 千美元 US\$'000	總計 Total 千美元 US\$'000

須予呈報分部收入	Reportable segment revenue			
—來自對外客戶的收入	– Revenue from external customers	40,579	18,028	58,607

須予呈報分部溢利	Reportable segment profit	32,152	6,281	38,433
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財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

8. 分部資料(續)

本集團經營分部業績的總額與財務報表呈報的本集團主要財務數據的對賬如下：

8. Segment Information (Continued)

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

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
溢利或虧損	Profit or loss		
須予呈報分部溢利	Reportable segment profit	44,387	38,433
應佔聯營公司的除稅後溢利	Share of post-tax profits of an associate	1,941	221
其他未分配收入	Other income not allocated	2,745	1,972
其他未分配開支	Other expenses not allocated	(33,466)	(27,453)
財務成本	Finance costs	(459)	(388)
所得稅前溢利	Profit before income tax	15,148	12,785

須予呈報分部溢利指各分部的毛利，乃向執行董事匯報作資源分配及表現評估用途的計量方法。

Reportable segment profit represents the gross profit by each segment. This is the measure reported to the executive directors for the purpose of resources allocation and performance assessment.

年內，本集團收入當中的12% (二零一零年：14%) 乃來自「其他藥品」分部中的單一客戶。於報告日，本集團貿易應收款項之27% (二零一零年：23%) 來自於該客戶。

During the year, 12% (2010: 14%) of the Group's revenue was derived from a single customer in the "other pharmaceutical" segment. As at the reporting date, 27% (2010: 23%) of the Group's trade receivables was due from this customer.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

8. 分部資料(續)

本集團的收入乃劃分作下列地區：

中國(常駐)	The PRC (domicile)
海外	Overseas

8. Segment Information (Continued)

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

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
		73,148	57,512
		1,327	1,095
		74,475	58,607

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

於兩個年度，本集團的所有非流動資產幾乎均位於中國。

由於並無定期向執行董事提供分部資產或分部負債資料，故並無呈列有關資料。

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

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

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

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

9. 經營溢利

本集團的經營溢利乃經扣除(計入)下列各項得出：

9. Profit from Operations

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

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
核數師酬金	Auditor's remuneration		
— 核數服務	– Audit service	161	111
— 非核數服務	– Non-audit service	–	66
物業、廠房及設備折舊	Depreciation of property, plant and equipment	1,291	1,050
陳舊存貨減值撥備／ (撥回)	Provision for/(Reversal of) impairment of obsolete inventories	9	(26)
貿易應收款項減值撥備	Provision for impairment of trade receivables	85	153
其他應收款項減值撥備／ (撥回)	Provision for/(Reversal of) impairment of other receivables	9	(440)
匯兌收益淨額	Net exchange gain	(261)	(161)
確認為開支的存貨成本	Cost of inventories recognised as expenses	29,149	19,922
土地及樓宇的經營租賃 開支	Operating lease charges in respect of land and buildings	479	353
研發成本	Research and development costs	1,019	274
出售物業、廠房及設備 虧損	Losses on disposals of property, plant and equipment	9	20
無形資產撇銷	Write off of intangible assets	128	51
預付土地租賃款項攤銷	Amortisation of prepaid land lease payment	61	59
無形資產攤銷	Amortisation of intangible assets	285	–
員工成本(包括董事薪酬)	Staff costs (including directors' remuneration)		
— 工資及薪金	– Wages and salaries	6,276	5,568
— 定額供款計劃	– Defined contribution plan	416	459
		6,692	6,027

10. 財務成本

10. Finance Costs

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
須於五年內悉數償還之銀行 借貸利息	Interest on bank borrowings wholly repayable within five years	522	433
減：計入在建工程之資本化 利息	Less: Interest capitalised included in construction in progress	(63)	(45)
		459	388

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

11. 董事和五名最高薪人士的薪酬

董事薪酬

已付及應付予本公司董事的薪酬總額如下：

11. Remuneration of Directors and Five Highest Paid Individuals

Directors' remuneration

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

	袍金	薪金、津貼 和實物福利	退休福利 計劃供款	總計	
	Fees	Salaries, allowances and benefits in kind	Retirement benefit plans contributions	Total	
	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	
截至二零一一年 十二月三十一日止年度	Year ended 31 December 2011				
執行董事：	Executive directors:				
徐軍	Xu Jun	-	209	15	224
劉曉東	Liu Xiao Dong	-	117	12	129
非執行董事：	Non-executive directors:				
Stephen Burnau Hunt	Stephen Burnau Hunt	39	-	-	39
李晉頤	Lee Jin Yi	-	-	-	-
湯軍	Tang Jun	-	-	-	-
陶芳芳	Tao Fang Fang	-	-	-	-
葉佩玲	Yip Pui Ling, Rebecca	-	-	-	-
獨立非執行董事：	Independent non-executive directors:				
Robert Peter Thian (於二零一一年 二月十日辭任)	Robert Peter Thian (resigned as at 10 February 2011)	4	-	-	4
陳記煊	Chan Kee Huen, Michael	31	-	-	31
Fritz Heinrich Horlacher (於二零一一年 二月十日獲委任)	Fritz Heinrich Horlacher (appointed as at 10 February 2011)	26	-	-	26
鄧昭平	Tang Chiu Ping, Raymond	29	-	-	29
		129	326	27	482

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

11. 董事和五名最高薪人士的薪酬(續)

董事薪酬(續)

		袍金	薪金、津貼 和實物福利 Salaries, allowances and benefits in kind	退休福利 計劃供款 Retirement benefit plans contributions	總計
		Fees 千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	Total 千美元 US\$'000
截至二零一零年 十二月三十一日止年度		Year ended 31 December 2010			
執行董事：		Executive directors:			
徐軍	Xu Jun	–	168	14	182
劉曉東	Liu Xiao Dong	–	99	11	110
非執行董事：		Non-executive directors:			
Stephen Burnau Hunt	Stephen Burnau Hunt	29	–	–	29
李晉頤	Lee Jin Yi	–	–	–	–
湯軍	Tang Jun	–	–	–	–
陶芳芳	Tao Fang Fang	–	–	–	–
葉佩玲	Yip Pui Ling, Rebecca	–	–	–	–
獨立非執行董事：		Independent non-executive directors:			
Robert Peter Thian	Robert Peter Thian	27	–	–	27
陳記煊	Chan Kee Huen, Michael	22	–	–	22
鄧昭平	Tang Chiu Ping, Raymond	22	–	–	22
		100	267	25	392

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

Directors' remuneration (Continued)

		袍金	薪金、津貼 和實物福利 Salaries, allowances and benefits in kind	退休福利 計劃供款 Retirement benefit plans contributions	總計
		Fees 千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	Total 千美元 US\$'000

截至二零一零年

十二月三十一日止年度

執行董事：

徐軍

Xu Jun

–

168

14

182

劉曉東

Liu Xiao Dong

–

99

11

110

非執行董事：

Non-executive directors:

Stephen Burnau Hunt

Stephen Burnau Hunt

29

–

–

29

李晉頤

Lee Jin Yi

–

–

–

–

湯軍

Tang Jun

–

–

–

–

陶芳芳

Tao Fang Fang

–

–

–

–

葉佩玲

Yip Pui Ling, Rebecca

–

–

–

–

獨立非執行董事：

Independent non-executive
directors:

Robert Peter Thian

Robert Peter Thian

27

–

–

27

陳記煊

Chan Kee Huen, Michael

22

–

–

22

鄧昭平

Tang Chiu Ping, Raymond

22

–

–

22

100

267

25

392

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

11. 董事和五名最高薪人士的薪酬(續)

五名最高薪人士

五名最高薪人士包含本公司兩名董事(二零一零年：兩名)，彼等的薪酬詳情載於上文的分析。餘下三名(二零一零年：三名)最高薪人士的薪酬詳情如下：

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
薪金、津貼及實物福利	Salaries, allowances and benefits in kind	313	245
退休福利計劃供款	Retirement benefit plans contributions	20	34
總計	Total	333	279

支付予上述非董事的人士的薪酬屬於以下範疇：

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
零至128,000美元	Nil – US\$128,000	3	3

年內，概無董事豁免或同意豁免任何薪酬的安排。

年內，本集團概無支付酬金予董事或任何五名最高薪酬人士，作為加入本集團或加入本集團後的獎勵或離職賠償(二零一零年：無)。

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

Five highest paid individuals

The five highest paid individuals consisted of two directors (2010: two) of the Company, details of whose remuneration are reflected in the analysis presented above. Details of remuneration of the remaining three (2010: three) highest paid individuals are as follows:

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
薪金、津貼及實物福利	Salaries, allowances and benefits in kind	313	245
退休福利計劃供款	Retirement benefit plans contributions	20	34
總計	Total	333	279

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

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
零至128,000美元	Nil – US\$128,000	3	3

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

No emolument was paid by the Group to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group, or compensation for loss of office during the year (2010: nil).

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

12. 所得稅開支

12. Income Tax Expense

	二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
當期所得稅		
– 中國企業所得稅		
(「企業所得稅」)	2,695	2,572

在中國產生的應課稅溢利的稅項已按本集團經營所在的稅務司法權區的適用稅率計算。

根據中國企業所得稅法(「企業所得稅法」)及其實施細則，中國附屬公司的稅率一律為25%(二零一零年：25%)。

其中一間在深圳經濟特區經營並享有優惠企業所得稅率的附屬公司，其稅率於二零一二年將逐漸增加至25%的標準稅率。另一獲認證為中國高新科技企業的附屬公司自二零一零年一月一日起享有15%的企業所得稅優惠政策。

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

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

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2010: 25%).

One of the subsidiaries operates in Shenzhen Special Economic Zone and enjoys preferential Enterprise Income Tax rates, its tax rate will increase gradually to reach the standard rate at 25% in 2012. Another subsidiary has been certified as a high technology enterprise in the PRC and enjoys a preferential Enterprise Income Tax rate of 15% from 1 January 2010.

A subsidiary of the Group is a wholly-owned foreign enterprise in accordance with the Income Tax Law of the PRC for Enterprise with Foreign Investment and Foreign Enterprises and is entitled to full exemption from EIT for two years and a 50% reduction in the following three years thereafter starting from the first profit making year after offsetting prior years' tax losses, its tax rate will reach the standard rate at 25% in 2013.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

12. 所得稅開支(續)

年內所得稅開支與綜合全面收益表所示的所得稅前溢利的對賬如下：

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
所得稅前溢利	Profit before income tax	15,148	12,785
按適用於有關司法權區溢利的 稅率計算的稅項	Tax on profit at the rates applicable to the jurisdictions concerned	3,117	2,591
不可扣稅開支的稅務影響	Tax effect on non-deductible expenses	117	209
非課稅收入的稅務影響	Tax effect on non-taxable income	–	(5)
應佔聯營公司除稅後溢利的 稅務影響	Tax effect of share of post-tax profits of an associate	(320)	(36)
動用先前未確認的稅務虧損的 稅務影響	Tax effect of utilisation of tax losses previously not recognised	–	(12)
稅務寬免	Tax exemption	(219)	(175)
年內的所得稅開支	Income expense for the year	2,695	2,572

13. 本公司擁有人應佔溢利

本公司擁有人應佔綜合溢利12,453,000美元(二零一零年：10,213,000美元)中，425,000美元(二零一零年：虧損797,000美元)之虧損已於本公司財務報表內處理。

12. Income Tax Expense (Continued)

The income tax expense for the year can be reconciled to the profit before income tax per the consolidated statement of comprehensive income as follows:

13. Profit Attributable to Owners of the Company

Of the consolidated profit attributable to the owners of the Company of US\$12,453,000 (2010: US\$10,213,000), a loss of US\$425,000 (2010: a loss of US\$797,000) has been dealt with in the financial statements of the Company.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

14. 股息

14. Dividends

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
年內確認為分派的股息：	Dividend recognised as distribution during the year:		
每股8.05港仙(約1.03美仙) 之二零一一年中期股息	2011 interim dividend – HK8.05 cents (approximately US1.03 cents) per share	4,293	–
每股1.41美仙之二零一零年 末期股息	2010 final dividend – US1.41 cents per share	5,852	–
每股1.80美仙之二零一零年 特別股息	2010 special dividend – US1.80 cents per share	–	5,390
		10,145	5,390

根據於二零一零年四月九日舉行的股東大會通過的普通決議案，本公司向當時之股東宣派股息每股1.80美仙，合計約5,390,000美元。

董事建議派發截至二零一一年十二月三十一日止年度的末期股息每股8.28港仙(二零一零年：截至二零一零年十二月三十一日止年度的末期股息為每股1.41美仙，合計5,852,000美元)，合計34,362,000港元(約4,424,000美元)，惟須待股東於股東大會批准後，方可作實。建議末期股息於報告日尚未確認為負債。

Pursuant to the ordinary resolution passed at the general meeting held on 9 April 2010, the Company declared a dividend of US1.80 cents per share, totalling approximately US\$5,390,000 to the then shareholders.

Final dividend of HK8.28 cents, amounting to HK\$34,362,000 in aggregate (approximately US\$4,424,000) in respect of the year ended 31 December 2011 (2010: final dividend of US1.41 cents in respect of the year ended 31 December 2010, amounting to US\$5,852,000) per share has been proposed by the directors and is subject to approval by the shareholders in general meeting. The proposed final dividend has not been recognised as a liability at the reporting date.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

15. 每股盈利

每股基本盈利乃按年內本公司擁有人應佔綜合溢利及415,000,000股已發行股份(二零一零年：假設本集團重組已於二零一零年一月一日起生效的加權平均數為374,438,356股)計算。

由於年內並無潛在攤薄股份，故並無呈列每股攤薄盈利。

15. Earnings Per Share

The calculation of basic earnings per share is based on the consolidated profit attributable to owners of the Company and 415,000,000 shares in issue during the year (2010: weighted average number of 374,438,356 shares on the assumption that the Group Reorganisation had been effective on 1 January 2010).

No diluted earnings per share is presented as there were no potential dilutive shares during the year.

16. 於附屬公司之權益

16. Interest in a Subsidiary

	二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
投資		
未上市股份，按成本值	25,020	25,020

有關報告期末之附屬公司詳情載於附註33。

Details of the subsidiaries at the end of the reporting period are set out in note 33.

應收一間附屬公司的金額為無抵押、免息及須應要求償還。董事認為，結餘的賬面值與其公平值相若。

The amount due from a subsidiary is unsecured, interest-free and repayable on demand. The directors consider that the carrying amount of the balance approximates its fair value.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

17. 物業、廠房及設備 本集團

17. Property, Plant and Equipment Group

		樓宇及廠房 Building and plant 千美元 US\$'000	機器 Machinery 千美元 US\$'000	汽車 Motor vehicles 千美元 US\$'000	傢具及設備 Furniture and equipment 千美元 US\$'000	在建工程 Construction in progress 千美元 US\$'000	總計 Total 千美元 US\$'000
於二零一零年一月一日	At 1 January 2010						
成本	Cost	10,824	4,072	574	769	2,769	19,008
累計折舊	Accumulated depreciation	(768)	(778)	(298)	(213)	-	(2,057)
賬面淨值	Net carrying amount	10,056	3,294	276	556	2,769	16,951
截至二零一零年 十二月三十一日止年度	Year ended 31 December 2010						
年初賬面淨值	Opening net carrying amount	10,056	3,294	276	556	2,769	16,951
匯兌調整	Exchange adjustment	309	101	8	17	85	520
添置	Additions	48	1,003	291	344	1,726	3,412
折舊	Depreciation	(415)	(395)	(70)	(170)	-	(1,050)
處置	Disposals	-	(15)	(14)	(7)	-	(36)
從在建工程轉撥	Transfer from construction in progress	3,136	427	45	117	(3,725)	-
年末賬面淨值	Closing net carrying amount	13,134	4,415	536	857	855	19,797
於二零一零年 十二月三十一日	At 31 December 2010						
成本	Cost	14,340	5,822	855	1,219	855	23,091
累計折舊	Accumulated depreciation	(1,206)	(1,407)	(319)	(362)	-	(3,294)
賬面淨值	Net carrying amount	13,134	4,415	536	857	855	19,797
截至二零一一年 十二月三十一日止年度	Year ended 31 December 2011						
年初賬面淨值	Opening net carrying amount	13,134	4,415	536	857	855	19,797
匯兌調整	Exchange adjustment	682	236	31	49	83	1,081
添置	Additions	72	524	212	407	2,040	3,255
折舊	Depreciation	(503)	(499)	(74)	(215)	-	(1,291)
處置	Disposals	-	(3)	(6)	(6)	-	(15)
從在建工程轉撥	Transfer from construction in progress	288	184	-	2	(474)	-
年末賬面淨值	Closing net carrying amount	13,673	4,857	699	1,094	2,504	22,827
於二零一一年 十二月三十一日	At 31 December 2011						
成本	Cost	15,458	6,517	1,099	1,661	2,504	27,239
累計折舊	Accumulated depreciation	(1,785)	(1,660)	(400)	(567)	-	(4,412)
賬面淨值	Net carrying amount	13,673	4,857	699	1,094	2,504	22,827

於二零一一年十二月三十一日，賬面值為7,679,000美元(二零一零年：3,138,000美元)之若干物業已作為銀行融資及銀行借貸之抵押品(附註27)。

As at 31 December 2011, certain properties with a carrying amount of US\$7,679,000 (2010: US\$3,138,000) were pledged to secure the banking facilities and bank borrowings (note 27).

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

18. 預付土地租賃款項 本集團

18. Prepaid land lease payment Group

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
香港境外，按以下方式持有：	Outside Hong Kong, held on:		
– 48至50年租約	– Leases between 48 to 50 years	2,533	2,467
減：計入流動資產的流動部分	Less: Current portion included in current assets	(57)	(54)
計入非流動資產的非流動部分	Non-current portion included in non-current assets	2,476	2,413
		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
年初賬面淨值	Opening net carrying amount	2,467	2,451
年內攤銷開支	Amortisation charge for the year	(61)	(59)
匯兌調整	Exchange adjustment	127	75
年末賬面淨值	Closing net carrying amount	2,533	2,467
賬面值總額	Gross carrying amount	2,810	2,670
累計攤銷	Accumulated amortisation	(277)	(203)
賬面淨值	Net carrying amount	2,533	2,467

於二零一一年十二月三十一日，賬面值為1,271,000美元(二零一零年：833,000美元)之若干預付土地租賃款項已作為銀行融資及銀行借貸之抵押品(附註27)。

As at 31 December 2011, certain prepaid land lease payment with a carrying amount of US\$1,271,000 (2010: US\$833,000) were pledged to secure the banking facilities and bank borrowings (note 27).

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

19. 無形資產 本集團

19. Intangible Assets Group

		獨家分銷權 Exclusive distribution rights 千美元 US\$'000 (附註a) (note a)	技術專業知識 Technical know-how 千美元 US\$'000 (附註b) (note b)	開發成本 Development costs 千美元 US\$'000 (附註c) (note c)	總計 Total 千美元 US\$'000
於二零一零年一月一日	At 1 January 2010				
成本	Cost	–	5,938	1,843	7,781
累計攤銷	Accumulated amortisation	–	–	(118)	(118)
賬面淨值	Net carrying amount	–	5,938	1,725	7,663
截至二零一零年 十二月三十一日 止年度	Year ended 31 December 2010				
年初賬面淨值	Opening net carrying amount	–	5,938	1,725	7,663
匯兌調整	Exchange adjustment	–	182	53	235
添置	Additions	–	18	997	1,015
處置	Disposals	–	–	(51)	(51)
年末賬面淨值	Closing net carrying amount	–	6,138	2,724	8,862
於二零一零年 十二月三十一日	At 31 December 2010				
成本	Cost	–	6,138	2,846	8,984
累計攤銷	Accumulated amortisation	–	–	(122)	(122)
賬面淨值	Net carrying amount	–	6,138	2,724	8,862
截至二零一一年 十二月三十一日 止年度	Year ended 31 December 2011				
年初賬面淨值	Opening net carrying amount	–	6,138	2,724	8,862
匯兌調整	Exchange adjustment	4	315	157	476
添置	Additions	155	52	775	982
攤銷	Amortisation	–	(285)	–	(285)
處置	Disposals	–	–	(128)	(128)
年末賬面淨值	Closing net carrying amount	159	6,220	3,528	9,907
於二零一一年 十二月三十一日	At 31 December 2011				
成本	Cost	159	6,512	3,656	10,327
累計攤銷	Accumulated amortisation	–	(292)	(128)	(420)
賬面淨值	Net carrying amount	159	6,220	3,528	9,907

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

19. 無形資產(續)

本集團(續)

附註：

- (a) 於二零一一年，本集團與上海愛的發製藥有限公司及Ethypharm SA(統稱「愛的發」)訂立獨家協議。根據協議，本集團獲授酮洛芬／奧美拉唑緩釋膠囊藥物(「藥品」)的中國獨家市場經銷許可，自藥品推出日期起為期10年。

根據本獨家分銷權協議，本集團須於國家食品藥品監督管理局授出進口藥品註冊證當日向愛的發支付238,000美元(相當於約人民幣1,500,000元)；及1,033,000美元(相當於約人民幣6,500,000元)作為國家食品藥品監督管理局就申請進口藥品註冊證要求進行臨床研究的費用。分銷權的代價已於報告期末披露為承擔(附註30)。截至批准該等綜合財務報表日期，尚在進行註冊程序。

- (b) 技術專業知識主要指就開發及生產口腔崩解片而收購的技術及配方。

過往年度，技術專業知識被本集團管理層視為有無限使用期限，直至其使用年期被釐定為有限才予以攤銷。自二零一一年七月一日起，技術專業知識按直線法就十一年期攤銷。

預期可用年期的變更令本年度的攤銷開支增加約285,000美元及令本年度無形資產的賬面值減少約285,000美元。會計估計的變動於附註4披露。

- (c) 開發成本主要指製藥技術當中內部產生的知識產權。

董事認為該等知識產權為無限可使用年期，因為醫藥業的知識產權可提供現金流量的期間並無可見的限制。這些知識產權可於一段時間以極低成本重續，而產品亦可繼續應市。

倘知識產權出現減值，資產賬面值應立刻撇減或撇銷至開支。無限使用年期的知識產權不會進行攤銷，並於每個財政年度年末進行減值測試，而倘有跡象顯示無限使用年期的知識產權可能減值，將更頻密地進行減值測試。

19. Intangible Assets (Continued) Group (Continued)

Notes:

- (a) In 2011, the Group entered into an exclusive agreement with Shanghai Ethypharm Pharmaceutical Co. Ltd and Ethypharm SA (collectively referred to as "Ethypharm"), under which the Group has been granted the exclusive rights in marketing and distribution of ketoprofen/omeprazole slow-release capsules (the "Drug") in the PRC for a period of 10 years from the launch date of the Drug.

In accordance with the agreement, the Group is required to pay US\$238,000 (equivalent to approximately RMB1,500,000) to Ethypharm on the date of the grant of the Import Drug License ("IDL") from the State Food and Drug Administration ("SFDA") and to pay US\$1,033,000 (equivalent to approximately RMB6,500,000) for the clinical studies that is required from the SFDA to apply the IDL application. The consideration of the distribution rights had been disclosed as commitment at the end of the reporting date (note 30). Up to the date of approval for these consolidated financial statements, the registration process is still in progress.

- (b) Technical know-how mainly represents techniques and formulae acquired for the development and production of oral disintegrating tablets.

In previous years, technical know-how was considered by the management of the Group as having indefinite useful life and had not been amortised until its useful life is determined to be finite. With effect from 1 July 2011, technical know-how has been amortised on a straight-line method over a period of 11 years.

This change in expected useful lives increased the amortisation charge for the year by approximately US\$285,000 and decreased the carrying amount of the intangible assets for the year by approximately US\$285,000. The change in accounting estimates had been disclosed in note 4.

- (c) Development costs mainly represent intellectual property rights ("IPR") generated internally for the pharmaceutical technology.

The directors consider these IPRs have indefinite useful lives as there is no foreseeable limit on the period of time over which the IPR in pharmaceutical industry is expected to provide cash flows. These IPR are renewable in a period of time at minimal cost and the products are sustainable in the market.

Should the IPR becomes impaired, the carrying amounts of the assets should be written down or written off immediately to expense. IPR with indefinite useful lives is not amortised and are tested for impairment annually at each financial year end or more frequently if there are indications that IPR with indefinite useful lives might be impaired.

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19. 無形資產(續)

本集團(續)

於二零一一年，管理層已審閱財務報表無形資產附註的披露事項。為提供與財務報表用家更相關的資料及遵守國際會計準則第38條無形資產的披露規定，管理層考慮重新呈列各類別無形資產的附註，以辨識內部產生無形資產及其他無形資產。因此，重新呈列無形資產附註的比較數字以符合本年度的呈列方式。

20. 商譽

本集團

本集團於二零零五年收購寧波立華及朗生醫藥(深圳)有限公司(「深圳朗生」)。該等交易以採購會計法入賬。

本集團於每個報告期末就商譽每年進行減值測試，倘有跡象顯示商譽可能減值，將更頻密地進行減值測試。

就減值測試而言，商譽被分配至一個現金產生單位，包括主要業務為製造及買賣風濕專科處方西藥產品的附屬公司，其獲分類至經營分部的「風濕專科處方西藥」。

19. Intangible Assets (Continued) Group (Continued)

In 2011, the management had reviewed the disclosure in the intangible assets note to the financial statements. In order to provide information that is more relevant to the users of financial statements and comply with the disclosure requirements for intangible assets under IAS 38, the management considers to re-present the note for each class of intangible assets, distinguishing between internally generated intangible assets and other intangible assets. Therefore the comparative figures in the intangible assets note have been re-presented to conform to current year's presentation.

20. Goodwill Group

	二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
賬面值	6,824	6,824

The Group acquired Ningbo Liwah and Lansen Medicine (Shenzhen) Company Limited ("Shenzhen Lansen") in 2005. These transactions have been accounted for under acquisition method of accounting.

The Group tests goodwill annually for impairment at the end of each reporting period, or more frequently if there are indications that goodwill might be impaired.

For the purposes of impairment testing, goodwill has been allocated to one CGU, including subsidiaries with principal activities of manufacturing and trading of rheumatic specialty prescription western pharmaceutical products which is identical to the "Rheumatic specialty prescription western pharmaceuticals" under operating segment.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

20. 商譽(續)

本集團(續)

上述現金產生單位可收回金額的基準及其主要相關假設概述如下：

該現金產生單位的可收回金額乃以在用價值計算法釐定。該計算法使用建基於獲管理層批准未來五年的財務預測計算的現金流量預測以及10%的折現率(二零一零年：10%)。20%的增長率乃基於藥業增長預測。在用價值計算法的其他主要假設乃關於現金流入或流出的估計，當中包括預算的銷售及毛利率。有關估計是建基於該現金產生單位過往的表現以及管理層對市場發展的預期。管理層相信，任何此等假設於合理範圍內可能出現的變動，將不會導致該現金產生單位的總賬面值超過其可收回總額。

年內，本集團管理層認為，商譽並無減值。

21. 於聯營公司之權益

20. Goodwill (Continued) Group (Continued)

The basis of the recoverable amounts of the above CGU and its major underlying assumptions are summarised below:

The recoverable amount of this CGU has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and discount rate of 10% (2010: 10%). The growth rate of 20% is based on pharmaceutical industry growth forecast. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin. Such estimation is based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount.

During the year, management of the Group determines that there are no impairments in goodwill.

21. Interest in an Associate

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
應佔資產淨值	Share of net assets	9,179	6,815
商譽	Goodwill	18,505	17,565
		27,684	24,380

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21. 於聯營公司之權益(續)

於二零一一年及二零一零年十二月三十一日，本集團擁有以下聯營公司的權益：

21. Interest in an Associate (Continued)

As at 31 December 2011 and 2010, the Group had interests in the following associate:

公司名稱	註冊成立地點	本集團所持註冊資本面值的比例	主要業務
Name of entity	Place of incorporation	Proportion of nominal value of registered capital held by the Group	Principal activity
浙江司太立製藥股份有限公司(「司太立」) Zhejiang Starry Pharmaceutical Company Limited (“Starry”)	中國 The PRC	20%	生產原料藥和中間體 Production of bulk pharmaceuticals and intermediates

於聯營公司之權益成本包括於二零一零年收購司太立所產生的商譽18,505,000美元(二零一零年：17,565,000美元)。

Included in the cost of interest in an associate is goodwill of US\$18,505,000 (2010: US\$17,565,000) arisen on acquisition of Starry in 2010.

有關本集團聯營公司的財務資料概述如下：

Summarised financial information in respect of the Group's associate is set out below:

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
總資產	Total assets	115,042	75,688
總負債	Total liabilities	(67,091)	(41,612)
資產淨值	Net assets	47,951	34,076
本集團應佔資產淨值	Group's share of net assets	9,179	6,815
收入	Revenue	78,542	6,013
年內溢利	Profit for the year	10,662	1,214
本集團應佔聯營公司 除稅後溢利	Group's share of post-tax profit from an associate	1,941	221

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

22. 存貨 本集團

22. Inventories Group

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
原料	Raw materials	3,840	2,198
在製品	Work-in-progress	1,996	792
製成品	Finished goods	3,740	3,089
		9,576	6,079

全部存貨均按成本列值。

All inventories are stated at cost.

23. 貿易及其他應收款項 本集團

23. Trade and Other Receivables Group

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
貿易應收款項	Trade receivables	28,665	19,551
減：貿易應收款項減值撥備	Less: provision for impairment of trade receivables	(1,993)	(1,811)
		26,672	17,740
應收票據	Bills receivables	10,438	7,130
貿易應收款項及應收票據	Trade and bills receivables	37,110	24,870
預付款項及其他應收款項	Prepayments and other receivables	5,106	4,413
		42,216	29,283

董事相信，貿易及其他應收款項的賬面值與其公平值相若。

The directors consider that the carrying amounts of trade and other receivables approximate their fair values.

本集團的政策是給予平均90日(二零一零年：90日)的信貸期予其客戶。

The Group has a policy of offering an average credit period of 90 days to its customers (2010: 90 days).

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23. 貿易及其他應收款項(續)

本集團(續)

根據發票日期，於報告期末，本集團的貿易應收款項及應收票據的賬齡分析如下：

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
90日或以下	90 days or below	36,144	21,517
91至180日	91-180 days	958	3,164
181至365日	181-365 days	8	189
		37,110	24,870

本集團之貿易應收款項結餘包括總面值966,000美元(二零一零年：3,353,000美元)的應收款項於有關報告日期已逾期但尚未減值虧損計提撥備。這些款項涉及多名獨立客戶，他們並無近期拖欠記錄。根據過往經驗，本公司董事認為，毋須就該等結餘作出撥備，因為信用質量並無重大變動，而結餘依然被視可全數收回。本集團並無就該等結餘持有任何抵押品。

本集團已逾期但並未減值的貿易應收款項賬齡分析如下：

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
逾期1至90日	Past due over 1-90 days	958	3,164
逾期91至275日	Past due over 91-275 days	8	189
		966	3,353

23. Trade and Other Receivables (Continued) Group (Continued)

Based on the invoice date, ageing analysis of trade and bills receivables of the Group as at the end of the reporting date is as follows:

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
90 days or below	90 days or below	36,144	21,517
91-180 days	91-180 days	958	3,164
181-365 days	181-365 days	8	189
		37,110	24,870

Included in the Group's trade receivables balance are debtors with aggregate carrying amount of US\$966,000 (2010: US\$3,353,000) which are past due as at the reporting date for which the Group has not provided for impairment loss. These relate to a number of independent customers of whom there is no recent history of default. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

The Group's ageing analysis of past due but not impaired trade receivables is as follows:

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
Past due over 1-90 days	Past due over 1-90 days	958	3,164
Past due over 91-275 days	Past due over 91-275 days	8	189
		966	3,353

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23. 貿易及其他應收款項(續)

本集團(續)

本集團貿易應收款項的減值撥備的變動情況如下：

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
年初	At beginning of the year	1,811	1,672
匯兌調整	Exchange adjustment	97	51
貿易應收款項的減值撥備	Provision for impairment of trade receivables	85	153
視作不可收回而撇銷的金額	Amounts written off as uncollectible	-	(65)
年末	At end of the year	1,993	1,811

上述貿易應收款項的減值撥備屬個別減值的貿易應收款項的撥備。個別減值的應收款項主要涉及有財政困難的客戶，僅有部分應收款項預期可收回。本集團並無就該等結餘持有任何抵押品。

於二零一一年十二月三十一日，未逾期或未減值的貿易應收款項為25,706,000美元(二零一零年：14,387,000美元)，該等應收款項與眾多並無近期欠款記錄的客戶有關。

於二零一一年十二月三十一日，本集團向一家銀行貼現其若干應收票據約961,000美元(二零一零年：無)，以於一般業務期間換取具追索權的現金。本集團繼續確認已貼現應收票據的全數賬面值為金融資產，並已確認貼現票據所得現金為金融負債，即已計入借貸的銀行貼現票據墊款(附註27)。

截至二零一一年十二月三十一日，其他應收款項的減值撥備為994,000美元(二零一零年：936,000美元)，皆因該等應收款項已逾期若干時間及預期不可全數收回。本集團並無就該等結餘持有任何抵押品。

23. Trade and Other Receivables (Continued) Group (Continued)

Movement on the Group's provision for impairment of trade receivables is as follows:

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
年初	At beginning of the year	1,811	1,672
匯兌調整	Exchange adjustment	97	51
貿易應收款項的減值撥備	Provision for impairment of trade receivables	85	153
視作不可收回而撇銷的金額	Amounts written off as uncollectible	-	(65)
年末	At end of the year	1,993	1,811

The above provision for impairment of trade receivables is made for individually impaired trade receivables. The individually impaired receivables mainly relate to customers that were in financial difficulties and only a portion of the receivables is expected to be recovered. The Group does not hold any collateral over these balances.

As at 31 December 2011, trade receivables of US\$25,706,000 (2010: US\$14,387,000) were neither past due nor impaired. These related to a large number of diversified customers for whom there was no recent history of default.

As at 31 December 2011, the Group discounted certain bills receivables of approximately US\$961,000 (2010: nil) to a bank in exchange for cash with recourse in the ordinary course of business. The Group continues to recognise the full carrying amount of the discounted bills receivables as financial assets and has recognised the cash received from discounting the bills as financial liabilities, namely bank advances for discounted bills which is included in borrowings (note 27).

As at 31 December 2011, a provision for impairment of other receivables of US\$994,000 (2010: US\$936,000) was recognised as the outstandings had been aged a long period of time and these receivables are not expected to be fully recovered. The Group does not hold any collateral over these balances.

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截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

23. 貿易及其他應收款項(續)

本集團(續)

本集團其他應收款項減值撥備的變動如下：

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
年初	At beginning of the year	936	1,335
匯兌調整	Exchange adjustment	49	41
其他應收款項減值撥備/ (撥回)	Provision for/(Reversal of) impairment of other receivables	9	(440)
年末	At end of the year	994	936

除減值的金額之外，上述資產並未逾期或減值。上述結餘內包括的金融資產與無近期欠款記錄的應收款項有關。

23. Trade and Other Receivables (Continued) Group (Continued)

Movement on the Group's provision for impairment of other receivables is as follows:

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
年初	At beginning of the year	936	1,335
匯兌調整	Exchange adjustment	49	41
其他應收款項減值撥備/ (撥回)	Provision for/(Reversal of) impairment of other receivables	9	(440)
年末	At end of the year	994	936

Except for the amount impaired, none of the above assets is either past due or impaired. The financial assets included in the above balances related to receivables for which there was no recent history of default.

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		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
預付款項	Prepayments	29	29

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24. 現金及現金等價物

現金及現金等價物包括以下項目：

24. Cash and Cash Equivalents

Cash and cash equivalents include the following components:

		本集團 Group		本公司 Company	
		二零一一年 2011	二零一零年 2010	二零一一年 2011	二零一零年 2010
		千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000
現金及銀行結餘	Cash and bank balances	22,878	14,919	17	16
減：已抵押銀行存款	Less: pledged bank deposits	(7,286)	(92)	-	-
現金及現金等價物	Cash and cash equivalents	15,592	14,827	17	16

現金及銀行結餘包括銀行、手頭現金以及原到期日在三個月或以下的短期銀行存款。存入銀行之現金根據每日銀行存款利率按浮動利率計息。短期定期存款存入銀行以按市場利率賺取利息。

於二零一一年十二月三十一日及二零一零年十二月三十一日的抵押銀行存款指本集團為取得若干銀行融資(附註27)及應付票據(附註29)而抵押的銀行存款。

於二零一一年十二月三十一日，本集團的現金及銀行結餘包括22,199,000美元(二零一零年：14,345,000美元)的銀行結餘，有關款項以人民幣計值及存於中國的銀行。人民幣並非自由兌換的貨幣。

Cash and bank balances comprise cash at banks and in hand, and short-term bank deposits with an original maturity of three months or less. Cash at banks earn interest at floating rates based on daily bank deposits rates. Short-term time deposits are placed with banks and earn interest at market interest rates.

Pledged bank deposits represent the Group's bank deposits pledged to secure certain banking facilities (note 27) and bills payables (note 29) as at 31 December 2011 and 31 December 2010.

As at 31 December 2011, included in cash and bank balances of the Group was US\$22,199,000 (2010: US\$14,345,000) of bank balances denominated in Renminbi ("RMB") placed with banks in the PRC. RMB is not a freely convertible currency.

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25. 股本

25. Share Capital

		股份數目 Number of shares	金額 Amount 千美元 US\$'000
每股面值0.01美元之普通股	Ordinary shares of US\$0.01 each		
法定：	Authorised:		
於二零一零年一月一日、	At 1 January 2010, 31 December 2010		
二零一零年十二月三十一日	and 31 December 2011		
及二零一一年			
十二月三十一日		20,000,000,000	200,000
已發行及繳足：	Issued and fully paid:		
於二零一零年一月一日	At 1 January 2010	1	-
— 根據本集團重組而發行股份	— Issue of shares pursuant to Group Reorganisation	299,999,999	3,000
— 配售及公開發售	— Placing and public offering	100,000,000	1,000
— 行使超額配股權	— Exercise of over-allotment option	15,000,000	150
於二零一零年十二月三十一日及	At 31 December 2010 and		
二零一一年十二月三十一日	31 December 2011	415,000,000	4,150

於二零一零年四月二十一日，299,999,999股每股面值0.01美元的股份已發行，作為根據本集團重組收購在英屬處女群島註冊成立的朗生醫藥控股有限公司全部已發行股本的代價。

On 21 April 2010, 299,999,999 shares of US\$0.01 each were issued in consideration for the acquisition of the entire issued share capital of Lansen Pharmaceutical Holdings Limited, a company incorporated in the British Virgin Islands, pursuant to the Group Reorganisation.

於二零一零年五月七日，100,000,000股每股面值0.01美元的本公司普通股已根據配售及公開發售發行，每股作價3.91港元。同日，本公司股份於聯交所上市。

On 7 May 2010, 100,000,000 ordinary shares of US\$0.01 each of the Company were issued at HK\$3.91 by way of placing and public offering. On the same date, the Company's shares were listed on the Stock Exchange.

於二零一零年五月二十八日，超額配股權獲行使，並按每股3.91港元進一步發行15,000,000股每股面值0.01美元的股份。

On 28 May 2010, an over-allotment option was exercised and a further 15,000,000 shares of US\$0.01 each were issued at HK\$3.91 per share.

所有已發行股份在所有方面與當時現有的股份具有相同地位。

All the shares issued rank pari passu with the then existing shares in all respect.

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26. 儲備

股份溢價代表超過已配發股份面值的差額。

法定儲備代表遵照中國有關法例的規定，將中國附屬公司的溢利分配至不可分派儲備金賬。

外匯儲備代表換算外國附屬公司的財務報表的匯兌差異。

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26. Reserves

Share premium represents the excess over the nominal value for shares allotted.

Statutory reserve represents appropriation of profits of the PRC subsidiaries to non-distributable reserve fund account as required by the relevant PRC statute.

Foreign exchange reserve represents exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Company

		股份溢價 Share premium 千美元 US\$'000	累計虧損 Accumulated losses 千美元 US\$'000	總計 Total 千美元 US\$'000
於二零一零年一月一日	At 1 January 2010	–	–	–
根據本集團重組而發行 股份	Issue of shares pursuant to Group Reorganisation	22,020	–	22,020
發行股份(附註25)	Issue of shares (note 25)	56,571	–	56,571
股份發行開支	Share issue expenses	(4,726)	–	(4,726)
二零一零年特別股息 (附註14)	2010 special dividend (note 14)	(5,390)	–	(5,390)
與擁有人進行交易	Transaction with owners	68,475	–	68,475
年內虧損及全面開支 總額	Loss and total comprehensive expenses for the year	–	(797)	(797)
於二零一零年 十二月三十一日	At 31 December 2010	68,475	(797)	67,678
股息(附註14)	Dividend (note 14)	(10,145)	–	(10,145)
與擁有人進行交易	Transaction with owners	(10,145)	–	(10,145)
年內虧損及全面開支 總額	Loss and total comprehensive expenses for the year	–	(425)	(425)
於二零一一年 十二月三十一日	At 31 December 2011	58,330	(1,222)	57,108

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

27. 借貸 本集團

27. Borrowings Group

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
定息銀行貸款	Fixed-rate bank loans	7,150	453
浮息銀行貸款	Variable-rate bank loans	20,272	10,240
銀行貼現票據墊款	Bank advance for discounted bills	961	–
		28,383	10,693
有抵押	Secured	20,622	10,240
無抵押	Unsecured	7,761	453
		28,383	10,693
		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
銀行貸款：	Bank loans:		
1年內	Within one year	18,265	3,303
第2年	In the second year	8,037	2,690
第3至第5年	In the third to fifth year	1,120	4,700
須於5年內全部償還	Wholly repayable within 5 years	27,422	10,693
於1年內到期的銀行貼現票據 墊款	Bank advance for discounted bills due within one year	961	–
減：須於1年內結清的款項	Less: amount due for settlement within one year	(19,226)	(3,303)
須於1年後結清的款項	Amount due for settlement after one year	9,157	7,390

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

27. 借貸(續) 本集團(續)

27. Borrowings (Continued) Group (Continued)

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
代表：	Represented by:		
人民幣借貸	Borrowings in RMB	13,171	1,963
美元借貸	Borrowings in US\$	7,390	8,730
港元借貸	Borrowings in HK\$	7,822	-
		28,383	10,693

已質押作抵押品作為借貸擔保的資產的詳情於附註17、18及24披露。

Details of assets pledged as collateral to secure the borrowings were disclosed in notes 17, 18 and 24.

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
實際年利率：	Effective interest rate per annum:		
銀行貸款	Bank loans	4.62%	2.97%

為數6,323,000美元(二零一零年：453,000美元)的無抵押借貸以本集團一間附屬公司作擔保。

The unsecured bank borrowings of US\$6,323,000 (2010: US\$453,000) were guaranteed by a subsidiary of the Group.

為數961,000美元的銀行貼現票據墊款相當於二零一一年十二月三十一日附追索權貼現票據，以及為無抵押。該等借貸於1年內到期且以人民幣償還。

Bank advance for discounted bills of US\$961,000 represented the discounted bills with recourse as at 31 December 2011 and were unsecured. These borrowings matured within one year and were repayable in RMB.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

28. 遞延稅項負債 本集團

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
年初	At beginning of the year	394	394
預扣所得稅	Withholding income tax		
一年內支付	– Paid during the year	(213)	–
年末	At end of the year	181	394

根據中國企業所得稅法，就二零零八年一月一日起，就中國附屬公司所賺取的溢利而宣派的股息，須繳納預扣稅。綜合財務報表內並未就中國附屬公司賺取的21,601,000美元(二零一零年：10,758,000美元)累計溢利所產生的暫時差異作出遞延稅項撥備。由於本集團可控制暫時差異的撥回時間，該等暫時差額於可預見將來可能不會撥回。

本公司

於二零一一年十二月三十一日及二零一零年十二月三十一日，本公司並無任何重大暫時差異。

28. Deferred Tax Liabilities Group

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to US\$21,601,000 (2010: US\$10,758,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Company

As at 31 December 2011 and 31 December 2010, the Company did not have any material temporary differences.

29. 貿易及其他應付款項 本集團

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
貿易應付款項	Trade payables	8,568	4,346
應付票據	Bills payables	632	185
貿易應付款項及應付票據	Trade and bills payables	9,200	4,531
其他應付款項及應計款項	Other payables and accruals	6,038	3,581
		15,238	8,112

29. Trade and Other Payables Group

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

29. 貿易及其他應付款項(續)

本集團(續)

根據發票日期，於報告期末，本集團的貿易應付款項及應付票據的賬齡分析如下：

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
90日或以下	90 days or below	5,689	3,645
91日至180日	91-180 days	1,231	451
181日至365日	181-365 days	1,755	111
超過365日	Over 365 days	525	324
		9,200	4,531

於二零一一年十二月三十一日及二零一零年十二月三十一日，應付票據分別為632,000美元及185,000美元以已抵押銀行存款為抵押(附註24)。

董事認為貿易及其他應付款項的賬面值與其公平值相若。

本公司

應計款項	Accruals	166	122
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29. Trade and Other Payables (Continued) Group (Continued)

Based on invoice date, ageing analysis of trade and bills payables of the Group as at the end of the reporting date is as follows:

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
90 days or below	90 days or below	5,689	3,645
91-180 days	91-180 days	1,231	451
181-365 days	181-365 days	1,755	111
Over 365 days	Over 365 days	525	324
		9,200	4,531

As at 31 December 2011 and 31 December 2010, bills payables of US\$632,000 and US\$185,000 respectively were secured by the pledged bank deposits (note 24).

The directors consider that the carrying amounts of trade and other payables approximate their fair values.

Company

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
應計款項	Accruals	166	122

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

30. 財務承擔 經營租約承擔 本集團

30. Financial Commitments Operating lease commitment Group

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
根據不可撤銷經營租約的未來 最低應付租金如下：	Future minimum rental payable under non-cancellable operating lease are as follows:		
1年內	Within one year	229	97
第2至5年	In the second to fifth years	198	269
		427	366

本集團以經營租約租用若干物業。租約初步為期三年(二零一零年：三年)，可於屆滿日期或本集團和有關業主雙方協定的日期選擇重續租期。該等租約概不包括任何或然租金。

The Group leases certain properties under operating leases. The leases run for an initial period of three years (2010: three years), with options to renew the lease terms at the expiry dates or at days as mutually agreed between the Group and the respective landlords. None of these leases includes any contingent rentals.

本公司

Company

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
根據不可撤銷經營租約的未來 最低應付租金如下：	Future minimum rental payable under non-cancellable operating lease are as follows:		
1年內	Within one year	5	6
第2至5年	In the second to fifth years	2	8
		7	14

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

30. 財務承擔(續)

資本承擔
本集團

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
已批准及訂約的資本承擔	Capital commitments authorised and contracted for:		
無形資產	Intangible assets	2,363	359
建築及設備	Construction and equipment	2,788	1,190
		5,151	1,549

於二零一一年十二月三十一日及二零一零年十二月三十一日，本公司概無資本承擔。

30. Financial Commitments (Continued)

Capital commitment
Group

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
已批准及訂約的資本承擔	Capital commitments authorised and contracted for:		
無形資產	Intangible assets	2,363	359
建築及設備	Construction and equipment	2,788	1,190
		5,151	1,549

The Company had no capital commitments as at 31 December 2011 and 31 December 2010.

31. 風險管理

本集團面對來自其經營及投資活動的多種財務風險。本集團的風險管理於其總部協調，與董事緊密合作，主力積極地確保本集團的短期至中期現金流量。

信貸風險

本集團的信貸風險主要來自貿易應收款項。綜合財務狀況表呈列的金額已扣除貿易應收款項減值撥備，此乃經由本集團管理層根據過往經驗及對當前經濟環境的評估而得出。

為減低信貸風險，本集團管理層已訂立信貸政策，指派團隊負責釐定信貸限額、信貸審批及其他監控過程，以確保會採取跟進行動收回逾期債項。

於二零一一年十二月三十一日，貿易應收款項總額中，有27%(二零一零年：23%)來自本集團最大客戶。

流動資金信貸風險有限，皆因對手方是知名銀行。

31. Risk Management

The Group is exposed to a variety of financial risks which result from its operating and investing activities. The Group's risk management is coordinated at its headquarters in close cooperation with the directors and focuses on actively securing the Group's short to medium term cash flows.

Credit risk

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the consolidated statement of financial position are net of provision for impairment of trade receivables, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

In order to minimise the credit risk, the management of the Group has formulated a credit policy and delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

As at 31 December 2011, 27% (2010, 23%) of the total trade receivables was due from the Group's largest customer.

The credit risk on liquid funds is limited because the counterparties are reputable banks.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

31. 風險管理(續)

流動資金風險

本公司董事已建立適當的流動資金風險管理框架，來管理本集團的短、中、長期資金及流動資金管理需求。

本集團通過維持充足儲備、銀行融通和儲備借貸融資，持續監察預測及實際現金流量，和配對金融資產及金融負債的到期情況，來管理流動性風險。

下表詳述本集團非衍生金融負債的餘下合同到期日的詳情。下表乃根據本集團於可被要求償還的最早日期的金融負債未折現現金流量編製。具體而言，不論銀行選擇行使權利的可能性，附帶按要求償還條文的銀行貸款均計入最早時間範圍。其他非衍生金融負債的到期日分析乃按已協定還款日期編製。

下表包含利息及本金現金流量。在利息流為按浮動利率計算的情況下，未折現金額乃按於報告期末的利率曲線計算。

本集團

		二零一一年 2011			
		1年內	1至2年	2至5年	總計
		Within	Between	Between	Total
		one year	one and	two and	Total
		千美元	two years	five years	千美元
		US\$'000	千美元	千美元	US\$'000
		US\$'000	US\$'000	US\$'000	US\$'000
借貸	Borrowings	20,162	8,336	1,172	29,670
貿易應付款項及應付票據	Trade and bills payables	9,200	—	—	9,200
其他應付款項及應計款項	Other payables and accruals	6,038	—	—	6,038
		35,400	8,336	1,172	44,908

31. Risk Management (Continued)

Liquidity risk

The directors of the Company have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans 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 interest rate curve at the end of the reporting period.

Group

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

31. 風險管理(續) 流動資金風險(續) 本集團(續)

31. RISK MANAGEMENT (Continued) Liquidity risk (Continued) Group (Continued)

		二零一零年 2010			總計
		1年內 Within one year 千美元 US\$'000	1至2年 Between one and two years 千美元 US\$'000	2至5年 Between two and five years 千美元 US\$'000	Total 千美元 US\$'000
借貸	Borrowings	3,536	2,827	4,753	11,116
貿易應付款項及應付票據	Trade and bills payables	4,531	–	–	4,531
其他應付款項及應計款項	Other payables and accruals	3,545	–	–	3,545
		11,612	2,827	4,753	19,192

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Company

		二零一一年 2011	
		1年內 Within one year 千美元 US\$'000	總計 Total 千美元 US\$'000
應計款項	Accruals	166	166

		二零一零年 2010	
		1年內 Within one year 千美元 US\$'000	總計 Total 千美元 US\$'000
應計款項	Accruals	122	122

若浮息的變動有別於報告期末所釐定的利率估計，上文就非衍生金融負債的浮息工具所包括的金額或會有變。

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

31. 風險管理(續)

外幣風險

本集團交易貨幣所承受的外幣風險輕微，因為本集團附屬公司持有的大部分金融資產及負債均以該等附屬公司的有關功能貨幣計值。

本集團目前並無外幣對沖政策。然而，管理層監察外匯風險，並將於有需要時考慮對沖外幣風險。

利率風險

本集團面對的市場利率變動風險主要關於以浮動利率計息的本集團債項責任。本集團的銀行借貸利率和還款條款已於附註27披露。本集團目前並無任何利率對沖政策。

下文所載的敏感度分析，乃根據報告期末非衍生工具的利率風險釐定。就浮動利率負債而言，有關分析乃假設於報告期末尚未償還的負債金額於整個年度均未償還而編製。在內部向主要管理人員報告利率風險時使用50基點上升/下降的幅度，這亦為管理層對利率的合理可能變動的評估。

倘利率下降/上升50基點，而所有其他變數維持不變，本集團：

- 截至二零一一年十二月三十一日止年度的溢利及於二零一一年十二月三十一日的保留溢利分別增加/減少98,000美元(二零一零年：增加/減少50,000美元)，主要由於本集團的浮息銀行借貸面對的利率風險所致；及
- 本集團於二零一一年十二月三十一日的權益分別增加/減少98,000美元(二零一零年：增加/減少50,000美元)。

本年度，本集團對利率之敏感度增加主要由於浮息銀行借貸增加所致。

31. Risk Management (Continued)

Foreign currency risk

The Group has minimal transactional currency exposure to foreign currency risk as most of the financial assets and liabilities held by the Group's subsidiaries are denominated in the respective functional currency of such subsidiaries.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The interest rate and terms of repayment of bank borrowings of the Group are disclosed in note 27. The Group currently does not have an interest rate hedging policy.

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points lower/higher and all other variables were held constant, the Group's:

- Profit for the year ended 31 December 2011 and retained profits as at 31 December 2011 would increase/decrease by US\$98,000 (2010: increase/decrease by US\$50,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate bank borrowings; and
- The Group's equity as at 31 December 2011 would increase/decrease by US\$98,000 (2010: increase/decrease by US\$50,000).

The Group's sensitivity to interest rates has increased during the current year mainly due to the increase in variable rate bank borrowings.

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

31. 風險管理(續)

按類別劃分的金融資產及負債概要

財務狀況表所呈列的賬面值與下列金融資產及金融負債類別有關。

本集團

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
金融資產	Financial assets		
貸款及應收款項：	Loans and receivables:		
貿易及其他應收款項	Trade and other receivables	40,153	27,526
已抵押銀行存款	Pledged bank deposits	7,286	92
現金及現金等價物	Cash and cash equivalents	15,592	14,827
		63,031	42,445
金融負債	Financial liabilities		
按攤銷成本列賬的金融負債：	Financial liabilities at amortised cost:		
借貸	Borrowings	28,383	10,693
貿易及其他應付款項	Trade and other payables	15,238	8,076
		43,621	18,769

本公司

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
金融資產	Financial assets		
貸款及應收款項：	Loans and receivables:		
應收附屬公司款項	Amount due from a subsidiary	36,358	46,885
現金及現金等價物	Cash and cash equivalents	17	16
		36,375	46,901
金融負債	Financial liabilities		
按攤銷成本列賬的金融負債：	Financial liabilities at amortised cost:		
應計款項	Accruals	166	122
		166	122

財務報表附註 Notes to the Financial Statements

截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

31. 風險管理(續)

資本管理

本集團管理其資本，以確保本集團的實體可持續經營，同時藉著優化債務與股本的比重，為股權持有人提供最大回報。本集團的整體策略由往年至今維持不變。

本集團的資本架構包括債務(包含附註27披露的借貸)、現金及銀行結餘及本公司擁有人應佔權益(包含已發行資本、儲備及保留溢利)。

本集團按本身的整體財務架構釐定資本金額。本集團因應經濟狀況變動及相關資產之風險特點，管理資本架構並作出調整。為維持或調整資本架構，本集團可能調整派付予股東的股息金額、退回資本予股東、發行新股份或出售資產減債。

於報告期末的淨資產負債比率如下：

31. Risk Management (Continued)

Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 27, cash and bank balances and equity attributable to owners of the Company, comprising issued capital, reserves and retained profits.

The Group sets the amount of capital in proportion to its overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Net gearing ratio at the end of the reporting date was as follows:

		二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
借貸(附註27)	Borrowings (note 27)	28,383	10,693
現金及銀行結餘(附註24)	Cash and bank balances (note 24)	(22,878)	(14,919)
債務淨額	Net debt	5,505	(4,226)
權益	Equity	99,340	92,265
債務權益淨額比率	Net debt to equity ratio	5.5%	不適用/N/A

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截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

32. 關連方交易

除附註11所披露與關聯方的交易及結餘外，於年內與關聯方進行下列交易：

32. Related Party Transactions

Apart from those transactions and balances with related parties disclosed in note 11, the following transactions were carried out with related parties during the year:

			二零一一年 2011 千美元 US\$'000	二零一零年 2010 千美元 US\$'000
		附註 Note		
非經常性：	Non-recurring:			
已付同系附屬公司租金費用	Rental fees paid to fellow subsidiaries	(i)	11	8
已付同系附屬公司顧問費用	Consultancy fee paid to a fellow subsidiary	(ii)	51	—

(i) 就本集團日常營運所需的辦公室物業、酒店及會議室租金而向同系附屬公司支付的費用。該等交易構成上市規則第14A章界定的持續關連交易但獲根據上市規則第14A.33(3)條全面豁免。

(ii) 就向本集團提供的顧問服務而向同系附屬公司支付的費用。該交易構成上市規則第14A章界定的關連交易但獲根據上市規則第14A.33(3)條全面豁免。

(i) Fees paid to fellow subsidiaries for rental of office premises, hotel and meeting room for daily operation of the Group. These transactions constituted continuing connected transactions as defined under Chapter 14A of the Listing Rules but were fully exempted under Rule 14A.33(3) of the Listing Rules.

(ii) Fees paid to a fellow subsidiary for consultancy services provided to the Group. This transaction constituted connected transactions as defined under Chapter 14A of the Listing Rules but was fully exempted under Rule 14A.33(3) of the Listing Rules.

本公司董事認為，以上關連人士交易乃按一般商業條款在日常及正常業務過程中進行。

The directors of the Company are of the opinion that the above related party transactions were conducted on normal commercial terms and in the ordinary and usual course of business.

主要管理人員的薪酬代表已支付予本公司董事的金額，詳情見附註11。

Remuneration for key management personnel represents amounts paid to the Company's directors as disclosed in note 11.

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截至二零一一年十二月三十一日止年度 For the year ended 31 December 2011

33. 本公司主要附屬公司之詳情

本公司主要附屬公司於二零一一年十二月三十一日及二零一零年十二月三十一日的詳情如下：

33. Particulars of Principal Subsidiaries of the Company

Details of the Company's principal subsidiaries at 31 December 2011 and 31 December 2010 are as follows:

名稱 Name	註冊成立/ 成立國家/地點 Country/Place of incorporation/ establishment	已發行及繳足股本/ 註冊資本詳情 Particulars of issued and fully paid share capital/ registered capital	本公司持有的實際權益 Effective interest held by the Company		主要業務 Principal activities
			二零一一年 2011	二零一零年 2010	
直接持有權益 Interests held directly					
朗生醫藥控股有限公司 Lansen Pharmaceutical Holdings Limited	英屬處女群島 The British Virgin Islands	29,491,360股每股面值 1美元之普通股份 29,491,360 ordinary shares of US\$1 each	100%	100%	投資控股 Investment holding
間接持有權益 Interests held indirectly					
萊丰國際有限公司 Point Kin International Limited	香港 Hong Kong	1股面值1港元之普通股份 1 ordinary share of HK\$1	100%	100%	投資控股 Investment holding
朗生投資(香港)有限公司 Lansen Investments (Hong Kong) Limited	香港 Hong Kong	100股每股面值1港元之 普通股份 100 ordinary shares of HK\$1 each	100%	100%	投資控股 Investment holding
深圳朗生 Shenzhen Lansen	中國 The PRC	人民幣29,498,000元 RMB29,498,000	100%	100%	醫藥業務 Pharmaceutical business
寧波立華 Ningbo Liwah	中國 The PRC	人民幣236,000,000元 RMB236,000,000	100%	100%	醫藥業務 Pharmaceutical business
寧波立華植物提取技術有限 公司 Ningbo Liwah Plant Extraction Technology Limited	中國 The PRC	人民幣28,000,000元 RMB28,000,000	100%	100%	醫藥業務 Pharmaceutical business

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33. 本公司主要附屬公司之詳情(續)

33. Particulars of Principal Subsidiaries of the Company (Continued)

名稱 Name	註冊成立/ 成立國家/地點 Country/Place of incorporation/ establishment	已發行及繳足股本/ 註冊資本詳情 Particulars of issued and fully paid share capital/ registered capital	本公司持有的實際權益		主要業務 Principal activities
			二零一一年 2011	二零一零年 2010	
寧波朗生醫藥有限公司 Ningbo Lansen Pharmaceutical Company Limited	中國 The PRC	人民幣35,000,000元 RMB35,000,000	100%	100%	醫藥業務 Pharmaceutical business
亳州朗生藥材產業有限公司 Bozhou Lansen Herbal Industry Limited	中國 The PRC	人民幣3,500,000元 RMB3,500,000	100%	—	醫藥業務 Pharmaceutical business

上表只載列董事認為對本集團業績或資產有重要影響的附屬公司。董事認為，提供其他附屬公司的詳情會導致篇幅過於冗長。

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

財務摘要

Financial Summary

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For the year ended 31 December

二零零七年	二零零八年	二零零九年	二零一零年	二零一一年
2007	2008	2009	2010	2011
千美元	千美元	千美元	千美元	千美元
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000

業績	RESULTS					
收入	Revenue	24,150	37,119	47,932	58,607	74,475
毛利	Gross profit	16,455	26,025	32,439	38,433	44,387
除所得稅前溢利	Profit before income tax	836	5,952	8,903	12,785	15,148
所得稅開支	Income tax expense	(404)	(879)	(1,523)	(2,572)	(2,695)
年內溢利	Profit for the year	432	5,073	7,380	10,213	12,453

於十二月三十一日

As at 31 December

二零零七年	二零零八年	二零零九年	二零一零年	二零一一年
2007	2008	2009	2010	2011
千美元	千美元	千美元	千美元	千美元
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000

資產及負債	ASSETS AND LIABILITIES					
總資產	Total assets	46,942	60,377	63,188	112,611	144,445
總負債	Total liabilities	(25,903)	(37,635)	(33,232)	(20,346)	(45,105)
資產淨值	Net assets	21,039	22,742	29,956	92,265	99,340

截至二零零九年十二月三十一日止三個年度各年的業績和資產及負債概要，乃摘錄自本公司於二零一零年四月二十七日刊發的招股章程。

The results and summary of assets and liabilities for each of the three years ended 31 December 2009 were extracted from the Company's prospectus dated 27 April 2010.



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